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Massachusetts Pay Transparency Requirements Take Effect on October 29, 2025

Effective October 29, 2025, covered employers must disclose pay ranges in job postings and to employees being promoted or transferred or upon their request. This legislation builds on the Massachusetts Equal Pay Act and aligns the Commonwealth with a growing number of states across the country implementing similar transparency measures.

The law's pay range disclosure obligations apply to employers that have at least 25 employees whose primary place of work is Massachusetts. This includes remote employees who work from or report to a Massachusetts location.

The law also imposes annual demographic and pay data reporting obligations on larger employers and includes anti-retaliation protections for employees.

Key Requirements for Employers

Covered employers must disclose a "pay range"—defined as the lowest to highest salary or hourly wage the employer reasonably and in good faith expects to pay for a particular position— to covered applicants who are applying for that position, and to employees who are being promoted or transferred to, or currently hold that position, under the following circumstances:

- **In job postings for positions in or reporting into Massachusetts,** including postings made by third-party recruiters.
- **When offering covered employees a promotion or transfer** to a position with different responsibilities.
- **Upon request by current employees** seeking the pay range for their own positions.

Stated pay ranges do not need to include bonuses, equity grants, or employee benefits, although there is recent guidance suggesting that "commission ranges" must also be disclosed. Pay ranges only need to be disclosed under this law to applicants or employees who are or will be working in Massachusetts, or who are or will be working remotely but reporting into a Massachusetts location.

Pay Data Reporting and Other Obligations

Starting February 1, 2025, the law also requires employers with 100 or more employees to submit EEO demographic and pay data reports to the Massachusetts Secretary of the Commonwealth on an annual basis. These reports mirror federal EEO-1 filings and must include data categorized by race, ethnicity, sex, and job category.

The law includes anti-retaliation provisions that protect employees and applicants who request pay range information, file complaints or participate in investigations, or otherwise assert their rights under the law.

Enforcement and Penalties

The Massachusetts Attorney General's Office has exclusive enforcement authority. While the law does not create a private right of action, employees may file complaints with the AG's Civil Rights Division. The penalties for non-compliance are:

- 1st offense: Warning

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- 2nd offense: Fine up to $500
- 3rd offense: Fine up to $1,000
- 4th and subsequent offenses: Higher penalties under Chapter 149, Section 27C

However, for the next two years (through October 29, 2027), employers have a two-business-day "cure period" to fix any violations of the law before fines are imposed.

Next Steps for Employers

To prepare for compliance, employers should take the following steps:

- Review and update job posting templates to include pay ranges.
- Establish internal protocols for responding to pay range requests.
- Train HR and hiring managers on the law's requirements and anti-retaliation protections.
- Audit compensation structures to ensure they are consistent and defensible.
- Prepare EEO data reports if subject to federal reporting requirements.

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