



Pennsylvania May Soon Require Employers To Disclose Pay Ranges To Applicants And Employees

Insights

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The Pennsylvania House of Representatives recently introduced a bill that would amend the commonwealth's Equal Pay Law by requiring employers to provide pay transparency to applicants and employees alike, bringing Pennsylvania to the forefront of the pay equity discussion. While the measure has a long way before becoming law, it is well worth keeping an eye on this development – not only those with business in Pennsylvania, but those across the country who may find that their local jurisdiction might one day follow its lead.

What Would the Bill Require?

Specifically, Bill Number 2024 would require the following:

- Employers would need to provide the pay range and the factors it considers in setting the ranges, to both applicants for posted positions and to employees who are internal candidates for a position offered as an internal transfer or promotion.
- If no pay range exists, the employer would be required to provide the minimum wage or salary set before it posted the position or offered an internal transfer or promotion.
- Upon hiring an employee *and annually thereafter*, employers would be required to provide the employee, in writing, the pay range for the position and for other positions within the employer's business that are substantially similar "with respect to the skill, effort and responsibility required to perform the jobs and the conditions under which the jobs are performed."

As introduced on November 14, the Bill applies to all employers with 15 or more employees and would go into effect 60 days after enactment.

If the Bill ultimately passes and is signed into law, Pennsylvania would be one of a handful of states requiring the disclosure of pay scale information, and the first to require annual disclosure of pay ranges for comparable positions. The commonwealth already requires state agencies to disclose a position's pay scale and pay range pursuant to Executive Order 2018-18-03.

What is Missing?

The Bill does not include a restriction on inquiring about or requiring an applicant to provide salary history, a restriction that is gaining momentum across the country and is applicable to Pennsylvania state agencies. Philadelphia was the first city to implement such a restriction in December 2016, but

a federal court ruled on April 30, 2018, that restricting employers from asking candidates to reveal their past salaries violates the First Amendment. The court also ruled, however, that the law could prohibit employers from using salary history to set pay. Pittsburgh similarly prohibits city agencies from asking for applicant salary history or relying on wage history during the employment process unless the applicant voluntarily discloses the information.

As the pay equity landscape continues to change and evolve across the country and within Pennsylvania, employers will want to keep an eye on Pennsylvania Bill Number 2024.

If you have any questions about how to ensure your pay practices are in compliance with federal and state law, contact your Fisher Phillips attorney or any member of Fisher Phillips' Pay Equity Practice Group.

Related People



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