# [First Reprint] SENATE, No. 121

# STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by: Senator LORETTA WEINBERG District 37 (Bergen) Senator NIA H. GILL District 34 (Essex and Passaic)

Co-Sponsored by: Senator Ruiz

## **SYNOPSIS**

Bars provisions in employment contracts that waive rights or remedies; bars agreements that conceal details relating to discrimination claims.

# **CURRENT VERSION OF TEXT**

As reported by the Senate Labor Committee on March 5, 2018, with amendments.



(Sponsorship Updated As Of: 3/27/2018)

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AN ACT concerning discrimination and supplementing Title 10 of 1 2 the Revised Statutes. 3 4 BE IT ENACTED by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. a. A provision in any employment contract that waives any 8 substantive or procedural right or remedy relating to a claim of 9 discrimination, retaliation, or harassment shall be deemed against 10 public policy and unenforceable. b. No right or remedy under the "Law Against Discrimination," 11 P.L.1945, c.169 (C.10:5-1 et seq.) or any other statute or case law 12 13 shall be prospectively waived. 14 This section shall not apply to the terms of any collective c. 15 bargaining agreement between an employer and the collective bargaining representative of the employees. 16 17 2. <u>a.</u> A provision in any employment contract or  $^{1}$ <u>settlement</u><sup>1</sup> 18 agreement which has the purpose or effect of concealing the details 19 relating to a claim of discrimination, retaliation, or harassment 20 <sup>1</sup>(hereinafter referred to as a "non-disclosure provision")<sup>1</sup> shall be 21 deemed against public policy and unenforceable <sup>1</sup>against a current 22 23 or former employee (hereinafter referred to as an "employee") who 24 is a party to the contract or settlement. If the employee publicly reveals sufficient details of the claim so that the employer is 25 26 reasonably identifiable, then the non-disclosure provision shall also be unenforceable against the employer. 27 28 b. Every settlement agreement resolving a discrimination, 29 retaliation, or harassment claim by an employee against an 30 employer shall include a bold, prominently placed notice that although the parties may have agreed to keep the settlement and 31 32 underlying facts confidential, such a provision in an agreement is 33 unenforceable against the employer if the employee publicly reveals 34 sufficient details of the claim so that the employer is reasonably identifiable<sup>1</sup>. 35 36 37 3. A person who enforces or attempts to enforce a provision 38 deemed against public policy and unenforceable pursuant to P.L. 39 (C. ) (pending before the Legislature as this bill) shall be 40 liable for the employee's reasonable attorney fees and costs. 41 42 4. No person shall take any retaliatory action, including but not 43 limited to failure to hire, discharge, suspension, demotion,

**EXPLANATION** – Matter enclosed in **bold-faced brackets** [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter.

Matter enclosed in superscript numerals has been adopted as follows: <sup>1</sup>Senate SLA committee amendments adopted March 5, 2018.

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1 discrimination in the terms, conditions, or privileges of 2 employment, or other adverse action, against a person, on grounds 3 that the person does not enter into an agreement or contract that 4 contains a provision deemed against public policy and 5 unenforceable pursuant to P.L., c. (C.) (pending before the 6 Legislature as this bill).

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8 5. Any person claiming to be aggrieved by a violation of 9 P.L., c. (C. ) (pending before the Legislature as this bill) may initiate suit in Superior Court. An action pursuant to this 10 11 section shall be commenced within two years next after the cause of 12 any such action shall have accrued. All remedies available in 13 common law tort actions shall be available to prevailing plaintiffs. 14 These remedies are in addition to any provided by P.L. 15 c. (C. ) (pending before the Legislature as this bill) or any

15 c. (c. ) (pending before the Legislature as this bill) of any 16 other statute. A prevailing plaintiff shall be awarded reasonable 17 attorney fees and costs.

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6. This act shall take effect immediately and shall apply to all
contracts and agreements entered into, renewed, modified, or
amended on or after the effective date.