LEGAL UPDATE MASSACHUSETTS

Massachusetts Issues FAQs for Upcoming Pay Transparency Law

The Massachusetts Executive Office of Labor and Workforce Development (LWD) recently published <u>frequently asked questions (FAQs)</u> regarding the state's <u>pay</u> <u>transparency law</u>. The FAQs clarify certain pay data reporting requirements that take effect **Feb. 1, 2025**, but do not impose additional requirements.

Pay Data Reporting Requirements

The law requires employers with **100 or more employees** in Massachusetts 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) to provide a copy of their federal EEO data reports for the prior year to the Massachusetts state secretary by Feb. 1. The FAQs clarify these reporting requirements. Key takeaways include the following:

- Initial reports are not due until Monday, **Feb. 3, 2025**, because the first Feb. 1 reporting deadline falls on a Saturday.
- Reports must be filed through the state secretary's **online** <u>portal</u>.
- Large multistate employers only need to file an EEO-1 Report covering their **Massachusetts establishments**.
- Employers are **not required to submit W-2 income earnings data** because such information is not currently required to be collected by federal law.
- The state pay data reporting requirements **do not apply to federal contractors with 50 or more employees** who file federal EEO-1 Reports if they have fewer than 100 employees in Massachusetts.

Salary Range Disclosure

Effective **Oct. 29, 2025**, employers with 25 or more employees must disclose salary ranges in job postings. The FAQs do not clarify these requirements but indicate that additional information will be provided at a later date.

Next Steps for Employers

Covered employers should ensure they are prepared to file their initial reports by **Feb. 3, 2025**. Employers with 25 or more employees may also begin preparing to comply with their salary range disclosure requirements effective **Oct. 29, 2025**, and should monitor for further guidance from the LWD. Provided to you by Employco USA, Inc.

Highlights

Feb. 3, 2025

Employers with 100 or more employees must submit their first EEO-1 Reports to the state because the statutory deadline of Feb. 1, 2025, deadline falls on a Saturday.

Oct. 29, 2025

Employers with 25 or more employees must begin disclosing salary ranges in job postings.

Covered Massachusetts employers have until Feb. 3, 2025, to file EEO-1 Reports with the state secretary.