

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to
3 which was referred House Bill No. 704 entitled “An act relating to disclosure
4 of compensation in job advertisements” respectfully reports that it has
5 considered the same and recommends that the Senate propose to the House that
6 the bill be amended by striking out all after the enacting clause and inserting in
7 lieu thereof the following:

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

9 § 495o. DISCLOSURE OF COMPENSATION TO PROSPECTIVE

10 EMPLOYEES

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

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

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

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

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

5 (c) As used in this section:

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

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

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

14 (2) “Base wage” means the hourly wage that an employer pays to a
15 tipped employee and does not include any tips received by the employee.

16 Nothing in this section shall be construed to alter an employer’s obligations to
17 comply with section 384 of this title.

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

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

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

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

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

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

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

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

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(A) either:

(i) located in Vermont; or

(ii) performs work that is predominantly for or on behalf of an office or work location in Vermont; and

(B) 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.

Sec. 2. EFFECTIVE DATE

This act shall take effect on January 1, 2025.

(Committee vote: _____)

Senator _____

FOR THE COMMITTEE