

# 2025 New York Labor Laws

#### **UPDATES FOR EMPLOYERS**

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# New York employers:

It's important to stay up to date on the employment laws in your state. Knowing the latest changes can help protect you from liability and keep you in compliance. We've summarized the most important updates for New York employers to be aware of as we move through 2025. We'll cover changes to the law in the follow categories:

- New Compensation Requirements
- 2. Paid Leave
- 3. Harassment
- 4. Cannabis testing in NYC
- 5. Protections for 'Gig' Workers



# **I. New Compensation Requirements**

## Minimum Wage

The New York State minimum wage increased on January 1, 2025. In New York City, it is now \$16.50 per hour for all size businesses. In Nassau, Suffolk and Westchester counties, it is \$16.50 per hour. In the remainder of the state, it is \$15.50 per hour. There are different hourly rates for workers in the fast food industry and those who receive tips. These rates remain in effect until January 1, 2025. Employers must post a Minimum Wage Information poster in their establishment.

As of January 1, 2025, the minimum wage for most employers in New York state is:

- New York City...\$16.50/hour (increased from \$16.00/hour)
- Westchester and Long Island... \$16.50/hour (increased from \$16.00/hour)
- Remainder of New York state...\$15.50/hour (increased from \$15.00/hour)

As of January 1, 2025, the minimum wage for employees of "fast food establishments" working for a chain with 30 or more establishments is:

- New York City...\$16.50/hour
- Outside of New York City...\$15.50/hour

<u>Visit the New York's Department of Labor's website</u> <u>for more info and to download required posters</u>



# **I. New Compensation Requirements**

## Salary Threshold

Separately, the New York Legislature amended the New York Labor Law (NYLL) to increase the salary threshold for exemptions from pay frequency laws for executive, administrative, and professional employees from \$1,161.65 to \$1,237.50 per week effective January 1, 2025.

This list reflects the new salary thresholds, effective January 1, 2025:

- New York City...\$1,237.50/week
- Westchester and Long Island...\$1,237.50/week
- Remainder of New York state...\$1,161.65/week

#### **FLSA Salary Threshold**

The U.S. Department of Labor (DOL) publicized its final rule raising the salary threshold for the executive, administrative, and professional (EAP) exemptions under the FLSA to \$35,568 per year, or \$684 per week.

That minimum remained flat for 2024, but the U.S. Department of Labor (DOL) published a proposed rule in August 2023 that would significantly raise the minimum weekly salary to \$1,059 per week, which is equivalent to \$55,068 per year. The proposed rule has not been finalized



# **I. New Compensation Requirements**

#### **Compensation History Ban**

As of Jan. 6, 2020, New York employers were banned from inquiring about or relying on compensation history when making employment decisions. Pursuant to the new legislation, employers cannot:

- Rely on an applicant's wage or salary history in determining whether to offer employment to that individual or in determining that individual's wages or salary;
- Request or require wage or salary history from an applicant or current employee as a condition to be interviewed, or as a condition of continuing to be considered for an offer of employment, or as a condition of employment or promotion;
- Request or require the wage or salary history of an applicant or current employee from a current or former employer, current or former employee, or agent of the applicant or current employee's current or former employer;
- Refuse to interview, hire, promote, otherwise employ, or otherwise retaliate against an applicant or current employee based upon prior wage or salary history;
- Refuse to interview, hire, promote, otherwise employ, or otherwise retaliate against an applicant or current employee because such applicant or current employee did not provide wage or salary history in accordance with the law; or
- Refuse to interview, hire, promote, otherwise employ, or otherwise retaliate against an applicant or current or former employee because the applicant or current or former employee filed a complaint with the New York State Department of Labor alleging a violation of the law.

Related: Legal and Illegal Interview Questions for New York Employers



## 2. Paid Leave Benefits

## **Paid Voting Leave**

New York State employees are eligible for up to two hours of paid time off to vote if they do not have "sufficient time to vote." An employee is deemed to have "sufficient time to vote" if an employee has four consecutive hours to vote either from the opening of the polls to the beginning of their work shift, or four consecutive hours between the end of a working shift and the closing of the polls.



#### Download the required notice from the New York government website

#### **Paid Family Leave**

The Paid Family Leave is the time at which employees will be able to take up to 12 weeks of job-protected, paid time off. In 2025, employees taking Paid Family Leave will receive 67% of their average weekly wage, up to a cap of 67% of the current Statewide Average Weekly Wage of \$1,151.16. The maximum weekly benefit for 2025 is \$1,151.16.

#### Learn more on our Paid Family Leave resources page





#### **Establishing Unlawful Harassment**

As of Oct. 11, 2019, harassment claims under the New York State Human Rights Law (NYSHRL) were subject to a lower evidential standard, making it easier to establish unlawful harassment. An individual complaining of harassment doesn't need to prove the challenged conduct was "severe or pervasive," just that it "subjects an individual to inferior terms ... of employment" because of protected class membership, unless the conduct at issue amounted to nothing more than "petty slights or trivial inconveniences," effectively mirroring the liberal standards under the New York City Human Rights Law (NYCHRL). Source

#### **Sexual Harassment Prevention Notice**

As of Oct. 11, 2019, employers must provide employees, both at the time of hiring and at every annual sexual harassment prevention training, with a notice containing the employer's anti-sexual harassment policy and the information presented at the training. The FAQs clarify that the policy and training materials, which include "any printed materials, scripts, Q&As, outlines, handouts, PowerPoint slides, etc.," may be delivered in print or electronically. **More resources, including a toolkit and sample forms, can be found on our Sexual Harassment Prevention resource page.** 

#### **Protections for Non-Employees**

As of Oct. 11, 2019, "non-employees" were able to bring claims of discrimination under the NYSHRL. The FAQ clarify that protected non-employees include, but are not limited to, independent contractors, "gig" workers, and temporary employees.

Resource from staffleasing-peo.com/





#### Non-Disclosure Agreements

As of Oct. 11, 2019, employers were prohibited from including a confidentiality provision in any agreement that resolves a discrimination claim unless a certain three-part process is followed— the complainant 1) is given 21 days to consider whether to agree to confidentiality 2) expresses a preference for confidentiality in an agreement; and 3) is given seven days to revoke the agreement. The FAQ clarify that the same limitations, which previously applied only to sexual harassment claims, apply to all discrimination claims.

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Non-disclosure agreements (NDA) entered into as part of employment contracts on or after January 1, 2020 must include an explicit carve-out allowing the employee or potential employee entering into the NDA to speak with "law enforcement, the Equal Employment Opportunity Commission, the state Division of Human Rights, a local commission on human rights, or an attorney retained by the employee or potential employee." <u>Source</u>

#### **Statute of Limitations**

As of August 12, 2020, the limitations period for asserting a claim of sexual harassment under the NYSHRL is expanded from one year to three.



# 4. Cannabis testing in NYC

Effective as of May 10, 2020, most employers in New York City will no longer be allowed to require applicants to submit to a pre-employment test for cannabis. In New York City, Int. No. 1445-A prohibits employers, labor organizations, and employment agencies and their agents from requiring prospective employees to submit to a marijuana test as a condition of employment.

Some exceptions to the law include certain:

- Law enforcement positions,
- Positions requiring supervision of children and medical patients,
- Positions requiring a CDL,
- Positions requiring federal drug testing, and
- Federal/state contractor positions.

Because this legislation is specific to prospective employees, employers remain free to test their current employees for the presence of cannabis. However, <u>current New York State law</u> considers certified users of medical marijuana as having a disability under the State Human Rights Law, entitled to all the legal protections of other employees and applicants with disabilities.





# 5. Protections for Gig Workers

The gig economy is growing fast. About 36% of U.S. workers are part of the gig economy, according to a 2018 Gallup report. A 2017 report from Upwork and Freelancers Union forecasts that the majority of workers will be freelance by 2027. (<u>More HR trends for 2020 here</u>) Laws are being amended to keep up with this growth.

## The Dependent Worker Act

Although the 2023 legislative session ended without the passage of the Dependent Worker Act —a bill proposing to classify gig workers as "dependent workers" and extend to them certain rights traditionally reserved for employees—the bill is expected to be debated next legislative session. The bill seeks to amend the New York Labor Law (NYLL) by making a "dependent worker" subject to many of the same employment §191's frequency of pay requirements, §192's direct deposit protections, §195's wage theft notice and record-keeping requirements, and §196-d's gratuity appropriation protections, and the regulations promulgated thereunder. Source

#### Related external articles for further reading on this topic:

- With Cuomo Promising Gig Economy Regulations, New York Leaders Consider Pros and <u>Cons of California Model</u>
- New York wants to write its own rules for the gig economy
- New York's Gig Economy Legislative Proposals For 2020 Begin To Take Shape

## Amendments to the NYCHRL

As of Jan. 11, 2020, gig workers in New York City statutorily secured new express protections against unlawful discrimination with amendments to the NYCHRL.



New York's employment laws are always evolving. It's hard to keep up while running a business.

Let the experts keep you in compliance while reducing your liabilities as a New York employer. Contact our team.



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