Engage PEO Client Alert: Washington

Salary Transparency Law Takes Effect January 1, 2023

WHAT'S NEW: Beginning January 1, 2023, employers with employees in the State of Washington will be required to disclose salary ranges and benefits for all job postings.

WHAT IT MEANS: Employers with 15 or more employees anywhere in the world and at least one Washington-based employee will be required to disclose in all job postings the wage scale or salary range, benefits, and other compensation. The wage scale or salary range should not be open-ended, but rather, state a low and high number.

The job posting must provide a description of the "benefits" including but not limited to healthcare benefits, retirement benefits, paid time off, fringe benefits, and any other benefits reportable as income. The job posting must also describe "all other compensation," which may include bonuses, stock options, travel allowance, or profit sharing.

This disclosure requirement applies to new hires, promoted employees, remote employees, and internal transfers. Stating that an employer will not consider job applicants residing in Washington does not excuse compliance with this law. Third-party staffing companies must also comply with the new disclosure requirements. Employers will need to regularly update their job postings if there are any changes to the position.

A non-compliant employer may be held liable for costs, including but not limited to actual damages, administrative penalties of $5,000 for each violation, attorneys' fees, court costs, and fees for administrative proceedings

WHAT EMPLOYERS SHOULD DO: Employers who do business in the State of Washington or who recruit remote employees who reside in Washington should familiarize themselves with the law, review their hiring practices and make immediate adjustments as necessary to ensure compliance. Employers should also establish formal wage ranges for all positions and descriptions of benefits for all positions and update the information as necessary.

Please contact your Human Resources Consultant or Account Manager if you have any questions.