# **Salary History Ban Law**

Both state and local governments are increasingly adopting rules and regulations that outlaw employers from requesting salary history information from job applicants.

**The Salary History Ban Law** is defined as it being unlawful for an employer, employment agency, or their employees to inquire about an applicant's salary history, or to rely on an applicant's salary history to determine their salary, benefits, or other compensation during the hiring and contract negotiation process. However, should the applicant voluntarily disclose their salary history to the employer, the employer may rely upon and verify that information.

<u>Salary history</u> includes the applicant's current or prior wage, benefits, or other compensation, including commissions or profit percentage earned.

The only exception where this law is ineffective is if the applicant voluntarily discloses their salary history to the employer, or if the salary history question is asked in certain states/countries where this law has not been put into effect yet (more on that in a bit!).

### Where IS this law effective in/about to be effective in?

Click here to view on a Map where the salary history question is banned.

LOCATION	WHERE?	EFFECTIVE DATE
California	State-wide	January 1, 2018
Connecticut	State-wide	January 1, 2019
Chicago, IL	City Departments	April 10, 2018
Delaware	State-wide	December 14, 2017
Hawaii	State-wide	January 1, 2019
Louisville, KY	City Agencies	May 17, 2018
Massachusetts	State-wide	July 1, 2018
Michigan	State-wide	June 24, 2018
New Jersey	State-wide	Feb 1, 2018
New Orleans, LA	City Agencies	January 25, 2017
New York City	City-wide	October 31, 2017
Oregon	State-wide	October 6, 2017
Philadelphia	TBD	TBD
Pittsburgh	City Agencies	January 30, 2017
Puerto Rico	Commonwealth-wide	March 8, 2017
Vermont	State-wide	July 1, 2018
Westchester County	County-wide	July 9, 2018
Wisconsin	State-wide	April 18, 2018

https://www.hrdive.com/news/salary-history-ban-states-list/516662/

## How do I remain in compliance with this new law?

In order to remain lawful and in compliance with state and local law, you should take the following precautions/recommendations:

- Eliminate questions regarding compensation history from all application forms, electronic or otherwise.
- Employers will not avoid liability if they retain this question on their applications but include a
  disclaimer that individuals in \*insert state/country Salary Ban Law is effective\* need not
  answer the question. In other words, just stick to not asking this question under ANY
  circumstances!
- Educate and notify all personnel involved in the hiring process that they may not inquire as to an applicant's salary history. Some suggestions can be holding a Q&A session on this law, a company-wide email being sent, posting notices of this law in common areas, etc.

#### **Background Check Compliance**

It is crucial that a Salary History background check is not conducted where this law is effective. When running a background check, employers should specify that information regarding salary history should be excluded from the report.

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#### Sources:

https://www.hrdive.com/news/salary-history-ban-states-list/516662/ http://www1.nyc.gov/site/cchr/media/salary-history-frequently-asked-questions.page https://gusto.com/framework/news/salary-history-ban-map/