NATIONAL EMPLOYMENT PERSPECTIVE

AUGUST 5, 2016

a service

FOCUS ON MASSACHUSETTS

Pay Equity Law Is First to Ban Pre-Offer Salary History Inquiry

Massachusetts Gov. Charlie Baker (R) signed into law on August 8, 2016, a pay equity bill that is the first in the nation to prohibit employers from inquiring about an applicant's salary history. Since women have historically been paid less than men, supporters of the bill emphasized that the practice of asking for a salary history perpetuates a cycle of lower salaries for women. The bill was unanimously approved by both the Massachusetts House and Senate.

In Massachusetts, women are currently paid about 82 cents for every dollar earned by men. The law attempts to narrow this gap by requiring men and women to be paid equally for comparable work. Legitimate reasons may cause pay differences, however, including seniority, geographic location, experience, education, and training. The law also prohibits employers from penalizing employees who discuss their salaries with peers—a practice that has been prohibited by New York and California as well.

While the new law prohibits employers from inquiring about prospective workers' salary histories, a candidate may still voluntarily offer such information. Employers must wait until they extend a former offer, including compensation, to inquire about salary history. Additionally, employers are prohibited from reducing salaries to comply with the law.

The law takes effect on July 1, 2018. To view the full text of the law, please click here.

This newsletter is prepared by Shook, Hardy & Bacon's National Employment Litigation and Policy PracticeTM.

Contributors to this issue:



Ashley Harrison Associate | Kansas City Boston College 816.559.4095 aharrison@shb.com



Bill Martucci Partner| Washington, D.C. Georgetown University 202.783.8400 wmartucci@shb.com



Riley Mendoza Associate | Chicago Harvard University 312.704.7784 rmendoza@shb.com

Attorneys in the Employment and Litigation and Policy Practice represent corporate employers throughout the United States in all types of employment matters. To learn more, please visit SHB.com.