

STATE OF NEW YORK

5139

2025-2026 Regular Sessions

IN SENATE

February 19, 2025

Introduced by Sen. JACKSON -- 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 protections and rights afforded to delivery network company workers

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 article 20-D to
2 read as follows:

ARTICLE 20-D

DELIVERY NETWORK COMPANIES

Section 750. Definitions.

6 750-a. Deactivation requirements.

7 750-b. Right to challenge deactivation.

8 750-c. Notice of deactivation.

9 750-d. Access to records substantiating deactivation.

10 750-e. Affirmative production of records.

11 750-f. Notice of rights.

12 750-g. Network company records.

13 750-h. Retaliation prohibited.

14 750-i. Rulemaking authority.

15 750-j. Enforcement power and duties.

16 750-k. Violation.

17 750-l. Investigation.

18 § 750. Definitions. For the purposes of this article, the following
19 terms shall have the following meanings:

20 1. "Adverse action" means reducing compensation; garnishing tips or
21 gratuities; temporarily or permanently denying or limiting access to
22 work, incentives, or bonuses; offering less desirable work; terminating;
23 deactivating; threatening; penalizing; retaliating; engaging in unfair
24 immigration-related practices; filing a false report with a government
25 agency; or discriminating against any person for any reason.

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

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1 2. "Deactivate" or "deactivation" means the blocking of a DNC worker's
2 access to a DNC's digital network, prohibiting a DNC worker from accept-
3 ing any future DNC orders for such DNC, or other material restriction of
4 a DNC worker's access to such DNC's digital network. The term "deacti-
5 vation" shall not include a temporary suspension lasting less than
6 forty-eight hours.

7 3. "Deactivation policy" means a DNC's policy for measures to be taken
8 prior to implementing the deactivation of a DNC worker adopted pursuant
9 to subdivision one of section seven hundred fifty-a of this article.

10 4. "Deactivation challenge procedure" means a procedure under which a
11 DNC worker may challenge their deactivation under section seven hundred
12 fifty-b of this article.

13 5. (a) "Delivery network company" or "DNC" means a person, corpo-
14 ration, partnership, sole proprietorship, or other entity that is oper-
15 ating in New York state exclusively using a digital network to connect
16 DNC customers with DNC workers who provide delivery for orders of
17 products made via a digital network.

18 (b) "Delivery network company" shall not include:

19 (i) a transportation network company, as defined by section sixteen
20 hundred ninety-one of the vehicle and traffic law; or

21 (ii) a restaurant, or restaurant chain, that enables customers to
22 place orders for food using a digital network that was created specif-
23 ically for use by customers of such restaurant or restaurant chain.

24 6. "Delivery network company customer" or "DNC customer" means an
25 individual or other entity who uses a delivery network company's digital
26 network to request a DNC order.

27 7. "Delivery network company order" or "DNC order" means the pickup
28 and delivery of products by a DNC worker to a DNC customer through the
29 use of a DNC's digital network:

30 (a) beginning when a DNC worker accepts a DNC customer's request for
31 such pickup and delivery of such products through such digital network;

32 (b) continuing while the DNC worker transports such products; and

33 (c) ending when the DNC worker delivers such products to such DNC
34 customer, or to such DNC customer's requested delivery location.

35 8. "Delivery network company worker" or "DNC worker" means an individ-
36 ual who has entered into an agreement with a DNC to pickup and deliver
37 DNC orders for compensation.

38 9. "Digital network" means any system or service offered or utilized
39 by a delivery network company that enables DNC orders to be delivered by
40 DNC workers, including but not limited to a smartphone application or
41 online website.

42 10. "Discrimination" means any of the unlawful discriminatory prac-
43 tices described in section two hundred ninety-six of the executive law.

44 11. "Egregious misconduct" means an action or behavior by a DNC worker
45 that: (a) endangers the physical safety of a DNC customer, a third
46 party, a DNC, or an animal; (b) intentionally causes economic harm to a
47 DNC customer, a third party, or a DNC; (c) is threatening, harassing, or
48 abusive to a DNC customer, a third party, or a DNC; or (e) constitutes a
49 misdemeanor or felony under the laws of this state.

50 12. "Products" shall include, but not be limited to, prepared foods,
51 packaged foods, alcoholic and non-alcoholic beverages, and other goods.

52 13. "Unwarranted deactivation" shall mean a deactivation in violation
53 of section seven hundred fifty-a of this article.

54 § 750-a. Deactivation requirements. 1. A delivery network company
55 shall adopt a policy for measures to be taken prior to implementing the
56 deactivation of a DNC worker. Such policy shall be reasonably related to

1 such DNC's safe and efficient operations. Policies including any of the
2 following shall not be in compliance with this subdivision:

3 (a) Any rule or policy that would result in a deactivation based on a
4 DNC worker's availability to work or number of hours worked;

5 (b) Any policy that would result in a deactivation based on a DNC
6 worker's acceptance or rejection of any individual DNC order, or any
7 number or proportion of DNC orders;

8 (c) Any policy that would result in a deactivation based on a DNC
9 worker's cancellation of a DNC order with reasonable cause, as shall be
10 defined by such DNC;

11 (d) Any policy that would result in a deactivation based on a DNC
12 worker contacting such DNC;

13 (e) Any policy that would result in a deactivation based solely on a
14 quantitative metric derived from aggregate customer ratings of a DNC
15 worker's performance;

16 (f) Any policy that would result in a deactivation based on statements
17 by a DNC worker regarding compensation and/or working conditions made to
18 customers, other DNC workers, other DNCs, the media, public officials,
19 and/or the public; or

20 (g) Any policy that would result in a deactivation based on a DNC
21 worker asserting their legal rights.

22 2. A delivery network company shall provide each DNC worker a copy of
23 its deactivation policy before allowing such DNC worker to accept any
24 DNC orders for such DNC. Such deactivation policy shall be written in
25 plain language in the language selected by the DNC worker as such DNC
26 worker's primary language. Such deactivation policy shall be made avail-
27 able to any former DNC worker of a DNC for no less than three years
28 after deactivation of such DNC worker.

29 3. A delivery network company shall conduct a fair and objective
30 investigation, as determined by the commissioner, prior to the deacti-
31 vation of any DNC worker. Such investigation shall be sufficiently thor-
32 ough to justify such deactivation and demonstrate an unbiased and
33 neutral view of facts collected. If such DNC worker refuses to partic-
34 ipate in such investigation or provide relevant information, such DNC
35 may complete such investigation based on available sources of informa-
36 tion. Such DNC shall demonstrate by a preponderance of the evidence that
37 such DNC worker violated such DNC's deactivation policy prior to deacti-
38 vation of such DNC worker. A DNC shall apply its deactivation policy in
39 a consistent manner.

40 4. Deactivation of a DNC worker by a DNC shall be in violation of this
41 article if such deactivation is intended to or results in discrimi-
42 nation.

43 5. Notwithstanding the provisions of this section, a delivery network
44 company shall be authorized to immediately deactivate a DNC worker if
45 such deactivation is required to comply with any applicable court order
46 or local, state, or federal law or regulation, or where such DNC worker
47 has engaged in egregious misconduct. In the case of egregious misconduct
48 by a DNC worker, a DNC may deactivate such DNC worker before conducting
49 the investigation required pursuant to subdivision three of this
50 section. In such a case, such investigation shall not take longer than
51 fourteen days. If such investigation is delayed due to extraordinary
52 circumstances, such DNC shall provide such DNC worker with written
53 notice that such investigation is delayed, the reason for such delay,
54 and the date on which the completion of such investigation is antic-
55 ipated.

1 § 750-b. Right to challenge deactivation. 1. A delivery network compa-
2 ny shall not subject a DNC worker to an unwarranted deactivation.

3 2. A DNC worker shall have the right to challenge their deactivation
4 through an internal deactivation challenge procedure.

5 3. A DNC shall create an internal deactivation challenge procedure
6 that shall be available to DNC workers immediately upon their deacti-
7 vation, and up to ninety days after such deactivation.

8 4. A DNC's deactivation challenge procedure shall be available to its
9 DNC workers in writing, in a format that is readily accessible, and in
10 English and any language that such DNC knows or has reason to know is
11 the primary language of such DNC worker. Such deactivation challenge
12 procedure shall be available to DNC workers and former DNC workers for
13 up to three years after their deactivation. The commissioner may
14 prescribe the form and content of a DNC's deactivation challenge proce-
15 dures.

16 5. A DNC shall review and respond to a DNC worker's challenge to deac-
17 tivation within fourteen days of receiving such challenge. Such response
18 shall include a written statement that shall include at least one of the
19 following:

20 (a) Evidentiary substantiation of such deactivation pursuant to
21 section seven hundred fifty-d of this article, and substantive responses
22 to questions or claims made by such DNC worker in such challenge;

23 (b) Any extraordinary circumstances necessitating a delayed timeline
24 for response, and an anticipated date for a response either substantiat-
25 ing such deactivation or reinstating such DNC worker; or

26 (c) A determination that such DNC worker did not violate the DNC's
27 deactivation policy and therefore shall be reinstated.

28 6. In addition to pursuing an internal challenge to deactivation under
29 this section, a DNC worker shall have a right to file a complaint with
30 the department or bring a civil action for violation of the requirements
31 of this article upon receiving the DNC's initial response to an internal
32 challenge, or fourteen days after initiating such challenge, whichever
33 comes first. A DNC worker may pursue all avenues of relief available
34 within three years of the alleged violation, or as tolled pursuant to
35 section seven hundred fifty-l of this article.

36 § 750-c. Notice of deactivation. 1. Except as provided under subdivi-
37 sion three of this section, a delivery network company shall provide a
38 DNC worker with a notice of deactivation no later than fourteen days
39 prior to such deactivation, as well as on the date of such deactivation.
40 Such notice of deactivation shall include a written statement of the
41 following:

42 (a) The reasons for such deactivation;

43 (b) The effective date of such deactivation;

44 (c) Any and all records relied upon to substantiate such deactivation
45 pursuant to section seven hundred fifty-d of this article;

46 (d) The length of such deactivation;

47 (e) A description of the steps such DNC worker can take to remedy such
48 deactivation;

49 (f) A notice of such DNC worker's right to challenge such deactivation
50 under section seven hundred fifty-b of this article; and

51 (g) Any other information required by the commissioner.

52 2. A DNC shall provide notices of deactivation in a form and manner
53 that shall be designated by the department.

54 3. For deactivations involving egregious misconduct, a DNC shall
55 provide the DNC worker with a notice of deactivation no later than the
56 effective date of such deactivation.

1 § 750-d. Access to records substantiating deactivation. 1. Pursuant to
2 subdivision three of this section, upon notice of deactivation, a DNC
3 shall provide a DNC worker with the records relied upon by such DNC to
4 substantiate such deactivation, unless contrary to local, state, or
5 federal law. Such records shall include, but not be limited to, the
6 date, time, and location of all incidents supporting the decision for
7 such deactivation, records of all evidence considered in such decision,
8 and a certified statement from an individual at such DNC with authority
9 to reinstate such DNC worker, attesting that such records are true and
10 accurate to such individual's knowledge.

11 2. If a DNC obtains records substantiating a deactivation, after
12 implementing such deactivation, such records shall be provided to the
13 deactivated DNC worker as soon as practicable, but no later than four-
14 teen days from the date such records were obtained.

15 3. If a DNC worker challenges a deactivation pursuant to subdivision
16 two of section seven hundred fifty-b of this article, all records of
17 such challenge and any responses shall be provided to such DNC worker
18 within fourteen days of such challenge or response.

19 4. If the records substantiating a deactivation involve information
20 related to a DNC customer or a third party, and the DNC reasonably
21 believes such information could compromise such DNC customer or third
22 party's safety, such DNC shall take measures to anonymize such informa-
23 tion. If a complaint from a DNC customer or third party is the sole
24 basis for a deactivation, the DNC may provide a summary description of
25 the records substantiating such deactivation. The commissioner may
26 promulgate rules or regulations regarding the measures that shall be
27 taken to summarize records pursuant to this subdivision.

28 5. DNCs shall establish an accessible system for DNC workers to access
29 their receipts for each DNC order accepted, performed, and/or cancelled
30 by such DNC worker. Such receipts shall be accessible on such DNC's
31 digital network. Such receipts shall be available to a DNC worker for no
32 less than three years after deactivation.

33 6. DNCs shall retain the records required by this section for no less
34 than three years.

35 7. If a DNC fails to disclose adequate records to a DNC worker as
36 required under this section, there shall be a presumption, rebuttable by
37 clear and convincing evidence, that such DNC violated this article for
38 the relevant periods and for each DNC worker for whom records were not
39 disclosed in a timely manner.

40 § 750-e. Affirmative production of records. 1. Each delivery network
41 company shall affirmatively transmit to the department such records as
42 shall be required by the commissioner, on at least a quarterly basis
43 beginning at the end of the first quarter next succeeding the effective
44 date of this section, until July first, two thousand twenty-nine, and at
45 least once every six months thereafter. The commissioner shall have the
46 authority to require such aggregated or disaggregated records deemed
47 necessary, appropriate, or convenient to administer, evaluate, and
48 enforce the provisions of this article. The commissioner may require
49 that such records be aggregated and produced as a distribution at
50 defined percentiles. The commissioner may create data production
51 requirements of general applicability for all DNCs, in addition to
52 requirements for specific categories of DNCs.

53 2. Records for production pursuant to subdivision one of this section
54 shall include, but not be limited to:

55 (a) Records regarding the number of deactivations initiated by a DNC;

56 (b) Records regarding the most common reasons for deactivation;

1 (c) The number of DNC workers that challenge their deactivation, and
2 the forum in which such DNC workers pursue such challenges;

3 (d) The number of DNC workers reinstated after deactivation, the
4 length of such DNC worker's deactivation prior to reinstatement, and the
5 length of service of such DNC workers prior to deactivation;

6 (e) The DNC's deactivation policy;

7 (f) The DNC's internal deactivation challenge procedure, including the
8 available methods of contact for deactivated DNC workers to initiate a
9 challenge; and

10 (g) Any other records the commissioner determines are material and
11 necessary to effectuate the purposes of this article.

12 3. The commissioner shall issue requirements governing the submission
13 format, security, and privacy protocols relating to the submission of
14 DNC records.

15 § 750-f. Notice of rights. 1. A DNC shall affirmatively provide to
16 each DNC worker a written notice of their rights established under this
17 article. The department may create and distribute a model of such notice
18 of rights in English and other languages. Such notice of rights shall be
19 provided in a form and manner sufficient to inform DNC workers of their
20 rights under this article.

21 2. DNCs shall affirmatively provide each DNC worker with the written
22 notice of rights required under subdivision one of this section within
23 one month of the effective date of this article, and for DNC workers
24 hired after the effective date of this article, within twenty-four hours
25 after the completion of such DNC worker's first DNC order that involved
26 performing services in the state.

27 3. DNCs shall provide the notice of rights required under subdivision
28 one of this section to each DNC worker no less than annually.

29 4. The notice of rights required to be provided by a DNC pursuant to
30 subdivision one of this section shall include, but not be limited to,
31 information on:

32 (a) The right to challenge an unwarranted deactivation through such
33 DNC's internal deactivation challenge procedure and/or through other
34 avenues pursuant to section seven hundred fifty-b of this article;

35 (b) The policy describing the deactivation challenge procedure pursu-
36 ant to section seven hundred fifty-b of this article;

37 (c) The right to fourteen days' notice of an impending deactivation,
38 except in the case of egregious misconduct;

39 (d) The right to access any and all records relied upon by the DNC to
40 substantiate deactivation pursuant to section seven hundred fifty-d of
41 this article;

42 (e) The right to be protected from retaliation for exercising in good
43 faith the rights protected by this article; and

44 (f) The right to file a complaint with the department pursuant to
45 section seven hundred fifty-l of this article or bring a civil action
46 for violation of the requirements of this article.

47 5. DNCs shall provide the notice of rights required by subdivision one
48 of this section in an electronic format that is readily accessible to
49 DNC workers. Such notice of rights shall be made available to DNC work-
50 ers via such DNC's digital network or via email, in English and any
51 language such DNC knows or has reason to know is the primary language of
52 such DNC workers. The commissioner may promulgate rules and/or regu-
53 lations regarding the form and content of such notice of rights, the
54 manner of its distribution, and required languages.

55 6. DNCs shall establish an accessible system for DNC workers to under-
56 stand their eligibility to challenge a deactivation based on the policy

1 developed pursuant to section seven hundred fifty-a of this article.
2 Such system shall be available to DNC workers via such DNC's digital
3 network. Such system shall be available to DNC workers for no less than
4 three years after deactivation. The commissioner may issue rules defin-
5 ing reasonable criteria or requirements for such system to ensure that
6 DNC workers have sufficient information to understand when they are
7 covered by this article, including, but not limited to, notice of cover-
8 age by this article, the number of DNC orders completed or cancelled by
9 such DNC worker in the prior one hundred eighty days, and such DNC work-
10 er's receipts and/or payment disclosures for each DNC order performed or
11 cancelled in the prior one hundred eighty days.

12 § 750-g. Network company records. 1. A delivery network company shall
13 retain records that document compliance with this article for each DNC
14 worker, including, at a minimum, a compliance file for each deactivation
15 of a DNC worker. The commissioner may make requirements regarding the
16 form, format, and content of such records. The compliance file for each
17 deactivation of a DNC worker required pursuant to this subdivision shall
18 include, but not be limited to:

19 (a) The deactivation notice provided to such DNC worker pursuant to
20 section seven hundred fifty-c of this article;

21 (b) The date of completion of investigation;

22 (c) Whether such deactivation involved egregious misconduct, and, if
23 so, the egregious misconduct at issue;

24 (d) Whether such deactivation was the result of discrimination;

25 (e) The number of DNC orders completed by such DNC worker in the one
26 hundred eighty days prior to such deactivation;

27 (f) The date of any deactivation challenge made by such DNC worker, if
28 such a challenge was made;

29 (g) All responses made by such DNC to a deactivation challenge made by
30 such DNC worker, if such a challenge was made; and

31 (h) Any other records the commissioner shall require.

32 2. A DNC shall retain the records required under subdivision one of
33 this section for no less than three years.

34 3. If a DNC fails to retain adequate records required under this
35 section, there shall be a presumption, rebuttable by clear and convinc-
36 ing evidence, that such DNC violated the provisions of this article for
37 the relevant periods and for each DNC worker for whom records were not
38 retained.

39 § 750-h. Retaliation prohibited. 1. No DNC, or any other person acting
40 on behalf of such DNC, shall interfere with, restrain, deny, or attempt
41 to deny the exercise of any right protected under this article.

42 2. No DNC shall take any adverse action against any person because
43 such person has exercised in good faith the rights protected under this
44 article, or because such person has:

45 (a) Made inquiries about the rights protected under this article;

46 (b) Informed others about their rights under this article;

47 (c) Informed such DNC, legal counsel, a union or other similar organ-
48 ization, or any other person about an alleged violation of this article;

49 (d) Filed an oral or written complaint with the department or brought
50 a civil action for an alleged violation of this article;

51 (e) Cooperated with the department in an investigation of an alleged
52 violation of this article;

53 (f) Testified in a proceeding under or related to this article; or

54 (g) Refused to participate in an activity that would result in a
55 violation of this article or of any local, state, or federal law.

1 3. No DNC shall communicate to a person exercising their rights under
2 this article, directly or indirectly, the willingness to inform a
3 government worker that such person is not lawfully in the United States,
4 or to report, or to make an implied or express assertion of a willing-
5 ness to report, suspected citizenship or immigration status of a DNC
6 worker or family member of a DNC worker to a federal, state, or local
7 agency.

8 4. It shall be a rebuttable presumption of retaliation in violation of
9 this section if a DNC takes an adverse action against a person within
10 ninety days of such person's exercise of rights protected under this
11 article. Such DNC may rebut such presumption with clear and convincing
12 evidence that such adverse action was taken for a permissible purpose.

13 5. Proof of retaliation in violation of this section shall be suffi-
14 cient upon a showing that a DNC has taken an adverse action against a
15 person and such person's exercise of rights under this article was a
16 motivating factor in such adverse action, unless such DNC can prove that
17 such adverse action would have been taken in the absence of such exer-
18 cise of rights.

19 6. The protections under this section shall apply to any person who
20 mistakenly but in good faith alleges a violation of this article.

21 § 750-i. Rulemaking authority. The commissioner shall be authorized to
22 promulgate, repeal, or amend any rule or regulation necessary to effec-
23 tuate the provisions of this article.

24 § 750-j. Enforcement power and duties. The department shall have the
25 power to administer and enforce the provisions of this article and shall
26 have such powers and duties conferred upon it under this article, and as
27 otherwise necessary and proper in the performance of such powers and
28 duties.

29 § 750-k. Violation. The failure of a delivery network company to
30 comply with any requirement under this article shall be a violation of
31 this article.

32 § 750-l. Investigation. 1. The department shall have the power to
33 investigate any suspected or alleged violation of this article. The
34 department may prioritize investigations of workforces deemed by the
35 department as vulnerable to violations of this article. The department
36 may initiate an investigation under this article in situations includ-
37 ing, but not limited to, if the commissioner has reason to believe that
38 a violation is likely to be made by a DNC or class of DNCs because
39 either the workforce contains significant numbers of DNC workers who are
40 vulnerable to violations of this article, as determined by the commis-
41 sioner, or the workforce is unlikely to report information regarding
42 such violations. Additionally, an investigation may be initiated by the
43 department pursuant to a report or complaint submitted by a DNC worker
44 or any other person.

45 2. Any DNC worker may report an alleged violation of this article to
46 the department. The department shall encourage reporting pursuant to
47 this subdivision by taking the following measures:

48 (a) The department shall keep confidential, to the maximum extent
49 permitted by applicable laws, the name and other identifying information
50 of a DNC worker or other person reporting a violation of this article,
51 except as necessary to enforce the provisions of this article;

52 (b) The department may require a DNC to post or otherwise notify other
53 DNC workers that the department is conducting an investigation under
54 this article, in a form and manner, and in languages as prescribed by
55 the department;

1 (c) The department may certify the eligibility of persons for U Visas
2 under the provisions of 8 U.S.C. § 1184(p) and 8 U.S.C. §
3 1101(a)(15)(U).

4 3. An investigation of an alleged violation under this article
5 conducted by the department shall commence within three years of such
6 alleged violation. To the extent permitted by law, the applicable stat-
7 ute of limitations for civil actions shall be tolled during any investi-
8 gation of a violation under this article and any administrative enforce-
9 ment proceeding under this article based upon the same facts. For the
10 purposes of this subdivision, an investigation by the department shall
11 be deemed to begin upon the date the department receives a report of an
12 alleged violation of this article, or upon the date when the department
13 provides notice to a DNC that an investigation of an alleged violation
14 of this article has begun, whichever is sooner.

15 § 2. This act shall take effect on the one hundred eightieth day after
16 it shall have become a law.