



Checklist: **So, Pay Transparency** **Just Became** **Mandatory in Your** **State. What Do You** **Need to Do Next?**

Pay Transparency Checklist



Use this checklist to ensure you navigate the new pay transparency requirements effectively and develop a compensation strategy that supports both compliance and organizational goals.

Review Jurisdictional Requirements

- Determine the disclosure requirements for pay ranges (when and how).
- Understand the definition of a “job posting” or “advertisement” as per the new regulations.
- Clarify if job posting requirements apply to remote positions.
- Identify if you need to describe other compensation and benefits in job postings.

Develop Your Compensation Strategy

GATHER BACKGROUND INFORMATION

- Compile current job descriptions
- Assess the pros and cons of your current compensation structure.
- Collect employee data:
 - Census of employees.
 - Work locations.
 - Distribution within each role.
 - Gender, race, ethnicity, and age demographics.
 - Length of service.
 - Years of experience.

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CONDUCT MARKET DATA ANALYSIS

- Use relevant scopes (location, industry, revenue, company size).
- Compare job descriptions, not just job titles.
- Review current pay rates against market data to identify pay gaps and disparities.
- Examine pay equity.

DEVELOP THE PAY STRUCTURE

- Establish pay ranges:**
 - Set minimum, midpoint, and maximum.
 - Ensure ranges are not open-ended.
 - Use ranges to manage pay relative to performance and experience.
 - Set clear salary expectations.
- Address current salaries outside the range:**
 - Red Circle Rates (salaries above the maximum):** Consider developmental opportunities or freezing pay increases.
 - Green Circle Rates (salaries below the minimum):** Consider increasing pay to the minimum if performance is adequate, or implement a PIP if not.

More important information!



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IMPLEMENT AND EVALUATE THE NEW PAY STRUCTURE

Determine the effective date of the new pay structure.

Assign responsibilities for implementation.

Establish a communication plan to meet business needs.

Decide on the frequency of compensation structure updates (best practice is annually).

Evaluate and adjust the compensation strategy as needed, ensuring it:

Is equitable.

Is defensible and perceived as fair.

Is fiscally sensitive.

Complies with legal requirements.

Can be effectively communicated and articulated.

Is fair, competitive, and aligned with policies.

CONDUCT ROUTINE PAY EQUITY AUDITS

Schedule and execute regular pay equity audits to ensure ongoing compliance and fairness.

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ENSURE PAY TRANSPARENCY COMPLIANCE

- Monitor updates in all states if you are a multi-state employer.
- Ensure compliance with pay transparency laws—avoid non-compliance.
- Prioritize job postings relevant to states with new laws.
- Train managers to handle questions about pay transparency.
- Maintain consistency in application and communication.

Questions to Ask Yourself Along the Way

- Who needs to be involved in the compensation strategy development and implementation?
- How does the compensation strategy align with your organizational strategy?
- How does the strategy align with your human capital needs?
- Who do you want to attract to your business with this strategy?
- Will the strategy retain key talent and reward top-performing employees?

For more support, [chat with one of MP's HR experts today](#), and our team will help you make sure that your business is not only complying with constantly evolving pay transparency laws, but effectively motivating your employees to perform at their highest potential.