House of Representatives

General Assembly

File No. 482

January Session, 2023

Substitute House Bill No. 6273

House of Representatives, April 11, 2023

The Committee on Labor and Public Employees reported through REP. SANCHEZ, E. of the 24th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING DISCLOSURE OF SALARY RANGES ON PUBLIC AND INTERNAL JOB POSTINGS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 31-40z of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) As used in this section:

(1) "Employer" means any individual, corporation, limited liability company, firm, partnership, voluntary association, joint stock association, the state and any political subdivision thereof and any public corporation within the state using the services of one or more employees for pay;

(2) "Employee" means any individual employed or permitted to work by an employer;

(3) "Wages" means compensation for labor or services rendered by an

employee, whether the amount is determined on a time, task, piece, commission or other basis of calculation; and

(4) "Wage range" means the range of wages **[**an employer anticipates relying on when setting wages for a position, and may include**]** for a position, set in good faith by reference to any applicable pay scale, previously determined range of wages for the position, actual range of wages for those employees currently holding comparable positions or the employer's budgeted amount for the position.

(b) No employer shall:

(1) Prohibit an employee from disclosing or discussing the amount of his or her wages or the wages of another employee of such employer that have been disclosed voluntarily by such other employee;

(2) Prohibit an employee from inquiring about the wages of another employee of such employer;

(3) Require an employee to sign a waiver or other document that denies the employee his or her right to disclose or discuss the amount of his or her wages or the wages of another employee of such employer that have been disclosed voluntarily by such other employee;

(4) Require an employee to sign a waiver or other document that denies the employee his or her right to inquire about the wages of another employee of such employer;

(5) Inquire or direct a third party to inquire about a prospective employee's wage and salary history unless a prospective employee has voluntarily disclosed such information, except that this subdivision shall not apply to any actions taken by an employer, employment agency or employee or agent thereof pursuant to any federal or state law that specifically authorizes the disclosure or verification of salary history for employment purposes. Nothing in this section shall prohibit an employer from inquiring about other elements of a prospective employee's compensation structure, as long as such employer does not inquire about the value of the elements of such compensation structure;

(6) Discharge, discipline, discriminate against, retaliate against or otherwise penalize any employee who discloses or discusses the amount of his or her wages or the wages of another employee of such employer that have been disclosed voluntarily by such other employee;

(7) Discharge, discipline, discriminate against, retaliate against or otherwise penalize any employee who inquires about the wages of another employee of such employer;

(8) Fail or refuse to disclose in each public and internal posting for each job, promotion, transfer or other employment opportunity, the wage, or wage range, and a general description of the benefits, including, but not limited to, health benefits, retirement benefits, paid days off and tax reportable benefits, and other compensation to be offered for such job, promotion, transfer or other employment opportunity. Nothing in this subdivision shall be construed to require an employer to use a public or internal posting to advertise a job, promotion, transfer or other employment opportunity if such employer uses an alternative method of hiring for such job, promotion, transfer or other employment opportunity;

[(8)**]** (9) Fail or refuse to provide an applicant for employment the wage or wage range **[**for a position**]** and a general description of the benefits, including, but not limited to, health benefits, retirement benefits, paid days off and tax reportable benefits, and other compensation for the job, promotion, transfer or other employment opportunity for which the applicant is applying, if such job, promotion, transfer or other employment opportunity was not posted in a public or internal posting pursuant to subdivision (8) of this subsection, upon the earliest of (A) the applicant's request, or (B) prior to **[**or at the time the applicant is made an offer**]** any offer or discussion of compensation; **[**or**]**

[(9)**]** (10) Fail or refuse to (A) annually provide an employee the current wage range and a general description of the benefits and other compensation for the employee's position, **[**upon (A)**]** and (B) provide such employee the current wage range and a general description of the benefits, including, but not limited to, health benefits, retirement

benefits, paid days off and tax reportable benefits, and other compensation upon (i) the hiring of the employee, **[**(B)**]** or (ii) a change in the employee's position with the employer; **[**, or (C) the employee's first request for a wage range**]** or

(11) (A) Fail or refuse to interview, hire, promote or employ, or (B) discipline, punish or otherwise retaliate against an applicant for employment or employee for exercising any rights under this section.

(c) **[**Nothing**]** Except as provided in subdivisions (8) to (10), inclusive, of subsection (b) of this section, nothing in this section shall be construed to require any employer or employee to disclose the amount of wages paid to any employee.

(d) An action to redress a violation of subsection (b) of this section may be maintained in any court of competent jurisdiction by any one or more employees or prospective employees. An employer who violates subsection (b) of this section may be found liable for (1) compensatory damages **[**,**]** or statutory damages of one thousand to ten thousand dollars, whichever is greater, (2) attorney's fees and costs, (3) punitive damages, and (4) such legal and equitable relief as the court deems just and proper.

(e) No action shall be brought for any violation of subsection (b) of this section except within two years after such violation.

(f) The breadth of the wage range provided by an employer for a job, promotion, transfer or other employment opportunity shall be one factor relevant to the analysis of whether such wage range has been set in good faith.

(g) The provisions of this section shall apply to any job, promotion, transfer or other employment opportunity that (1) will be performed in the state, or (2) will be performed remotely outside of the state, but requires the individual performing such job, promotion, transfer or other employment opportunity to report to a supervisor, office or other work site in the state.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*October 1, 2023*	31-40z

Statement of Legislative Commissioners:
In Section 1(b)(8) "subsection" was replaced with "subdivision" for accuracy, Section 1(b)(11) was rewritten for clarity, in Section 1(g) "shall" was added before "apply" for consistency with standard drafting conventions.

LAB *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which requires certain disclosures of employers in their public and internal job postings, does not result in any fiscal impact to the state or municipalities.

The bill allows employees or prospective employees to bring cases to the court if they believe the employer is in violation of the provisions of this bill. This does not result in any fiscal impact to the state or municipalities. The court system disposes of over 250,000 cases annually and the number of cases is not anticipated to be great enough to need additional resources.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis

sHB 6273

AN ACT CONCERNING DISCLOSURE OF SALARY RANGES ON PUBLIC AND INTERNAL JOB POSTINGS.

SUMMARY

The state's current wage disclosure law generally (1) requires employers, including the state and municipalities, to give job applicants and employees the wage range for their positions upon request and (2) prohibits employers from taking certain steps to limit their employees' ability to share information about their wages.

This bill expands the wage disclosure law to require an employer to include a position's wage or wage range, and a general description of any applicable benefits, in its public and internal postings for jobs, promotions, transfers, or other employment opportunities.

The bill also:

1. requires employers to give their employees this information annually;

2. prohibits employers from taking certain actions against a job applicant or employee for exercising their rights under the wage disclosure law;

3. requires a court to award statutory damages between $1,000 and $10,000, if it is greater than the compensatory damages the court would otherwise award, for violations of the wage disclosure law; and

4. makes conforming changes.

EFFECTIVE DATE: October 1, 2023

WAGE RANGE POSTINGS

The bill prohibits employers from failing or refusing to disclose the following information in each public and internal posting for a job, promotion, transfer, or other employment opportunity (i.e., position): (1) the wage or wage range and (2) a general description of the benefits offered for the position, including health benefits and retirement benefits, paid days off, tax reportable benefits, and other compensation. The bill specifies that this does not require an employer to use a public or internal posting to advertise a position if the employer uses another method to do it.

Current law requires employers to give a job applicant the wage range for a position upon request, or when the applicant is offered the job, whichever is earlier. Under the bill, employers must do this only if they did not post the position on a public or internal posting. In this case, employers must also give applicants the general description of benefits described above at the applicant's request or before any offer or compensation discussion, whichever is earlier.

Current law similarly requires employers to give employees their position's wage range when they are hired, change positions with the employer, or first request it. The bill instead requires employers to give employees this wage range, and the general description of benefits, (1) annually, instead of upon request, and (2) when they are hired or change positions with the employer.

Wage Range Defined

Under current law, a "wage range" is the range of wages an employer anticipates relying on when setting wages for a position, such as an applicable pay scale, previously set wage ranges for the position, actual wage ranges for current employees, or the employer's budgeted amount for the position. The bill instead makes a "wage range" the range of wages for a position set in good faith by reference to an applicable pay scale, previously determined wage range for the position, actual wages

for the employee currently holding the position, actual wage range for employees currently holding comparable positions, or the employer's budgeted amount for the position. It also requires the breadth of the wage range listed in the job posting to be a relevant factor in analyzing whether the wage range was set in good faith.

CHANGES TO WAGE DISCLOSURE LAW

The bill also makes changes that apply to the broader wage disclosure law, including the law's provisions prohibiting employers from limiting their employees' ability to share information about their wages. It specifies that the wage disclosure law applies to any position that (1) will be performed in the state or (2) will be performed remotely outside of the state, but requires the employee to report to a supervisor, office, or other work site in the state.

The bill also prohibits employers from taking certain actions against a job applicant or employee for exercising their rights under the wage disclosure law. These include (1) failing or refusing to interview, hire, promote, or employ the applicant or employee and (2) disciplining, punishing, or otherwise retaliating against the applicant or employee.

The current wage disclosure law allows an employee or prospective employee to sue to address a violation and a court may award compensatory damages in these suits. The bill requires a court to award statutory damages between $1,000 and $10,000, if that amount is greater than the compensatory damages the court would otherwise award for a violation of the wage disclosure law.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable
Yea 8 Nay 4 (03/23/2023)