



The Office of
Minnesota Attorney General Keith Ellison
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February 2, 2021

Re: HF403

Dear Representative:

I urge you to support HF403, a bill that prohibits employers from inquiring about a job applicant's pay history. Employers often use a prospective employee's past pay information as an anchor for future salaries. This practice disproportionately impacts women and people of color who are historically paid less than men for equal work. HF403 is our chance to take an important step towards ending pay disparities and closing the wage gap in Minnesota. The need for this legislation has never been higher, as women have been hit hardest by the COVID-19 pandemic's economic impact.

In our state, the wage gap continues to impact women regardless of education, race, or geographic location. Women working full time still on average make only 79 cents for every dollar a man earns. The gap is even larger for women of color; black, Latina, and Indigenous women make 61 cents and 54 cents, respectively, to every dollar a white man earns. At current rates, women in Minnesota will not get equal pay until 2053.

Disclosing past pay to future employers will likely perpetuate wage inequalities. Women typically earn less than men from the start of their careers. Recent college graduates who are women make on average of 18% less than their male counterparts. This puts women at a disadvantage from the very start of their careers. Further research suggests that this gap in pay grows as women gain more experience in the workforce. In fact, four years after graduation the wage gaps grow to 20%, partly due to asking for salary history. Eliminating this question will help ensure that previous pay discrimination will not follow the applicant to future jobs and that salaries will be set based on job qualifications and market pay averages.

By passing HF403, Minnesota will join a growing number of states and cities that have recognized the harmful impact of this question on the economic security of women. Furthermore, HF403 will put into law a practice that many large employers are already embracing. As of 2018, Amazon, Wells Fargo, American Express, Cisco, Google, and Bank of America have all eliminated this question from their hiring practices.¹

I urge you to support HF403 and be a champion for equity and fairness in our state.

Sincerely,

¹ Noguchi, Yuki. "More Employers Avoid Legal Minefield By Not Asking About Pay History." *NPR*. 3 May, 2018. <https://www.npr.org/2018/05/03/608126494/more-employers-avoid-legal-minefield-by-not-asking-about-pay-history>