S T A T E  O F  N E W  Y O R K

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I N  S E N A T E

May 5, 2010

Introduced by Sen. PERALTA -- 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 establishing the "minimum standards for subsidized jobs act"

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Short title. This act shall be known as the "minimum standards for subsidized jobs act".

S 2. Legislative findings and purpose. The legislature hereby finds and declares that:

(a) Every year, New York state awards money in economic development subsidies to for-profit businesses.

(b) When government invests in economic development, it makes no economic sense to support the creation or promotion of jobs that do not give workers the chance to earn a decent living.

(c) When state-subsidized jobs provide low wages and poor benefits, they increase the need for government services, including public assistance for food, housing, health care, and child care.

The purpose of this act is to improve the effectiveness of economic development expenditures, take pressure off state social services programs, and improve the public health and welfare by ensuring that major state subsidies are used to support at least minimum living standards for working families.

S 3. The labor law is amended by adding a new article 19-C to read as follows:

ARTICLE 19-C

MINIMUM STANDARDS FOR SUBSIDIZED JOBS ACT

SECTION 695. DEFINITION.
696. MINIMUM STANDARDS FOR WAGES AND BENEFITS.
697. ENFORCEMENT.

S 695. DEFINITION. FOR PURPOSES OF THIS ARTICLE, "ECONOMIC DEVELOPMENT SUBSIDY" MEANS ANY EXPENDITURE OF PUBLIC FUNDS WITH A VALUE OF AT LEAST ONE HUNDRED THOUSAND DOLLARS FOR THE PURPOSE OF STIMULATING ECONOMIC

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

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DEVELOPMENT WITHIN THE STATE, INCLUDING BUT NOT LIMITED TO BONDS, GRANTS, LOANS, LOAN GUARANTEES, ENTERPRISE ZONES, EMPOWERMENT ZONES, TAX INCREMENT FINANCING, FEE WAIVERS, LAND PRICE SUBSIDIES, MATCHING FUNDS, TAX ABATEMENTS, TAX EXEMPTIONS AND TAX CREDITS.

S 696. MINIMUM STANDARDS FOR WAGES AND BENEFITS. 1. NO PERSON, ASSOCIATION, LIMITED LIABILITY COMPANY, CORPORATION OR OTHER ENTITY SHALL BE ELIGIBLE TO RECEIVE ANY ECONOMIC DEVELOPMENT SUBSIDY UNLESS IT:

(A) PAYS ALL ITS EMPLOYEES IN THE STATE A MINIMUM WAGE THAT IS AT LEAST ONE DOLLAR PER HOUR HIGHER THAN THE STATE'S MINIMUM WAGE AS PROVIDED BY THIS CHAPTER.

(B) OFFERS TO AT LEAST TWENTY PERCENT OF ITS WORKERS IN THE STATE A WORKER TRAINING PROGRAM THAT MEETS MINIMUM STANDARDS ISSUED BY THE COMMISSIONER.

(C) HAS NOT BEEN ADJUDICATED TO BE IN VIOLATION OF ANY FEDERAL, STATE OR LOCAL LAWS FOR AT LEAST THE PRIOR FIVE YEARS.

2. THE PROVISIONS OF THIS SECTION SHALL NOT APPLY TO:

(A) A NOT-FOR-PROFIT ENTITY THAT IS EXEMPT FROM TAXATION PURSUANT TO STATE OR FEDERAL LAW.

(B) AN INTERN OR TRAINEE WHO IS UNDER TWENTY-ONE YEARS OF AGE AND WHO IS EMPLOYED FOR A PERIOD OF NOT LONGER THAN THREE MONTHS.

3. IF THE COMMISSIONER DETERMINES THAT APPLICATION OF THIS ARTICLE WOULD CONFLICT WITH A FEDERAL PROGRAM REQUIREMENT, THE COMMISSIONER, AFTER NOTICE AND PUBLIC HEARING, MAY GRANT A WAIVER FROM THE REQUIREMENTS OF THIS ARTICLE.

S 697. ENFORCEMENT. 1. THE COMMISSIONER SHALL PROMULGATE SUCH REGULATIONS AS ARE NECESSARY TO IMPLEMENT AND ADMINISTER COMPLIANCE WITH THE PROVISIONS OF THIS ARTICLE.

2. NO PERSON, ASSOCIATION, LIMITED LIABILITY COMPANY, CORPORATION OR OTHER ENTITY SHALL DISCHARGE, DEMOTE, HARASS OR OTHERWISE TAKE ADVERSE ACTIONS AGAINST ANY INDIVIDUAL BECAUSE SUCH INDIVIDUAL SEEKS THE ENFORCEMENT OF THIS ARTICLE, OR TESTIFIES, ASSISTS OR PARTICIPATES IN ANY MANNER IN AN INVESTIGATION, HEARING OR OTHER PROCEEDING TO ENFORCE THIS ARTICLE.

3. NO ENTITY SHALL PAY AN EMPLOYEE THROUGH A THIRD PARTY OR TREAT AN EMPLOYEE AS A SUBCONTRACTOR OR INDEPENDENT CONTRACTOR TO AVOID THE REQUIREMENTS OF THIS ARTICLE.

S 4. This act shall take effect on the sixtieth day after it shall have become a law and shall apply to any economic development subsidy awarded or renewed on or after such effective date.