sixfifty

Legal Breakdown: Staying Compliant During the Hiring Process

July 31, 2025

### Agenda for today

- 1 Pay transparency
- 2 Interviews: What can you ask?
- 3 New hire employee notices

**Today's webinar is being recorded!** You will receive the recording + a copy of the slides at the email you used to register.



### 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.
  - o **Disclosures (active)**: Employers must provide some wage information to employees, applicants, and in some cases, the state.





### **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	i New York		



### **Disclosures**

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



### States with significant requirements

These states go above and beyond when it comes to wage transparency.

#### California

All employers must disclose the pay scale for a job to applicants upon request after an initial interview and keep a record of titles and wage rates for 3 years after employment ends.

Employers with 15 or more employees must include wage range in all job postings. Employers with 100 or more employees must submit a wage data Report with CA Civil Rights Dep't.

#### Colorado

All postings for jobs that could be performed in Colorado must include the wage range, details of any other compensation, and a general description of benefits.

Employers must maintain a record of job descriptions and wage rates for each employee during their employment and for two years after their employment ends.

#### Illinois

Employers with 15+ employees must include pay scale and benefits in job postings.

Employers with over 100 employees must obtain an Equal Pay Registration Certificate (EPRC).

#### **New York**

Employers with 4 or more employees must include wage ranges and job descriptions in job postings for positions performed in NY, or performed remotely but report to an office in NY.

Employers must obtain written acknowledgment that new hires have received written notice of their payment details.



# 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)

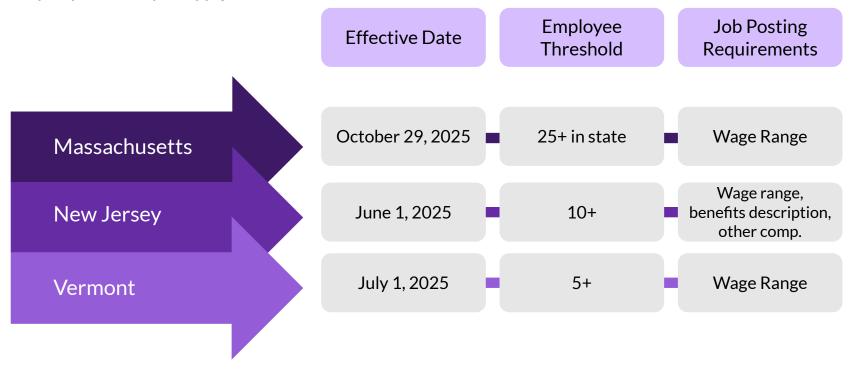






### What's new in 2025?

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



# The cost of non-compliance

Washington's law allows job applicants to sue businesses that don't include wage information in job postings

- Up to \$5,000 in damages per violation
- Led to a deluge of class action lawsuits against businesses

A recent amendment added a mandatory 5 day cure period before businesses can be sued

 Relief is temporary though, as it sunsets in July 2027

Litigation ongoing as to who qualifies as an "applicant"





# Pre-hire questions: The basics

- 1 There are laws from all levels of government: Federal→State→Local
- Laws vary in the type of restrictions they put on employers (prohibited questions vs. prohibited information vs. employee protections)
- Some questions can only be asked at certain stages of pre-employment (application vs. interview vs. after job offer)
- 4 Laws tend to be topic-specific

(Federal EEOC Guidance)



### Pre-hire questions: Best practices

Be consistent in your hiring process

Create a hiring process that treats all applicants the same to prevent unlawful discrimination

Keep in mind Equal Opportunity Employment Protected Characteristics Limit questions to legitimate business interests

Avoid asking questions that aren't related to **bona fide occupational qualifications** 

Many banned questions have exceptions for legitimate business interests and legal compliance

Be mindful of the timing of the questions you ask

Some questions can only be asked after an interview or after a firm offer



### Medical information



#### Under the ADA



Employers can't ask about disabilities, medical history, or require medical tests before making a job offer.

They can ask if the candidate can perform the job and how.



Employers may ask for medical exams, but only if they ask all candidates, not just those with disabilities.

Employers must keep medical information in separate, confidential files.



Most states have laws that match the federal standard. but they extend to most or all employers.

Some localities ban questions about height or weight with an exception for business justifications.

Before a Job Offer

After a Job Offer

State and Local Laws



# Criminal history: "Ban the box"

- State and local governments try to minimize discrimination against those with criminal records by limiting how and when employers can ask about criminal history
  - Generally prohibited in initial applications and postings
- Criminal history is usually allowed to used after certain stages of the applications process:
  - Offered an interview
  - Conducted an interview
  - After the applicant has been deemed qualified
  - Conditional offer of employment



# Criminal history: Employment decisions

If you want to take adverse action based on criminal history, be sure to follow state & federal 2-step evaluation process:

- 1. "Pre-adverse action": 3 Green Factors, initial notice
- 2. Applicant can respond
- 3. Adverse action: 7 "Individualized Factors", final notice
- II Some states have their own factors, but employers always need to do the federal as well



# Financial history

#### Wage and Salary History

- Many states and local governments ban asking about wage history
- Prospective employees are allowed to voluntarily provide their wage history
- If wage history is provided "voluntarily and without prompting" some states allow employers to verify or use that information.
  - Some state still ban wage history use in hiring decisions even if the information wasn't asked for

#### **Credit History**

- Federal FCRA and some states require employers to notify prospective employees of credit history checks
- Some states ban using credit history for employment decisions
- Some states ban with specific exceptions for positions like (managers or company finance) or industries (financial institutions, credit card application processing, or law enforcement)



# Age and family questions

 California, Colorado, Connecticut, Minnesota, and Pennsylvania restrict age related questions and information

 Colorado & Oregon (9/28/25) employers are prohibited from inquiring into applicants' ages, birth dates, or dates of attendance at educational institutions on an initial employment application.

 Personal questions about Marital Status or Number of Children are not strictly prohibited federally, but they can be used as evidence of an intent to discriminate

 Only asking women certain questions but not men (or vice versa) is "clearly discriminatory"





### Citizenship and I-9 verification

- Federally employers must verify employment eligibility using form I-9
  - Some states require employers use the federal E-Verify system.
- Most employers should not ask whether or not a job applicant is a United States citizen before making an offer of employment.
  - Federal law prohibits employers from conducting the Form I-9 and E-Verify processes before the employee has accepted an offer of employment.

Work authorization requirements don't give employers the right to discriminate based on citizenship or national origin



#### **Employment Eligibility Verification**

**Department of Homeland Security**U.S. Citizenship and Immigration Services

USCIS Form I-9 OMB No.1615-0047

Expires 05/31/2027

START HERE: Employers must ensure the form instructions are available to employees when completing this form. Employers are liable for failing to comply with the requirements for completing this form. See below and the Instructions.

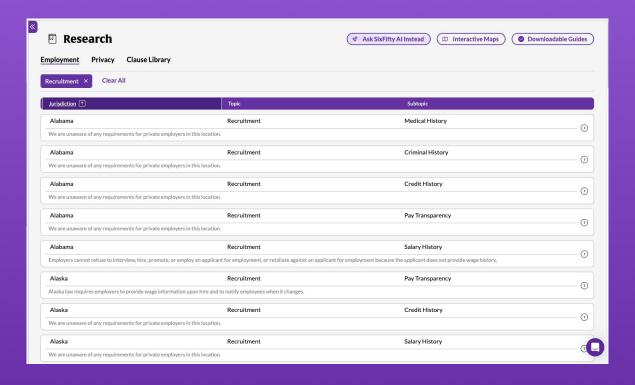
ANTI-DISCRIMINATION NOTICE: All employees can choose which acceptable documentation to present for Form I-9. Employers cannot ask employees for documentation to verify information in Section 1, or specify which acceptable documentation employees must present for Section 2 or Supplement B, Reverification and Rehire. Treating employees differently based on their citizenship, immigration status, or national origin may be illegal.

Section 1. Employee Information and Attestation: Employees must complete and sign Section 1 of Form I-9 no later than the first day of employment, but not before accepting a job offer.





### SixFifty Research: Recruitment Queries





# New hire notices: Wages

Maryland example: employers must provide written notice to employees at the time of hire of:

- Their rate of pay,
- Regular paydays, and
- Leave benefits

Maryland employers must provide notice at least one pay period in advance of any change in wage or payday.

Other states have similar wage notice requirements, including Alaska, California, Connecticut, Delaware (4+ employees), Hawaii, Idaho, Illinois, Louisiana, Minnesota (requires signed notice), New Hampshire, New Jersey, New York (signed notice), North Carolina, South Carolina, Utah, and West Virginia.



### New hire notices: Sick leave

States and local jurisdictions with paid sick leave requirements typically require a new hire notice.

#### **California**

#### PAID SICK LEAVE

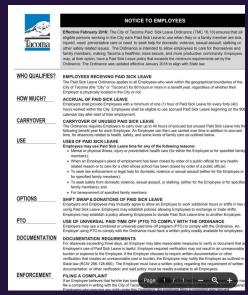
Unless exempt, the employee identified on this notice is entitled to minimum requirements for paid sick leave under state law which provides that an employee:

- May accrue paid sick leave and may request and use up to 5 days or 40 hours, whichever is greater, of accrued paid sick leave per year;
- b. May not be terminated or retaliated against for using or requesting the use of paid sick leave; and
- c. Has the right to file a complaint against an employer who retaliates or discriminates against an employee for
  - 1. requesting or using sick days;
  - 2. attempting to exercise the right to use paid sick days;
- 3. filing a complaint or alleging a violation of Article 1.5 section 245 et seq. of the California Labor Code;
- cooperating in an investigation or prosecution of an alleged violation of this Article or opposing any
  policy or practice or act that is prohibited by Article 1.5 section 245 et seq. of the California Labor

The following applies to the employee identified on this notice: (Check one box)

- 1. Accrues paid sick leave only pursuant to the minimum requirements stated in Labor Code §245 et seq. with no other employer policy providing additional or different terms for accrual and use of paid sick leave.
- 2. Accrues paid sick leave pursuant to the employer's policy which satisfies or exceeds the accrual, carryover, and use requirements of Labor Code §246.
- a. Employer provides no less than 40 hours (or 5 days) of paid sick leave at the beginning of each 12-month period.
- 4. The employee is exempt or partially exempt from paid sick leave by Labor Code §245.5. (State exemption and subsection for exemption):

#### Tacoma, WA



### Drug testing notices

If an **Alabama** employer requires drug testing, it must:

- Adopt a written drug testing policy;
- Provide its policy to employees and prospective employees for review; and
- Provide a notice of the drug testing requirement on all job postings for positions that require drug tests.

If a **Vermont** employer requires drug testing, it must:

- Inform prospective employees in writing of the drug testing procedure;
- Include a written list of the drugs it will test for; and
- Provide a notice that therapeutic levels of medically-prescribed drugs tested will not be reported.

If a **Mississippi** employer requires drug testing, it must:

 Notify applicants in writing that they will be required to submit to a drug test before the test.



### Less common new hire notices

- In Wisconsin, employers that implement any restriction on employees'
  hairstyles, facial hair, or clothing must provide notice of those restrictions to
  new employees upon hire.
- In **Washington, D.C.**, if an employer has an anti-moonlighting policy, that policy must be written and provided to employees within 30 days of their acceptance of employment and again any time the policy changes.



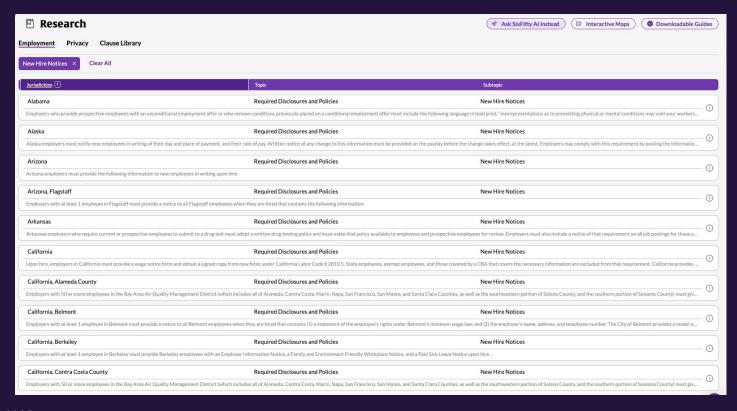
### New notice requirements

- **Alaska**: Notice of state's new sick leave requirements (July 31, 2025)
- **Michigan**: Notice of the state's new sick leave requirements (March 23, 2025)
- **California**: Notice of right to leave and accommodation for survivors of violence and family members of victims (May 2025)
- **Nebraska**: Notice of the state's new sick leave law (September 15, 2025)
- Washington: Updated paid family and medical leave notice (not available yet)





### SixFifty: New Hire Notice Database







# Thank you!

Any questions? Drop them in the Q&A panel.