

New York State Expands Equal Pay Legislation

On July 10, 2019, Governor Cuomo signed two new bills that expand New York State's equal pay Labor Law § 194. These new bills specifically (1) expand the scope of New York State's equal pay law to all protected classes and (2) prohibit employers from asking an applicant about their prior salary history.

New York State's equal pay law originally only prohibited pay discrimination based on gender. Now, the equal pay law prohibits unequal pay on the basis of any protected class (i.e., age, race, creed, color, national origin, sexual orientation, gender identity or expression, military status, disability, predisposing genetic characteristics, familial status, marital status, domestic violence victim status, and other employees and interns protected under the New York State Human Rights Law). The equal pay act also lowers the bar for employees bringing equal pay claims by requiring that employers provide equal pay – not just for "equal work," but for "substantially similar work" as well.

New York State employers are now also barred from asking prospective employees or applicants about their past salary history and compensation during the hiring process. Keep in mind that the equal pay law does not prevent an employee from voluntarily disclosing their salary or wage history, nor does it prevent employers from asking an applicant what their salary expectations are. However, employers are now prohibited from asking for or considering an applicant's salary history when deciding (1) whether to make an offer of employment or (2) what the employee's compensation should be.

New York is not the first state to implement statewide equal pay legislation, and it will not be the last. All employers should use this opportunity to conduct a payroll audit and, if necessary, re-visit their internal policies against pay discrimination. Employers should further ensure that all managers, supervisors, or other individuals involved in compensation and hiring decisions are informed and properly trained on company policies against pay discrimination.

If you have any questions, please contact Stokes Wagner.