

CLIENT ALERT

New York City Bans All Inquiries Regarding Salary Histories of Job Applicants

New York City has joined other states and cities across the country – including Massachusetts and Philadelphia – in banning employers from inquiring about a job candidate's salary history. Per legislation signed on May 4, 2017 by New York City Mayor Bill DeBlasio, effective November 1, 2017, *all* employers in New York City, both public and private and regardless of size, may no longer:

- (1) inquire about the salary history of an applicant for employment; or
- (2) rely on the salary history of an applicant in determining that applicant's salary at any stage in the employment process, unless the applicant "unprompted" and "willingly" discloses his or her prior salary information.

The law prohibits both asking the applicant directly about his or her salary history – whether on an employment application or during the hiring process – and searching of publicly-available records or reports. The law's prohibition also applies to the negotiation of an employment agreement. However, the law specifically allows employers to continue asking about objective measures of an applicant's productivity, such as revenue or sales generated, which should make this change in the law more palatable to employers hiring salespersons.

Instead of inquiring about salary history, employers should discuss a job applicant's *expectations* regarding salary, benefits, and other compensation.

In preparation for this new law to go into effect, employers should carefully review their employment applications, standard interview questions, and hiring processes. Employers should also train their employees responsible for interviewing applicants and negotiating employment agreements as to the requirements of the new law. We recommend doing so sooner rather than later to ensure a seamless transition once the law does take effect on November 1, 2017.

* * *

If you have questions or would like additional information, please contact Amanda M. Fugazy (afugazy@egsllp.com), Paul P. Rooney (prooney@egsllp.com), Valerie J. Bluth (vbluth@egsllp.com), Orla J. McCabe (omccabe@egsllp.com) or the primary EGS attorney with whom you work.

This memorandum is published solely for the informational interest of friends and clients of Ellenoff Grossman & Schole LLP and should in no way be relied upon or construed as legal advice.

Ellenoff Grossman & Schole LLP

THE EMPLOYMENT LAW PRACTICE GROUP Amanda M. Fugazy, Esq. Paul P. Rooney, Esq. Valerie J. Bluth, Esq. Orla J. McCabe, Esq. Allison Vieyra, Paralegal

1345 Avenue of the Americas, New York, NY 10105 Telephone: (516) 801-8139/(212) 370-1300 afugazy@egsllp.com | www.egsllp.com