



Dear Senator Tipping, Representative Roeder, and Members of the Joint Labor and Housing Committee,

My name is Mary Alice Scott, and I am the Public Affairs Manager at the Maine Association of Nonprofits. MANP is a growing membership organization made up of more than 1,100 nonprofit members from all 16 counties. Since 1994, MANP has grown to become Maine's comprehensive resource for the tools, knowledge, and connections nonprofits need to be effective and well-run.

I am testifying in support of LD 54: An Act to Require Employers to Disclose Pay Ranges and Maintain Records of Employees' Pay Histories.

As the state's go-to nonprofit resource, MANP hosts the only job board in Maine exclusively dedicated to employment opportunities in the nonprofit sector. As such, we recognize our unique position to influence more inclusive and equitable hiring practices among organizations that account for the employment of one out of six workers in Maine.

Since 2020, MANP has required a salary or wage in all job postings. A few reasons we decided to do so:

- **Avoid wasted time and effort:** Candidates do not go through the entire job application process only to decline an offer based on the pay, which is disappointing for everyone involved.
- **Break cycles of inequity:** Research has shown that people who come from advantaged backgrounds are more experienced at negotiating higher wages during the interview process, perpetuating pay disparities. Additionally, some employers base compensation on a candidate's previous salary/wage, which can lock candidates into a cycle of lower pay.
- **Demonstrate a culture of transparency:** As we know, the job market is currently very highly competitive for talent recruiters. We also know that job seekers are vetting organizations before applying and are discerning which employers have positive work cultures. Listing a wage/salary signals a culture of transparency. We know anecdotally that some job seekers will rule out any opportunity where the posting does not include compensation information.

The transition to this requirement in our organization was not without a few hiccups as it took time for some employers to adjust to having wage and salary ranges ready in advance, but in less than a year, more than 90% of organizations posting on our Job Board met the requirement without any issues. It has provided us the opportunity to

educate our members on the value of wage transparency and has in the end had no impact on the total usage of this valued service, which has only grown significantly in recent years.

Our state relies on nonprofits to support and enrich the quality of life of Maine people and communities. As such, we need a nonprofit workforce where individuals seek out rewarding and sustainable careers in scientific research, health care, cultural preservation, support for children and families and much more. Being transparent about wage rates is one step toward attracting the best people for these essential jobs and promoting equitable access to networks and resources.

Understandably, some nonprofits may hesitate to disclose compensation publicly in such a competitive job market since they often struggle to offer competitive wages. This is due, in part, to significant pressures preventing them from passing along increased operational costs directly to the consumer.

To be competitive, nonprofits need government reimbursement rates, foundation grants, and private donations to keep up with the *true costs* of delivering the essential services and programs on which we all rely every single day.

The Maine Association of Nonprofits urges state government agencies and legislators, the philanthropic community, and the general public to recognize that, just like businesses, nonprofits desperately need to attract and retain highly qualified professionals who bring their talents and innovation to organizations that are so important to our future prosperity. Doing so will help the sector and its employees thrive, and will help make issues like salary transparency easier for organizations.

Thank you for your time and consideration.