



Pay Transparency: Legal Updates and Compliance Best Practices

May 29, 2025

Agenda

1 Current State of the Law

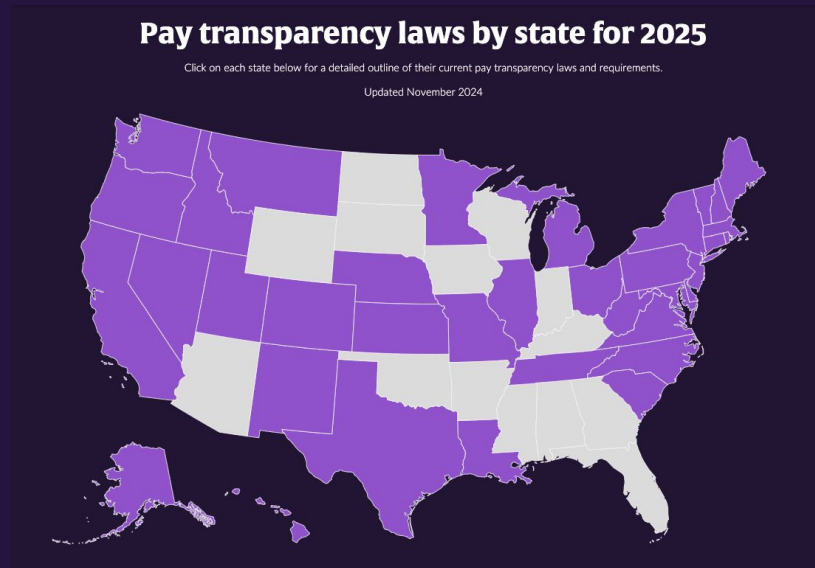
2 Hiring Process

3 Wage Data Reporting/Best Practices

A recording of the webinar + a copy of the slides will be sent to the email you used to register by EOD today!

Pay transparency

- 36 jurisdictions (including D.C.) have some type of wage transparency protections
- Several new laws in 2025
- Not all wage transparency laws work the same way
 - **Protections (passive):** Employers can't prohibit workers from discussing wages.
 - **Disclosures (active):** Employers must provide some wage information to employees and applicants.





















Protections

Passive protections require inaction from employers. Under these type of laws, employers may not prohibit employees from disclosing, discussing, or inquiring about wages. They also prohibit employers from retaliating against employees for exercising their rights around wage sharing.

California	Illinois	Minnesota	Oregon
Colorado	Louisiana	Nebraska	Rhode Island
Connecticut	Maine	Nevada	Vermont
Delaware	Maryland	New Hampshire	Virginia
D.C.	Massachusetts	New Jersey	Washington
Hawaii	Michigan	New York	

Disclosures

Active protections require employers to make certain disclosures or maintain certain records.

	CA	CO	CT	DC	HI	IL	MD	NV	NY	RI	WA
Affirmative Disclosure											
Upon Request											

2025 updates: Pay transparency

These states have new wage transparency requirements that went into effect January 1, 2025

Illinois

Employers with at least 15 employees total need to begin including in their job postings the pay scale and benefits information for the position.

The law applies to jobs performed at least partly in the state as well as jobs where the employee will report to a supervisor, office, or other work site in Illinois.

Minnesota

Employers with 30 or more employees in Minnesota must include the starting salary range and a general description of all the benefits and other compensation an employee can expect.

Open ended salary ranges aren't allowed, and if employer won't use a salary range, it must list a fixed pay rate.

The law doesn't exclude jobs to be performed in other states.

Legal updates

States are continuing to pass new pay transparency laws. Below are some of the upcoming laws and their effective dates:

	Effective Date	Employee Threshold	Job Posting Requirements
Massachusetts	October 29, 2025	25+ in state	Wage Range
New Jersey	June 1, 2025	10+	Wage range, benefits description, other comp.
Vermont	July 1, 2025	5+	Wage Range

What is a job posting?

Hawaii

Postings for positions that are internal transfers or promotions, and those covered by collective bargaining agreements are excluded from definition.

Massachusetts

“Posting” means any advertisement or job posting intended to recruit job applicants for a particular and specific employment position, including, but not limited to, recruitment done directly by a covered employer or indirectly through a third party.

Minnesota

"Posting" means any solicitation intended to recruit job applicants for a specific available position, including recruitment done directly by an employer or indirectly through a third party, and includes any postings made electronically or via printed hard copy, that includes qualifications for desired applicants.

Washington

"Posting" means any solicitation intended to recruit job applicants for a specific available position, including recruitment done directly by an employer or indirectly through a third party, and includes any postings done electronically, or with a printed hard copy, that includes qualifications for desired applicants.

What to include in a job posting

Wage Range

- Range must be offered in “good faith”
- “Good faith” is not always clear, but NY [guidance](#) says it’s what employers legitimately believe they are willing to pay.

Benefits Description

- Should include a general description of benefits and other compensation, including bonuses, stock options, or other incentives.

Job Description

- Only required in New York, for now.
- Employer must create a job description except in the limited circumstance where the title conveys the job duties (dishwasher).

Application Instructions

- Only required in Colorado, for now.
- Application deadline is also required in Colorado

States with job posting requirements

	CA	CO	DC	HI	IL	MD	MA*	MN	NJ*	NY	VT*	WA
Wage range												
Benefits												

* States with future effective dates

Job postings for remote work

Colorado

- Covered employers are required to include wage information in all job postings unless the position could not be performed in Colorado.

Illinois, New York, Vermont

- Requirements apply to all jobs to be physically performed at least partly in the state and to all remote jobs that would report to a supervisor or office in Illinois.



Pre-employment inquiries

- Many states prohibit employers from asking potential employees about their wage histories, making employment decisions based on that history, and retaliating against them for refusing to provide their wage history.
- Often, employers can request that information *only after* they have given the applicant an interview or extended a job offer.
- States prohibiting salary history inquiry:
 - ◆ CA, CO, CT, DE, DC, HI, IL, ME, MD, MA, MN, NV, NY, OR, RI, VT, WA

Note that this list is only states that prohibit asking about wage histories. There may be different state restrictions or local laws not addressed here.



New hire wage notices

Alaska

- Employers must notify new employees in writing of their day and place of payment, and their rate of pay.
- Written notice of any change to this information must be provided on the payday before the change takes effect, at the latest.
- Employers may comply with this requirement by posting the information in a conspicuous location at or near the place of work where it can be seen by employees as they come and go from work.

California

Employers must provide a wage notice and obtain a signed copy upon hire. Notice must include:

- The employer's name, physical address, and phone number;
- The employee's name, start date, rate of pay, overtime rate of pay, basis of wage payment (whether paying by hour, shift, day, week, piece, etc.), regular payday, minimum wage allowances, sick leave information;
- The workers' compensation carrier, phone number, email address, and policy number;
- The existence of any applicable emergency or disaster declarations that may affect their health and safety.

Illinois

- Employers must notify Illinois employees in writing of their rate of pay, and of the time and place of payment.
- Whenever possible, notice of a change must be acknowledged by both parties.
- Employers must notify employees of any changes in their rate of pay, or the time and place of payment prior to the change.

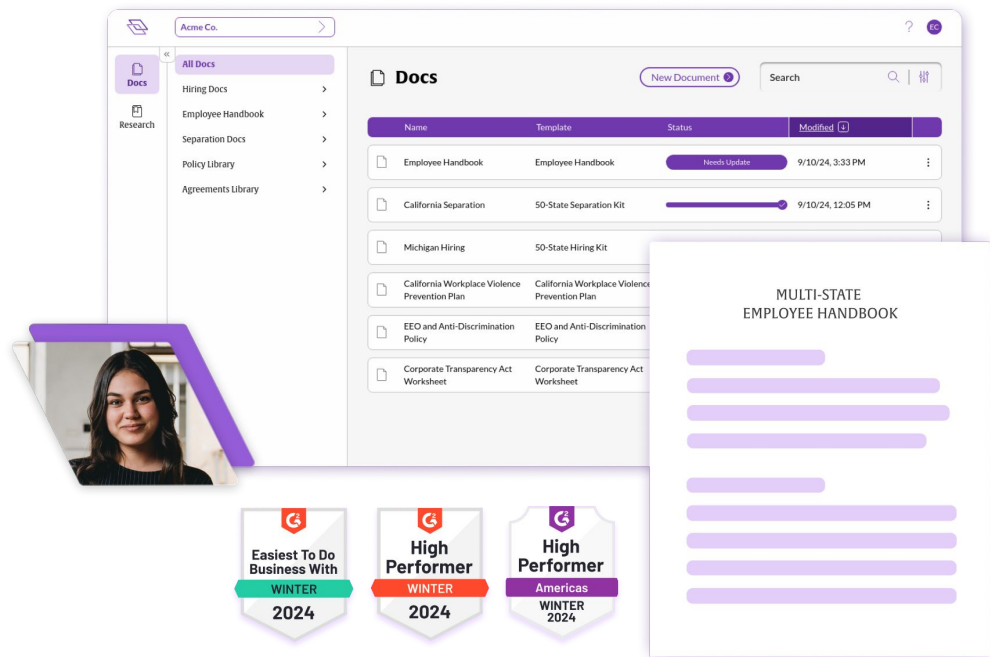
States requiring new hire wage notices

Note that this list is limited to states requiring notices about wages. These states and others may also require other types of new hire notices. Other localities may also require wage or other notices.

- Alaska
- California
- Colorado
- Connecticut
- Delaware
- District of Columbia
- Hawaii
- Idaho
- Illinois
- Louisiana
- Maryland
- Minnesota
- New Hampshire
- New Jersey
- New York
- North Carolina
- Pennsylvania
- Rhode Island
- South Carolina
- Tennessee (for some industries)
- Texas
- Utah
- West Virginia



SixFifty: Job Posting Tool



Pay data reporting: Federal

Who has to file?

- Private employers with 100 or more employees in the US (based on a employer-selected pay period in the 4th quarter of the reporting year).
- Certain Federal Contractors with 50 or more employees.

What do they have to file?

- EEO-1 Component 1 Report.
- Report includes employees' job category, sex, and race or national origin.

When do they have file?

- The reporting period for 2024 opened on May 20, 2025.
- The reporting period will close on June 24, 2025.



Pay data reporting: States

- **California** requires pay data reporting from employers that have 100 or more employees and at least 1 employee in California.
 - The data only covers California employees and must be submitted by the second Wednesday in May. (This year it was May 14, 2025.)
- **Illinois** requires businesses with 100 or more employees in Illinois to apply for and receive an Equal Pay Registration Certificate.
- **Massachusetts** now requires employers with 100 or more employees in Massachusetts to file pay data reports.
 - This new requirement took effect February 1, 2025.



Enforcement and the Right to Cure

Washington's Equal Pay and Opportunities Act (EPOA) has required companies with 15 more employees to include salary ranges and benefits information in job postings since 2023.

- Fines for failure to comply can rise as high as \$5,000.
- Attorneys have filed hundreds of class action lawsuits against businesses that have failed to include the required information in job postings.
- On May 20, 2025, Governor Ferguson signed a bill creating a cure period. If an employer receives written notice from an applicant that a job posting violates the EPOA, the employer has five business days to correct the posting.
- The provision providing the cure period goes into effect on July 27, 2025, and is set to expire on July 27, 2027.



Creating a “universal” job posting

If you want to create a job posting that complies with the laws in all 50 states and DC, it should include:

- ❑ Job description
- ❑ Salary range
- ❑ Description of benefits
- ❑ Instructions for applying
- ❑ Application deadline / statement of rolling acceptance
- ❑ Notice of drug test requirement (if applicable)



Join our upcoming webinar

Mid-Employment Law Update

June 26th, 2025 @ 10am PT/1pm ET



SixFifty Employment Update

MID-YEAR UPDATE
July 1, 2025
Employment Law Checklist

July 1

California

Effective July 1, 2025

Topic	Overview	Action
Los Angeles County Minimum Wage	Effective July 1, 2025, the <u>minimum wage</u> in unincorporated L.A. County will be \$17.81 per hour.	Review your employees' compensation to ensure it is updated to reflect the new minimum wage amounts.
Predictable Scheduling	Los Angeles County's Predictable Scheduling Ordinance will take effect on July 1, 2025. Retail employers in the unincorporated areas of L.A. County who have 300 or more employees worldwide will be required to provide their L.A. County employees with predictable schedules. Among other things, covered employers will need to provide employees with their schedules at least 14 days in advance, give them good-faith estimates of their schedules before they are hired, provide at least 10 hours between shifts, and offer extra hours to current employees before hiring new workers.	Implement scheduling practices that comply with the ordinance. Train managers and update your scheduling tools.

Colorado

Effective July 1, 2025

Topic	Overview	Action
Biometric Privacy Act	Beginning July 1, 2025, <u>amendments</u> to the Colorado Privacy Act will take effect. As a privacy law, most of the Act's provisions don't affect employment law, with one significant exception. Under the amendments, employers who process biometric identifiers will need to adopt written biometric data policies and obtain consent from employees before collecting biometric information.	Create or update a biometric privacy policy and ensure consent is obtained prior to collecting biometric information.

SixFifty July 1, 2025 Checklist

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Q&A time!

What questions do
you have?



Schedule a personalized
tour of SixFifty's
employment platform
for your HR team