

San Francisco Ordinance Prohibits Employer Salary History Inquiries

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Beginning July 1, 2018, it will be illegal for San Francisco employers to ask job applicants to disclose their salary history. A number of similar laws have been enacted in cities and states across the country to address the gender and minority pay gaps.

The [Parity in Pay Ordinance](#) applies to all employers in San Francisco, employers with contracts with the City of San Francisco and their agents. The Ordinance prohibits any inquiry by a prospective employer concerning an applicant's current or past salary. The Ordinance also forbids employers from disclosing a current or former employee's salary history without that employee's authorization, unless the salary is publically available.

The law does not prohibit a prospective employer and job applicant from discussing the applicant's pay expectations or benefits the applicant would have to relinquish to take a new position. If the applicant voluntarily discloses salary information, the employer can consider that information in making a hiring decision, but the salary history itself cannot be used to pay any employee at a wage rate that is less than that paid to employees of a different sex, race or ethnicity for substantially similar work under similar working conditions, consistent with California Labor Code Section 1197.5.

For the first year, San Francisco's Office of Labor Standards Enforcement (OLSE) will issue warnings and notices to correct violations. After July 1, 2019, the OLSE will begin imposing an administrative penalty of \$100 per violation, \$200 for the next violation, and \$500 for each subsequent violation. The OLSE will also be issuing posters for San Francisco employers to post in the work place.

San Francisco employers that believe they have a legitimate need for salary information to make competitive hiring decisions will have to undertake research to determine the going rates for the positions. Glassdoor.com, and similar websites, provides salary data. San Francisco employers will also need to review their hiring procedures to make certain they are compliant with the Ordinance, and advise those persons involved in the hiring process of the requirements and prohibition of the Ordinance.

Employers with questions about the Parity and Pay Ordinance should contact [David Ian Dalby](#) or their regular Hinshaw attorney.

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Topics

Gender Discrimination, Sex Discrimination, Pay Equity, Salary Inquiry, Pay History, Fair Pay, Pay Gap, San Francisco Parity In Pay Ordinance