

Employment Law Update: New Jersey Assembly Passes Bill Regarding Non-Disparagement Provisions in Employment Agreements

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On October 3, 2022, the New Jersey Assembly passed [a bill](#) that will ban non-disparagement clauses in employment agreements. The bill will now be considered by the New Jersey Senate.

The bill amends a law passed in 2019, which prohibits employment agreements from containing provisions that waive any substantive or procedural right or remedy relating to a claim of discrimination, retaliation, or harassment, including non-disclosure provisions. The bill was drafted in response to *Savage vs. Township of Neptune*, decided by the New Jersey Appellate Division in May. In *Savage*, the Appellate Division found that the 2019 law did not cover non-disparagement provisions and therefore settlement agreements for employment-law claims were permitted to contain such provisions.

We will continue to monitor the bill as it moves through the Senate.

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Practice

- Employment Law