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## Labor & Employment Alert

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## New York City amends its new pay transparency law

By Tara Eyer Daub and Christopher J. Moro

Mayor Eric Adams has signed the bill pushing back the new law's effective date from May 15, 2022, to November 1, 2022.



## What's the Impact?

- / The amendments push back the law's effective date to November 1, 2022, and make a number of substantive changes to the law
- / Employers should watch for updated guidance and prepare for the law's new effective date
- / The amendment also clarifies other aspects of the law, including the restricting private right of action to current employees

As we <u>previously reported</u>, the New York City Council passed a pay transparency law that became law on January 15, 2022, after Mayor Eric Adams took no action on the bill. With an original effective date of May 15, 2022, the new law expanded the New York City Human Rights Law (NYCHRL) to make it an unlawful discriminatory practice for an employer "to advertise a job, promotion[,] or transfer opportunity without stating the minimum and maximum salary for such position in such advertisement."

Employers raised many concerns as they prepared for compliance. Addressing some of those concerns, the NYC Council passed a bill on April 28, 2022, to amend the law prior to its

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approaching effective date. That bill included amendments pushing back the law's effective date to November 1, 2022, and making a number of substantive changes to the law, such as (i) clarifying that the law applies to hourly as well as salaried positions, (ii) creating a private right of action for employees—not applicants or potential applicants—"against their current employer for an alleged violation of this subdivision in relation to an advertisement by their employer for a job, promotion, or transfer opportunity with such employer," and (iii) clarifying that the law does not apply to positions that "cannot or will not be performed, at least in part, in the city of New York." The amendment also allows employers to cure a first violation of the law within 30 days of service of a complaint with a \$0 fine.

Mayor Adams did not take immediate action on the bill; instead he scheduled a hearing for May 12, 2022. Following that hearing earlier today, Mayor Adams signed the bill amending the new law. In light of the amendments, the New York City Commission on Human Rights is expected to release additional guidance for employers regarding the law's requirements. Employers should continue to monitor new developments as they prepare for compliance in advance of the law's new effective date of November 1, 2022.

As noted in our prior alert, New York City is following the trend of other states, such as California, Colorado, and Connecticut, with similar pay transparency laws. New York State has <u>recently introduced legislation</u> that may expand pay transparency coverage to the whole state, but no action has been taken. Employers with employees in multiple states and jurisdictions should look at other states with similar laws to see if any are also applicable.

For more information on the content of this alert, please contact your Nixon Peabody attorney or:

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