

MASSACHUSETTS

Massachusetts Enacts Pay Transparency and Pay Data Reporting Law

On July 31, 2024, Massachusetts enacted the [Frances Perkins Workplace Equity Act](#). This law requires employers with 100 or more employees to provide pay data reports to the Massachusetts state secretary effective **Feb. 1, 2025**, and employers with 25 or more employees to disclose the pay range in job postings effective **July 31, 2025**.

Pay Data Reporting Requirements

Under the new law, all employers with **100 or more employees** who are subject to federal equal employment opportunity (EEO) reporting requirements (i.e., required to file EEO-1, EEO-3, EEO-4 or EEO-5 data reports) must provide a copy of their federal EEO data reports for the prior year to the Massachusetts state secretary by Feb. 1. For example, employers that are subject to annual EEO-1 reporting requirements must submit a copy of their 2024 federal EEO-1 data report to the Massachusetts state secretary no later than **Feb. 1, 2025**. The reports must contain workforce demographic and pay data categorized by race, ethnicity, sex and job category.

Pay Transparency Requirements

Effective **July 31, 2025**, employers with **25 or more employees** will be required to:

- Disclose the pay range for a specific position in the posting of the position;
- Provide the pay range for a specific position to an employee who is offered a promotion or transfer to a new position with different job responsibilities; and
- Provide the pay range for a particular position to an existing employee holding such position or to an applicant for such position upon request.

Under the new law:

- **“Pay range”** means the annual salary or hourly wage range that the employer reasonably and in good faith expects to pay for such position; and

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Important Dates

Feb. 1, 2025

Employers with 100 or more employees will be required to provide pay data reports to the Massachusetts state secretary.

July 31, 2025

Employers with 25 or more employees will be required to including pay ranges in job postings

***In 2025,
Massachusetts
employers must
disclose pay ranges in
job postings and
report pay data.***

- **“Posting”** means any advertisement or job posting intended to recruit job applicants, whether such recruitment is done by the employer or through a third party.

No Retaliation

Employers may not terminate or otherwise retaliate or discriminate against any employee or applicant for exercising their rights under the pay transparency provisions of the law (e.g., make a complaint, or institute or testify in any proceeding regarding an alleged violation).

Enforcement and Penalties

The Massachusetts attorney general has the exclusive authority to enforce the law. Employers that fail to submit an annual report or post pay ranges will be subject to a warning for the first offense, \$500 for the second offense, \$1,000 for the third offense, and penalties ranging from \$7,500 to \$25,000 for subsequent offenses. However, for violations that occur on or prior to July 31, 2026, employers will have two business days to cure a violation before incurring a fine.

Next Steps for Employers

Employers can take steps now to ensure compliance with the new law by the applicable effective date. Such measures may include establishing a methodology for determining compensation ranges, reviewing and updating job postings, and ensuring the appropriate parties (such as HR and recruiting personnel) are trained on the requirements to provide compensation information and to provide a copy of the employer’s EEO data report to the Massachusetts state secretary.