

# LABOR AND EMPLOYMENT LAW

## INFORMATION MEMO

JUNE 14, 2022

## New York Wage Transparency Law Passes Both Houses

On June 3, 2022, the New York State Legislature passed [Senate Bill S9427/Assembly Bill A10477](#) (the Bill)—a new wage transparency law that would amend the New York Labor Law to add new Section 194-b. If enacted, the new law would require covered employers to disclose compensation or a range of compensation to applicants and employees upon issuing an employment opportunity for internal or public viewing, or upon employee request. The Bill is intended to enhance transparency around compensation and reducing any existing wage disparities among employees.

The Bill defines a covered employer as: (i) “any person, corporation, limited liability company, association, labor organization or entity employing four or more employees in any occupation, industry, trade, business or service, or any agent thereof;” and (ii) “any person, corporation, limited liability company, association or entity acting as an employment agent or recruiter, or otherwise connecting applicants with employers, provided that “employer” shall not include a temporary help firm” as the term is defined under New York Labor Law Section 916 (5).

The Bill requires covered employers to disclose the following information in job postings, including for promotions and transfer opportunities, that can or will be performed at least in part in the State of New York:

1. The compensation or a range of compensation for such job, promotion, or transfer opportunity; and
2. The job description for such job, promotion, or transfer opportunity, if such description exists.

For positions that are paid solely on commission, compliance with the law’s compensation disclosure requirements can be achieved by providing a written general statement that compensation shall be based on commission.

Additionally, the new law would prohibit employers from refusing to interview, hire, promote, employ or otherwise retaliating against an applicant or current employee for exercising their rights under new Section 194-b. The law would allow individuals aggrieved by a violation to file a complaint with the NYS Department of Labor (NYS DOL). Violations of any of the requirements of the new law or any subsequently published regulations could result in a civil penalty pursuant to NY Labor Law Section 218 which generally provides civil monetary penalties for non-wage related violations ranging from \$1,000 to \$3,000, to be assessed by the NYSDOL.

Under the new law, covered employers would also be required to maintain records of compliance, including but not limited to the history of compensation ranges for each job, promotion or transfer opportunity as well as the job descriptions for such positions (if applicable).

The Bill also requires the NYSDOL to establish a public awareness outreach campaign to inform employers of the new provisions. The Bill also provides the Agency with authority to promulgate rules and regulations to enforce the new law.

The Bill will now be delivered to Gov. Kathy Hochul for consideration. Upon delivery, the governor will have ten days (not counting Sundays) to sign or veto the Bill. If the governor fails to sign or veto the bill within the ten-day period, the Bill will nevertheless automatically become law.

If enacted, the proposed bill would take effect 270 days after it becomes law.

If you have any questions about the information presented in this information memo, please contact [Stephanie H. Fedorka](#), any attorney in Bond's [Labor and Employment practice](#) or the attorney at the firm with whom you are regularly in contact.

*Stephanie would like to give credit to Summer Law Clerk, Camisha Parkins, for her excellent work co-authoring this article.*

