



Janet T. Mills
GOVERNOR

STATE OF MAINE
DEPARTMENT OF LABOR
54 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0054

Laura A. Fortman
COMMISSIONER

**Testimony of Dillon Murray,
Legislative Liaison, Maine Department of Labor
Neither for Nor Against
LD 941, An Act Requiring Employers to Disclose Wage Ranges in Job Postings
To the Joint Standing Committee on Labor
Hearing, March 25, 2025**

Good afternoon Senator Tipping, Representative Roeder and members of the Joint Standing Committee on Labor. My name is Dillon Murray, Legislative Liaison for the Maine Department of Labor (Department). I am here today to speak on behalf of the Department in respectful opposition to, "LD 941, An Act Requiring Employers to Disclose Wage Ranges in Job Postings."

The Department recognizes the role that pay transparency plays in broader efforts to address wage disparities and improve labor market efficiency. While we do not take a position on whether this policy should be enacted, we offer technical insights on the potential impact of the bill and how it may be implemented effectively. Should the bill pass, we are committed to working closely with employers and employees to ensure compliance and clarity in its application.

LD 941 proposes the following requirements:

- Employers with 10 or more employees must disclose a wage range in any public or Internet job posting for a position in Maine. The wage range must reflect the employer's good faith estimate of the compensation reasonably expected to be offered to a candidate at the time of posting.
- The disclosed wage range is advisory, meaning an employer acting in good faith may offer compensation outside of the stated range based on factors such as market conditions, experience, or education.
- The Maine Department of Labor is responsible for enforcement of these provisions.
- Employers in violation of the requirements may be subject to penalties not exceeding \$500 per violation.

Pay transparency has long been a key element of efforts to address wage inequality. Nationally, laws promoting pay transparency have gained traction over the past decade, with the aim of reducing wage gaps based on gender, race, and other factors. In 2014, the Obama administration's U.S. Equal Employment Opportunity Commission (EEOC) introduced a rule for large employers (those with 100 or more employees) to report pay data by race, gender, and job category. This was designed to help identify potential pay disparities among different groups of employees, though the new rule was later rescinded by the Trump administration.¹

Several states, including California, Colorado, and Washington,² have enacted laws requiring employers to disclose pay ranges in job postings and provide pay information to employees upon request. The idea behind these laws is that increased transparency will allow workers to better understand their value in the job market, negotiate fair wages, and help reduce systemic discrimination.

The Department offers the following technical observations regarding LD 941:

1. Clarity on "Good Faith" Estimation – The bill states that wage ranges must be a good faith estimate but does not define what constitutes a reasonable range. Additional guidance may be needed to help employers determine compliance.
2. Flexibility in Hiring Negotiations – While the bill allows employers to offer wages outside of the posted range, the potential for disputes over whether wage deviations are in "good faith" could require further interpretation.

Additionally, while this specific piece of legislation may not directly require an additional full-time position, the Department believes in being transparent about our capacity. Regardless of the merits of the proposal itself, we must emphasize that the introduction of any new protections would inevitably require the addition of at least one full-time position to bolster proper implementation and enforcement.

¹ Claire Cain Miller, "One Effort to Close the Gender Pay Gap Won't Get a Try Under Trump," The New York Times 8/31/2017 <https://www.nytimes.com/2017/08/31/upshot/one-effort-to-close-the-gender-pay-gap-wont-get-a-try.html>

² ☐ **California:**

California has a law requiring employers to provide pay scale information upon request. The law also mandates that employers include a pay scale in job postings, as of January 1, 2023. This law applies to companies with 15 or more employees.

- **California Labor Code Section 432.3** (pay scale disclosure law):
https://leginfo.ca.gov/faces/codes_displaySection.xhtml?sectionNum=432.3&lawCode=LAB

☐ **Colorado:**

Colorado's Equal Pay for Equal Work Act (2019) requires employers to include a pay range in job postings. The law applies to all employers with at least one employee in Colorado and mandates transparency regarding pay ranges and promotion opportunities.

- **Colorado Equal Pay for Equal Work Act:**
<https://cdle.colorado.gov/equal-pay-for-equal-work>

☐ **Washington:**

Washington's Equal Pay and Opportunities Act requires employers to disclose pay range information in job postings for positions that are advertised to the public. This law applies to all employers in Washington.

- **Washington Equal Pay and Opportunities Act:**
<https://www.lni.wa.gov/workers-rights/equal-pay/>

The Maine Department of Labor acknowledges the importance of pay transparency in labor markets and appreciates the sponsor's intent in proposing LD 941. We are committed to supporting employers, and workers, in understanding and complying with the requirements of all labor law. Should the Legislature decide to pass this law, we will provide clear guidance and training to ensure that employers and workers understand their rights and responsibilities.

Thank you for your time and consideration. I would be happy to answer any questions you may have now or at a future work session.

The Maine Department of Labor is committed to serving Maine workers and businesses by helping employers recruit and train a talented workforce, providing workers with skills needed to compete in our economy, assisting individuals when jobs are lost, aiding people with disabilities reach career goals, ensuring safe and fair workplaces for people on the job and providing research and analysis of employment data to support job growth.