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CONNECTICUT BANS EMPLOYERS FROM INQUIRING ABOUT APPLICANTS' PAY HISTORY

Connecticut is about to join a growing number of states and localities that have prohibited employers from inquiring about an applicant's pay history during the hiring process. On May 4, the General Assembly approved a bill barring employers from asking, or directing a third party to ask about a prospective employee's wage and salary history. The bill is now headed to Governor Dannel Malloy for signature, who has already expressed his support for the legislation and his intention to sign it.

Similar legislation has been enacted in New Jersey, New York, and California, among other states. Such laws are aimed at ending pay disparities on the theory that reliance on prior salary in setting wage rates may perpetuate historical gender-based pay discrepancies.

Connecticut's prohibition does not apply:

- if the prospective employee voluntarily discloses his or her wage and salary history, or
- to any actions taken by an employer, employment agency, or its employees or agents under a federal or state law

that specifically authorizes the disclosure or verification of salary history for employment purposes.

The bill permits employers to ask about other elements of a prospective employee's compensation structure (e.g., eligibility for stock options), so long as there is no inquiry into the value of those elements.

An aggrieved employee or prospective employee may bring a lawsuit within two years after an alleged violation of the ban on asking about salary histories. Employers may be found liable for compensatory damages, attorneys' fees and costs, punitive damages and other legal or equitable relief as the court may deem just and proper.

Pending the governor's signature, the new law will take effect on January 1, 2019. In the meantime, employers should review job applications and make any necessary revisions to remove inquiries regarding applicants' current salary. Employers should also ensure that personnel involved in the hiring process are properly trained on the new restrictions.