

STATE OF MAINE HOUSE OF REPRESENTATIVES SPEAKER'S OFFICE AUGUSTA, MAINE 04333-0002 (207) 287-1300

RACHEL TALBOT ROSS SPEAKER OF THE HOUSE

Tuesday, May 16th, 2023

Testimony of Speaker Rachel Talbot Ross presenting LD 1703 An Act to Amend the Maine Equal Pay Law by Prohibiting Pay Discrimination Based on Race

Before the Joint Standing Committee on Labor & Housing

Good afternoon Senator Tipping, Representative Roeder, and other distinguished members of the Labor & Housing Committee. I am Rachel Talbot Ross and I represent House District 118 which is the Portland neighborhoods of Parkside, Bayside, East Bayside, Oakdale and the University of Southern Maine Campus and I also have the distinct honor of serving as Maine Speaker of the House. I am here today to present LD 1703, An Act to Amend the Maine Equal Pay Law by Prohibiting Pay Discrimination Based on Race.

LD 1703 will create an expanded protection against pay discrimination on the basis of race in the 2019 Maine Equal Pay Law. This means that if two people are equally qualified for the same job, with the only difference being their skin color, the employer may not pay one person more than the other.

This bill will also prohibit an employer from instructing their employees of different races not to discuss their wages and prohibit an employer from inquiring about an applicant's pay history for the purposes of offering a lower wage. Finally, for the Department of Labor's annual report to your committee on the progress of Equal Pay labor matters, LD 1703 will require that race be considered as a part of the annual report.

According to US Census Bureau statistics, in Maine and in the United States, people who are white consistently have higher wages and lower unemployment rates than their Black, Latino and Native American neighbors. While white women face their own struggle with pay equity, earning only 82 cents to the dollar that a white man makes – women of color face a much larger disparity. Black women earn 64 cents to the dollar, Native American women earn 60 cents to the dollar, and Hispanic women earn 57 cents to the dollar.

District 118: Portland neighborhoods of Parkside, Bayside, East Bayside, Oakdale and the University of Southern Maine Campus

Why does this happen? This is due to systemic and individual job discrimination – whether it is limited access to higher education, increased likelihood of involvement with the criminal justice system, cultural bias towards the name on top of a resume, or exclusion from social networks that advance employment prospects.

Facing systemic barriers, women and men of color resort to taking jobs for which they are overqualified in order to provide for themselves and their families. According to the Urban Institute's 2017 study *Mismatch: How Many Workers with a Bachelor's Degree Are Overqualified for Their Jobs?* "were these collegeeducated Mainers able to get suitable work at the same rate as white Mainers, approximately 800 Mainers of color would earn an additional \$47 million per year." Tragically, millions of dollars of generational wealth are stolen away from the hard-earned labor of Mainers of color, perpetuating a cycle of poverty.

	White	Latino	Black US Born	Black Immigrant	Native American	Asian
All	\$18.37	\$15.28	\$13.52	\$12.43	\$15.21	\$18.35
High school education or below	\$14.91	\$12.28	\$13.10	\$12.09	\$12.43	\$12.69
Some college education	\$16.83	\$15.00	\$13.10	\$12.03	\$15.15	\$15.27
Bachelor's or higher degree	\$25.99	\$23.65	\$23.93	\$19.47	\$20.14	\$30.05

2020 Median Hourly Wages by race and education

Source: MECEP State of Working Maine 2020 analysis of US Census Bureau, Current Population Survey, ORG 2010 2019 120-month pooled data. Adjusted for inflation and minimum wage increases.

With limited employment opportunities, Mainers of color are pushed into low wage positions with the higher likelihood of employers taking advantage of their labor in unsafe working conditions and longer hours away from their families. As reported in the National Women's Law Center, "The Wage Gap Has Robbed Women of Their Ability to Weather COVID-19" – over the course of a 40-year career, Black women lose an estimated \$964,400 to the wage gap, Native American women lose \$986,240, Hispanic women lose \$1,163,920.

18

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The earning potential leads to further complications as stated in the American Psychological Association study "Social Psychological and Personality Science". Mainers of color face higher health risks with earning a lower rate of pay based of their skin color. Not only are people of color twice as likely to be food insecure as white Mainers, they are also more likely to have difficulty paying for health care leading to a lower life expectancy. These income gaps will also have a complicating effect on the mental stress of Mainers of color from increased feelings of competition, anxiety, and a general lack of trust between communities that can transform into more cultural division.

Eliminating the income gap for men and women of color will provide immediate and certainly additional unforeseen benefits for all Mainers.

While Title VII of the Federal Civil Rights Act of 1964 banned compensation discrimination due to "race, color, religion, sex or national origin" – that hasn't stopped employers from paying men more than women, or people of color less. LD 1703 is a single measure working towards Mainers of color will earn the same paycheck as their colleagues.

Currently, 13 other states have some variation equal pay protections or pay equity protections based on race – Alabama, California, Hawaii, Illinois, Iowa, New Jersey, New York, Ohio, Oregon, Rhode Island, Texas, Utah, & Wisconsin.

In a news release for this year's Maine Equal Pay Day, Labor Commissioner Laura Fortman succinctly stated, "...while women in general have had to work until half-way through March to earn what men already earned in 2022, the reality is even starker for women of color." LD 1703 is just one small step the Maine Legislature can take to help bring parity among a system that chooses to ignore the advancement of one group of people versus others.

Thank you for time and attention. I am happy to take questions, but there are others that are more knowledgeable on the subject than I am that can be more helpful.