



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

My name is Mary Alice Scott (she/her), and I am the Public Affairs Manager at the Maine Association of Nonprofits. MANP is a growing membership organization made up of nearly 1,000 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 936: An Act to Require Disclosure of Pay Ranges and Record Keeping of Pay History.

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.

Historically, nonprofits have struggled to provide competitive wages due, in part, to the inability to pass along costs in operations directly to the consumer. While this is not exactly a secret, some organizations may understandably hesitate to disclose compensation publicly in such a competitive job market. To that end, the Maine Association of Nonprofits urges state government agencies and legislators, the philanthropic community, and the general public to understand that nonprofits are businesses, and their employees are professionals.

The nonprofit sector needs government reimbursement rates, foundation grants and private donations to support the true costs of delivering the essential services and programs on which we all rely every single day.

Thank you for your time and consideration, and I'm happy to answer any questions.

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