

Pay Equity Issues & Insights Blog



Governor Christie Conditionally Vetoes New Jersey's Pay Equity Bill

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Seyfarth Synopsis: New Jersey Governor Chris Christie has conditionally vetoed a pay equity bill that would have strengthened protections against pay discrimination in the workplace. The bill's sponsors will now decide whether they want to override the veto, accept the Governor's changes or rewrite the bill.

On Monday, Governor Chris Christie conditionally vetoed proposed amendments to the New Jersey Law Against Discrimination concerning equal pay for women in the workplace. As we [reported](#) previously, both the Assembly and Senate passed a bill that would impact New Jersey employers by making it an unlawful employment practice for an employer to discriminate on the basis of gender under a "substantially similar work" standard. The bill also would have allowed employees to be compared even if they do not work in the same establishment, with no geographic limitation; and, unlike other recently-enacted fair pay laws in [New York](#) and [California](#), would have permitted unlimited back pay.

Governor Christie has vetoed bills with similar language in the past, stating that their penalties and requirements were too broad. However, he has now provided some additional insight in his conditional veto recommendation for this bill. Specifically, Governor Christie criticized the bill's allowance of unlimited back pay as going beyond what the Lilly Ledbetter Fair Pay Act provides, and recommended limiting back pay to two years.

The Governor also stated that while he supported an "explicit prohibition on wage discrimination on the basis of gender," the bill in its current form went too far in changing the legal standard for establishing wage discrimination and "would require an oversimplified comparison of wages while ignoring any consideration of the employer's practices or facilities," thus making New Jersey "very business unfriendly." He recommended that the standard for comparing employees be whether they are performing "substantially equal" work, rather than "substantially similar" work, and that employees only be compared if they are performing such work "under similar working conditions," among other changes.

Additionally, Governor Christie remarked on axing the bill's treble damages provisions, which he believed would "make New Jersey a liberal outlier," as well as his disagreement with – and suggested removal of – the bill's reporting requirements for state contractors.

The bill's sponsors can now attempt to override the veto, accept Governor Christie's changes or rewrite the bill.

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