PAUL HASTINGS

Stay Current

April 2022

Follow @Paul_Hastings

New York City Council Amends Salary Disclosure Law

By Kenneth W. Gage, Emily Pidot & Sara B. Tomezsko

Earlier this year, New York City amended the New York City Human Rights Law ("NYCHRL") to require that job postings include salary information in an effort to promote pay transparency and combat systemic pay disparities. Earlier client alerts have summarized <u>the previous version of the bill</u> and <u>guidance issued by the NYC Commission on Human Rights</u> on March 22, 2022.

On April 28, 2022, the New York City Council amended the new law in significant respects. These amendments will become law if Mayor Adams signs or fails to take action on the bill on or before May 28, 2022. The mayor's office has given no indication that the mayor will veto the bill. In the unlikely event of a veto, the Council can override it with a 2/3 majority vote, a likely outcome given the Council's 43:8 vote in favor of the amendments on April 27, 2022.

When does the salary disclosure law go into effect?

The law will take effect on November 1, 2022.

What does the law require?

The law requires employers and their agents to include salary ranges, specifically the minimum and maximum potential salaries for the position, in all advertisements and postings for job openings, promotions, and transfer opportunities. An employer must determine in good faith at the time of the posting what it believes it would pay for the job, promotion, or transfer opportunity. Failure to do so would be a discriminatory act and a violation of the NYCHRL.

What aspects of the law does the recent amendment modify?

The amendments provide additional clarity for employers. The law will now clearly extend to employees earning an hourly rate, in addition to those paid an annual salary. The universe of covered positions is now better defined: all postings for positions except those that cannot or will not be performed in New York City. Special counsel to the NYC Commission on Human Rights ("Commission") indicated earlier this month that postings for positions that can be performed remotely from New York City must comply with the new law.

Job applicants do not have a private right of action. Only current employees may bring an action against their employers for advertising a job, promotion, or transfer without posting a minimum and maximum hourly wage or annual salary. Employers will not be charged a monetary penalty for first-time violations if those violations are cured within 30 days of receiving a complaint from the Commission. The amendments do not include certain provisions proposed earlier this month, including an exception for small businesses with 15 or fewer employees, and exceptions for generic "help wanted" postings.

What are the next steps?

Employers should set salary ranges for all positions that can or will be performed in New York City and prepare to include that information in job listings posted after November 1, 2022.

 $\diamond \diamond \diamond$

If you have any questions concerning these developing issues, please do not hesitate to contact any of the following Paul Hastings New York lawyers:

Marc E. Bernstein 1.212.318.6907 marcbernstein@paulhastings.com Emily R. Pidot 1.212.318.6279 emilypidot@paulhastings.com Sara B. Tomezsko 1.212.318.6267 saratomezsko@paulhastings.com

Kenneth W. Gage 1.212.318.6046 kennethgage@paulhastings.com Patrick W. Shea 1.212.318.6405 patrickshea@paulhastings.com

Paul Hastings LLP

Stay Current is published solely for the interests of friends and clients of Paul Hastings LLP and should in no way be relied upon or construed as legal advice. The views expressed in this publication reflect those of the authors and not necessarily the views of Paul Hastings. For specific information on recent developments or particular factual situations, the opinion of legal counsel should be sought. These materials may be considered ATTORNEY ADVERTISING in some jurisdictions. Paul Hastings is a limited liability partnership. Copyright © 2022 Paul Hastings LLP.