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HOUSE DISTRICT 09

Commerce & Labor Committee

H.B. 398 Sponsor Testimony

Tuesday June 25, 2024

Thank You and Good Morning Chairman Johnson, Vice Chair Manchester, Ranking Member McNally, and Members of the Commerce & Labor Committee. I am here today to convey the importance of H.B. 398, the *Prohibit Employers from Seeking Wage or Salary History Act*. Originally, this was a bill I collaborated on with my friend, former colleague and joint sponsor, Representative Jessica Miranda. While she is not here today as an official joint sponsor and current member of this GA, it is an honor to carry the torch of this bill on both of our behalf.

House Bill 398 is, at its core and design, a worker rights and protection bill. It sets out to protect prospective employees' interview processes by enforcing rights on a notable element of their history: employee salary history.

H.B. 398 accomplishes this protection by banning all types of potential employers from

- Refusing to interview or consider a prospective employee for employment based on wage or salary history

- Requesting or seeking information regarding a prospective employee's wage or salary history from the prospective employee or the prospective employee's current or former employer
- Requiring that a prospective employee's wage or salary history satisfy minimum or maximum criteria

Accounting for exceptions, H.B. 398 DOES allow wage and salary history to be shared under the consent of a volunteering employee or in the case that the employer has made an offer of employment with compensation to the prospective employee.

Additionally, H.B. 398 does NOT functionally constrict employers. Under the *Prohibit Employers from Seeking Wage or Salary History Act*, employers may

- Ask prospective employees about their wages, salary expectations, or requirements.
- Provide information regarding the wages, salary, benefits, commissions, or any other remuneration or compensation offered in connection with any position for which the prospective employee is applying.
- And in the case of an internal transfer or promotion, the employer may consider the employee's wage or salary for purposes of determining the wage or salary to be paid to the employee in the new position.

Ultimately, the *Prohibit Employers from Seeking Wage or Salary History Act* aims to protect all prospective employees from wage or salary history discrimination. Wage or salary history does not better equip employers in their hiring process. Qualified candidates are measured through education and job history, accredited skills, and personality and character assessments, NOT employees' salary or wage history.

The default standardization of employees' salary or wage history being accessible to prospective employers negatively impacts the market. As a result, employers are less likely to meet qualified candidates at their market rate, results in reinforcing the unintended outcome of contributing to the gender pay gap, and creates a general sense of wage or salary discrimination. By basing prospective employees' worth on a nuanced number that may be impacted by a variety of different factors outside of market value, such as, prior field of work pay scale difference, gender pay discrimination at a previous employer, and decreased hours worked due to caregiving, our market and workers are worse off.

March 1st, 2024, marked Columbus joining Cincinnati and Toledo in enacting similar policies. H.B. 398, the *Prohibit Employers from Seeking Wage or Salary History Act*, would not be the first step Ohio has taken toward ensuring a safer and protected environment for prospective employees, but it would be the first collective step by prohibiting employers from seeking wage or salary history for all Ohioans.

Thank you for all your time.