A06664 Text:

STATE OF NEW YORK

6664

2025-2026 Regular Sessions

IN ASSEMBLY

March 7, 2025

Introduced by M. of A. BRONSON, SAYEGH, SHIMSKY, MEEKS, JACOBSON,

GANDOLFO -- read once and referred to the Committee on Labor

AN ACT to amend the labor law, in relation to issuing stop-work orders for misclassification of employees

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The labor law is amended by adding a new section 45 to read

2 as follows:

3 § 45. Misclassification of employees; stop-work orders. 1. If the

4 commissioner determines, after an investigation pursuant to the

5 provisions of this chapter, that an employer has knowingly misclassified

6 <u>employees as independent contractors or provided</u> false, incomplete, or

7 misleading information to an insurance company on the number of employ-8 ees of such employer, the commissioner shall notify such employer in 9 writing of their intention to issue a stopwork order. Such notice 10 **shall:** 11 a. be served in a manner consistent with section three hundred eight 12 of the civil practice law and rules; b. notify such employer of their right to a 13 hearing; 14 c. notify such employer that they shall have seventy-two hours to 15 address the violation or violations before the stop-work order will be 16 issued; and d. state the factual basis upon which the 17 commissioner has based their decision to issue a stop-work order and how 18 such employer shall come 19 into compliance. 2. a. After receipt of such notice, the employer 20 shall have seventytwo hours to come into compliance and to notify the 21 commissioner of such compliance. Within seventy-two hours after the 2.2 employer's opportunity to 23 come into compliance, if the employer has not come into compliance, the 24 commissioner shall issue a stop-work order requiring the cessation of EXPLANATION--Matter in **italics** (underscored) is new; matter in brackets [-] is old law to be omitted. LBD04513-01-5 A. 6664 2 1 all business operations of the employer at every site at which the 2 violation occurs.

3 b. A stop-work order shall take effect when served upon the employer 4 or when served at the worksite. 5 c. A stop-work order shall remain in effect until the commissioner 6 issues an order releasing the stop-work order upon finding that the 7 employer has come into compliance and has paid any penalty assessed. 8 3. An employer who is subject to a stop-work order shall have the 9 right to apply to the commissioner, not more than ten days after the 10 order is issued, for a hearing to contest whether the employer committed 11 the violation on which the order was based. 4. Failure or refusal to comply with a stop-work 12 order issued by the commissioner shall, in addition to any other 13 penalties authorized by 14 law, result in the assessment of a penalty of not less than one thousand dollars and not more than five thousand dollars for 15 each day the employer is found not to be in compliance. 16 5. An employee affected by a stop-work order 17 pursuant to this section shall be paid their regular rate for the period 18 the stop-work order is in place or the first ten days the employee would 19 have been scheduled to work if the stop-work order had not been issued, 20 whichever is less, by 21 the employer that was served the stop-work order. 2.2 6. Stop-work orders and any additional penalties imposed under this 23 chapter against a corporation, partnership or sole proprietorship shall 24 be effective against any successor entity that has one or more of the same principals or officers as the corporation, 25 partnership or sole 26 proprietorship against which the stop-work order was issued and are

27 engaged in the same or equivalent trade or
activity.
28 7. For the purposes of this section, there
shall be a rebuttable
29 presumption of unlawful retaliation if an
employer in any manner
30 discriminates, retaliates, or takes any adverse
action against any
31 employee within ninety days of the employee
initiating a complaint
32 pursuant to this article.
33 8. The commissioner shall promulgate any rules
and regulations neces-
34 sary to carry out the provisions of this section.
35 § 2. This act shall take effect on the one
hundred eightieth day after

36 it shall have become a law.