

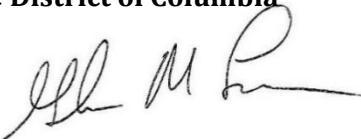
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Glen Lee
Chief Financial Officer 

DATE: November 15, 2023

SUBJECT: Fiscal Impact Statement – Wage Transparency Omnibus Act of 2023

REFERENCE: Draft Committee Print as provided to the Office of Revenue Analysis on October 24, 2023

Conclusion

Funds are sufficient in the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the bill.

Background

The bill amends wage transparency law¹ to clarify employee protections and employer responsibilities regarding the discussion and disclosure of employee compensation.

First, the bill requires employers to provide job applicants with minimum and maximum projected salary or hourly wages in job listings. The range must be the amount an employer in good faith believes it would pay for the advertised job. Employers must also disclose to applicants a schedule of benefits, including bonuses, stocks, bonds, equity, or any nonmonetary compensation.

Second, the bill prohibits employers from screening a job applicant's wage history – either by requesting the information directly or seeking an applicant's wage history from a prior employer. An employer may only inquire about wage history from a prior employer once an offer of employment has been made and the prospective employee has provided written authorization to the employer to receive the information.

¹ D.C. Official Code § 32-1451 et seq.

The Honorable Phil Mendelson

FIS: "Wage Transparency Omnibus Act of 2021," Draft Committee Print as provided to the Office of Revenue Analysis on October 24, 2023.

Third, the bill clarifies that only employers with 25 or more employees are subject to District wage transparency law and expands the definition of wages to include stocks, bonds, options, equity, and all nonmonetary compensation.

Fourth, the bill clarifies that the employer cannot negatively affect the terms and conditions of employment of an employee who inquires about, discloses, compares, or otherwise discusses the employee's wages or the wages of another employee or is believed by the employer to have done so. Employers are already prohibited from discharging, disciplining, or otherwise retaliating against an employee if he or she inquires or discusses the wages of employees.

Lastly, the bill authorizes the Office of the Attorney General to investigate and enforce any violations of the bill.

Financial Plan Impact

Funds are sufficient in the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the bill. The Office of the Attorney General and the Department of Employment Services indicate they do not require additional resources to implement the bill.