

New Jersey Legislature Considers Wage Transparency Law

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New Jersey could be the latest state to require salary transparency in job postings, following an increasing trend in wage transparency laws throughout the country. To date, both New York and Connecticut have pay transparency laws, and although Jersey City, New Jersey has had a wage transparency law in effect since April 2022, there is no statewide law. That is about to change if lawmakers have their way. Proposed Assembly Bill 3937 requires New Jersey businesses of 10 or more employees to include wage or salary information, or a compensation range, in a job posting, as well as a description of all job benefits. The bill would also require employers to make reasonable efforts to announce all opportunities for promotion in internal and external job postings.

Moreover, an employer is subject to penalties of up to \$1,000 for the first violation, \$5,000 for the second violation and \$10,000 for each subsequent violation, collectible by the Commissioner of Labor and Workforce Development. Employers are also subject to civil action brought by an aggrieved person within one year from the date of the alleged violation.

The Bill was introduced in the Assembly in May 2022 and the state Senate in February of this year. State lawmakers approved the measure by a 4-0 vote in the Assembly Consumer Affairs Committee hearing held earlier this month.

Lawmakers are scheduled to vote on the bill in the Senate Labor Committee this month, and it would still need to pass through both full chambers and Governor Murphy's desk before the current lame-duck session ends on Jan. 8 next year.

For guidance on compliance with pay transparency laws or questions regarding this alert, contact Jennifer O'Connor or Caroline Braga of Saiber LLC Employment & Labor Law Practice Group.