



NYLPI NONPROFIT TOOLKIT



NEW YORK CITY & STATE SALARY DISCLOSURE LAWS

NYLPI
**JUSTICE THROUGH
COMMUNITY POWER**

**NONPROFIT
NEW YORK**
A relentless, collective
force for good.

This document is not exhaustive or all-inclusive and is intended for general guidance only.
For more information, please consult qualified legal counsel,



INTRODUCTION

On January 15, 2022, New York City enacted Local Law 32 of 2022, which added salary transparency provisions to the New York City Human Rights Law (NYCHRL). Effective November 1, 2022, employers in New York City are now

required to include minimum and maximum potential salaries when posting a job, promotion, or transfer opportunity in New York City.

WHAT IS REQUIRED UNDER THE LAW?

Employers must provide the minimum and maximum salaries or hourly wages for a position when posting a job advertisement. According to [guidance](#) from the New York City Commission on Human Rights (NYCCHR), an “advertisement” is “a written description of an available job, promotion, or transfer opportunity that is publicized to a pool of potential applicants.”

Employers must make a “good faith” determination at the time of the job posting of the lowest and highest salary it would pay for that position and cannot give an open-ended range. For example, the guidance states “\$15 per hour and up” or “maximum \$50,000 per year” would not meet the requirements of the law. Employers are not required to disclose other forms of compensation, such as bonuses, commissions, benefits, and longer-term incentive opportunities, in the advertisements.



WHICH EMPLOYERS AND JOBS ARE SUBJECT TO THE LAW?

The law applies to all employers with four or more employees, including independent contractors, and employment agencies of any size (although there is a carveout for temporary help firms hiring into their pool of available workers). The law does not specify the geographic scope, but NYCCHR guidance states it applies to jobs that

“can or will be performed, in whole or in part, in New York City, whether from an office, in the field, or remotely from the employee’s home.” The guidance also states the law covers full-time and part-time positions, internships and independent contractor arrangements.

HOW WILL THE LAW BE ENFORCED?

Only current employees have a private right of action under the law in relation to advertisements for a job, promotion, or transfer opportunity with their current employer. Prospective employees do not have a private right of action.

However, the NYCCHR can bring an action on behalf of a job candidate and has urged individuals to report deficient job postings to them.

WHAT ARE THE PENALTIES FOR VIOLATIONS?

Employers in violation of the law could face a maximum of civil penalties up to \$250,000. However, employers will not be penalized for their first violation, provided they fix the

violation within 30 days of receiving notice of the violation. Employees also could potentially recover attorneys’ fees and damages if they bring a private cause of action.



WHAT CAN EMPLOYERS DO TO COMPLY WITH THE LAW?

Employers should review which roles the employer expects to be performed, at least occasionally, from New York City and determine salary ranges for those positions. They should also ensure hiring personnel are trained on the implications of the new law — including as to appropriate communications with applicants and employees.

Employers might consider conducting a pay equity audit as well to help determine whether there are any current issues in their compensation schemes.

NEW YORK STATE SALARY DISCLOSURE LAW

Effective September 17, 2023, New York State's salary transparency law will go into effect. The State law has similar salary disclosure requirements and protections as the City law, with the following exceptions:

- No private right of action exists under the State law. Individuals can file complaints with the NYS Department of Labor.
- Employers will be penalized for the first violation. Penalties can range from \$1,000 for the first violation, \$2,000 for the second violation, and \$3,000 for a third or subsequent violation.
- The State law applies to jobs that will be physically performed in New York State, and physically performed outside of New York State, *if* the outside position nonetheless requires reporting to a supervisor, office, or other work site in New York State.



For their invaluable contributions in the writing of this guide,
New York Lawyers for the Public Interest wishes to thank Ashley J. Hale,
Alanna Fichtel and Erin Flood of Morgan, Lewis & Bockius LLP.

Graphic Design: Sarah Sommers Design, sarahsommersdesign.com

Photo by BGStock72 on Adobe Stock

New York Lawyers for the Public Interest

151 West 30th Street, 11th Floor
New York, NY, 10001-4017

Tel 212-244-4664 | Fax 212-224-4570

    @nylpi | nylpi.org

Nonprofit New York

320 East 43rd Street, 3rd Floor
New York, NY 10017

212-502-4191

  @nonprofitnewyork | nonprofitnewyork.org