

LEGAL ALERT

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CLEVELAND SALARY TRANSPARENCY ORDINANCE TAKES EFFECT OCTOBER 27, 2025

BY ANN E. KNUTH AND JERADON Z. MURA

HAHN LOESER & PARKS LLP

Effective October 27, 2025, Cleveland employers must comply with Ordinance No. 104-2025, which imposes strict requirements on salary transparency and bars inquiries into applicants' compensation history. For easy reference, collected below are the key provisions of the ordinance and actionable steps for compliance.

WHO IS COVERED?

The ordinance applies to any employer with 15 or more employees working within Cleveland's city limits—including job placement agencies acting on the employer's behalf. Importantly, the ordinance applies to employment that will be performed in Cleveland regardless of where a business is headquartered or where the applicant is interviewed. Government employers are exempt, except the City of Cleveland itself.

CORE REQUIREMENTS

Include salary ranges in job postings. All job advertisements and postings solicited, received, processed, or considered within the City of Cleveland for positions to be performed in Cleveland must display the salary range or scale before applicants apply. This applies across all platforms: company websites, job boards, social media, and any other recruitment channel. Salary is defined broadly and includes wages, commissions, hourly earnings, and other monetary earnings. It also includes benefits.

Stop inquiring about salary history. Employers cannot ask about an external applicant's current or prior compensation, nor can an employer conduct a search of publicly available records or reports for the purpose of gathering information about an external applicant's current or prior compensation.

Do not screen or base decisions on salary history. Employers cannot reject applicants based on their prior salary, require that an applicant's current or prior salary satisfy minimum or maximum salary thresholds, or rely solely on salary history when making hiring or compensation decisions. Retaliation against applicants who refuse to disclose compensation is prohibited.

WHAT IS PERMITTED?

Employers may discuss salary expectations for the new position, including unvested equity or deferred compensation. The prohibition covers past compensation only, not forward-looking discussions.

Exceptions to the restrictions include:

- Voluntary, unprompted disclosure by an applicant of current or prior compensation;
- Internal transfers and promotions;
- Incidental disclosure during background checks (if not relied upon solely);
- Rehired employees where prior salary information exists;
- Collective bargaining arrangements; and
- Reliance on salary histories that are authorized by another superseding law.

ENFORCEMENT AND PENALTIES

Cleveland's Fair Employment Wage Board (FEWB) administers the ordinance. Complaints must be filed in writing with the FEWB within 180 days of an alleged violation. The FEWB must consider the complaint within 90 days of receipt.

Resolution process. If the FEWB finds, by a preponderance of the evidence, that a violation has occurred, it will notify the employer and allow 90 days to correct deficient practices and provide a credible compliance plan. If the employer complies within this window, the complaint is resolved without penalty.

Civil penalties (if a violation has not resolved within 90 days):

- First violation (within 5 years): up to \$1,000;
- One prior violation (within 5 years): up to \$2,500; and
- Two or more prior violations (within 5 years): up to \$5,000.

Penalties will be adjusted annually for inflation. Employers may appeal to Cleveland's Director of Finance and then to the Board of Zoning Appeals.

IMMEDIATE ACTION ITEMS

Review all job postings. Audit positions recruiting in Cleveland across every platform and add salary ranges/scales.

Update hiring documents. Remove salary history questions from applications, screening forms, interview guides, and your applicant tracking system.

Train your team. Ensure all hiring staff understand the prohibitions and compliant compensation discussion practices.

Document compliance efforts. Keep records of policy updates and training to demonstrate good faith efforts.

BOTTOM LINE

Compliance before Monday, October 27, 2025, requires immediate action steps to align hiring practices with Cleveland's Ordinance. Most importantly, employers have a 90-day cure window to correct deficiencies and avoid penalties after any FEWB finding of a violation.

QUESTIONS?

Many of the expectations in Cleveland's ordinance are being increasingly adopted nationwide. Our labor & employment team stands ready to assist you with compliance questions, policy updates, or concerns about specific hiring situations. Please reach out if you would like to discuss how the new ordinance affects your organization or if you need assistance with implementation.

The full text of the ordinance as codified is available at [Chapter 669 of the Cleveland Codified Ordinances](#).

AUTHORS



ANN E. KNUTH, OF COUNSEL
aknuth@hahnlaw.com
216.274.2478



JERADON Z. MURA, ASSOCIATE
jmura@hahnlaw.com
216.274.2430

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