



**The Circle**  
BY FOUNDERS CIRCLE CAPITAL

Full|Circle Discussion:

# Navigating Pay Transparency

---

October 21, 2022

Now you have a Playbook shaped by experienced peers who have been there.



**Kristin Pedersen**

Partner and Co-Founder of Daijogo & Pedersen



**Nima Rahimi**

Senior Counsel, Director of Thumbtack

# Pay Transparency Laws Impose Various Types of Requirements

---



**JOB  
POSTING  
DISCLOSURES**



**DISCLOSURES  
PROVIDED TO  
APPLICANTS**



**DISCLOSURES  
PROVIDED TO  
EMPLOYEES**

# Jurisdictions Requiring Disclosures In Job Postings

## ✓ COLORADO:

hourly rate or salary compensation (or pay range), general description of any bonuses, commissions or other forms of compensation, and a general description of benefits other than minor perks

## ✓ CALIFORNIA:

(effective 1/1/23) pay scale, meaning the salary or hourly wage range that the employer reasonably expects to pay for the position

## ✓ ITHACA, NY

(applies to positions located in the City of Ithaca) minimum and maximum hourly or salary compensation

## ✓ JERSEY CITY, NJ:

(applies only to employers with their principal place of business and 5 or more employees in Jersey City) minimum and maximum salary or hourly wage and benefits

## ✓ NEW YORK CITY:

(effective 11/1/22) minimum and maximum annual salary or hourly wage (does not include other forms of compensation or benefits)

## ✓ WESTCHESTER COUNTY, NY

(effective 11/6/22; applies to positions required to be performed in Westchester County) minimum and maximum salary

## ✓ WASHINGTON:

(effective 1/1/23) wage scale or salary range, and a general description of all of the benefits or other compensation being offered

Note: Guidance provided for Colorado and New York City laws makes clear that the laws apply to any remote position that could be performed in those locations, and the Colorado Department of Labor and Employment has made clear that it is a violation of the Colorado law to state in the job posting that a remote position can be performed in any location but Colorado.

We are waiting for guidance on whether the California and Washington laws will be interpreted to cover job postings for remote jobs that could be performed in California, but it's reasonable to expect that that they will.

# Laws Requiring Other Disclosures To Applicants

---



## UPON REQUEST

- **California** (*currently in effect*): pay scale, meaning salary or hourly wage range, after applicant has completed initial interview
- **Connecticut**: wage range
- **Maryland**: wage range, including all compensation offered
- **Rhode Island** (*effective 1/1/23*): wage range, including all compensation and benefits
- **Washington** (*currently in effect*): upon request once an offer has been made, must provide the minimum wage or salary for the position

## AFTER COMPLETION OF INTERVIEW

- **Nevada**: wage or salary range or rate for the position

## UPON MAKING OFFER OF EMPLOYMENT

- **Connecticut**: if not earlier provided upon request, must provide wage range by the time the offer is made
- **Rhode Island** (*effective 1/1/23*): wage range, including all compensation and benefits, at the time of hire

# Laws Requiring Disclosure To Current Employees

## ✓ CALIFORNIA:

*(effective 1/1/23)* upon request, shall provide the pay scale for the position in which the employee is currently employed

## ✓ CONNECTICUT:

upon first request or change in the employee's position, shall provide the wage range for the employee's position

## ✓ NEVADA:

upon request, wage or salary range for a position if the employee has applied for a promotion or transfer and has completed an interview or been offered the position

## ✓ WASHINGTON:

*(currently in effect and continuing after 1/1/23)* upon request of an employee offered an internal transfer to a new position or promotion, wage scale or salary range for the new position

# Understanding the New California Pay Transparency Requirements

---



- All employers **must disclose pay scale** to current employees **upon request**
- Employers with **15 or more employees must include pay scale in job postings** and provide pay scale information to third parties, such as recruiters, so that they can include this information in any post, announcement, publication or other notice of the job opening
- All employers **must retain records of each employee's job title and wage rate history throughout their employment** and for 3 years after employment termination

# Penalties Under California Law

---

Aggrieved persons **may file a written complaint** with the Labor Commissioner **within 1 year after learning of the violation.**

Aggrieved persons **may bring a civil action** for injunctive relief and any other relief the court deems appropriate.

The Labor Commissioner **may order the employer to pay a civil penalty of no less than \$100 and no more than \$10,000 per violation**, but for a first violation of the disclosure requirements, no penalty will be assessed provided that the employee demonstrates that they have properly updated all job postings for open positions to include the pay scale as required.





**The Circle**  
BY FOUNDERS CIRCLE CAPITAL

Full|Circle Discussion:

# Navigating Pay Transparency

---

Brought to you by The Circle, a private executive community powered by Founders Circle Capital

