# Pay Transparency Laws are Coming! What Have We Learned?

Always exceed expectations through teamwork and excellent client service.

## What is Pay Transparency?

- Each state is different
- Two commonalities:
  - Banning the use of applicants' salary history in determining what to pay them
  - Applicants and employees have visibility on the company's salary range for a particular role or job opening

## Why Do States/Cities Want Pay Transparency?

- Pay equity
- Helps applicants decide whether to apply for a job
- Assists employees with negotiations
- Existing employees can see if they are being paid fairly

# What States Have (or Will Have) Pay Transparency Laws?

- California
- Colorado
- Connecticut
- Maryland
- Nevada
- New Jersey
- New York (select cities effective late 2022)
- Ohio
- Rhode Island (coming in 2023)
- Washington



#### How do the laws differ?

- CA, CT, MD, RI and WA: applicants can obtain salary info "upon request"
  - Effective January 1, 2023 WA must disclose salary range/wage scale in job posting
- NV: must provide info automatically after applicant has completed interview
- CO, NY, NJ: employers must disclose salary range & brief description of benefits package on the job listing
- OH: employers must disclose "upon reasonable request" after a conditional offer of employment has been extended



## **Best Practices for Implementing Pay Transparency**

- Review pay levels, policies, and practices
- Conduct internal pay equity audit
  - Collect relevant employee data
  - Identify comparable roles
  - Conduct a regression analysis
  - Find outliers
  - Remediate pay disparities
  - A/C Privilege



### **Best Practices for Implementing Pay Transparency**

- Use data from equity pay audit to set salary ranges
- Review and update job practices for new hires, transfers and promotions; include salary/wage disclosures where required
- Train HR personnel, hiring managers and others who may need to understand pay transparency laws and their impact
- Prepare managers for conversations about compensation





Michael Freimann mfreimann@atllp.com



Camille Roe croe@atllp.com