

Pay Transparency Legislation Series EP 3: Preparing to Publish Salary Ranges

Wednesday, September 14th

Today's Presenters



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Today's Agenda

- Pay transparency legislation overview
- What's coming in New York and California
- How to prepare for compliance
- How PayScale can support

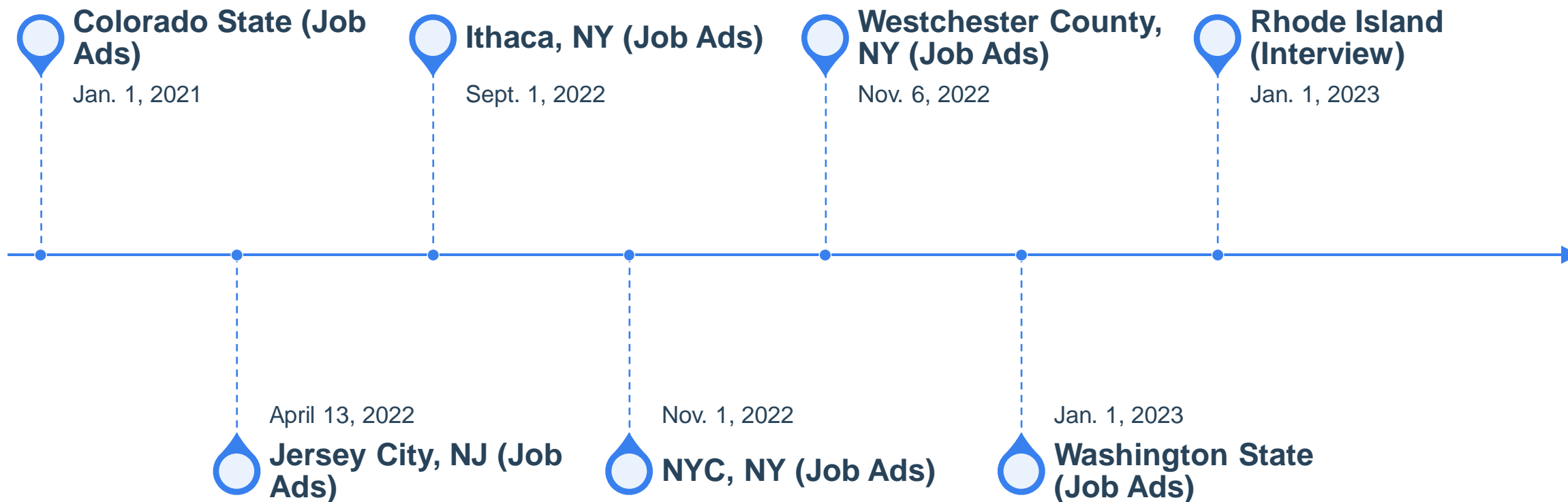


Pay transparency legislation

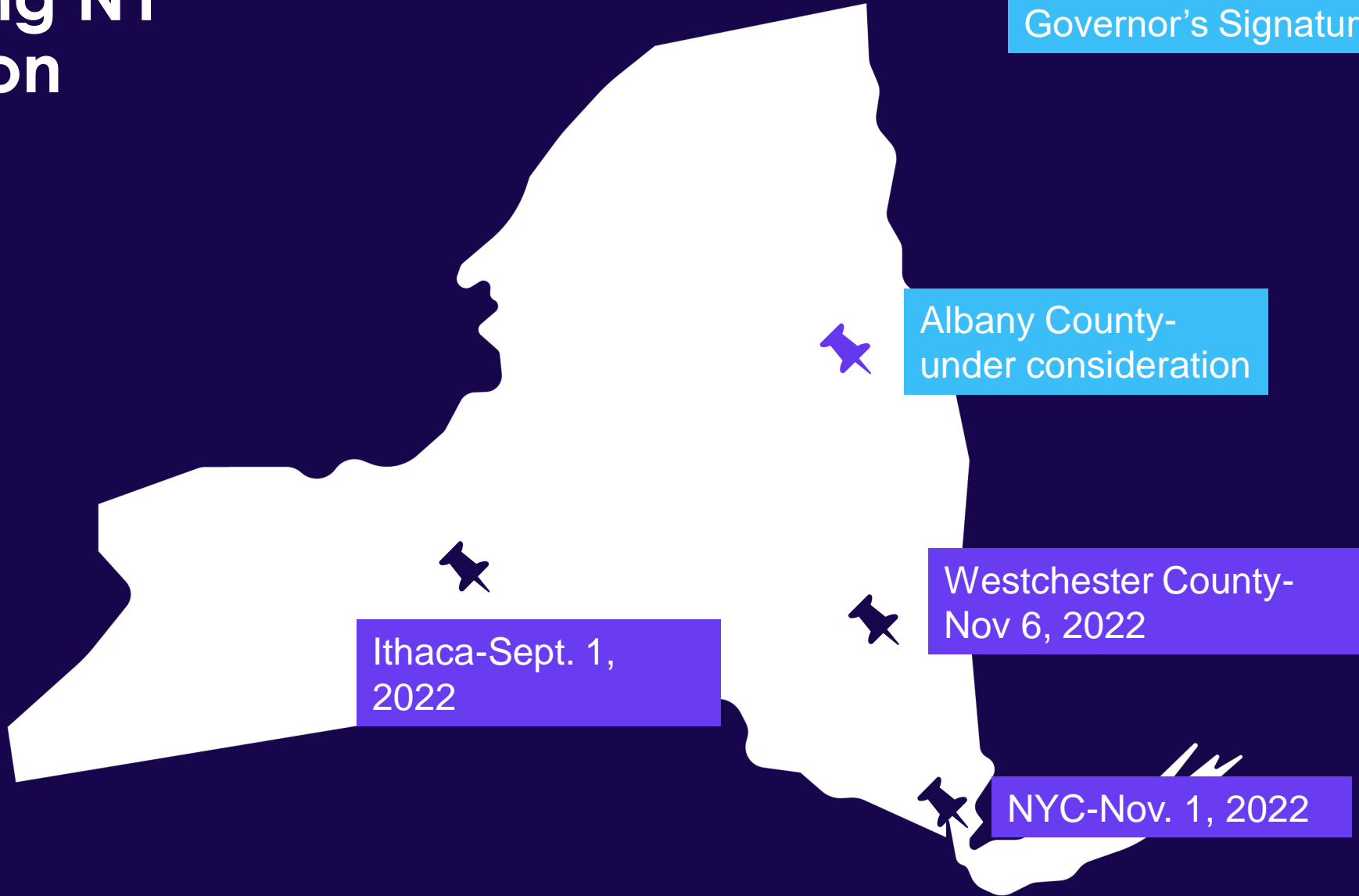
Poll: Do you currently share pay ranges in job postings?

- A. No, we do not do this currently
- B. We are working on this
- C. We only share ranges only for locations where we are required
- D. We do this for all locations
- E. I am not sure

Where and when is pay transparency legislation happening?



Upcoming NY Legislation



New York State—waiting for
Governor's Signature

Albany County-
under consideration

Westchester County-
Nov 6, 2022

Ithaca-Sept. 1,
2022

NYC-Nov. 1, 2022

Starting **September 1, 2022**, job postings in Ithaca must include the expected pay range

- Applies to employers with **4 or more employees**
- **Internal and external** job postings for applicants and employees
- **Min and max salary** that you believe, in good faith, at the time of the posting that you are willing to pay for the job
- **Unlawful discriminatory practice** to not state the minimum and maximum salary range in job posting



Ithaca, New York Ordinance Overview



New York City Legislation Overview

Starting **November 1, 2022**, job postings in New York City must include the expected pay range

- Applies to employers with **4 or more employees in NYC**
- **Internal and external** job postings for applicants and employees
- **Min and max salary** that you believe, in good faith, at the time of the posting that you are willing to pay for the job
- **Penalties** for failure to comply

Starting **November 6, 2022**, job postings in Westchester County must include the expected pay range

- Applies to postings that are required to be performed in whole or in part in Westchester County, including remotely
- **Internal and external** job postings for applicants and employees
- **Min and max salary** that you believe, in good faith, at the time of the posting that you are willing to pay for the job
- **Penalties up to \$250,000** for failure to comply, not including back pay, front pay, punitive damages, costs.



Westchester County Legislation Overview

What do we know?

- Passed NY Legislature—waiting for Governor Hochul’s signature
- Applies to employers with **4 or more employees**
- **Internal and external** job postings for applicants and employees that “**can or will be performed, at least in part, in the State of NY.**”
- **Penalties up to \$3,000** for failure to comply
- **What must the posting include:**
 - Actual compensation *or* range of compensation
 - Job description (if a description exists); and
 - General description of other comp offered



New York State Legislation Overview

Passed August 30, 2022

- **Who:** employers with 15 or more employees
- **What:** shall include pay scale (hourly or salary) for a position in any job posting
- **When:** TBD (likely by January 1, 2023)
- **Proposed Penalties:** between \$100 and \$10,000 per violation
- **Record Keeping Obligations:** maintain records of job title and wage rate history for each employee for **3 years post employee's employment**
- **Other considerations:** additional pay reporting requirements

A blue-tinted photograph of the Golden Gate Bridge in San Francisco, viewed from a low angle looking up at the tower. The bridge's suspension cables and the surrounding water are visible.

California Legislation Overview

How to prepare for pay transparency

What does this mean for your business?



Everyone will be able to see the ranges you post



This is going to become **best practice**



“The Great Resignation” ...this is **still a candidate's market**



Be proactive about evaluating and standardizing pay practices and philosophies now



Ensure that you can **justify all decisions** made with relation to your practices and policies

What do I do if I have...?

Market data

Market data
+
Employee
information

Market data
+
Employee
information
+
pay structures

Market data
+
employee
information
+
pay structures
+
job levelling

What do I do if I have market data only?

You only have the market data to help you decide

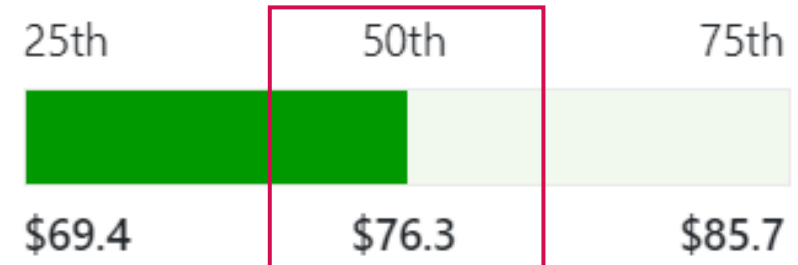
- Sense check the numbers – do they look right to you?
- Check against your budget
- Check against your knowledge of other employees in same or similar roles
- Decide the mid-point of the range you are going to post
- Decide on width of the range (what would your maximum be?)
- EG: midpoint is median market salary / 5% range either way

\$72,000 - \$80,000

IT Software Engineer I

BASE SALARY

\$76,306



What do I do if I have market data + employee info?

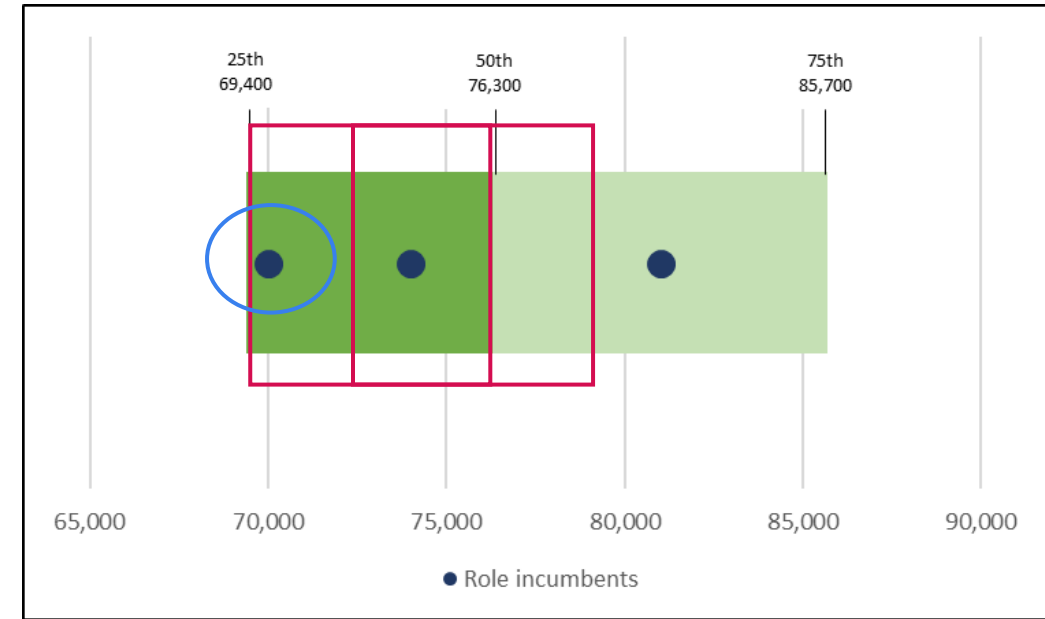
You have the market data and internal info to help you decide

- Check the market data against the current incumbents
- Check against your budget
- Check against your knowledge of other employees in similar roles
- Decide the mid-point of the range you are going to post
- Decide on width of the range (what would your maximum be?)

- EG: minimum is 25th percentile of market so that it is in keeping with current employees / 10% range

\$69,000 - \$76,000

- *If you want to offer more so that it bridges market median look at whether those currently in the role below the posted range need to receive increases*



Role: IT Software Engineer I

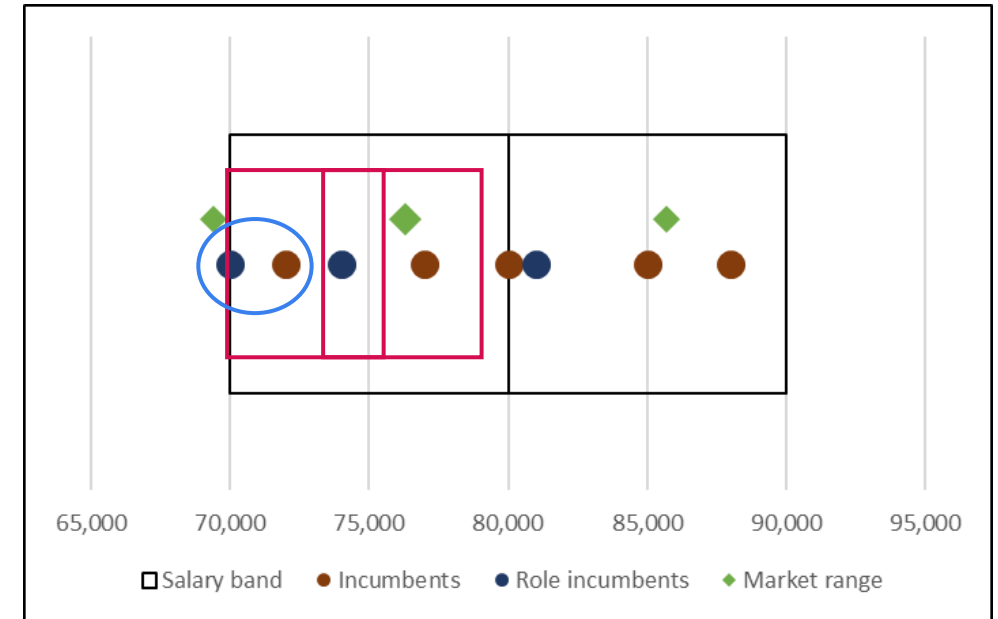
What do I do if I have market data + employee info + pay structures?

You have the market data, the pay structure the role fits within and internal info to help you decide

- **This includes all 'comparable' roles**
- Check the market against the current incumbents in that role (in green) and comparable roles
- Check against your budget
- Many companies use the minimum of the range and decide how high to go
- EG: min of range / 10% range

\$70,000 - \$77,000

- *If you want to offer more so that it bridges market median you should be looking at whether those currently beneath the posted range need to receive increases*

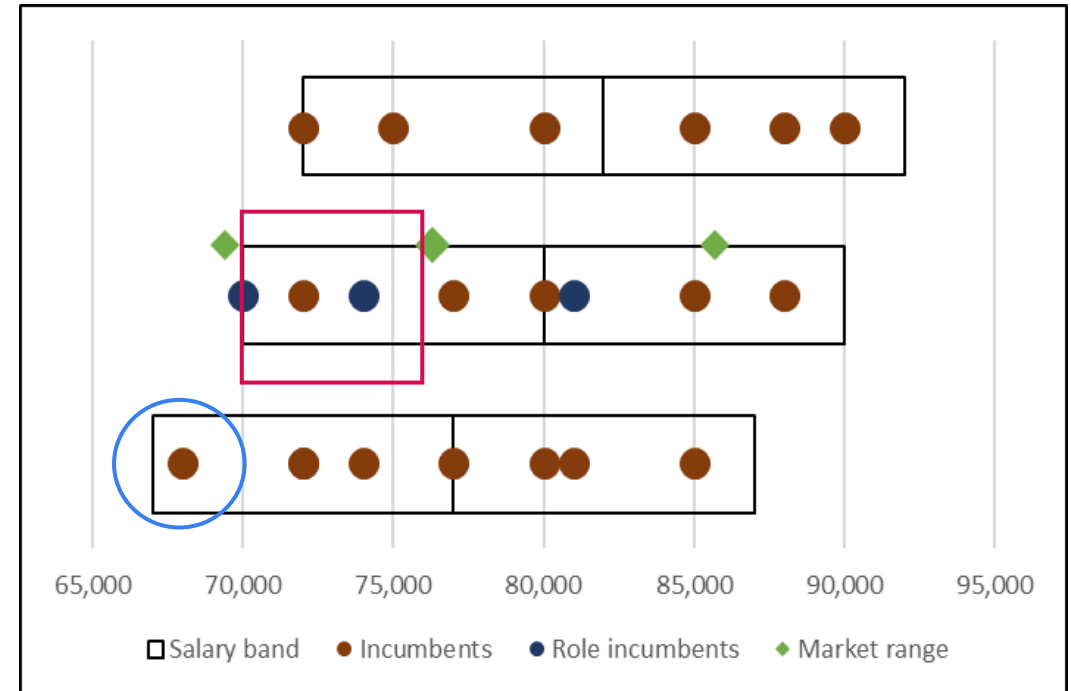


Role: IT Software Engineer I
Pay structure: Tech

What do I do if I have market data + employee info + salary structures + job levelling?

You have the market data, the pay structure the role fits within, the rest of the job families at that level and internal info to help you decide

- This includes all 'comparable' roles and those of 'equal worth'
 - Check the market against the current incumbents in that role (in green), comparable roles and other roles at the same level
 - Check against your budget
 - Range will generally still be related to role / pay structure
- *But you should be aware of incumbents in other roles at the same level who may feel that they are comparable*



Role: IT Software Engineer I
Pay structure: Tech
Job Level: B

Poll Question: Which position are you in?

1. We have nothing
2. We have market data for each role
3. We have a system that shows us the market data and the employees in that role
4. We have a system that shows us the market data, the employees in that role and in the same pay structure
5. We have a system that shows us the market data, the employees in that role, in the same pay structure and the same job level
6. We have something else

Poll Question: What is preventing your organization from reaching your pay transparency target? (select all that apply)

1. We lack confidence in the accuracy of our salary data
2. We don't have organized pay structures (e.g. job based ranges)
3. We are not confident in our pay strategy or structures
4. We are concerned that we have pay inequity issues
5. Leadership is unconvinced in the merits of pay transparency
6. Nothing - We're satisfied with our level of pay transparency

Q&A

Feel free to ask any questions in the chat!

