

Toledo City Council Passes Ordinance Prohibiting Salary History Inquiries

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On June 26, 2019, the Toledo City Council approved Ordinance 173-19, titled “Pay Equity Act to Prohibit the Inquiry and Use of Salary History in Hiring Practices in the City of Toledo.” The law prohibits employers from inquiring about or using an applicant’s salary history to screen job applicants, in deciding whether to offer employment, or in determining salary, benefits, or other compensation during the hiring process. The Toledo pay equity act also bans employers from refusing to hire or otherwise retaliating against a job applicant for failing to disclose his or her salary history. These prohibitions do not extend to applicants for internal transfers or promotions within a company, or to positions for which salary, benefits, or other compensation are governed by a collective bargaining agreement. In addition, the pay equity act requires that employers make the applicable pay scale available to job applicants who have received conditional offers of employment, upon request.

The pay equity act provides a private cause of action for violations of the law. Affected applicants must bring their lawsuits within two years of a violation, and may seek compensatory damages, reasonable attorneys’ fees, and the costs of bringing the action. The ordinance, which is scheduled to become effective one year after it became law, covers employers with fifteen or more employees in Toledo, Ohio.

Toledo City Council members Nick Komives and Yvonne Harper first introduced the pay equity act during a press conference on April 9, 2019. At the press conference, the city council members explained that the goal of the ordinance is to help close the pay gap that exists due to discriminatory business practices. By prohibiting employers from requesting the salary history of job applicants, the city council expects that employers will pay wages based on job responsibilities and employee experience, leading to equal pay for equal work. During a council hearing discussing the ordinance, Komives called for the city council to make Toledo a better place to live by helping promote equal pay for women and minorities.

The text of the pay equity act expresses this intent, stating the following:

Women in the United States are paid 80 cents for every dollar paid to men, losing out on a combined total of more than \$840 billion annually. Among women who hold full-time, year round jobs in the United States, African American women are typically paid 63 cents, Hispanic women are paid 54

cents, and Asian women are paid 85 cents for every dollar paid to white, non-Hispanic men. Studies show that basing a worker's salary offer on a wage from a previous job can perpetuate the current wage inequity.

Toledo is the second city in Ohio to pass such an ordinance in recent months. On March 13, 2019, the Cincinnati City Council passed [Ordinance No. 83-2019, titled "Prohibited Salary History Inquiry and Use."](#) That ordinance, like the Toledo ordinance described above, bars employers from inquiring about or relying on job applicants' salary histories.

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