



FACT SHEET: Salary Range Transparency Legislation

Why NY Needs a Law Requiring Disclosure of Salary Ranges for All Employment Opportunities

Racial and gender wage gaps still plague New York workers in 2021, but there's something lawmakers can do about it. Mandating salary range disclosures is the next step to creating pay parity.

The absence of transparency in pay practices is a leading factor underlying pay discrimination by perpetuating environments that foster systemic racial and gender-based disparities. Those most impacted are women of color, women with disabilities, LGBTQ+ individuals, and mothers.

The pending New York State salary range disclosure legislation [S5598A Ramos/A6529 Joyner](#) would create a shift in practices, and in culture, to put all workers on more equal footing and to help end the pernicious wage gap that continues to rob some workers, particularly women of color, of fair wages and economic well-being. This legislation would also improve recruiting and workplace culture without requiring any additional reporting to the government. This bill, which will build on and complement recent amendments to our existing equal pay laws, including the Salary History Ban, will help advance economic equity for all.

The Wage Gap Left Women, Particularly for Women of Color, Vulnerable in 2020

In New York State, women working full-time still only make 86 cents for every dollar a white non-Hispanic man earns. [The gap for women of color remains much wider.](#) Black women in New York earn just 64 cents and Latinas 56 cents for every dollar a white man earns.

This wage disparity left women and families, particularly those of color, more vulnerable when the COVID-19 pandemic began.

- [Women head over 1 million households in New York](#), with nearly 300,000 of those households surviving on incomes that fall below the poverty level.
- [If the wage gap of nearly \\$10,157 per year had been eliminated](#) New York women could have used those funds to pay for approximately nine months of rent or over a year's supply of groceries for their families while they struggled through the economic "[she-cession](#)" caused by the pandemic.

Even when experience, industry, and occupation are accounted for in statistical analyses of the wage gap, women and people of color are paid significantly less. New York has an important opportunity to mitigate patterns of systemic and societal discrimination with salary range disclosures in 2021.

Listing Salary Ranges Helps Close the Wage Gap and Boosts Business Performance

Today, with some exceptions, employers generally do not disclose pay rates in job postings or to applicants until they are selected; they do not internally share salary ranges to existing employees and often illegally prohibit employees from discussing pay with coworkers, a protected right in New York. Research shows that pay secrecy creates substantial obstacles to achieving gender and racial pay equity, including for workers in low-wage industries.

California, Colorado, Maryland and Washington State have already passed salary disclosure laws to address this. The pending salary range disclosure legislation in New York would:

- Facilitate fair negotiations between jobseekers, especially women and people of color, and employers,
- Diminish overt and implicit bias,
- Limit exploitation of workers who have been historically underpaid and undervalued,
- Create more comprehensive and complementary protections,
- And provide more data to identify discrimination.

Pay transparency is not only a good practice for workers, but [a growing trend in HR](#) with over 25% of companies reporting it as standard policy and another 25% considering instituting this “best practice.” By creating clarity in pay structures and job descriptions, without adding onerous reporting requirements, pay transparency:

- Provides a competitive advantage for recruiting for large and small employers,
- Streamlines hiring by filtering out candidates who would decline an offer,
- Limits litigation fears through a fair, transparent work environment,
- Improves motivation, loyalty and performance through creating a trusting environment.

The NYS Salary Range Transparency Law would:

1. Require all employers in New York State to disclose (in writing or electronically) the salary or range of compensation and any benefits upon issuing a new employment opportunity. That means that if an employer posts a job on Idealist, puts up a sign in the window, or releases an internal job post, they must include the salary or salary range.
2. Require employers to disclose to current employees the salary information and job description for an employee’s current position either at the time of hire or upon request.
3. Prohibit retaliation.
4. Allow any member of the public to report a violation to the department of labor, which would be responsible for administering the law and issuing fines along a set scale.
5. Create a private right of action, allowing aggrieved individuals to seek accountability.

Learn More

- [Watch Seher Khawaja of Legal Momentum outline the need for salary range disclosure](#) on PowHerNY’s Equal Pay Day Forum co-hosted by NYS Attorney General Letitia James.
- Check out [Salary Range Transparency Reduces the Wage Gap](#) by the National Women’s Law Center.

Thank you to members of PowHerNY’s Equal Pay Campaign for over 15 years of advocacy to advance equal pay laws in New York. Special thanks goes to Miriam Clark - NELA/NY, Seher Khawaja - Legal Momentum, Beverly Neufeld - PowHer™ New York, and John O’Malley - CWA Local 1180 for their expertise and efforts on this piece of legislation. For more information visit PowHer™ New York at powherny.org or contact us at info@powherny.org

Text of [S5598A/A6529](#)

AN ACT to amend the labor law, in relation to requiring employers to disclose compensation or range of compensation to applicants and employees.

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The labor law is amended by adding a new section 194-b to read as follows:

§ 194-B. MANDATORY DISCLOSURE OF COMPENSATION OR RANGE OF COMPENSATION. 1. A. UPON ISSUING AN EMPLOYMENT OPPORTUNITY FOR INTERNAL OR PUBLIC VIEWING AN EMPLOYER SHALL DISCLOSE THE FOLLOWING IN WRITING OR ELECTRONICALLY:

- (I) THE COMPENSATION OR A RANGE OF COMPENSATION FOR SUCH EMPLOYMENT OPPORTUNITY;
- (II) THE JOB DESCRIPTION FOR THE POSITION, IF SUCH DESCRIPTION EXISTS; AND
- (III) A GENERAL DESCRIPTION OF ALL BENEFITS AND OTHER FORMS OF COMPENSATION TO BE OFFERED.

B. AN EMPLOYER SHALL PROVIDE A CURRENT EMPLOYEE WITH THE RANGE OF COMPENSATION IN PLACE AT THE TIME OF SUCH EMPLOYEE'S REQUEST AND THE JOB DESCRIPTION, IF SUCH DESCRIPTION EXISTS, FOR THE EMPLOYEE'S CURRENT POSITION AT THE TIME OF HIRE AND UPON THE EMPLOYEE'S REQUEST, BUT NO MORE FREQUENTLY THAN ONCE PER YEAR.

2. NO EMPLOYER SHALL REFUSE TO INTERVIEW, HIRE, PROMOTE, EMPLOY OR OTHERWISE RETALIATE AGAINST AN APPLICANT OR CURRENT EMPLOYEE FOR EXERCISING ANY RIGHTS UNDER THIS SECTION.

3. THE DEPARTMENT HAS THE POWER TO ADMINISTER, CARRY OUT AND ENFORCE ALL PROVISIONS OF THIS SECTION AND MAY PROMULGATE RULES AND REGULATIONS TO EFFECTUATE THE PURPOSES OF THIS SECTION.

4. THE DEPARTMENT SHALL CONDUCT A PUBLIC AWARENESS OUTREACH CAMPAIGN, WHICH SHALL INCLUDE MAKING INFORMATION AVAILABLE ON ITS WEBSITE AND OTHERWISE INFORMING EMPLOYERS OF THE PROVISIONS OF THIS SECTION.

5. THE DEPARTMENT SHALL ESTABLISH AND MAINTAIN A COMPLAINT PROCEDURE PURSUANT TO WHICH ANY PERSON WHO BELIEVES A VIOLATION OF THIS SECTION HAS OCCURRED, IS OCCURRING OR IS ABOUT TO OCCUR, MAY FILE A COMPLAINT.

A. ANY SUCH COMPLAINT SHALL BE MADE IN WRITING TO THE DEPARTMENT, WHICH SHALL HAVE THE AUTHORITY TO INVESTIGATE SUCH REPORTED VIOLATIONS AND TO BRING A SUBSEQUENT ACTION TO COLLECT DAMAGES, CIVIL PENALTIES AND EQUITABLE RELIEF.

B. AN EMPLOYER WHO FAILS TO COMPLY WITH ANY REQUIREMENT OF THIS SECTION OR ANY REGULATION PUBLISHED THEREUNDER SHALL BE DEEMED IN VIOLATION OF THIS SECTION AND SHALL BE SUBJECT TO A CIVIL PENALTY IN ACCORDANCE WITH SECTION TWO HUNDRED EIGHTEEN OF THIS CHAPTER.

C. AN APPLICANT OR CURRENT OR FORMER EMPLOYEE AGGRIEVED BY A VIOLATION OF THIS SECTION MAY BRING A CIVIL ACTION FOR COMPENSATION FOR ANY DAMAGES SUSTAINED AS A RESULT OF SUCH VIOLATION IN ANY COURT OF COMPETENT JURISDICTION. THE COURT MAY AWARD INJUNCTIVE RELIEF, ANY ACTUAL DAMAGES INCURRED, PUNITIVE DAMAGES, OTHER EQUITABLE RELIEF AS MAY BE APPROPRIATE AND REASONABLE ATTORNEYS' FEE AND COSTS. ALL CLAIMS FILED UNDER THIS SECTION SHALL BE FILED WITHIN THREE YEARS FROM THE DATE OF THE VIOLATION.

6. AN EMPLOYER SHALL KEEP AND MAINTAIN NECESSARY RECORDS TO COMPLY WITH THIS SECTION INCLUDING, BUT NOT LIMITED TO, THE HISTORY OF COMPENSATION RANGES FOR EACH EMPLOYMENT OPPORTUNITY AND THE JOB DESCRIPTIONS FOR SUCH POSITIONS, IF SUCH DESCRIPTIONS EXIST.

7. FOR THE PURPOSES OF THIS SECTION THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

A. "RANGE OF COMPENSATION" MEANS THE RANGE THAT THE EMPLOYER ACTUALLY RELIED ON IN SETTING COMPENSATION FOR THE POSITION AND MAY BE BASED ON, INCLUDING BUT NOT LIMITED TO, ANY APPLICABLE PAY SCALE OR COMPENSATION MODEL RELIED UPON BY THE EMPLOYER OR THE ACTUAL RANGE OF COMPENSATION FOR THOSE CURRENTLY HOLDING THE POSITION.

B. "EMPLOYER" SHALL INCLUDE, BUT NOT BE LIMITED TO:

(I) ANY PERSON, CORPORATION, LIMITED LIABILITY COMPANY, ASSOCIATION, LABOR ORGANIZATION OR ENTITY EMPLOYING AN INDIVIDUAL IN ANY OCCUPATION, INDUSTRY, TRADE, BUSINESS OR SERVICE, OR ANY AGENT THEREOF; AND

(II) ANY PERSON, CORPORATION, LIMITED LIABILITY COMPANY, ASSOCIATION OR ENTITY ACTING AS AN EMPLOYMENT AGENT OR RECRUITER, OR OTHERWISE CONNECTING APPLICANTS WITH EMPLOYERS.

§ 2. This act shall take effect on the one hundred eightieth day after it shall have become a law.