New York City to Require Employers List Salary Ranges in Job Advertisements (US)

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On May 15, 2022, employers will have to officially contend with New York City's recently enacted <u>salary transparency law</u>. The Big Apple joins a growing list of jurisdictions – California, Colorado, Connecticut, Maryland, Nevada, and Washington, among them – to pass a pay transparency law, although the obligations of covered employers vary slightly across jurisdictions. Proponents extol transparency in pay for its push to narrow the gender pay gap and combat other potential discrimination, while opponents lament the potential compliance burden employers may face. Here is everything we know about the law so far.

What Does the Law Require?

The law requires employers to state the minimum and maximum salary offered for any advertised job, promotion, or transfer opportunity. The stated salary range may be based on the highest and lowest salary that the employer "in good faith believes" it would pay for the advertised position at the time of its posting.

This disclosure requirement applies to external job advertisements as well as internal promotion or transfer opportunities. Failure to include the required salary range will constitute an unlawful discriminatory practice under the New York City Human Rights Law.

Who is Subject to These Disclosure Requirements?

The law applies to any employer or employment agency with four or more employees in New York City. For purposes of this law, independent contractors working in furtherance of an employer's business count toward this four-employee threshold. Agents and employees of covered employers are also subject to the law's disclosure requirements.

Are There Any Exceptions?

Temporary positions advertised by temporary help firms are exempt from the law's otherwise broad ambit.

Next Steps for Employers?

The New York City Commission on Human Rights is expected to clarify the obligations of covered employers through the issuance of guidance and regulations prior to the law's effective date. In the meantime, employers can start to prepare by conducting an internal review of their company's pay policies and current employee salaries.

Scott Held also contributed to this article.

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