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Minnesota Pay Transparency Requirements Signed into Law

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Certain Minnesota employers will be required to disclose starting salary ranges, or a fixed pay rate, in all job postings beginning January 1, 2025. This new requirement, signed into law by Governor Tim Walz on May 17, 2024, as part of the Omnibus Labor and Industry policy bill, places Minnesota within a growing group of states adopting similar pay transparency legislation.

Minnesota's iteration of pay transparency applies to employers that employ 30 or more employees at one or more sites in Minnesota. The law covers virtually all Minnesota employers meeting this size criteria, including individuals, nonprofits, groups of persons and governmental subdivisions, among other employers, such as corporations and partnerships. The law also applies to job postings made in recruiting efforts by third parties on behalf of covered employers.

Beginning January 1, 2025, any such job posting must list a "starting salary range" or, if the employer does not plan to offer a range, a "fixed pay rate" applicable to the job opening. "Salary range" means the minimum and maximum annual salary or hourly range of compensation. The range may not be open-ended and must be based on the employer's "good faith estimate" for the job opportunity at the time of posting. In addition, the job postings must include a general description of all benefits and other compensation, including any health or retirement benefits.

Employers should begin surveying their current pay rates, policies and practices in anticipation of the law's effective date.

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Stinson attorneys are experienced in developing strategies for compliance with pay transparency principles and can help review employer practices ahead of this new law.

For more information on the Minnesota pay transparency legislation, please contact Sharon Beck, Anne Marie Buethe, Amy Conway, Tracey Holmes Donesky, Nicole Faulkner, Kelly Maxwell, Greta Bauer Reyes, Matthew Tews or the Stinson LLP contact with whom you regularly work.

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