

# STATE OF NEW YORK

584--A

2025-2026 Regular Sessions

## IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. STECK, SANTABARBARA, PAULIN, LEVENBERG, REYES -- read once and referred to the Committee on Labor -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the labor law, in relation to enacting the "trapped at work act"

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

1 Section 1. Short title. This act shall be known and may be cited as  
2 the "trapped at work act".

3 § 2. The labor law is amended by adding a new article 37 to read as  
4 follows:

### ARTICLE 37

#### TRAPPED AT WORK ACT

##### Section 1050. Statement of public policy.

8 1051. Definitions.

9 1052. Scope.

10 1053. Prohibiting the use of employment promissory notes and  
11 other similar provisions.

12 1054. Enforcement.

13 1055. Rules.

14 1056. Savings clause.

15 § 1050. Statement of public policy. Workers' ability to freely change  
16 jobs is critical to their economic liberty as well as to creating a  
17 thriving and innovative economy in the state of New York. Additionally,  
18 a tenet of worker protections and empowerment is that the cost of any  
19 training required by an employer to perform a job should be borne by the  
20 employer, who ultimately stands to financially benefit from a well-  
21 trained workforce. Employment provisions that have the effect of indebt-  
22 ing workers to their former employers upon separation for the cost of

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 training have the effects of reducing those workers' professional mobil-  
2 ity, creating obstacles toward financial security, and chilling the  
3 state economy. It is in the interest of individual workers and of the  
4 state to protect workers from these employment-based debts and to align  
5 the costs of operating a business with its financial benefits by ensur-  
6 ing employers maintain expenses for training they require for their  
7 workers.

8 § 1051. Definitions. For purposes of this article:

9 1. "Employer" means an individual, partnership, association, corpo-  
10 ration, limited liability company, trust, government or government  
11 subdivision, or any organized group that hires or contracts with a work-  
12 er to work for the employer. For the purposes of this article, this term  
13 shall also include any subsidiary of an employer and any individual,  
14 partnership, association, corporation, limited liability company, trust,  
15 government or government subdivision, or any organized group associated  
16 with an employer that provides training to workers.

17 2. "Worker" means an individual who is permitted to work for or on  
18 behalf of an employer. The term "worker" includes an employee, independ-  
19 ent contractor, extern, intern, volunteer, apprentice, sole proprietor  
20 who provides a service or services to an employer or to a client or  
21 customer of an employer on behalf of such employer, and an individual  
22 who provides service through a business or nonprofit entity or associ-  
23 ation. "Worker" does not include an individual, even if the individual  
24 performs incidental service for the employer, whose sole relationship  
25 with the employer is as a vendor of goods.

26 3. "Employment promissory note" means any instrument, agreement, or  
27 contract provision that requires a worker to pay the employer, or the  
28 employer's agent or assignee, a sum of money if the worker leaves such  
29 employment before the passage of a stated period of time. "Employment  
30 promissory note" includes any such instrument, agreement, or contract  
31 provision which states such payment of moneys constitutes reimbursement  
32 for training provided to the worker by the employer or by a third party.

33 § 1052. Scope. 1. This article supersedes common law only to the  
34 extent that it applies to an employment promissory note but otherwise  
35 does not affect principles of law and equity consistent with this arti-  
36 cle.

37 2. The rights and remedies provided pursuant to this article shall be  
38 in addition to, and shall not supersede, any other rights and remedies  
39 provided by statute or common law.

40 § 1053. Prohibiting the use of employment promissory notes and other  
41 similar provisions. 1. Beginning on the effective date of this article,  
42 no employer may require, as a condition of employment, any worker or  
43 prospective worker to execute an employment promissory note. The  
44 execution of an employment promissory note as a condition of employment  
45 is unconscionable, against public policy, and unenforceable, and any  
46 such note shall be void. If any such note is part of a larger agreement,  
47 the invalidity of such note shall not affect the other provisions of  
48 such agreement.

49 2. Nothing in this section shall prohibit or render void or unenforce-  
50 able any agreement between a worker and an employer that:

51 (a) requires the worker to repay to the employer any sums advanced to  
52 such worker by the employer, unless such sums were used to pay for  
53 training related to the worker's employment with the employer;

54 (b) requires the worker to pay the employer for any property it has  
55 sold or leased to such worker;

1 (c) requires educational personnel to comply with any terms or condi-  
2 tions of sabbatical leaves granted by their employers; or

3 (d) is entered into as part of a program agreed to by the employer and  
4 its workers' collective bargaining representative.

5 § 1054. Enforcement. 1. Any employer found to have violated this arti-  
6 cle shall be fined by the commissioner not less than one thousand  
7 dollars and not more than five thousand dollars for each violation. Each  
8 worker or prospective worker whom an employer required to execute an  
9 employment promissory note or against whom an employer seeks to enforce  
10 such a note shall constitute a separate violation of this article.

11 2. Any worker or prospective worker for whom an employer requires  
12 execution of an employment promissory note as a condition of employment  
13 or against whom an employer seeks to enforce such a note may bring an  
14 action against such employer to recover actual damages or five thousand  
15 dollars, whichever is greater, and injunctive relief. In the event of a  
16 successful action, the court shall award any plaintiff reasonable costs  
17 and attorney fees.

18 § 1055. Rules. The commissioner may promulgate rules and regulations  
19 necessary to carry out the provisions of this article.

20 § 1056. Savings clause. If any portion of this article or the applica-  
21 tion thereof to any person, occupation or circumstance is held invalid,  
22 the remainder of the article and the application of such provision to  
23 other persons, employees, occupations, or circumstances shall not be  
24 affected thereby.

25 § 3. This act shall take effect immediately.