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## **SPONSOR STATEMENT**

### *HB 146: DISCLOSURE OF WAGE INFORMATION*

House Bill 146: Disclosure of Wage Information seeks to support fair hiring practices for the protection of ALL Alaskan workers, while also ensuring employers are not placed at unfair risk or disadvantage.

Studies have documented the challenges addressed by HB 146. For example, in a nationally representative surveys of workers, 30%<sup>i</sup> had employers who asked about salary history, and about 50%<sup>ii</sup> reported being discouraged or prohibited from discussing their salary. Under HB 146:

- Applicants cannot be asked, nor required to provide, their salary history during the application process
- Job postings must include compensation information
- Applicants and current employees are free to discuss salaries with one another if they want to
- Retaliation against the employee/applicant for not sharing their salary history or for discussing wages is not allowed

Removing salary history from the interview process allows the employer and applicant to focus on qualifications, thus helping to ensure people joining and returning to the workforce are paid based on their current abilities and potential.

Additionally, HB 146 helps streamline the application process by requiring employers to post information about compensation, including a salary or salary range. This helps both the employer and the applicant. An informed applicant means an employer is less likely to expend precious time and resources recruiting and interviewing only to be turned down because the pay does not meet the needs of the potential employee.

Federal law already requires that workers are free to discuss salary information with one another, and HB 146 incorporates this protection into state statute.

We have seen historically low employment rates over the last year because of COVID-19. Many Alaskans were furloughed, had to take lower paying jobs, or exit the work force to care for family members. HB 146 will help employees and employers alike as workers begin to return to the workforce, and as employers rehire and expand, in a post-COVID economy.

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<sup>i</sup> Barach & Horton, 2020

<sup>ii</sup> Institute for Women's Policy Research, 2014