Patterson Belknap Webb & Tyler LLP

Employment Law Alert

May 12, 2022

New York City Salary Law Amendment

On April 28, 2022, the New York City Council passed an amendment, <u>Int. No. 134-A</u>, to the New York City salary transparency law. The amendment was signed into law by Mayor Adams on May 12, 2022. As we wrote about <u>here</u>, the salary transparency law requires New York City employers to include minimum and maximum salary information in job postings for any positions located within New York City.

Key Changes

The amended law clarifies that it requires employers, employment agencies, or employees or agents thereof to include the minimum and maximum salary or hourly wage in any advertisement for a job, promotion or transfer opportunity. The amended law reiterates that the salary range may extend from the lowest to highest annual salary or hourly wage that the employer "in good faith" believes at the time of the posting it would pay for the advertised job, promotion, or transfer opportunity. As we wrote about here, the NYC Commission on Human Rights previously defined "good faith" to mean the salary range that the employer "honestly believes at the time they are listing the job advertisement that they are willing to pay the successful applicant(s)."

The amended law states that it does not apply to positions that "cannot or will not be performed, at least in part, in the City of New York." This suggests that if the advertised job can be performed in New York City, regardless of where the applicant is located and where the job is ultimately performed, a covered employer must provide a salary or wage range in the advertisement for the position. We anticipate that the NYCCHR will issue more guidance on the law's precise application to remote positions.

The amended law eliminates a private right of action for applicants, and provides that only current employees may bring an action against their employer for violation of the law. In other words, applicants for a position, who are not also current employees, cannot bring an action against the prospective employer.

The amended law clarifies that there will be no monetary penalty imposed for an employer, employee, or employment agency's first violation of the law, provided that the employer, employee, or employment agency cures the violation within thirty (30) days and submits proof thereof to the NYCCHR. Proof of a cure may be submitted electronically or in person, and, if accepted by the Commission, submission of proof of cure serves as "an admission of liability for all purposes" for an employer, employee, or employment agency's first violation.

Finally, the amended law moves the effective date of the law from May 15, 2022 to November 1, 2022.

Key Differences From Prior Proposed Amendment

As we wrote about <u>here</u>, a prior version of the amendment to the salary transparency law limited the law's application to employers with fifteen (15) or more employees. This language was eliminated from the enacted, and now operative, version of the law. As a result, the salary transparency law applies to employers with four (4) or more employees that have at least one employee working in New York City.

Similarly, although the prior proposed amendment specified that the law would not apply to general notices that an employer is hiring without reference to any particular position, the enacted law does not contain this language.

Accordingly, it would appear that general notices that an employer is hiring, such as "help wanted" signs, should include salary or wage information.

We will continue to monitor developments related to this law, including whether NYCCHR releases supplemental guidance, and will provide subsequent updates if more information becomes available.

This alert is for general informational purposes only and should not be construed as specific legal advice. If you would like more information about this alert, please contact one of the following attorneys or call your regular Patterson contact.

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