



# HR Compliance Trends

*Presented by ADP<sup>®</sup>*

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- The final word on today's topics
- A political opinion
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# Today's speakers

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# HR Compliance Trends

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March 2023



# Pay transparency in the news....

## Does gender pay transparency work?



Yahoo Finance US

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California Clarifies Pay Transparency Rules: What Employers Need to Know

Thursday, December 29, 2022

Pay transparency laws gather momentum in 2023  
— a boon for workers

BUSINESS

Job Postings With Broad Pay Ranges Leave Applicants Guessing in NYC

**More states are making it easier to learn how much an open job pays**

How pay transparency may affect your job search or raise

If you're looking for a job or aiming to get a raise this year, a new factor may come into play

# New pay transparency legislation

1



**Pay secrecy & salary  
history bans**

2



**Pay data reporting**

3



**Wage range  
disclosures**



# Bans on pay secrecy policies

## Federal law

- **Provides** employees the right to act together to improve wages and working conditions and discuss wages, benefits and other terms and conditions of employment (Section 7 of the NLRA)
- **Note:** Pay secrecy or pay confidentiality rules have been found to violate Section 7 rights.

## State laws

- 20 states and D.C. **expressly prohibit** employers from banning employees from discussing their wages
- Some local jurisdictions enacted similar laws.



# Salary history bans

## Employers may not:

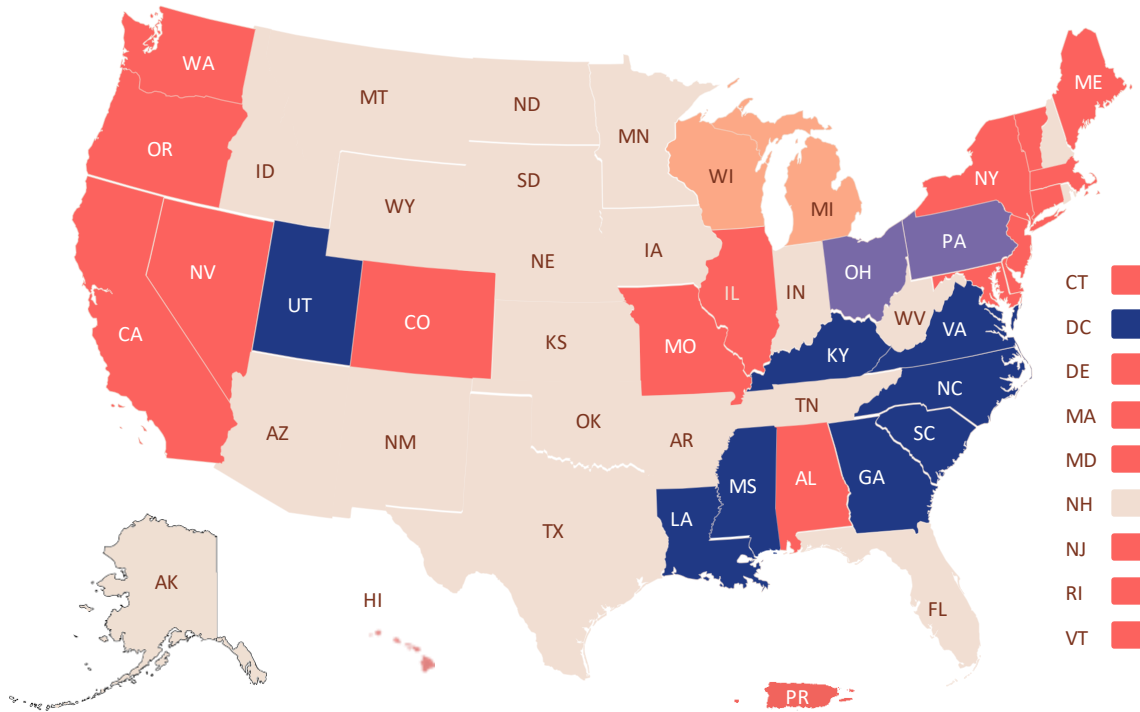
- **Seek** salary history information about an applicant in certain jurisdictions
- **Rely** on an applicant's salary history to determine job or salary offers

## Employers should:

- **Remove** salary history questions from application forms, interview questions, hiring documents, and reference checks



# Salary history restrictions



### Legend

- States with enacted legislation
- Local jurisdictions with enacted legislation
- Public sector (state or local) salary history bans
- Salary history bans prohibited



# Pay data reporting

**California** requires employers with 100 or more employees (at least one employee in California) to submit annual pay data report.



- Report must show mean and median hourly rates by demographic group for California employees and, in some cases, California labor contractors
- Next report due May 10, 2023

**Illinois** employers with more than 100 employees must file for Equal Pay Certification.



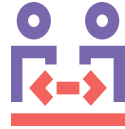
- Requires disclosure of each Illinois employee's demographic and pay data
- Submitted every other year; Illinois notifies employers of deadline

# Types of wage range disclosure laws



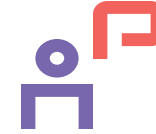
## Reactive

- Provide salary range only upon request of external applicant
- Some jurisdictions extend right to request salary range info to current employees



## Proactive / 1-1

- Provide salary range to applicants automatically upon certain events (e.g., when reach final interview stage or at time offer made)
- Some jurisdictions extend requirement to current employees offered new roles

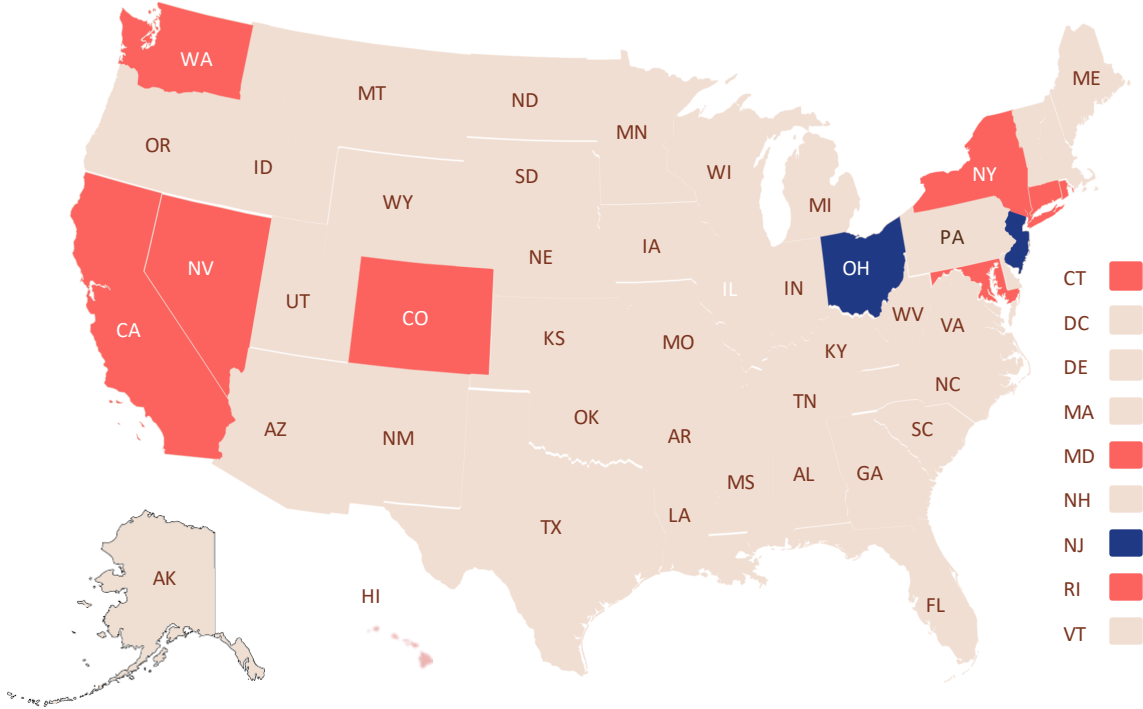


## Proactive / Posting

- Include salary range information in any external job posting
- Laws differ on which roles are covered

**Prepare your HR team, talent acquisition team, and managers**

# Wage range disclosure requirements



### Legend

States with enacted legislation

Local jurisdictions with enacted legislation

- CT
- DC
- DE
- MA
- MD
- NH
- NJ
- RI
- VT



## Pay transparency — takeaways

Review your internal equity and establish or review salary ranges

Prepare to respond to employee questions

Make sure all required information is:

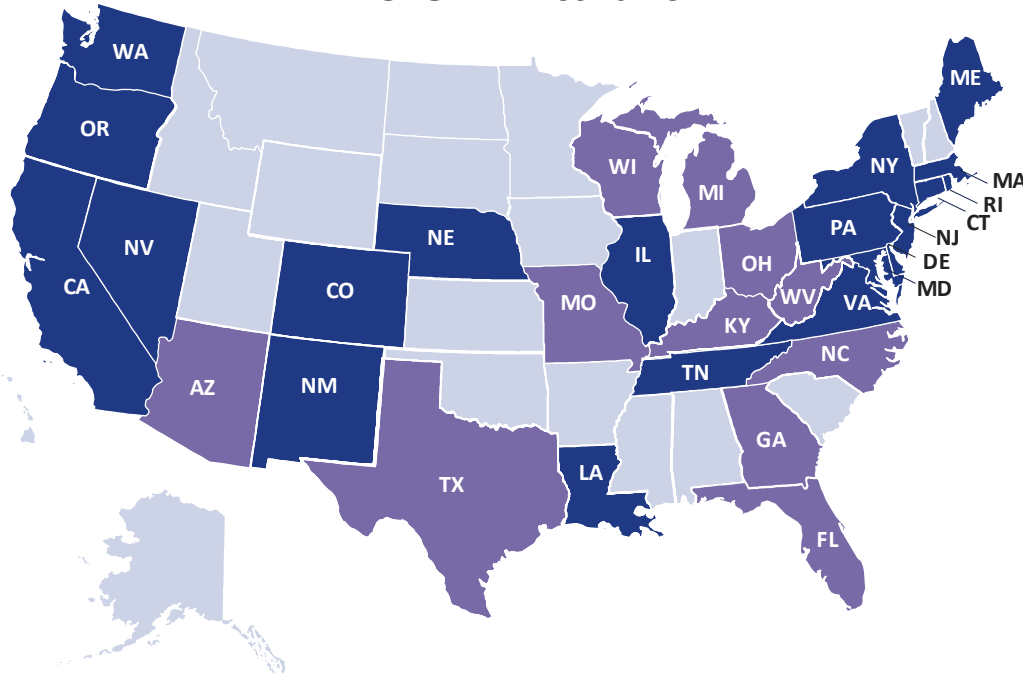
- ✓ **Posted** in the appropriate locations
- ✓ **Provided** to the appropriate audience
- ✓ **Provided** at the appropriate time



## Other key trends

# Hairstyle nondiscrimination

## CROWN Act Laws



- State bans on hairstyle discrimination
- Local bans on hairstyle discrimination

## CROWN Acts Effective dates

- 2023**
  - Illinois: January 1
- 2022**
  - Louisiana: August 1
  - Maine : August 8
  - Massachusetts: October 24
  - Tennessee: July 1



## Avoiding hairstyle discrimination

Examples of practices that could violate hairstyle discrimination laws include:

- **Prohibiting** twists, locs, braids, cornrows, Afros, Bantu knots, or fades
- **Telling** applicants or employees with certain hairstyles that they can't be in a customer-facing role unless they change their hairstyle, or that their hairstyle doesn't fit the employer's "image"



# Paid Family Leave programs

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[California](#)



[San Francisco](#)



[Colorado](#)



[Connecticut](#)



[Delaware](#)  
(contributions start in 2025)



[District of Columbia](#)



[Maryland](#)  
(contributions start October 1, 2023)



[Massachusetts](#)



[New Hampshire](#)  
(voluntary program)



[New Jersey](#)



[New York](#)



[Oregon](#)



[Rhode Island](#)



[Washington](#)

# Recent Paid Family Leave changes

 <p><b>District of Columbia</b></p>	<p><b>October 1, 2022</b></p> <ul style="list-style-type: none"><li>Increased the maximum amount of leave under its paid family leave program to <b>up to 12 weeks</b> for parental, family, and medical leave.</li></ul>	 <p><b>New York</b></p>	<p><b>January 1, 2023</b></p> <ul style="list-style-type: none"><li>The New York Paid Family Leave Program expanded to allow employees to take leave to <b>care for a sibling with a serious health condition</b>.</li></ul>
 <p><b>Colorado</b></p>	<p><b>October 15, 2022</b></p> <ul style="list-style-type: none"><li>Issued final rules <b>addressing employer participation requirements and benefits</b> under the state's paid family and medical leave insurance program.</li></ul>	 <p><b>Oregon &amp; Washington</b></p>	<p><b>January 1, 2023</b></p> <ul style="list-style-type: none"><li>Jointly issued guidance that <b>clarifies which state's paid family and medical leave program applies</b> to employees that cross the states' shared border.</li></ul>
 <p><b>New Hampshire</b></p>	<p>Employer enrollment: <b>December 1, 2022</b> Individual enrollment: <b>January 1, 2023</b></p> <ul style="list-style-type: none"><li>Created a <b>voluntary Family and Medical Leave Insurance wage replacement program</b> for employers and individuals to join.</li></ul>	 <p><b>Rhode Island</b></p>	<p><b>January 1, 2023</b></p> <ul style="list-style-type: none"><li>The Rhode Island family leave program provides <b>up to 6 weeks</b> of paid leave (previously 5 weeks).</li></ul>

# ADP Educational Resources

# Complying with pay transparency laws

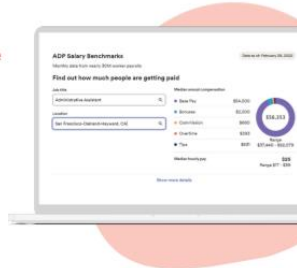
Data-driven ADP® salary benchmarks can help



Laws addressing wage transparency are being rolled out in an effort to help ensure pay equity. Some of these laws require employers to provide pay range information to job applicants and employees. Data-driven salary benchmarks from ADP can provide valuable input to help you make a decision on the best pay range for an open role.

Get current pay by job title and location (sourced from 30 million+ ADP DataCloud anonymized employee records and updated monthly)

- Salary and hourly pay ranges by job title and location
- Median pay
- Bonuses, commissions, overtime, and tips
- Annual pay trends



## Ready to start hiring?

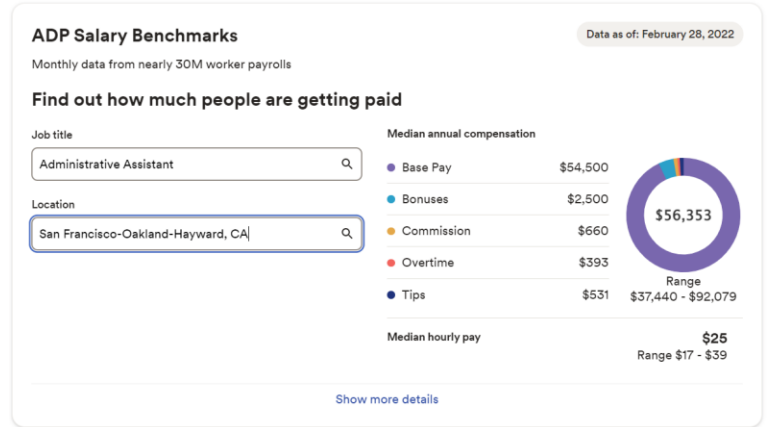
Consult local laws for pay transparency requirements in your location. In addition, the ADP HR Tip of the Week article (Trend to Watch: Wage Transparency Law) can show you **which states are currently impacted**. ADP salary benchmarks are a valuable data point for helping you determine a pay range for open positions.



To simplify hiring, RUN Powered by ADP also offers one-click job posting to leading job boards and stress-free customizable job description templates.

## ADP® offers searchable salary benchmarks for jobs near you

Please visit our [ADP – Wells Fargo landing page](#) to learn more.



# ADP Media

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**HR{preneur} Podcast – please visit our [Podbean Homepage](#)**

The HR{preneur} podcast is centered around helping small businesses like yours gain the knowledge you seek — from HR, payroll and hiring, to time, taxes, benefits and insurance.

## SPARK

Helping ignite the power of your people.

**SPARK Blog – please visit [SPARK Powered by ADP®](#)**

Spark provides news, stories, insights, and tips that can help you ignite the power of your people. Our goal is simple: To help you and your workforce be successful today and in the future.

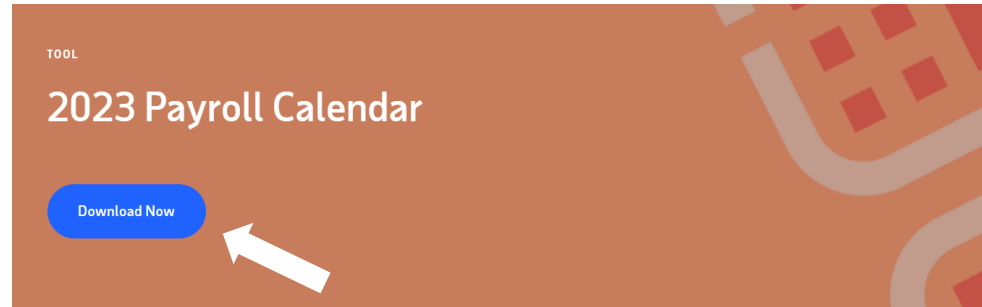
# ADP Guidebook & Tool

Check out our [Payroll checklist](#) guidebook



ADP's payroll checklist provides a guide to all of the latest payroll software capabilities, which you can use to evaluate vendors. When you find a payroll service provider who can handle all of your needs, you may have more time to focus on growing your business and your profits.

Check out our [2023 Payroll Calendar](#) tool



ADP's payroll calendar is a comprehensive guide to pay periods in 2023. It clearly notes the processing week number and all federal holidays, so employers can plan their payroll accordingly – whether it's a biweekly pay schedule, semimonthly or another frequency.



# Appendix

# Pay transparency: state pay disclosure requirements

Employer Pay Scale Disclosure Requirements: Effective January 1, 2023			
Jurisdiction	California	Rhode Island	Washington
<b>Upon request (recipients)</b>	<p>The pay scale must be provided to:</p> <ul style="list-style-type: none"> <li>• <b>Applicants:</b> For the position they applied to (even prior to the initial interview)</li> <li>• <b>Employees:</b> For their current position</li> </ul>	<p>The pay scale must be provided to:</p> <ul style="list-style-type: none"> <li>• <b>Applicants:</b> For the position they applied to</li> <li>• <b>Employees:</b> For their current position</li> </ul>	
<b>Other requirements</b>	<p>Employers with <b>15 or more employees</b> must:</p> <ul style="list-style-type: none"> <li>• Include the pay scale for a position in any job posting.</li> <li>• Provide the pay scale to a third-party that announces, posts or publishes a job posting (the third-party must include it in the job posting).</li> </ul>	<p>Employers must provide the pay scale:</p> <ul style="list-style-type: none"> <li>• At the time of hire</li> <li>• When an employee moves into a new position</li> </ul>	<p>Employers must disclose the wage scale or salary range and a general description of all benefits and other compensation in:</p> <ul style="list-style-type: none"> <li>• Each posting for each job opening</li> </ul>

**Effective September 17, 2023:** New York employers with **four or more employees** must disclose the compensation or a range of compensation and the job description to applicants and employees for each job, promotion, or transfer opportunity.



# Pay transparency: state pay disclosure requirements

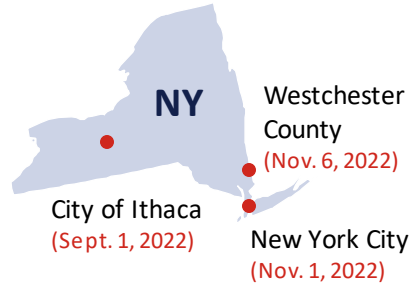
Existing Employer Pay Scale Disclosure Requirements				
Jurisdiction	Colorado	Connecticut	Maryland	Nevada
<b>Upon request (recipients)</b>		<ul style="list-style-type: none"> <li>• <b>Job applicants:</b> The wage range for a position upon the earliest of their request.</li> <li>• <b>Employees:</b> The wage range for their position upon the employee's first request.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Applicants:</b> The wage range for the job they applied to.</li> </ul>	<ul style="list-style-type: none"> <li>• A person who has completed an interview for a position must be provided a wage, salary range or rate for that position.</li> </ul>
<b>Other requirements</b>	<p>Each posting for each job opening, must disclose:</p> <ul style="list-style-type: none"> <li>• The hourly rate or salary compensation (or a range thereof) that the employer is offering for the position; and</li> <li>• A general description of all offered employment benefits</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Job applicants:</b> The range of the position for which they are applying prior to or at the time they are made an offer of compensation</li> <li>• <b>Employees:</b> The wage range for their position upon their hiring or a change in the employee's position with the employer</li> </ul>		<ul style="list-style-type: none"> <li>• <b>Employees:</b> A wage or salary range or rate must be provided for a promotion or transfer to a new position to an employee who has:               <ul style="list-style-type: none"> <li>○ Applied for the promotion or transfer;</li> <li>○ Completed an interview for the position or been offered it; and</li> <li>○ Requested such information</li> </ul> </li> </ul>

# Pay transparency: local pay disclosure requirements



An employer with **five or more employees** that uses any print or digital media circulating within the city to provide notice of employment opportunities must disclose in the posting or advertisement the:

- Minimum and maximum salary and/or
- Hourly wage, including benefits



When advertising a job, promotion, or transfer opportunity, an employer with **four or more employees** must state the:

- Hourly wage for the position; or
- Minimum and maximum annual salary



Upon request, an employer with **15 or more employees** must provide an applicant who has received a conditional offer of employment with:

- The pay scale for the position