

FACT SHEET: Why New York Needs a Law Prohibiting Employers from Asking About Salary History

The wage gap persists in 2019. It's a frustrating reality but in New York, there are solutions to help close the wage gap once and for all.

Employers often ask prospective employees to provide prior salary histories in order to set salary pay rates. This practice persistently discriminates against women who historically earn lower salaries than men throughout their careers. Pending New York State legislation [[A5308 \(Crespo\)](#) & [S3692A \(Carlucci\)](#)] would prevent employers from inquiring about a job applicant's salary history. This bill would build on the passage of the [New York Women's Equality Act](#), groundbreaking [New York Paid Family Leave Law](#), a similar law passed in New York City, and a similar Executive Order signed by Governor Cuomo in January 2017, and will help further ensure that all workers in New York earn the wages they deserve. This fact sheet highlights why these new measures are integral to women's economic equality.

The passage of this crucial legislation would not only help further wage equality in New York State but also set an important precedent for other states across the country.

The Wage Gap Persists in 2019, Particularly for Women of Color.

In the United States, women working full-time only make 79 cents for every dollar earned by white, non-Hispanic men.ⁱ In New York State, while the gap is narrower, women working full-time still only make 89 cents for every dollar a man earns.ⁱⁱ

The gap for women of color remains much wider. Black women in New York earn just 66 cents for every dollar a white man earns, and Latina women earn an astonishing 56 percent of what white men in New York earn.ⁱⁱⁱ

- In New York State, women in the workplace collectively lose **nearly \$54 billion** a year due to unequal pay.^{iv}
- Wage disparity takes a significant economic toll on women, especially those living in poverty and those who are the primary supporters of their families. **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 \$5,916 per year** were eliminated in New York, women could use those funds to pay for approximately five months of rent, or three months of mortgage payments, or close to a year's supply of groceries for their families.^v

Banning Salary History Will Help Close the Gender & Race Wage Gap

Employers often ask prospective employees to provide prior salary histories in order to set salary pay rates. This practice persistently discriminates against women, especially women of color, who historically earn lower salaries than men throughout their careers and those women that have left the job market to take on family responsibilities.^v Massachusetts became the first state to pass a law banning employers from asking prospective employees about salary history.^{vi} Since then, several states have passed similar laws.^{vii} This legislation has also garnered strong business support.^{viii}

The New York State bill would:

1. Prevent employers from relying on wage or salary history when determining the salary of a prospective employee.^v
2. Prohibit employers from seeking, requesting, or requiring a job applicant's or current or former employee's wage or salary history as part of the interview process, or as a prerequisite for hiring.^{vi}
3. Prohibit employers from asking a job applicant's or current or former employee's current or former employer to provide an applicant's wage or salary history.
4. Make it illegal for employers to refuse to hire or retaliate against an applicant or current or former employee for not providing salary history information or filing a complaint alleging a violation of the law.

For more information contact A Better Balance at 212-430-5982 or www.abetterbalance.org or visit PowHer at www.powherny.org.

^v Carmen DeNavas-Walt & Bernadette D. Proctor, U.S. Census Bureau, *Income and Poverty in the United States: 2014: Current Population Reports* 10 (2015), <https://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-252.pdf>.

^{vi} National Partnership for Women and Families, *New York Women and the Wage Gap* 1 (2017), <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/4-2017-ny-wage-gap.pdf> [hereinafter *New York Women and the Wage Gap*].

^{vii} *Id.*

^{viii} *Id.*

^v *New York Women and the Wage Gap*, *supra* note 2, at 1–2.

^{vi} James, *supra* note 2, at 4.

^{vii} S. 2119, 189th Gen. Ct., Reg. Sess. (Mass. 2016), <https://malegislature.gov/Bills/189/Senate/S2119>.

^{viii} See e.g., H.B. 2005, 79th Leg. Assembly (Or. 2017), HS 1, 149th Gen. Assembly (Del. 2017), 2017 P.R. Act 16; N.Y.C. Int. 1253-2016; Phila., Pa. Code Tit. IX, § 9-1131 (2017).

^v Michael Alison Chandler, *More state, city lawmakers say salary history requirements should be banned*, The Washington Post, Nov. 14, 2016, https://www.washingtonpost.com/local/social-issues/more-state-city-lawmakers-say-salary-history-requirements-should-be-bannedadvocates-for-women-argue-that-the-practice-contributes-to-the-nations-pay-gap/2016/11/14/26cb4366-90be-11e6-9c52-0b10449e33c4_story.html?utm_term=.5f2fd84bb830.

^{vi} See A5308, 2019 Leg., Reg. Sess., <https://nyassembly.gov/leg/?bn=A05308&term=2019>.

^{vii} *Id.*