

Insights

NEW YORK CITY AMENDS THE PAY TRANSPARENCY LAW AND POSTPONES ITS EFFECTIVE DATE

May 23, 2022

On May 12, 2022, Mayor Eric Adams signed a bill amending New York City's salary disclosure law (the "Pay Transparency Law") and moving the effective date, from May 15, 2022 to November 1, 2022.

As summarized in last month's post, New York City ("NYC") enacted the Pay Transparency Law which makes it an "unlawful discriminatory practice" under the NYC Human Rights Law ("NYCHRL") for an employment agency, employer, employee or agent to advertise a job opening, promotion or transfer opportunity, in NYC, without providing the position's minimum and maximum salary. The NYC Commission on Human Rights ("NYCCHR") issued a fact sheet (the "Guidance") to aid workers and employers in understanding their rights and obligations.

After businesses and labor advocates lobbied for change and clarity, the NYC Council passed an amendment, codifying some of the positions outlined in the Guidance. For example, employers are required to disclose the minimum and maximum "annual salary or hourly wage" for jobs, promotions, or transfer opportunities except for those "that cannot or will not be performed, at least in part, in" NYC.

As amended, the new law limits a private right of action to current employees against their current employers for alleged violations. While job applicants may not bring a private claim against prospective employers, they can still file a complaint with the NYCCHR. First time violators can have their civil penalty reduced to \$0 if they submit proof, electronically or in person, that the alleged violation was cured within 30 days of service of a complaint by the NYCCHR. However, the submission of proof of a cure is "deemed an admission of liability for all purposes."

Some of the requested changes that were <u>not</u> enacted include a proposal to apply the Pay Transparency Law to employers with fifteen (15) or more employees (instead of four (4) or more) and to exclude remote positions that were not required to be performed in NYC.

We encourage covered employers to review our recommended next steps, listed in our prior post, and to consider developing protocols for nationwide compliance given the number of other jurisdictions beyond New York City that have salary disclosure laws, in effect, going into effect, or

bills pending in state legislatures (e.g. California, Colorado, Connecticut, Jersey City (NJ), Maryland, Massachusetts, Rhode Island and Washington).

The NYCCHR will likely issue an updated Guidance given the recent amendment. We will continue to monitor and update if there are noteworthy changes.

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