

Legal Update

Brought to you by: Employco USA, Inc.

District of Columbia Enacts New Wage Transparency Requirements

On Jan. 12, 2024, the District of Columbia (the District) enacted the [Wage Transparency Omnibus Amendment Act of 2023](#), amending the Wage Transparency Act of 2014. The amended law requires pay and benefits disclosures, prohibits wage history inquiries and expands employee protections regarding compensation discussions. The amended law takes effect on **June 30, 2024**, and applies to all nongovernmental employers with at least one employee in the District.

Required Pay and Benefits Disclosures

The amended law requires employers to include in all job postings the minimum and maximum salary or hourly pay that they believe, in good faith, they would pay for the position. Pay ranges must be included in both external and internal postings, including those for internal promotions or transfer opportunities.

Prior to a candidate's first interview, employers must also disclose the existence of health care benefits that employees may receive. Such disclosure may be but is not required to be included in the job posting.

Prohibition on Wage History Inquiries

The amended law prohibits employers from screening candidates based on their wage history; this includes requiring that their past compensation satisfy minimum or maximum criteria or requiring candidates to disclose their wage history as a condition of receiving an interview or offer of employment. Employers are also prohibited from seeking a candidate's wage history from a former employer.

Expanded Protections for Compensation Discussions

The 2014 law prohibits employers from restricting employee discussions regarding monetary compensation or discharging, disciplining or otherwise retaliating against employees who engage in such discussions. The amended law expands the prohibition to include protections for discussions and inquiries regarding nonmonetary compensation (e.g., health care benefits).

Notice Requirement

Employers must post a notice of employee rights under the amended law in at least one conspicuous location where employees congregate.

Penalties

The amended law retains the 2014 law's fines for employers that violate the law: \$1,000 for the first violation, \$5,000 for the second violation, and \$20,000 for each subsequent violation. It also authorizes the attorney general to investigate violations and bring civil actions seeking restitution, injunctive relief, compensatory damages, attorneys' fees and statutory penalties equal to any administrative penalties provided by law. The amended law does not create a private right of action for employees.

Important Information

June 30, 2024

The District's Wage Transparency Omnibus Amendment Act of 2023—which requires pay and benefits disclosures, prohibits wage history inquiries and expands employee protections for compensation discussions—goes into effect.

Beginning June 30, 2024, employers will be required to include salary ranges in job postings and disclose health care benefits information to interviewees.

Next Steps for Employers

In preparation for the new requirements, employers should:

- Review and update job postings (including internal postings) to ensure they include good faith pay ranges by no later than June 30, 2024;
 - Prepare to disclose health care benefits information to applicants at the start of the interview process;
 - Train hiring managers and other recruiting personnel on the required benefits disclosure and the ban on wage history inquiries;
 - Review job applications, screening questionnaires and reference check processes to ensure they do not include inquiries regarding wage history and implement a policy of not sharing former employees' wage history with other employers; and
 - Prepare and post a notice of employee rights under the new law.
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