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**Testimony of Vasu Reddy, Director of State Policy for Workplace Justice  
National Women's Law Center  
in SUPPORT of HB 2746**

**March 3, 2025**

Thank you for the opportunity to submit this testimony on behalf of the National Women's Law Center ("NWLC"). Since 1972, NWLC has fought for gender justice—in the courts, in public policy, and in our society—working across the issues that are central to the lives of women and girls and LGBTQI+ people. NWLC works closely with state policymakers across the country to strengthen laws for closing racial and gender wage gaps.

For years, Oregon has been a leader on equal pay, including by strengthening the Oregon Equal Pay Act in 2017. But the practice of pay secrecy continues to allow gender and racial wage gaps to persist, undermining Oregon's efforts to achieve equal pay. By requiring employers to include pay ranges in job announcements, House Bill (HB) 2746 will give employers and employees a tool to help close gender and racial wage gaps and more efficiently and effectively recruit and retain talent.

A rapidly growing chorus of states and localities have passed or enacted laws requiring pay ranges to be included in job postings: Pay range transparency is the law of the land in 14 states—including nearby states California, Washington, and Colorado—the District of Columbia, and six localities. These laws are taking off across the country not only because research suggests pay range transparency can help close gender and racial wage gaps, but because employers and lawmakers are noticing how including pay ranges in job postings helps businesses attract and retain talent and save time and costs in hiring.

**I. Pay range transparency is an important tool for reducing gender and racial wage gaps**

We all want to feel confident that we are being paid fairly. But when pay is set in a black box, discrimination can easily seep in, and women, especially women of color, lose out. Over the course of a 40-year career, a woman in Oregon working full-time, year-round stands to lose over \$403,000 to the wage gap. The wage gap is even worse when we look specifically at women of color, who experience both gender and racial wage gaps. For example, when compared to her white male counterpart, a Black woman in Oregon will lose more than \$860,000 to the wage gap over the course of her career.<sup>1</sup> Secrecy around pay allows the devaluation of women's work to often go unchecked and bias and wage gaps to grow.

Requiring employers to be publicly transparent about pay ranges shines a light on employer pay practices, which encourages employers to proactively review and evaluate their compensation practices, address any unjustified disparities between employees, and set fair, non-exploitative wages.

Adding pay ranges to job announcements can also help level the negotiating playing field, which is notoriously unfavorable to women. Women’s lower salaries are often attributed to an assumption that they are less likely than men to ask for higher pay, but emerging research has shown this to be untrue.<sup>2</sup> However, women are likely to be treated worse in negotiations, and women who negotiate are perceived negatively and as aggressive.<sup>3</sup> Fortunately, research shows that when job applicants are clearly informed about the context for negotiations, like the range of pay, gender differences in negotiation outcomes are reduced.<sup>4</sup>

The much narrower wage gaps in unionized and public sector positions where pay structures are typically transparent further suggest that greater pay transparency helps reduce wage disparities.<sup>5</sup>

## **II. Including pay ranges in job announcements helps businesses attract and retain talent and save time and costs in hiring**

The evidence overwhelmingly demonstrates that sharing pay ranges in job postings helps attract a diverse and high-quality pool of job applicants. The Society for Human Resource Management (“SHRM”) found that 70% of organizations that list pay ranges on job postings say that doing so has led to **more people applying to their postings**, and nearly two-thirds (66%) say that doing so has **increased the quality of applicants** they’re seeing.<sup>6</sup> Survey after survey has shown that an overwhelming majority of job candidates prefer to work at a company that discloses pay information, and one survey from Monster.com found that nearly all workers (98%) believe an employer should disclose pay ranges in job announcements.<sup>7</sup> Pay range transparency is especially crucial for attracting Gen Z talent. While workers from all generations support pay range transparency, Adobe’s Future Workforce Study of upcoming college seniors and recent college grads revealed 85% are less likely to apply for a job if the company does not disclose the salary range in the job posting.<sup>8</sup>

Pay transparency is also shown to promote employee trust, loyalty, and productivity, which **helps retain talent** and is good for employers’ bottom line.<sup>9</sup>

In addition, including pay ranges in job announcements helps employers **avoid wasting time** culling through applications and interviewing candidates who would not accept the position because the pay does not align with their expectations. Research shows that it also helps **reduce online recruiting costs**.<sup>10</sup>

We’ve heard from **small businesses** that don’t have an HR team that pay range transparency helps them save costs and time in hiring—which is crucial given their limited resources and time available to devote to hiring.<sup>11</sup> Smaller businesses also benefit from provisions like HB 2746’s requirement for employers to provide a “general description of benefits and other compensation offered for the position” as it allows them to give a fuller picture of what they can offer beyond pay.

Pay range transparency is **easy for businesses to comply with**. Colorado, the first state to pass a pay range transparency law, saw a high rate of compliance among its 50 largest employers right after the law’s passage, and nearly three years later it continues to enjoy high rates of compliance. Ninety-nine percent of employers who were sent a notice of noncompliance have come into compliance just after receiving the notice.<sup>12</sup> Employers know from their budgets and their sense of market rates what they are able and willing to offer. Pay range transparency laws simply ask employers to be transparent about what they are willing to pay and what they are hoping to pay for the position.

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We urge the members of this Committee to show up for Oregon businesses and working people by supporting HB 2746.

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<sup>1</sup> “Lifetime Wage Gap, State by State,” National Women’s Law Center (February 2025), *available at* <https://nwlc.org/resource/the-lifetime-wage-gap-state-by-state/>.

<sup>2</sup> Benjamin Artz, Amanda H. Goodall, and Andrew J. Oswald, “Do Women Ask?,” *Industrial Relations: A Journal of Economy and Society* (May 9, 2018), *available at* [https://onlinelibrary.wiley.com/doi/abs/10.1111/irel.12214?casa\\_token=ZPH84Ye4dDgAAAAA:qLp4uD0UY1N0VqfPJP7mswxBxRbKQjJJqX-IonhecAwZL2kDse1rqq1FAj1Rq5PzVY4553mLyG4gZorB](https://onlinelibrary.wiley.com/doi/abs/10.1111/irel.12214?casa_token=ZPH84Ye4dDgAAAAA:qLp4uD0UY1N0VqfPJP7mswxBxRbKQjJJqX-IonhecAwZL2kDse1rqq1FAj1Rq5PzVY4553mLyG4gZorB).

<sup>3</sup> Hannah Riley Bowles, Linda Babcock, and Lei Lai, “Social Incentives for Gender Differences in the Propensity to Initiate Negotiations: Sometimes It Does Hurt to Ask,” *Organizational Behavior and Human Decision Processes* (May 2007), *available at* <https://dash.harvard.edu/bitstream/handle/1/38437278/Bowles%20Babcock%20%26%20Lai%202007.pdf?sequence=1>; Kim Elssesser, “Why Women Fall Short In Negotiations (It’s Not Lack Of Skill),” *Forbes* (January 21, 2021), *available at* <https://www.forbes.com/sites/kimelssesser/2021/01/21/why-women-fall-short-in-negotiations-its-not-lack-of-skill/?sh=52c69fa55d02>.

<sup>4</sup> National Women’s Law Center (March 2024), “Pay Range Transparency Is Critical for Driving Pay Equity,” *available at* <https://nwlc.org/resource/salary-range-transparency-reduces-gender-wage-gaps/>.

<sup>5</sup> U.S. Office of Personnel Management (May 10, 2023), “Release: OPM Releases Proposed Regulations to Prohibit Use of Previous Salary History,” *available at*

<https://web.archive.org/web/20250116103606/https://www.opm.gov/news/releases/2023/04/opm-releases-proposed-regulations-to-prohibit-use-of-previous-salary-history/> (Note that the federal government wage gap is calculated using average salaries for men and women, while the national gender wage gap is calculated using median salaries, meaning the analyses are not precisely comparable); Adrienne DerVartanian & Sarah Javaid, “Unions Are Good for Women,” National Women’s Law Center (April 2024), *available at* [https://nwlc.org/wp-content/uploads/2024/04/FINAL\\_FS\\_2024\\_nwlc\\_Unions\\_FSv7.10.2024.pdf](https://nwlc.org/wp-content/uploads/2024/04/FINAL_FS_2024_nwlc_Unions_FSv7.10.2024.pdf).

<sup>6</sup> SHRM (March 14, 2023), “New SHRM Research Shows Pay Transparency Makes Organizations More Competitive, Leads to Increase in Qualified Applicants,” *available at* <https://www.shrm.org/about/press-room/new-shrm-research-shows-pay-transparency-makes-organizations-competitive-leads-to-increase-qualified-applicants>.

<sup>7</sup> Monster (November 2022), “Monster Poll: Workers Want Pay Transparency,” *available at* <https://hiring.monster.com/resources/blog/workers-want-pay-transparency/>.

<sup>8</sup> Vaishali Sabhahit, “Adobe’s Future Workforce Study reveals what Gen Z is looking for in the workplace,” *Adobe* (January 24, 2023), *available at* <https://blog.adobe.com/en/publish/2023/01/24/adobes-future-workforce-study-reveals-what-next-generation-workforce-looking-for-in-workplace>.

<sup>9</sup> PayScale (n.d.), “Does Pay Transparency Close the Gender Wage Gap?,” *available at* <https://www.payscale.com/research-and-insights/pay-transparency/>; Marcel Schwantes, “New Report: Pay Transparency May Be the Key to Keeping Your Employees in 2021,” *Inc.* (February 11, 2021), *available at* <https://www.inc.com/marcel-schwantes/new-report-pay-transparency-may-be-key-to-keeping-your-employees-in-2021.html>; Deborah Thompson Eisenberg, “Money, Sex, and Sunshine: A Market-Based Approach to Pay Discrimination,” *Arizona State Law Journal* (2011), *available at* [https://digitalcommons.law.umaryland.edu/fac\\_pubs/1094/](https://digitalcommons.law.umaryland.edu/fac_pubs/1094/); Kathryn Mayer, SHRM (April 25, 2023), “One Benefit of Pay Transparency? More Productive Workers,” *available at* <https://www.shrm.org/resourcesandtools/hr-topics/compensation/pages/pay-transparency-may-result-in-more-productive-workers.aspx>.

<sup>10</sup> Sam Kuhn, “It Pays to Be Transparent,” *Recruiteconomics* (November 14, 2022), *available at* <https://recruiteconomics.com/it-pays-to-be-transparent/>.

<sup>11</sup> David Arnold, Simon Quach, Bledi Taska, *The Impact of Pay Transparency on Job Postings on the Labor Market*, August 2022, [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=4186234](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4186234).

<sup>12</sup> Colorado Department of Labor and Employment (n.d.), “Equal Pay for Equal Work: What the Colorado Law Means for Employers,” *available at* [https://cdle.colorado.gov/sites/cdle/files/documents/Equal\\_Pay\\_for\\_Equal\\_Work\\_Fact\\_Sheet\\_Web\\_0.pdf](https://cdle.colorado.gov/sites/cdle/files/documents/Equal_Pay_for_Equal_Work_Fact_Sheet_Web_0.pdf).