

e-Alert: New Jersey Enacts Salary History Ban



Summary

As of January 1, 2020, New Jersey has passed a law restricting employers from requesting an applicant's salary history including prior wages, salary, or benefits. With the new law, employers cannot require that an applicant's salary history should satisfy any minimum or maximum criteria to be considered for a job.

Exceptions

Below is a list of the several circumstances in which the general ban does not apply:

- If the applicant voluntarily discloses any salary information, the employer may verify the information.
- After the employer has extended an offer of the total compensation package and has received the applicant's written authorization, verifying the applicant's current salary is permitted.
- If the applicant is applying for an internal transfer or promotion.

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- If, under federal law, the position requires the disclosure or verification of salary history for employment purposes or requires knowledge of salary history to determine an employee's total package.
- If an employer attempts to obtain or validate an applicant's disclosure of non-salary-related information in the background check process and has specified that salary history information is not to be disclosed. If, in spite of that stipulation, salary history information is disclosed, the employer cannot "retain or consider" that information when determining the salary, benefits, or other compensation for the applicant.

Employer Next Steps

- Make sure that anyone involved in your hiring process is trained accordingly.
- If you are a Full-Service or Virtual HR client and would like our assistance with updating your policy, please [email us](#).

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