

GOVERNMENT

New York City luxury businesses face pay transparency law

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The law will impact the hiring practices of some 650,000 companies, including the many luxury brands currently operating out of the metropolitan area in some capacity. Image credit: Fifth Avenue Association

By LUXURY DAILY NEWS SERVICE

Effective Nov. 1, New York City-based companies will be required to pair job postings with salary ranges, per legislation passed at the top of this year.

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Following a months-long delay, New York City's Wage Transparency Law hits the city's private sector on Tuesday with the aim of ending unjust pay gaps.

The law will impact the hiring practices of some 650,000 companies, including the many luxury brands currently operating out of the metropolitan area.

Salary stipulations

Companies with at least four employees across the city are contending with the major regularity requirement's Tuesday enactment.

Annual salary minimums and maximums and/or hourly wage ranges must be presented upfront and in good faith, based on what employers believe to be accurate, rather than within offer letters or at the request of prospective employees.

For the first time ever, U.S. luxury businesses based in New York City, which includes retailers such as Tiffany and Co., holding companies including Tapestry, Inc., ecommerce companies such as luxury online marketplace 1stdibs, as well as the publications that cover related news such as Cond Nast, famously headquartered at One World Trade, and Cosmopolitan magazine publisher Hearst that calls Columbus Circle's Hearst Towers its home, among countless others will begin pushing pay public upon advertising of its roles.



LVMH's North America office headquarters in New York. Image credit: Jaugustin, Public domain, via Wikimedia Commons

Though provisions of the nature have swept the nation California, Colorado, Connecticut, Maryland, Nevada, Rhode Island and Washington all require similar salary disclosures the scale of companies affected by New York City's version far outpaces those based in peer districts, marking uncharted territory for city officials and company leaders.

Technically speaking, New York City's Wage Transparency Law exists as an amendment to the New York City Human Rights Law, deeming job listings unaccompanied by salary stipulations an unlawful discriminatory practice.

Initially intended to begin on May 15, 2022, after New York City Mayor Eric Adams responded with a no-veto vote at the top of this year, effectively passing the provision as the law has faced a number of delays in recent months.

A parallel bill, which would apply state-wide, currently awaits Gov. Kathy Hochul's support and signature.

The passage of the Wage Transparency Law reflects a major win for pay parity advocates.

Similarly, another major piece of New York City legislation looks to hold fashion companies accountable on the sustainability front.

The Fashion Act would task fashion players with supply chain mapping and disclosure, as well as impact disclosure via social and environmental sustainability reports within 18 months of the law's enactment, and among other ESG-related items.

Passage of the act, which currently sits with state legislators, would result in a first-of-its-kind law for the nation.

Pending appropriate adherence, of course ([see story](#)), the bill's passage could work to boost branding, given sustainability's role as the biggest driver of positive conversations around luxury brands ([see story](#)).