

Massachusetts Employers Take Note: Pay Transparency Law's Pay Range Disclosure Requirements Are Now In Effect

By Michelle De Oliveira on October 30, 2025



The Massachusetts Pay Transparency Act's pay range disclosure requirements for employers with 25 or more employees are now in effect. Businesses should ensure that they understand their obligations and comply with the new requirements.

Key Takeaways

- **Effective Date:** Pay range disclosure requirements took effect on October 29, 2025.
- **Covered Employers:** Pay range disclosure requirements apply to businesses with 25 or more employees.
- **Disclosure Obligations:** Employers must include pay ranges in all job postings and provide pay range information upon request to an employee for the position held, to an employee at the time of a promotion or transfer, and to a job

Recommended Actions

- Review and assess compensation practices to ensure compliance with both the Pay Transparency Law and the Massachusetts Equal Pay Act.
- Train management teams and HR personnel on how to appropriately respond to pay range inquiries.

EEO Reporting

- Employers with 100 or more employees must comply with ongoing EEO pay data reporting requirements.

General Overview

On July 31, 2024, Governor Maura Healey signed into law *An Act Relative To Salary Range Transparency*, making Massachusetts the twelfth state to pass a pay transparency law. The law requires covered employers to disclose pay ranges in job postings, to job applicants, and to employees in certain circumstances.

Employers already subject to federal EEO disclosure requirements must also submit workforce demographic and pay data to the Secretary of the Commonwealth ("Secretary"), who will then provide the data to the Massachusetts Executive Office of Labor and Workforce Development for publication.

Key Terms Defined

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Understanding the key applicable terms and definitions below is important to ensure compliance:

- **Job posting:** “any advertisement or job posting intended to recruit job applicants for a particular and specific employment position, including, but not limited to, recruitment done directly by a covered employer or indirectly through a third party.”
- **Pay range:** “the annual salary range or hourly wage range that the covered employer reasonably and in good faith expects to pay for such position at that time.”
- **Comparable work:** positions that require substantially similar skill, effort, and responsibility and are performed under similar working conditions.

Pay Range Disclosure Requirements

Covered employers-those with **25 or more employees** whose primary place of employment is in Massachusetts-must disclose pay ranges in the following situations:

1. When the employer is posting the position.
2. When the employer offers an employee a promotion or the employee transfers to a new position with new responsibilities.
3. Upon request by an employee for their current position. 4, To an applicant for the position applied for.

Pay Data Reporting Requirements For Employers With 100+ Employees

Employers with **100 or more Massachusetts employees** that are already required to file federal EEO reports (EE0-1, EE0-3, EE0-4, or EE0-5) must submit those same reports to the Secretary. The form must include workforce demographic and pay data categorized by race, ethnicity, sex, and job category.

The reporting deadlines are:

- **February 1, 2025:** The first EE0-1, EE0-3 and EE0-5 reports are due to the Secretary. Thereafter, EE0-1 reports will be due to the Secretary annually by February 1st-and EE0-3 and EE0-5 reports are due to the Secretary in each odd numbered year by February
- **February 1, 2026:** The first EE0-4 report is due to the Thereafter, EE0-4 reports will be due to the Secretary in each even numbered year by February 1st.

Employers may access helpful resources and information on the reporting requirements here.

Anti-Retaliation Protections

In addition to the reporting and disclosure requirements, the Pay Transparency Law prohibits employers from discharging, retaliating, or discriminating against any employee or applicant for exercising their rights or engaging in protected activity.

Enforcement

The Massachusetts Attorney General is tasked with enforcement and may issue penalties to employers that fail to comply with the pay range disclosure or reporting requirements. Penalties may include warnings and fines, and the fines will depend on how many employer violations there are. The Massachusetts Attorney General's Office issued a Pay Transparency FAQ, which can be a helpful tool for employers.

What is Next For Employers?

- **Review and Assess Compensation Practices:** It is critical for employers to review and assess their compensation practices to ensure that pay ranges for each position within the organization are clearly defined.
- **Job Descriptions & Documentation:** Develop thorough, accurate job descriptions that reflect actual duties and justify compensation ranges.
- **Conduct a Pay Equity Review:** Employers should also consider performing an internal audit in relation to their current pay ranges for positions within the organization. This will help identify, and proactively address, potential pay disparities that could expose the business to Equal Pay Act claims.
 - Here is why: The Pay Transparency Law will work in conjunction with the MA Equal Pay Act, a law that requires equal pay for “comparable work” between genders. The reason for this is that postings and pay range disclosures will inevitably disclose the realm of possibility with respect to a pay range for a particular role. Such disclosures-without ensuring careful analyses regarding the applicable pay ranges-may reveal discrepancies that may create potential exposure for employers. To that end, employers who have not conducted a recent pay equity analysis and review are encouraged to do so to proactively take steps to prevent, among other things, exposure to discrimination claims under the Equal Pay Act.
- **Management & HR Training:** Management teams and HR personnel need to be well-versed with respect to the pay range disclosure requirements under the Pay Transparency law so that they are prepared to respond to and address inquiries.
- **Employers with fewer than 25 employees:** Although employers with fewer than 25 employees are not required to comply, some may benefit from adopting transparency practices voluntarily. If you employ fewer than 25 employees, you are encouraged to closely assess this and make an informed decision.

Conclusion

The Massachusetts Pay Transparency Act marks a significant shift toward greater transparency in compensation practices. Employers who have not done so already should act now to review their pay structures and proactively take steps to ensure compliance.

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