**S01514 Text:**

**STATE OF NEW YORK**

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1514

2025-2026 Regular Sessions

**IN SENATE**

January 10, 2025

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Introduced by Sens. HARCKHAM, HINCHEY, JACKSON, MATTERA, PALUMBO, RAMOS,

ROLISON, WEBB -- read twice and ordered printed, and when printed to

be committed 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 Assem-**

**bly, 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 **employees as independent contractors or provided 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 stop-work 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;**

13 **b. notify such employer of their right to a 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**

17 **d. state the factual basis upon which the commissioner has based their**

18 **decision to issue a stop-work order and how such employer shall come**

19 **into compliance.**

20 **2. a. After receipt of such notice, the employer shall have seventy-**

21 **two hours to come into compliance and to notify the commissioner of such**

22 **compliance. Within seventy-two hours after the 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.

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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.**

12 **4. Failure or refusal to comply with a stop-work order issued by the**

13 **commissioner shall, in addition to any other penalties authorized by**

14 **law, result in the assessment of a penalty of not less than one thousand**

15 **dollars and not more than five thousand dollars for each day the employ-**

16 **er is found not to be in compliance.**

17 **5. An employee affected by a stop-work order pursuant to this section**

18 **shall be paid their regular rate for the period the stop-work order is**

19 **in place or the first ten days the employee would have been scheduled to**

20 **work if the stop-work order had not been issued, whichever is less, by**

21 **the employer that was served the stop-work order.**

22 **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**

25 **same principals or officers as the corporation, 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.