

New Year, New Requirements

Changes in State Pay Reporting and Transparency in 2026

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DCI: Data Driven – Client Focused

Our Mission

Advancing non-discrimination and fairness in the workplace by implementing merit-based and skill-focused employment practices.

Our Vision

We believe every person deserves equal opportunity and fair treatment in the workplace and beyond.

How DCI Can Help



Compliance

- VEVRAA and Section 503 AAPs
- Mandatory job listings
- State affirmative action and non-discrimination
- EEO-1 and VETS-4212 reports
- DOL compliance review support
- State pay reporting
- Pay transparency
- Proactive guidance on regulatory change



Selection and Assessment

- Job analysis
- Selection procedure development and validation
- Expert evaluation/bias audit of HR systems, including artificial intelligence



Workforce Analytics

- DEI risk mitigation
- EEO disparity analyses
- Damage calculations
- Non-discrimination in employment plans
- Reduction-in-force analyses
- Barrier analyses



Pay Equity and Compensation

- Pay equity studies
- EU Pay Transparency
- Pay compression studies
- Wage gap studies
- Job architecture development
- Market benchmarking
- Pay band creation
- Executive compensation reviews
- Bonus program reviews



Litigation Support

- Consulting expert in applied research in class action litigation
- Testifying expert in case strategy, expert reports, & sworn testimony
- Expert reviews of AI-based hiring procedures

Webinar Format

- Participant phone lines are **muted**
- **Submit questions** by sending an email to questions@dciconsult.com
- If you have any **technical difficulties during the call**, please email questions@dciconsult.com

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Due to the rapidly changing nature of government regulations, DCI cannot guarantee that these materials will remain up-to-date.

Agenda

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02

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Practical Takeaways

Types of Pay Transparency and Fairness Measures

Open Pay Discussions

- Some laws ensure employees and applicants can discuss their pay freely without fear of retaliation from employers.

Salary History Bans

- Employers may be prohibited from asking what a candidate previously earned, with the goal of keeping pay discussions on the current role vs past pay.

Pay Range Disclosure

- Certain regulations require employers to disclose a reasonable pay range in job postings or before salary negotiations begin.

Paystub Transparency

- Employers may be required to specify rates, types of pay, and accruals on employee paychecks for clarity.

Federal Protections

Federal Protections

Sections 7 & 8(a)(1) of the National Labor Relations Act

- **Section 7:** Private-sector employees have the right to engage in "concerted activities for the purpose of collective bargaining or other mutual aid or protection..."
- **Section 8(a)(1):** Employers may not "interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in Section 7" of the Act.
- National Labor Relations Board has interpreted "concerted activities" to include discussion of wages, salaries, bonuses and benefits
 - Protects discussion of pay to address fairness or inequality

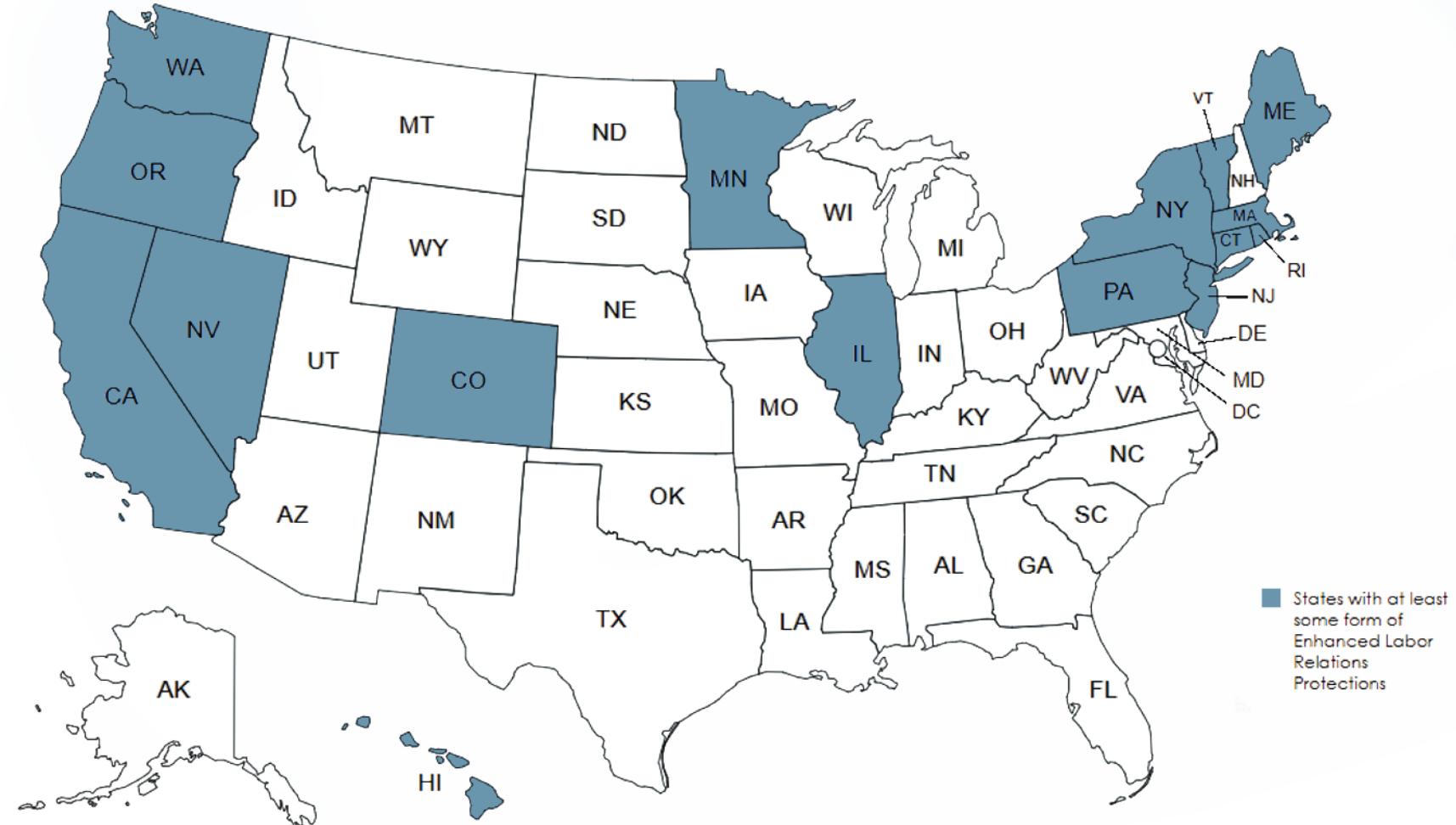
Current Landscape of State Pay Transparency Requirements

Current Requirements and Potential Upcoming Changes

Pay Transparency

States with Extended Labor Relations Protections for Private Employers

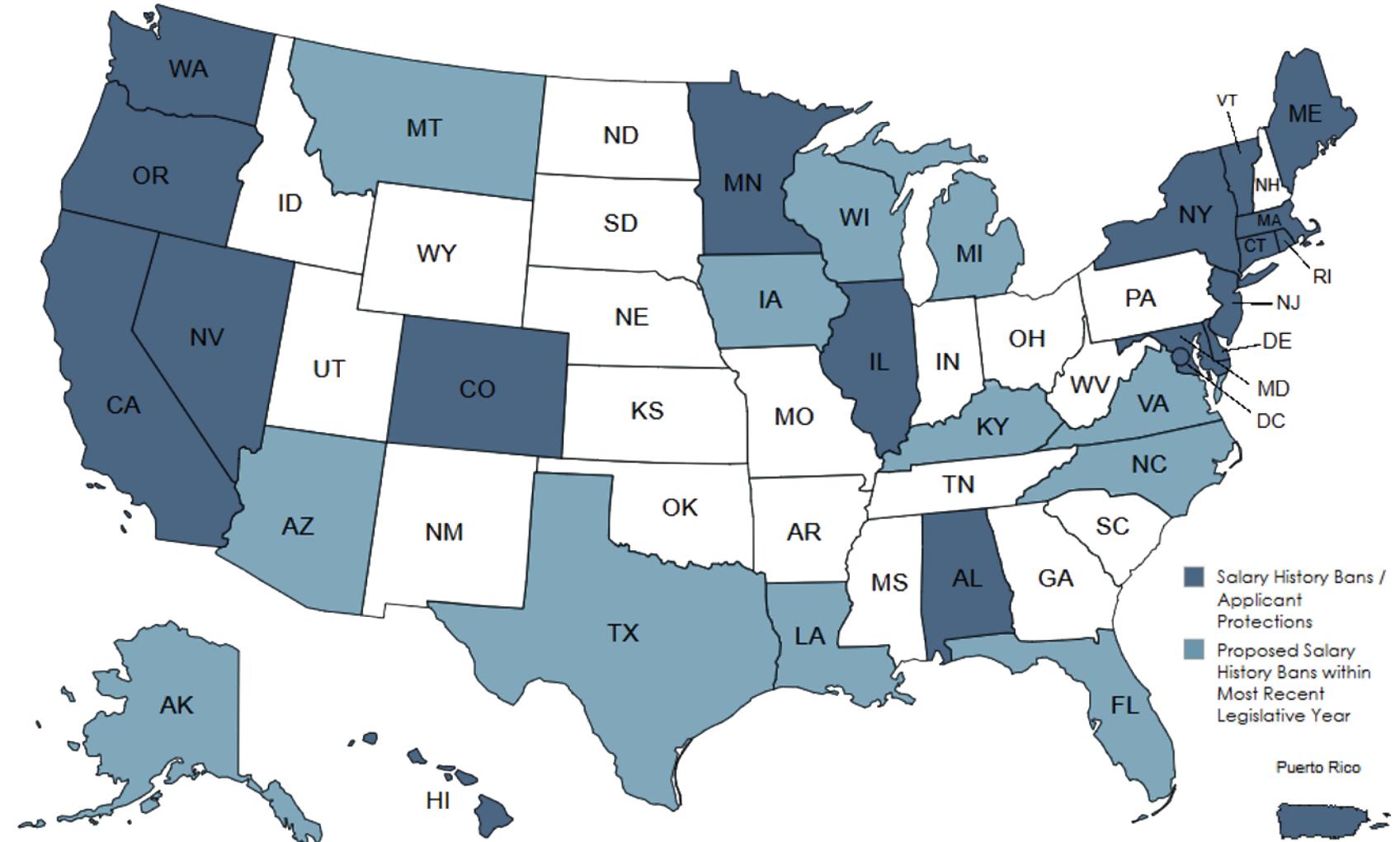
* These enhancements may include protections for additional groups of employees; coverage of small and/or intrastate employers



Pay Transparency

States with Salary History Bans

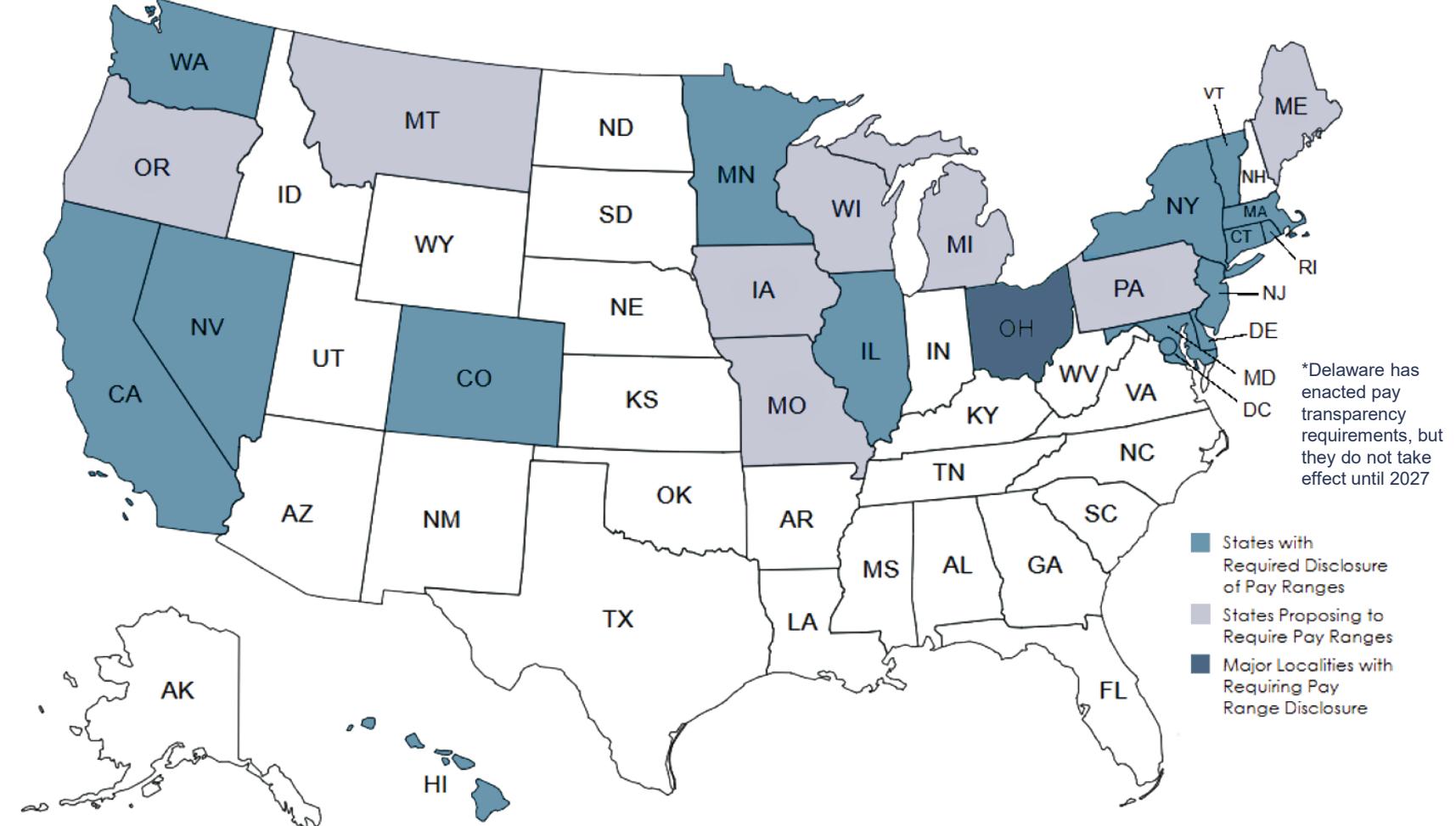
*Alabama bans hiring decisions based on an applicant's refusal to provide prior salary history (but doesn't necessarily ban the inquiry itself)



Pay Transparency

Disclosure of Pay Ranges

- Most states with pay transparency requirements require disclosure listing reasonable pay range for position in all job postings (internal and external)
- Some laws also require pay range information be disclosed upon request of the candidate
- Other laws require that the applicant be given pay range information before discussion of compensation occurs



Pay Transparency

Looking at 2025 Trends To Predict 2026 and Beyond

- 15 States + Washington, DC have pay transparency posting requirements on the books
- Remaining 35 States + Puerto Rico:
 - 8 States have active proposals in legislative process as of the last legislative year
 - Michigan and Wisconsin currently have **bans** on salary history bans
 - Proposals have occurred in each state's legislature to change this as of the last legislative year

New State Pay Reporting Changes

Current Requirements and Upcoming Changes

California Pay Data Reporting

Upcoming Changes for 2025 and 2026 Reporting

- 2025 Filing Changes (Anticipated Opening February 2026)
 - Recordkeeping Requirement
 - Mandatory Penalties
 - New Reporting Requirements:
 - Employee Type (Full-time, Part-Time, Intermittent)
 - Employee FLSA Status (Exempt, Non-Exempt)
 - Annual Weeks Worked (Includes all forms of paid time off)
- 2026 Filing Changes (Anticipated Opening February 2027)
 - 23 Major SOC Job Categories to Replace EEO-1 Categories

New York City Pay Data Reporting

Passed in December 2025

Potential reporting in 2026, final reporting deadline in 2028

Private employers with 200 or more employers in NYC

Penalties for non-compliance

- Non-compliant employers will be publicly-available
- Monetary penalties



Pay Data Reporting

Other States with Reporting Requirements

Illinois

All employers with 100 or more employees in the State

Massachusetts

All employers with 100 or more employees in the Commonwealth

Minnesota

State contractors only

New Jersey

State contractors only

Takeaways for Employers

Practical Takeaways

1

Ensure job postings meet all current pay transparency requirements — including required pay ranges, timing, and location-specific disclosures

2

Focus on “highest-common denominator” if operating in multiple jurisdictions

3

Routine compensation audits have an elevated importance in the context of public disclosure of pay information

4

Prepare and plan for external visibility and scrutiny

Thank you for your attention!

Questions?

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