# Massachusetts Joins Growing List of States Requiring Pay Transparency in Job Postings

By Keerthi Sugumaran

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# Meet the Authors



Keerthi Sugumaran
Principal
617-305-1216
Keerthi.Sugumaran@jacksonlewis.com

## **Related Services**

National Compliance and Multi-State Solutions Pay Equity Wage and Hour Massachusetts Governor Maura Healey has signed into law "An Act Relative to Salary Pay Range Transparency," requiring employers with at least 25 employees to include pay range information in job postings and advertisements. Covered employers will also need to provide pay range information directly to employees and applicants, upon request. Massachusetts joins the growing number of states requiring pay transparency in job postings, including: California, Colorado, Connecticut, Washington, D.C., Hawaii, Illinois, Maryland, Minnesota, Nevada, New York, Rhode Island, Vermont, and Washington.

Pay transparency laws are designed to provide applicants insights into what the employer is offering for an advertised position, which may make it easier to negotiate pay rates. They also provide current employees with the opportunity to see what the company is willing to pay new hires and could lead to complaints of unfair pay or discrimination. This could be particularly tricky in Massachusetts, which has one of the toughest state <u>Equal Pay Acts</u> in the country.

### **Posting Requirements**

Effective Oct. 29, 2025, employers with at least 25 employees in Massachusetts must:

- Include the pay range for an employment position on all job postings. The pay
  range is defined as the annual salary range or hourly wage range that the covered
  employer reasonably and in good faith expects to pay for such position at that
  time.
- Disclose the pay range for a particular employment position to an existing employee who is offered either a promotion, transfer, or new position with different job responsibilities.
- Provide the pay range for a particular employment position to an employee holding said position, or to an applicant for such position, upon receipt of such request.

The posting requirements are broadly defined to cover "any advertisement or job posting intended to recruit job applicants for a particular and specific employment position," including posts by the employer and third parties. For employers who sponsor foreign nationals for "green cards" this includes postings that are used in the PERM recruitment process.

#### Pay Data Reporting

No later than Feb. 1, 2025, employers with at least 100 employees in the Commonwealth who are subject to wage data reporting requirements (defined in the statute as EEO-1, EEO-3, EEO-4, or EEO-5 reporting requirements) will need to file a

wage data report with the state secretary. The wage data report will include workforce demographic and pay data categorized by race, ethnicity, sex, and job category. Union, state, and local government, and elementary-secondary data reports are also subject to these reporting requirements.

The aggregated data will be published and available on the Massachusetts Executive Office of Labor and Workforce Development's website.

#### No-Retaliation Provision

Covered employers are prohibited from discharging, retaliating, or discriminating against any employee or applicant who engages in protected activity or exercises their rights under the law if they:

- 1. Enforced their rights under the no-retaliation provision.
- 2. Complained to their employer, their employer's agent, or the attorney general under this provision.
- 3. Instituted a proceeding under the law.
- 4. Testified or is about to testify in any such proceeding.

#### **Violations**

The new law does not contain a private right of action, which means employees and applicants cannot bring lawsuits against employers for alleged violations. But the state attorney general is authorized to bring an action against a covered employer for a violation of the law, and impose fines for non-compliance:

- A first offense would receive a warning.
- A second offense would receive a fine of up to \$500.
- A third offense would receive a fine of up to \$1,000.
- A fourth offense or further violations would be subject to civil fines in increasing amounts between \$7,500 and \$25,000.

#### How to Prepare

In the months to come, employers should start preparing for the wage data reporting requirements and the impending posting requirements. In particular, if you do not already have established salary ranges for all positions, this is the time to start implementing pay ranges. In addition, employers should consider compliance strategies to ensure all job postings are consistently updated with pay ranges. For multistate employers, it will also be important to compare and contrast pay transparency requirements in other jurisdictions to ensure compliance across all relevant jurisdictions.

Stay tuned for developments and consult a Jackson Lewis attorney to discuss how this new law could impact you.

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