

# STATE OF NEW YORK

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3382

2021-2022 Regular Sessions

## IN SENATE

January 29, 2021

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Introduced by Sen. BAILEY -- read twice and ordered printed, and when printed to be committed to the Committee on Higher Education

AN ACT to amend the education law, in relation to establishing a sweat-free code of conduct for apparel licensed by the colleges and universities of the state university; and to amend the labor law, in relation to the special task force for the apparel industry

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 "ethical business conduct in higher education act".

3 § 2. Legislative intent. The legislature hereby finds that the state  
4 university of New York has not responded to decades old requests that  
5 its campuses disaffiliate their business relationships with sweatshops  
6 in the production and licensing of campus apparel. It is now clear that  
7 voluntary action by each campus is no longer an option and that the time  
8 has come to require a system-wide set of rules and regulations be put in  
9 place by the chancellor and board of trustees of the state university of  
10 New York.

11 For years, lawmakers, religious and labor groups have criticized state  
12 university campus' affiliations with apparel manufacturers who are  
13 indifferent to the fact that workers making university apparel face  
14 abusive treatment, excessive working hours, dangerous conditions and  
15 wages that are inadequate to meet basic needs.

16 There continues to be a strong demand that all state university  
17 campuses diligently adopt sweat-free standards in the purchase of  
18 athletic apparel and in the licensing of campus merchandise. Advocates  
19 on behalf of working people deplore the repression and exploitation of  
20 apparel workers in Latin America and elsewhere in the world. The univer-  
21 sities and colleges of the state university of New York should be a  
22 model for ethical business conduct, both for their students and the  
23 broader public. It is past time for the state university system adminis-

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

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1 tration and all its campuses to affiliate with the sweat-free and worker  
2 rights work of the Worker Rights Consortium and the Designated Supplier  
3 Program and end their business relationships that are de facto support  
4 for sweatshop conditions.

5 Presently 60 of the 64 state university campuses have failed to take  
6 the example or lead of the universities at Albany and Buffalo, which  
7 have adopted the Designated Supplier Program, and the colleges at New  
8 Paltz and Cortland, all four of which have affiliated with the Worker  
9 Rights Consortium to ensure sweat-free manufacturing.

10 It is obvious that where there has been strong leadership and commit-  
11 ment to protecting worker rights this issue has been resolved. However,  
12 we cannot wait indefinitely for the other 60 campuses to engage in  
13 ethical business behavior that demonstrates our national respect for  
14 human rights, worker rights and anti-child labor rights.

15 It is well understood by organized labor, religious organizations and  
16 social justice groups that the apparel industry continues to operate  
17 under a paradigm of cost-cutting without respect to human consequence,  
18 the tragic results of which are the sweatshop conditions that plague the  
19 supply chains of university licensed apparel. All state university  
20 campuses that have not already done so must adopt sweat-free codes of  
21 conduct to which apparel manufacturers producing university apparel must  
22 adhere.

23 It is the finding of the legislature that in order to comprehensively  
24 remedy this situation it must be required that the state university  
25 administration put in place strict policies for all its campuses with  
26 regard to how their apparel is manufactured. It is unacceptable that  
27 after all the years of calls to end such practices, campus administra-  
28 tors continue to ignore the violations of human rights that take place  
29 in order for their campus apparel to be manufactured and sold.

30 § 3. The education law is amended by adding a new section 362 to read  
31 as follows:

32 § 362. Sweat-free code of conduct. 1. The chancellor of the state  
33 university shall, on or before January thirty-first, two thousand twen-  
34 ty-two, develop and draft a sweat-free code of conduct for the purchase  
35 and licensing of apparel by state-operated institutions. Such code, to  
36 the extent practicable, shall meet or exceed the labor standards, and  
37 business and factory disclosure requirements enumerated in Worker Rights  
38 Consortium's Model Code of Conduct. The code shall require each state-  
39 operated institution to affiliate with the Worker Rights Consortium and  
40 participate in the Designated Supplier Program for the purpose of effec-  
41 tively enforcing the provisions of such code. Furthermore, the sweat-  
42 free code of conduct shall provide that every contract between a state-  
43 operated institution and any apparel manufacturer shall include a  
44 provision providing for the termination and nullification of such  
45 contract upon any finding of a violation of the sweat-free code of  
46 conduct in facilities that such manufacturer operates or from whom such  
47 manufacturer purchases products. Such code of conduct shall provide  
48 that notice of any such violation may be provided by the Worker Rights  
49 Consortium. The sweat-free code of conduct shall provide for a remedi-  
50 ation process whereby any such manufacturer may be granted the opportu-  
51 nity to take corrective action prior to contract termination. Such reme-  
52 diation process, to the extent practicable, shall reflect the process  
53 described in the Model Code of Conduct of the Worker Rights Consortium.

54 2. Such chancellor shall, on or before January thirty-first, two thou-  
55 sand twenty-two, submit to the state university trustees the code of  
56 conduct developed and drafted pursuant to subdivision one of this

1 section. Such code of conduct shall be adopted by the state university  
2 trustees on or before March thirtieth, two thousand twenty-two, as rules  
3 and regulations applicable to all state-operated institutions. Such  
4 rules and regulations shall include provisions for the enforcement ther-  
5 eof to ensure full compliance therewith by state operated institutions.

6 3. On or before September first, two thousand twenty-two, the chancel-  
7 lor of the state university shall submit a preliminary report to the  
8 governor and the legislature which shall include a list of the state-op-  
9 erated institutions which have come into compliance with the sweat-free  
10 code of conduct, and when any purchasing and licensing agreements with  
11 apparel manufacturers which have failed to comply with the provisions of  
12 such code of conduct, will expire. Such preliminary report shall  
13 include a list of each state-operated institution that has affiliated  
14 with the Worker Rights Consortium and participates in the Designated  
15 Supplier Program.

16 4. The chancellor of the state university shall, on or before January  
17 thirty-first, two thousand twenty-three, submit a final report to the  
18 governor and the legislature which shall include a list of the state-op-  
19 erated institutions which have come into compliance with the sweat-free  
20 code of conduct, a list of each state-operated institution that has  
21 affiliated with the Worker Rights Consortium and participates in the  
22 Designated Supplier Program, and when any purchasing and licensing  
23 agreements with apparel manufacturers which have failed to comply with  
24 the provisions of such code of conduct, will expire.

25 5. The chief executive officer of each state-operated institution  
26 which has failed to comply with the code of conduct or affiliate with  
27 the Worker Rights Consortium and participate in the Designated Supplier  
28 Program on or before March first, two thousand twenty-three, shall  
29 submit, by first class mail, to the governor, each member of the legis-  
30 lature and each member of the state university trustees a detailed  
31 explanation of the delay in compliance and/or affiliation, and when full  
32 compliance, affiliation and/or participation will be completed.

33 6. On or before September first, two thousand twenty-three, the state  
34 university trustees shall report to the governor and the legislature on  
35 the actions that have been taken to enforce compliance with the  
36 provisions of the code of conduct.

37 7. No provision of this section, or any rule, regulation or code of  
38 conduct adopted pursuant thereto, shall be deemed to establish any power  
39 or duty in violation of any federal law, rule or regulation.

40 § 4. The opening paragraph of section 342 of the labor law, as amended  
41 by chapter 41 of the laws of 2004, is amended to read as follows:

42 The commissioner is authorized to establish a special task force for  
43 the purpose of concentrating enforcement of the labor law affecting  
44 production employees in the apparel industry in New York state and  
45 otherwise exercising the duties and powers set forth in sections three  
46 hundred forty-three and three hundred forty-four of this article. Not  
47 less than one member of such task force shall be a representative of the  
48 state university of New York. Such special task force shall be empowered  
49 to investigate and conduct inspections at locations where an apparel  
50 industry contractor is operating.

51 § 5. This act shall take effect immediately.