

State laws about pay transparency in job ads are gaining popularity, lawyers say

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By Anna Stolley Persky



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Labor Law

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Colorado's Equal Pay for Equal Work Act requires employers with at least one employee in the state to post salary ranges, benefits packages and application details for all jobs, including internal promotions. The law, which became effective in 2021, is widely considered a trendsetter in pay transparency, along with a 2023 California law.

There are at least 15 states that have passed similar laws, including Massachusetts, New Jersey and Vermont, as well as some cities and other local municipalities, including Cleveland and New York City.

Pay transparency laws requiring salary range disclosures in job postings have gained popularity as part of a larger effort to increase salary equity among employers, according to Lyndsey M. Kruzer, a partner who practices labor and employment law from the Boston office of Cooley. These laws, Kruzer says, will only increase in number and scope.

“Five years ago, Colorado was on an island,” she says. “It’s not now.”

Some of the laws also prevent employers from probing job applicants about how much they made in their previous jobs or discriminating against applicants who refuse to reveal their past salaries.

Kelly M. Cardin, a shareholder in the New York City office of Littler Mendelson, helps companies navigate wage-and-hour laws.

Cardin says that historically, discussions about pay were discouraged, which meant that generally even individuals doing the same job at the same place didn’t realize there were any discrepancies between salaries.

But Cardin says pay equity and pay transparency laws “have revolutionized the way that employees and job applicants think about pay.”

Pay ranges on job postings are “really expected at this point,” Cardin says, adding that “employers are warming” to the notion.

Noreen Farrell, executive director of Equal Rights Advocates, a national civil rights organization that fights for gender justice, says the laws help ensure workers have the information they need to negotiate their salaries.

“Workers need to be able to understand how a company values a job,” she says.

Good-faith requirement

Kristi S. Nelson Foy, a shareholder in the Milwaukee office of Ogletree Deakins, says clarity around pay practices can improve retention and increase the number of job applicants when hiring—especially among younger workers, who increasingly value transparency in compensation.

For example, in one study published in January 2025 by human resources data provider Brightmine, 44% of Generation Z respondents said pay transparency and equity was their highest priority in employment, compared with 20% of baby boomers.

And a 2023 study by the Society for Human Resource Management found that 70% of organizations that list pay ranges say it has led to more job applicants.

Kathleen M. Anderson is a partner in the Fort Wayne, Indiana, office of Barnes & Thornburg and co-chair of the firm's wage-and-hour practice group. She says even though pay transparency laws haven't spread to every jurisdiction yet, companies should venture into "internal housekeeping" to understand fully the pay range, title and employment description for each position they offer.

Often, when different companies merge, there are discrepancies between salaries for similar-sounding jobs, Anderson says, and it's a good idea to get on top of that.

Pooja S. Nair is a partner in the Beverly Hills office of Ervin, Cohen & Jessup and head of the firm's food, beverage and hospitality department. She advises clients to look at pay transparency in terms of risk management and to post employment opportunities with "a reasonable and narrow range of what you would expect to pay."

She says that "when deciding on what to put in the pay range, remember there's a good-faith requirement built into these laws."

Blueprint for Congress

Another major issue is that each jurisdiction's pay transparency law differs in scope and details, which can be confusing for businesses with employees in multiple states, Anderson says. In Massachusetts, for example, a law went into effect in October requiring employers with 25 employees or more located in the state to disclose pay ranges for all job postings, as well as for employees offered a promotion or job transfer. The law mandates disclosure of the reasonably expected salary or hourly range—including commissions if those are part of the primary pay structure, but excluding bonuses and benefits.

But the Minnesota pay transparency law, which went into effect in January 2025, applies to companies with 30 or more employees in the state. That law explicitly prohibits certain language that is considered open-ended, such as giving a starting salary but not the full range.

The laws applicable to remote workers can be particularly challenging to navigate, Kruzer says. A single job posting for work that can be performed remotely can trigger the legal requirements of multiple jurisdictions at the same time.

Jill Hasday, the Distinguished McKnight University Professor at the University of Minnesota Law School, wrote about pay equity in her 2025 book, *We the Men: How Forgetting Women's Struggles for Equality Perpetuates Inequality*. She says state and local pay transparency and equity laws gaining momentum is "heartening, but a federal law would be preferable for uniform protection" of U.S. workers.

Farrell adds that states have given Congress the “blueprint” for “whenever they are ready to go.”

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