

Minnesota Pay Equity

<u>Statute</u>

- Equal Pay for Equal Work Law, Minn. Stat. 181.66 et seq.
- Salary Ranges Required in Job Postings, Minn. Stat. 181.173

Classes protected

• Sex

Key language on pay discrimination

• May not differentiate pay on the basis of sex for "equal work on jobs the performance of which requires equal skill, effort, and responsibility, and which are performed under similar working conditions."

Exceptions for pay disparities (including affirmative defenses)

- Seniority system
- Merit system
- System which measures earnings by quantity or quality of production
- Differential based on any other factor than sex

Prohibition on Salary History Inquiry

- Except that, for employment covered by collective bargaining agreements, effective as of the date of implementation of the applicable agreement that is after January 1, 2024.
- An employer, employment agency, or labor organization may not ask about, consider, or require disclosure of an applicant's pay history for purposes of determining compensation or benefits for that applicant. This general prohibition against inquiring into the pay history of an applicant does not apply if the applicant's pay history is a matter of public record under federal or state law, unless the employer, employment agency, or labor organization sought access to those public records with the intent of obtaining pay history for the purpose of determining compensation or benefits for that applicant.
- Notwithstanding the above prohibitions, nothing prevents an applicant from voluntarily disclosing pay history for the purposes of negotiation compensation or benefits. If an applicant does so, the employer, employment agency, or labor organization may consider or act on that voluntarily disclosed salary history information to support a wage or salary higher than initially offered.

Anti-retaliation

- Shall not discriminate with regards to hire or tenure when an employee exercises her right under this section.
- An employer shall not take any adverse employment action against an employee for disclosing the employee's own wages or discussing another employee's wages which have been disclosed voluntarily.

Wage Disclosure Requirement

- Effective January 1, 2025, an employer must disclose in each posting for each job opening with the employer the starting salary range, and a general description of all of the benefits and other compensation, including but not limited to any health or retirement benefits, to be offered to a hired job applicant.
- "Employer" means a person or entity that employs 30 or more employees at one or more sites in Minnesota and includes an individual, corporation, partnership, association, nonprofit organization, group of persons, state, county, town, city, school district, or other governmental subdivision.
- "Posting" means any solicitation intended to recruit job applicants for a specific available position, including recruitment done directly by an employer or indirectly through a third party, and includes any postings made electronically or via printed hard copy, that includes qualifications for desired applicants.
- "Salary range" means the minimum and maximum annual salary or hourly range of compensation, based on the employer's good faith estimate, for a job opportunity of the employer at the time of the posting of an advertisement for such opportunity.

Pay Transparency

• An employer shall not require non-disclosure by an employee of his/her wages as a condition of employment or require an employee to sign a waiver or other document which purports to deny the employee the right to disclose the employee's wages.

Other key provisions

- Shall not reduce another's wages to comply with this section
- State contractors must obtain an Equal Pay Certificate from the Minnesota Department of Human Rights

Pay Equity Team

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