

Governor Murphy Issues First Executive Order Imposing Salary History Ban on State Entities

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On January 16, 2018, newly-elected New Jersey Governor Phil Murphy signed his first executive order, which prohibits state government entities from inquiring into job applicants' salary histories. Specifically, state employers will not be allowed to ask prospective employees about their prior compensation and benefits until a job offer has been made.

Governor Murphy's action is a significant step towards promoting equal pay for women. Information about pay history is viewed by many as a mechanism that perpetuates gender-based salary disparity.

Proposed legislation that would have made it unlawful for all New Jersey employers to screen prospective job candidates by inquiring about their salary history was previously introduced, but was vetoed by Governor Christie. The legislation, which would have amended the New Jersey Law Against Discrimination (NJLAD), also contained an anti-retaliation provision. Several states and municipalities, including California, New York City and Philadelphia, have already enacted such legislation.

Governor Murphy's executive order signals a radically different approach to important employment issues such as equal pay, minimum wage and paid leave laws, possibly foreshadowing the future enactment of legislation that would make it unlawful for all New Jersey employers to inquire about, or make decisions based upon, a job candidate's salary history.

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