



12 Days Of Handbook Updates: Salary Transparency

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This is the tenth of our 12 Days of Handbook Updates that take you through 12 important topics for employers as we round out the year.

For many employers, the near year means new employees. If you are in the season of publishing applications and interviewing job applicants, you may want to reflect on pay equity developments that went into effect this year or will go into effect in the near future.

Salary Transparency Legislation

Illinois: As of Jan. 1, 2025, employers with more than 15 employees will be required to disclose pay scales and benefits in job postings.

Hawaii: As of Jan. 1, 2024, job listings shall disclose an hourly rate or salary range that reasonably reflects the actual expected compensation.

New York: As of Sept. 17, 2023, employers with four or more employee "are required to list compensation ranges for designated job opportunities, promotions, and transfers."

California: As of Jan. 1, 2023, an employer with 15 or more employees must include a pay scale in every job posting. Notably, California's Labor Commissioner has interpreted the law "to mean that the pay scale must be included within the job posting if the position may ever be filled in California,

RELATED PRACTICE AREAS

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RELATED TOPICS

Employee Handbook Employee Policies State Labor Laws either in-person or remotely."

U.S. Congress: H.R. 1599, known as the Salary Transparency Act, was introduced on March 14, 2023. If passed it will require "employers to disclose the wage or wage range in the public or internal posting of an employment opportunity. This includes the range of wages or salaries and other forms of compensation reasonably expected to be offered for the employment opportunity."

This list is not exhaustive of the state laws that were enacted in 2023, and does not include municipalities that enacted similar legislation. Employers are encouraged to check the state and local laws where they have employees (including remote employees) and check the nuances of the laws that are applicable.

It is also wise for employers to check if they are effected by state or local laws that ban seeking and relying on the wage history of an applicant. Apart from in Rhode Island, there was not much new wage history legislation in 2023. However, almost half of the states have a law banning wage history inquiry.

This year's pay equity developments should not require new handbook provisions, but employers are encouraged to read through their handbooks and ensure the legislation does not affect existing handbook policies.

May your applicants be merry and bright, and may your applications contain required salary transparencies.