

# FAQs Explain New Requirement to Include Pay Scale in Job Postings

The California Labor commissioner has issued guidance on the new law that requires all employers to provide the pay scale to an employee or applicant upon request and employers with 15 or more employees to include the pay scale in any job posting, effective Jan. 1, 2023. The guidance, as summarized in this Legal Update, is in numbers 27 through 34 of the Labor commissioner's Equal Pay Law FAQs.

#### **Employers Subject to Job Posting Mandate**

To determine whether an employer has 15 or more employees and, therefore, must include pay scales in job postings, the FAQs indicate that employers should follow the principles in the Labor commissioner's 2022 guidance related to COVID-19. Under that guidance, all individuals performing any kind of compensable work for an employer that is not a bona fide independent contractor must be counted. This includes salaried executives, part-time workers, minors and new hires. The FAQs also clarify that at least one of the employees must be currently located in California.

# **Job Postings Subject to Pay Scale Mandate**

According to the FAQs, employers must ensure that any third parties they engage with to advertise jobs include the pay scales as required under the new law. This means that the pay scale must be included in the job posting for any position that may ever be filled in California, either in person or remotely.

#### No Links or QR Codes

The FAQs make clear that the pay scale information must be included within the actual posting for a position. Employers may not provide the information indirectly, such as through:

- A link in an electronic posting; or
- A QR code in a paper posting.

Provided to you by Employco USA, Inc.

#### **Important Information**

#### **Pay Scale Defined**

"Pay scale" means the salary or hourly wage range an employer reasonably expects to pay.

### **Pay Types Included**

Postings for jobs that pay a set hourly rate, piece rate or commission must include the set rate amount or the commission range the employer reasonably expects to pay.

## **Amounts Not Required**

Additional amounts such as bonuses or tips do not have to be included.

Starting Jan. 1, 2023, employers with 15 or more employees must include the pay scale in postings for any job that may ever be filled in the state.

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