



Vermont Pay Equity

Statute

- Fair Employment Practices Act, Vt. Stat. Ann. Title 21 § 495, et seq. (Specifically § 495(a)(7)).
- Act No. 80 (S. 103), L. 2023, effective July 1, 2023 (amendment to the Fair Employment Practices Act).

Classes protected

- Sex, race, national origin, sexual orientation, or gender identity or disability.

Key language on pay discrimination

- Unlawful employment practice for an employer “to discriminate between employees on the basis of sex, race, national origin, sexual orientation, or gender identity or against a qualified individual with a disability by paying wages to employees of one sex, race, national origin, sexual orientation, or gender identity or an employee who is a qualified individual with a disability at a rate less than the rate paid to employees of the other sex or a different race, national origin, sexual orientation, or gender identity or without the physical or mental condition of the qualified individual with a disability for equal work that requires equal skill, effort, and responsibility and is performed under similar working conditions.

Exceptions for pay disparities (including affirmative defenses)

- Seniority system
- Merit system
- System in which earnings are based on quantity or quality of production
- Bona fide factor other than sex, race, national origin, sexual orientation, gender identity, or physical or mental condition (employer must demonstrate that the factor does not perpetuate a differential in compensation based on sex, race, national origin, sexual orientation, gender identity, or physical or mental condition; is job-related with respect to the position in question, and is based upon a legitimate business consideration)

Prohibition on salary history inquiry

- Employers are prohibited from inquiring about or seeking information regarding a prospective employee's current or past compensation from a current or former employer
- Employers cannot require that current or past compensation satisfy minimum or maximum criteria

- Employers cannot determine whether to interview a prospective employee based on current or past compensation
- If a prospective employee voluntarily discloses information about current or past compensation after the employer makes an offer of employment with compensation, the employer may seek to confirm the information

Anti-retaliation

- Prohibits retaliation against an employee who has opposed any act or practice prohibited under this law, lodged a complaint or testified in an investigation of prohibited acts or practices, is known by the employer to be about to lodge a complaint or testify, has disclosed wages or inquired about or discussed wages of other employees, or is believed by the employer to have done any of these things.

Other key provisions

- Employers cannot require that employees refrain from disclosing the amount of their wages or from inquiring about or discussing the wages of other employees.
- Employers cannot require employees to sign a waiver that denies the right to disclose wages or inquire or discuss the wages of other employees.
- The law does not create any new rights for an employer to inquire about a characteristic of an employee that is otherwise unknown to the employer upon which pay discrimination is prohibited.
- An agreement to settle a claim of a violation of the pay equity provisions of the Vermont Fair Employment Practices Act “shall not prohibit, prevent, or otherwise restrict the employee from working for the employer or any parent company, subsidiary, division, or affiliate of the employer.”

Pay Equity Team

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