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Welcome to another edition of *The Work Week with Bassford Remele*. Each Monday morning, we will publish and send a new article to your inbox to hopefully assist you in jumpstarting your work week.

Bassford Remele Employment Practice Group

Clearing Up Wage Transparency Benjamin H. Formell

With the final quarter of 2024 now underway, it's never too early to start planning for more big changes coming down the pipeline in the employment space in 2025. Employers looking to hire in the new year will need to take stock of long-discussed wage transparency updates.

In short, effective January 1, 2025, all employers with 30 or more employees in Minnesota will be required to disclose either a starting salary range or a fixed pay rate in each job posting seeking new applicants. Salary ranges may be listed as annual or hourly, but the range may not be open-ended. Each job posting must also contain a general description of the benefits and other compensation to be offered, including at least health and retirement benefits.

The new requirements apply to all job postings by qualifying employers, defining job postings as any solicitation intended to recruit job applicants for a specific available position. Importantly, these requirements apply to both postings by the employer and indirect postings through third-party recruiters.

The bottom line is that employers must now include a good faith estimate of expected compensation, including benefits, in any solicitation seeking job applicants starting in 2025.

As a reminder, although employers will be subject to these new wage transparency requirements in 2025, employers have been prohibited from inquiring as to job applicants' pay history during the hiring process since the beginning of 2024. This restriction remains in effect.

Minnesota is just the ninth state to enact this kind of transparency requirement in job postings, with comparable requirements already existing in California, New York, Washington, Colorado, and Maryland.

Employers will need to review their career and advertising materials, including those distributed through third-party partners, to ensure they comply with updated Minnesota law. Even employers in states with their own wage transparency laws should ensure that their marketing materials conform with the specific details of the new Minnesota wage-transparency statute. Personnel involved in hiring will need to be prepared to answer questions prompted by this new information provided to applicants, if it was not provided in an employer's previous marketing materials. Even employers below the 30-employee threshold may wish to consider how these requirements for larger employers may impact their own hiring pool in the long term.

At Bassford Remele, we regularly counsel employers on complying with new hiring and recruiting standards. Feel free to reach out if you need assistance in this continually evolving landscape.

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