

No. 155. An act relating to disclosure of compensation in job advertisements.

(H.704)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 21 V.S.A. § 495o is added to read:

§ 495o. DISCLOSURE OF COMPENSATION TO PROSPECTIVE

EMPLOYEES

(a)(1) An employer shall ensure that any advertisement of a Vermont job opening shall include the compensation or range of compensation for the job opening.

(2) Notwithstanding subdivision (1) of this subsection:

(A) An advertisement for a job opening that is paid on a commission basis, whether in whole or in part, shall disclose that fact and is not required to disclose the compensation or range of compensation pursuant to subdivision (1) of this subsection (a).

(B) An advertisement for a job opening that is paid on a tipped basis shall disclose that fact and the base wage or range of base wages for the job opening.

(b)(1) The provisions of this section and any claim of retaliation under subdivision 495(a)(8) of this subchapter for asserting or exercising any rights provided pursuant to this section shall only be enforced pursuant to the provisions of 21 V.S.A. § 495b(a)(1).

(2) It shall be a violation of this section and subdivision 495(a)(8) of this subchapter for an employer to refuse to interview, hire, promote, or employ a current or prospective employee for asserting or exercising any rights provided pursuant to this section.

(c) As used in this section:

(1) “Advertisement” means written notice, in any format, of a specific job opening that is made available to potential applicants. “Advertisement” does not include:

(A) general announcements that notify potential applicants that employment opportunities may exist with the employer but do not identify any specific job openings; or

(B) verbal announcements of employment opportunities that are made in person or on the radio, television, or other electronic mediums.

(2) “Base wage” means the hourly wage that an employer pays to a tipped employee and does not include any tips received by the employee. Nothing in this section shall be construed to alter an employer’s obligations to comply with section 384 of this title.

(3) “Employer” means an employer, as defined pursuant to section 495d of this subchapter, that employs five or more employees.

(4) “Good faith” means honesty in fact.

(5) “Potential applicants” includes both current employees of the employer and members of the general public.

(6)(A) “Range of base wages” means the minimum and maximum base wages for a job opening that the employer expects in good faith to pay for the advertised job at the time the employer creates the advertisement.

(B) Nothing in this section shall be construed to prevent an employer from hiring an employee for more or less than the range of base wages contained in a job advertisement based on circumstances outside of the employer’s control, such as an applicant’s qualifications or labor market factors.

(7)(A) “Range of compensation” means the minimum and maximum annual salary or hourly wage for a job opening that the employer expects in good faith to pay for the advertised job at the time the employer creates the advertisement.

(B) Nothing in this section shall be construed to prevent an employer from hiring an employee for more or less than the range of compensation contained in a job advertisement based on circumstances outside of the employer’s control, such as an applicant’s qualifications or labor market factors.

(8)(A) “Vermont job opening” and “job opening” mean any position of employment that is:

(i) either:

(I) physically located in Vermont; or

(II) a remote position that will predominantly perform work for an office or work location that is physically located in Vermont; and

(ii) a position for which an employer is hiring, including:

(I) positions that are open to internal candidates or external candidates, or both; and

(II) positions into which current employees of the employer can transfer or be promoted.

(B) “Vermont job opening” and “job opening” does not include a position that is physically located outside of Vermont and that performs work that is predominantly for one or more offices or work locations that are physically located outside of Vermont.

Sec. 2. GUIDANCE; OUTREACH

(a) On or before January 1, 2025, the Attorney General’s Office shall publish guidance for employers and employees regarding the provisions of 21 V.S.A. § 495o (disclosure of compensation to prospective employees).

(b) The Attorney General’s Office shall publish the guidance on its website and shall coordinate with the Vermont Commission on Women and other stakeholders to conduct outreach and education regarding the provisions of 21 V.S.A. § 495o (disclosure of compensation to prospective employees).

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

Date Governor signed bill: June 4, 2024