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Alert

New York City Council Votes to Delay Effective Date of New Salary Transparency Law to Nov. 1, 2022

May 5, 2022

On April 28, 2022, the New York City Council passed <u>a bill</u> amending New York City's previously enacted salary transparency law, discussed <u>here</u> and <u>here</u>. Most notably, if the bill is signed by Mayor Adams, or he takes no action within 30 days of passage, the effective date of the salary transparency law will be changed from May 15, 2022 to Nov. 1, 2022.

In addition to delaying the effective date of the law, the new bill:

- Provides that an employer will not be subject to civil monetary penalties for a first violation if such employer proves to the New York City Commission on Human Rights ("NYCCHR"), within 30 days of an NYCCHR complaint, that the violation has been cured;
- Only grants employees—and not applicants—a private right of action, allowing them to sue their current employers in court for violations of the salary transparency law. The NYCCHR retains enforcement authority in all circumstances; and
- Codifies certain guidance from the NYCCHR's previously issued <u>fact sheet</u> by (i) adding explicit language applying the salary transparency requirement to hourly paid workers and (ii) explicitly providing that the salary disclosure requirement does not apply to "positions that cannot or will not be performed, at least in part, in the city of New York."

The salary transparency law, regardless of whether it is amended, will cover employers that have four or more employees, or one or more domestic workers, as long as at least one of those employees works in New York City. Employment agencies are also covered, regardless of their size. Employers that work with temporary help firms are also required to comply.

The amendments were the result of heavy lobbying by the business community to delay the effective date of the law to provide employers with additional time to prepare.

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If you have any questions concerning this *Alert*, please contact your attorney at Schulte Roth & Zabel or one of the authors.

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