

New Pay Transparency Law Will Require New Jersey Employers to Include Salary Ranges in Job Postings

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New Jersey took one step closer to enacting a pay transparency law that would require certain employers to include salary ranges in all listings for job openings.

On September 26, the New Jersey Legislature passed bill S2310/A4151, which requires covered employers to disclose the hourly range or salary and a general description of the benefits and other compensation programs for which the employee may be eligible to participate, in all job listings. In addition, the law requires employers to make reasonable efforts to announce or post (externally and internally) opportunities for promotion to current employees in the affected department(s) of the employer prior to making a promotion decision. The bill defines a promotion as "as change in job title and an increase in compensation." Exceptions include instances where a current employee is promoted based on years of experience or performance and when it is necessary for an employer to promote someone on an emergent basis due to an unforeseen event

Covered employers include those with 10 or more employees that do business in New Jersey or takes applications for employment within the State. The bill also applies to any third-party referral agencies and other employment agencies.

Employers who fail to comply with the new law face fines up to \$300 for the initial violation, and \$600 for each subsequent violation.

In 2022, New York City <u>adopted a similar law</u> that requires employers to include salary ranges in all listings for job openings in New York City. If enacted, New Jersey would become the 12th state to pass a pay transparency law. The bill now awaits Governor Murphy's approval and would take effect seven months after the bill being signed.

If you have any questions regarding the above pay transparency law, please contact <u>DanaLynn T.</u> <u>Colao</u> of Saiber LLC's employment law practice group.