Legal Update

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New York State Clarifies Pay Disclosure Mandate for Job Ads

On Dec. 21, 2022, New York State (NYS) enacted a new law (<u>Senate Bill 9427A</u>) that requires employers seeking workers in the state to include the pay or range of pay in job advertisements. The state then <u>amended</u> the new law, on March 3, 2023, to clarify which jobs and advertisements will be affected. The new mandate goes into effect on **Sept. 17, 2023**.

Covered Postings

The new requirement to disclose the compensation or range of compensation applies when an employment agency (other than a temporary help firm) or **employer with four or more employees** advertises for any position that:

- Will physically be performed, in whole or in part, in NYS; or
- Will physically be performed outside of NYS "but reports to a supervisor, office or other work site" within the state.

A covered advertisement includes any written description of an employment opportunity made available to a pool of potential applicants. This includes both internal and public postings.

Range of Compensation

Under the new law, range of compensation includes the minimum and maximum annual salary or hourly range of pay that the employer, in good faith, believes to be accurate at the time an advertisement for the job is posted.

For positions paid solely on commission, subject employers may comply with the new requirement by including a general written statement that compensation will be based on commission.

Enforcement

Employers that violate the new law may be ordered to pay civil penalties of up to \$3,000.



Important Information Pay Transparency Law

New York State has enacted a law that requires employers with four or more employees to include good faith pay information in all job ads, starting Sept. 17, 2023.

Job Description

The new law also requires job ads to include a job description "if such description exists."

New York City (NYC) Law

Employers seeking workers in NYC are subject to a <u>local ordinance</u> that is similar to the new state law.

As of Sept. 17, 2023, advertisements for work to be performed (or reporting to a site) in NYS must disclose the range of pay.

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