

Wage Transparency in Job Postings Coming to Maryland

Law and the Workplace on May 20, 2024

Maryland Governor Wes Moore has signed into law [SB 525/HB 649](#), which will require employers to include wage ranges in internal and external postings for positions that will be physically performed, at least in part, in the state of Maryland (the “Wage Transparency Law”). The Wage Transparency Law will take effect on October 1, 2024.

Definitions

Under the Wage Transparency Law, a job “posting” is defined as any “solicitation intended to recruit applicants for a specific available position,” and includes job recruitment directly by the employer as well as through third parties, such as job posting websites.

Employers will be required to disclose the “wage range,” meaning the position’s minimum and maximum hourly rate or salary, set by the employer in good faith by reference to:

- Any applicable pay scale;
- Any previously determined minimum and maximum hourly rate or salary;
- The minimum and maximum hourly rate or salary of an individual holding a comparable position at the time the job is posted; or
- The budgeted amount for the position.

In each public or internal posting for a position, employers will be required to disclose: (1) the wage range; (2) a “general description of benefits”; and (3) “any other compensation offered for the position.” Where no public or internal job posting is made for a given position, the employer must disclose the three components identified above to applicants: (i) before any discussion of compensation with the applicant; or (ii) at any other time upon the applicant’s request.

Record-Keeping

Under the Wage Transparency Law, employers will be required to maintain records of employee wages, job classifications, and other conditions of employment for at least 3 years after a position is filled, or if the position is not filled, for at least 3 years after the position was initially posted.

Enforcement

The Wage Transparency Law does not provide for a private right of action for employees or applicants, and instead will be enforced by the Maryland Department of Labor (“DOL”). The Maryland DOL is authorized to issue an order compelling compliance with the law for a first violation; for a second violation, at the Maryland DOL’s discretion, employers may be assessed a civil penalty of up to \$300 for each employee or applicant for employment for whom the employer is not in compliance. For each subsequent violation within three years, the amount of the civil penalty may increase up to \$600.

Takeaways

In advance of the Wage Transparency Law’s effective date, employers should begin to plan for how to determine good-faith salary ranges for positions covered by the law and ensure both public and internal job postings are in compliance. Employers must also abide by pre-existing requirements under Maryland law that prohibit asking for an applicant’s wage history during the recruitment process or relying on an applicant’s wage history in determining their compensation for a position. However, after making an initial offer of employment, an employer may use wage history voluntarily provided by an applicant solely to increase the wage offered to them.

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