

New Employees Must Receive Written Notice of Pay Information

September 3, 2009

Currently, Section 195 of the New York Labor Law requires employers to notify new employees, at the time of hire, of their rate of pay and regular pay day, but it does not require this notification to be in writing. On July 28, 2009, New York Governor David Paterson signed into law an amendment to Section 195 that significantly expands employer notification requirements.

The amendment becomes effective October 26, 2009, and applies to all employees hired on or after that date.

New Requirements

The amended Section 195(1) requires employers to notify *all* newly hired employees at the time of hiring, in *writing*, of the regular rate of pay, regular pay day, and overtime rate of pay, if they will be eligible for overtime.

Finally, all employers will be required to obtain from each new hire a written acknowledgment of receipt of such notice. The acknowledgment must conform to any requirements established by the Commissioner of Labor with regard to content and form. To date, the Commissioner has yet to promulgate any regulations related to the content or form of the written acknowledgment.

Employers Should Review New-Hire Paperwork and Monitor the Amended Law

Even though this amended law does not take effect until October 26, 2009, all New York employers should review their new-hire paperwork (including offer letters) to develop a strategy to comply with these new requirements. Because the amended law leaves open a number of issues, including the appropriate form and content of the written acknowledgment and the penalty for noncompliance, employers should monitor these new requirements during the coming weeks and months as guidance is provided.

Morgan Lewis's Labor and Employment Practice regularly advises employers with respect to all aspects of federal and state wage and hour laws.

If you would like further information regarding the issues raised in this LawFlash, please contact any of the following Morgan Lewis attorneys:

New York

Christopher A. Parlo
Samuel S. Shaulson

212.309.6062
212.309.6718

cparlo@morganlewis.com
sshaulson@morganlewis.com

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