



NYC Lawmakers Approve Pay Data Reporting Bills: How NYC Employers Can Prepare

Insights

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The New York City Council recently approved two bills that could soon require private employers with 200 or more employees working in New York City to report pay and demographic data annually and designate a city agency to conduct a pay equity study based on the reported pay data. These bills, approved by the Council on October 9, now await Mayor Adams's signature – but it appears likely that pay data reporting will become a reality soon for New York City employers. Once enacted, these laws will take effect immediately, though employers will have some time before having to submit their first report. What can New York City employers do to prepare?

Pay Data Reporting (New York City Bill – Int. 982-2024-A)

As we [previously reported](#), New York City has been considering pay data reporting for some time. However, since the bill's initial introduction in 2024, it has been significantly scaled back to apply only to larger employers and reduce the data that must be reported.

If signed into law, [Int. 982-2024-A](#) would require employers with 200 or more employees who work in New York City to report pay data.

- Specifically, employers would be required to submit detailed pay and demographic data that corresponds with the categories required by the EEOC in [the EEO-1 Component 2 reporting requirements for 2017 and 2018 reporting years](#), which requires compensation reporting by race/ethnicity and gender.
- However, the legislation provides the city the right to modify to this information, including reporting options accounting for different gender identities.
- Employers will also have an option to include explanatory remarks regarding the information in the report.

Timing of Reporting

Pay data reporting will not be immediate. First, within one year of the effective date of the law, the mayor must designate an agency to conduct a pay equity study. Once an agency is designated, that agency will have one year to develop a standardized form for employers to submit pay reports.

Within the next year after the form is created, employers will be required to submit the pay report to the designated agency on an annual basis.

Confirmation Requirement

In addition to submitting the pay data report, employers will be required to separately submit a signed statement confirming the submission of the pay report and the accuracy of its information. Failure to do so will result in the non-compliance being reported on the agency's website – although employers will have a 30-day grace period to submit a statement of the accuracy of information after being notified of noncompliance.

Beyond that, civil penalties will be imposed. For the first offense, an employer will receive only a written warning if they cure the violation within 30 days. Or a civil penalty of \$1,000 if the employer fails to cure. For any subsequent offense, the civil penalty will increase to \$5,000.

Pay Equity Study (New York City Bill – Int. 984-2024-A)

Once the pay data is collected, Int. 984-2024-A will require the designated agency, in collaboration with the New York City Commission on Gender Equity and other relevant agencies, to conduct a pay equity study within one year after the pay equity reports are submitted.

- The study will utilize the data in the reports to assess whether there are disparities in compensation among employees based on gender and race or ethnicity.
- If disparities exist, the designated agency and its collaborators must identify the industries where disparities are prevalent and observed trends in occupational segregation based on gender and race or ethnicity. Additionally, the agency must provide recommendations for addressing any disparities.
- The designated agency must publicly release its recommendations.
- Additionally, the agency must publish the data from the pay equity reports in aggregate form so as not to disclose the identities of covered employers or employees.

What Should You Do Next?

Given that these bills had 80% support from the Council, enough to override a veto, pay data reporting will likely become a requirement for many New York City employers soon just as it has for employers in California and Illinois. It seems likely that 2026 compensation data may be evaluated and published by the designated agency.

Therefore, New York City employers should take a careful look at their pay practices as this is an ideal time to review internal pay practices to ensure adherence to the federal Equal Pay Act and State law. We recommend partnering with legal counsel to conduct an attorney-client privileged pay equity audit to review and evaluate compensation decisions. This will allow you to identify and

address any potential pay concerns before the data must be reported and analyzed by government officials.

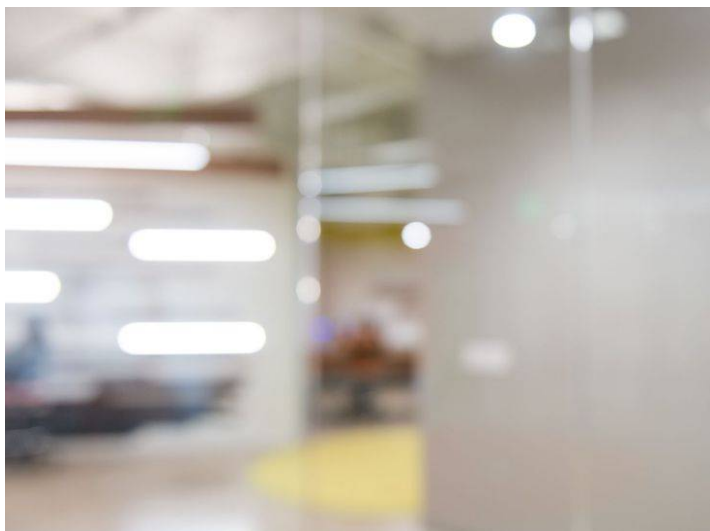
Conclusion

Fisher Phillips will continue to monitor these bills and any further developments in this area as they occur, so you should ensure you are subscribed to [Fisher Phillips' Insight System](#) to gather the most up-to-date information. If you have any questions about New York and New York City pay equity compliance, please contact your Fisher Phillips attorney, the authors of this Insight, any attorney in [our New York City office](#), or a member of [Fisher Phillips' Pay Equity Practice Group](#).

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