New York State Governor Signs Statewide Pay Transparency Law

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Effective September 17, 2023, covered employers in New York State will have pay transparency obligations related to job advertisements under legislative bill <u>S.9427-A/A.10477</u>. Governor Kathy Hochul signed the bill on December 21, 2022.

New York joins other states like <u>California</u> and <u>Washington</u> in enacting pay transparency requirements in 2022. The passage also complicates compliance for New York employers that have several local ordinances to comply with, including the <u>New York City ordinance</u> requiring pay transparency.

These are the details of the state statute for employers to consider as they determine how to comply.

Covered Employers

Employers with at least four employees and employment agencies (excluding temporary help firms as defined under Section 619 of the Labor Code) are considered covered employers.

Employer Obligations

Covered employers must include in any advertisement for a job, promotion, or transfer opportunity 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. This is similar to the state law goes one step further, however, and requires employers to also disclose the applicable job description if one exists, which is *not* required under the New York City ordinance.

For commission-only positions, a general statement that compensation will be based on commission may satisfy the disclosure requirement.

The state law will also require employers to keep and maintain necessary records to evidence compliance with the statute, including, but not limited to, the history of compensation ranges for each job, promotion, or transfer opportunity and the job descriptions for such positions, if they exist. This is another distinction from the New York City ordinance, which does not have a record-keeping requirement.

Further Guidance

The Commissioner of Labor is empowered to issue regulations that, hopefully, will explain the more nuanced issues.

Employers will need to be mindful of the newly overlapping and often slightly different transparency laws within the state of New York and nationally to ensure compliance. Potential preemption issues will need to be resolved during the 270-day period before this law becomes effective. For more information, please see our previous article on

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the recent New York developments.

Please contact a Jackson Lewis attorney regarding any questions on compliance with pay transparency laws and preparatory steps that can be taken as these laws are expected to continue to be enacted.

