LABOR AND EMPLOYMENT LAW

INFORMATION MEMO

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New York State Pay Transparency Law Amendments Signed into Law

On March 3, 2023, a bill amending the New York State pay transparency law was signed into law by Gov. Hochul, reflecting changes that the governor requested in exchange for her approval of the law in December 2022. The effective date of the amendments are the same as the original version of law, Sept. 17, 2023.

Notable changes include:

- The geographic scope of the law has now been slightly limited. The standard is no longer whether work "can or will be performed" in New York State. Instead, the law will now apply to advertisements for "a job, promotion, or transfer opportunity that will physically be performed, at least in part, in the state of New York, including a job, promotion, or transfer opportunity that will physically be performed outside of New York but reports to a supervisor, office, or other work site in New York."
- The employer records keeping requirement has been removed from the law. Although prudent employers should still maintain records, it is no longer required under this law.
- "Advertise" is now defined as "to make available to a pool of potential applicants for internal or public viewing, including electronically, a written description of an employment opportunity," which closely mirrors other pay transparency laws around the state.

As a reminder, employers subject to the pay transparency law are broadly defined to include nearly every entity with four or more employees, as well as agents and recruiters. Only temporary help firms, as defined under New York State Labor Law § 916(5), are exempt.

Similar to other pay transparency laws, Labor Law § 194-b requires employers to disclose an amount or a range of compensation for any open job, promotion or transfer opportunity, and the law defines "range of compensation" as "the minimum and maximum annual salary or hourly range of compensation . . . that the employer in good faith believes to be accurate at the time of the posting of an advertisement" for the job, promotion or transfer opportunity. Advertisements for jobs, promotions or transfer opportunities that are paid solely on commission must make such a disclosure to comply. Additionally, the law requires employers to post a job description if one exists.

Any person claiming to be aggrieved under Labor Law § 194-b may file a complaint with the Department of Labor, which has the authority to impose civil penalties of up to \$3,000 for violations of the law or forthcoming regulations. Employers are also prohibited from refusing to interview, hire, promote, employ or otherwise retaliate against an applicant or current employee for exercising any rights under this new law.

If you have any questions, please contact Seth Gilbertson, Lisa Feldman or any attorney in Bond's labor and employment department.



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