

# Proposed Rules on New Jersey's Pay Transparency Act – What Employers Need to Know

## WRITTEN BY

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Following the June 1, 2025, effective date of the New Jersey Pay and Benefit Transparency Act, the New Jersey Department of Labor and Workforce Development has issued proposed regulations explaining compliance with the Act. As we [previously reported](#), the Act requires employers to disclose salary or wage ranges and benefits in job postings and to reasonably notify current employees of promotional opportunities.

The proposed regulations clarify which employers are covered by the Act, what must be included in job postings, how promotion notices should be handled, and how enforcement will work. Employers who wish to submit public comments on the proposed rules must do so by November 14, 2025.

## Employers: Who Is Covered

The Act applies to employers with 10 or more employees, *whether those employees work inside or outside of New Jersey*, for at least 20 calendar weeks if the employer does business, employs people, or accepts applications for employment in New Jersey. The proposed rules clarify that taking applications in New Jersey includes both soliciting in New Jersey and where the physical location of the prospective employment is, in whole or in substantial part, within New Jersey. Out-of-state employers posting roles that solicit or accept applicants in New Jersey should treat those postings as covered under the Act.

## Notification: Requirements and Definitions

**Job Postings.** The Act requires employers to include the following in all job postings: (1) the exact hourly wage or salary, or the hourly wage or salary range, of the position, and (2) a general description of the benefits and other compensation programs for which the employee would be eligible. Pay ranges must be closed (no “and up” language) and the spread between the minimum and maximum cannot exceed 60% of the minimum, unless the range is set by law, rule, ordinance, or a collective bargaining agreement. The proposed rules define “benefits” to include employee fringe benefits such as health, life, and disability insurance; paid time off, including vacation, holidays, personal, and sick leave; retirement; and training.

**Promotion Opportunities.** The Act also requires employers to make reasonable efforts to notify all current employees in an affected department about promotional opportunities, whether the opportunity is advertised internally or externally. The proposed rules define “reasonable efforts” as conspicuously posting the promotional opportunity in the workplace where it is accessible to all employees in the department and, if the employer has an internet or intranet site used exclusively by employees, posting the promotional opportunity on that site.

**Third-Party Advertising.** Where an employer uses a third party to post a job opportunity, the employer is liable for violations not only where the employer retains control over the content of the advertisement, but also where the employer has relinquished control of the content through contract or agreement. In other words, if an employer engages a third party to advertise its job postings, the employer remains liable for the content of those ads. Employers are not liable, however, for the content of postings by third-party sites that collect and aggregate job postings without the employer's involvement. An employer can meet its obligations under the Act by incorporating a link on the third-party site that directs the viewer to another site where the required content is clearly visible, including the name and location of the employer, the job title, and the pay and benefits associated with the opportunity.

## **Enforcement: Employer Rights and Penalties**

The proposed regulations confirm that there is no private right of action under the Act; however, employers are subject to fines of \$300 for the first violation and \$600 for all subsequent violations. The proposed regulations provide several factors to be considered when assessing the appropriate penalty for a violation, such as the seriousness of the violation, any history of previous violations, the size of the employer, and good faith.

Employers also have the right to written notice of the violation and penalty amount and may request a formal hearing within 15 business days. All hearing requests must be made to the Division of Wage and Hour Compliance, which may schedule an informal settlement conference to resolve the dispute if warranted. If an employer fails to timely request a formal hearing, the notice will become a final order. Employers may appeal final decisions and orders with the Appellate Division of the New Jersey Superior Court.

## **Advice for Employers**

Although the proposed regulations are not yet adopted, they are instructive as to how the Act will be enforced. Employers should make sure they are complying with the Act. For example, they should conduct internal reviews of their job posting channels and templates to ensure pay ranges and benefits are adequately disclosed and that reasonable efforts are taken when posting promotional opportunities to current employees. Employers who work with third-party recruiters and vendors should review and update their contractual agreements. Finally, employers should ensure proper training of HR and recruiting staff regarding the Act, including these proposed regulations.

We will continue to provide any further updates on the implementation of these regulations. If you have questions about how New Jersey's Pay Transparency Act, or any other state or local pay transparency law, applies to your organization, please reach out to your Troutman Pepper Locke employment counsel.

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