STATE OF NEW YORK

6328--B

Cal. No. 530

2023-2024 Regular Sessions

IN SENATE

April 14, 2023

Introduced by Sens. RAMOS, BRESLIN, BROUK, CHU, CLEARE, COONEY, FERNANDEZ, GONZALEZ, GOUNARDES, HARCKHAM, HINCHEY, HOYLMAN-SIGAL, JACKSON, KAVANAGH, MANNION, MARTINEZ, MATTERA, MURRAY, PALUMBO, RIVERA, SALAZAR, SCARCELLA-SPANTON, SERRANO, SKOUFIS, WEBB -- read twice and ordered printed, and when printed to be committed to the Committee on Labor -- recommitted to the Committee on Labor in accordance with Senate Rule 6, sec. 8 -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, passed by Senate and delivered to the Assembly, recalled, vote reconsidered, restored to third reading, amended and ordered reprinted, retaining its place in the order of third reading -- again amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the labor law, in relation to preventing the displacement of call center workers who provide call center services for the government in certain circumstances

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

Section 1. The labor law is amended by adding a new article 21-B to read as follows:

ARTICLE 21-B

PROTECTION OF CALL CENTER WORKERS FROM DISPLACEMENT

Section 790. Definitions.
791. Terminated call center contract.
792. Entering into a call center contract.
793. Enforcement.
794. No conflict with collective bargaining agreements.

§ 790. Definitions. As used in this article:

1. The term "call center" means a facility or other operation in which employees receive phone calls or other communications, including electronic communications for the purpose of providing customer assistance or for related services supportive of business processes.

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

LBD06817-09-4

2. The term "call center contract" means a contract with a governmental body, or a subcontract with an entity that has a contract with a governmental body, pursuant to which the contractor furnishes call center services for the benefit of the governmental body.

3. The term "governmental body" means the state of New York or any political subdivision thereof, and any public authority or public benefit corporation in the state of New York.

4. The term "call center employee" means any person employed to perform call center services who has been regularly assigned to such work for a call center contractor on a full or part-time basis for at least ninety days, except for (a) persons whose work for a call center is managerial or supervisory; and (b) persons regularly scheduled to work fewer than four hours per week for the call center.

5. The term "entity" means a person, partnership, proprietorship, association, limited liability company, trust, corporation, firm, joint venture or enterprise of any kind.

6. The term "call center contractor" means an entity (a) that is a party to a call center contract, and (b) provides call center services for the benefit of a governmental body, and (c) employs call center employees or engages a subcontractor or other entity to perform such call center services and that entity employs call center employees.

7. The term "terminating call center contractor" means an entity that has provided services as a call center contractor pursuant to a call center contract which is being terminated.

8. The term "former call center contractor" means an entity that provided services as a call center contractor pursuant to a call center contract which has been terminated, and after termination of that contractor, a successor call center contractor has performed some or all of the same services pursuant to a call center contract.

9. The term "successor call center contractor" means an entity that, pursuant to a call center service contract, succeeds to the performance of call center services previously performed by a terminating call center contractor.

§ 791. Terminated call center contract. 1. No less than thirty calendar days before termination of a call center contract in circumstances where a successor call center contractor will undertake to provide services that were the subject of the terminating contract, the terminating call center contractor shall provide to the successor call center contractor a full and accurate list containing the name, address, date of hire and employment classification of each call center employee whose work includes providing call center services that were the subject of the terminating contract. The terminating call center contractor shall simultaneously post the list in a notice to the call center employees that also sets forth the rights provided by this article. The posting shall be in a manner or location reasonably calculated to be seen by affected employees. The posting may be electronic, provided that if it is electronic, it must be directed to each affected employee individually and may not be a general posting on a website. Such notice shall also be provided to the employees' collective bargaining representative, if any.

2. Upon termination of a call service contract in circumstances in which services provided under that contract will be performed by a successor call center contractor, the successor call center contractor shall retain those call center employees who performed such services for the former call center contractor immediately prior to termination of that contract. It shall be considered a material term of the call

center contract that such employees shall be retained for a ninety-day transition employment period.

3. If the successor call center contractor is obligated to retain call center employees pursuant to subdivision two of this section, but determines that fewer call center employees are required to perform the services that are the subject of the contract than had been required to perform such services by the former call center contractor, the successor call center contractor shall fill the positions that it determines are needed with the call center employees with the greatest seniority within job classification; provided, that during the ninety-day transition period, the successor call center contractor shall maintain a preferential hiring list of those call center employees not retained, and those on the preferential hiring list shall be given a right of first refusal to any jobs within their classifications that become available during that period. Upon determining which employees shall be retained for the ninety-day transition period, the successor call center contractor shall provide a list of such employees to the contracting governmental body.

4. Except as provided in subdivision three of this section, during the ninety-day transition period, the successor call center contractor shall not discharge without cause a call center employee retained pursuant to this article.

5. At the end of the ninety-day transition period, the successor call center contractor shall perform a written performance evaluation for each call center employee retained pursuant to this article. If such employee's performance during the ninety-day transition period is satisfactory, the successor call center contractor shall offer such employee continued employment.

6. If the successor call center contractor engages a subcontractor or other entity to perform call center services provided for in a successor call center contract, that successor call center contractor shall require the subcontractor or other entity to adhere to all of the obligations of this article.

§ 792. Entering into a call center contract. 1. Whenever a governmental body shall undertake to procure call center services using a call center contractor, the governmental body shall ensure that the call center contract with such entity includes the obligations pursuant to this article, including, where applicable, the call center contractor's obligation to retain call center employees of the former call center contractor. The obligation to retain the terminating call center contractor's employees shall be considered a material term of the call center contract and included in the call center contract irrespective of whether the terminating call center contractor's contract included the obligations pursuant to this article. Such obligations shall be set forth in requests for proposals or other solicitations and, in any event, shall be included in each call center contract. Whether or not the provisions are included in such contract, the obligations under this article shall apply to the successor call center contractor whenever such contractor begins performance on a successor call center contract on or after the effective date of this article.

2. A governmental body intending to enter into a call center service contract, in circumstances in which such services had theretofore been performed by call center employees pursuant to a call center contract, shall require any entity seeking to enter into such contract to demonstrate that it will establish the worksite for its performance in a location which is reasonably accessible to the employees who have been

performing such services prior to the solicitation of bids for a successor call center contract. For the purposes of this section, a worksite shall be considered reasonably accessible if it is 10 miles or less from the location of the affected employees' worksite where such employees performed work-related duties in the course of their employment for the former call center contractor, provided that any worksite shall not include an employee's domicile, permanent or temporary, where an employee performs any work-related duty in the course of their employment. The requirements of this subdivision shall not apply to successor call center contractors that intend for the work-related duties of the affected call center employees previously employed by the former call center contractor to be performed remotely.

§ 793. Enforcement. 1. If a given governmental body finds that the successor call center contractor has committed a material breach of contract by not retaining the affected call center employees employed by the former call center contractor for the ninety-day transition period pursuant to this article within thirty days of the termination of the former contract, such governmental body shall notify the successor call center contractor of such breach of contract, and the successor call center contractor shall have a period of thirty days to cure such breach. Such thirty-day cure period shall commence upon the successor call center contractor's receipt of such notification. If such breach is not rectified within such period, the given governmental body shall notify the state comptroller and terminate the contract with the successor call center contractor, unless such governmental body determines that it is in the best interest of the state to maintain such contract. Additionally, if the breach is not rectified within the thirty-day cure period, the governmental body shall deduct amounts sufficient to remit to the affected call center employees from payment owed to the successor call center contractor and submit a voucher to the state comptroller for such amount to remit to the affected call center employees. The state comptroller may approve such funds as payable to call center employees affected by the successor call center contractor's failure to retain such employees.

2. The governmental body shall pay directly to any affected employee the certified amount or amounts shown to be due to such affected employee in any estimate or voucher, thereby discharging the obligation of the contractor or subcontractor to the person receiving such payment to the extent of the amount thereof.

§ 794. No conflict with collective bargaining agreements. The provisions of this article shall not apply to any:

1. Successor call center contractor that, on or before the effective date of a termination of a call center contract, agrees to assume, or to be bound by, the collective bargaining agreement of the former call center contractor, provided that the collective bargaining agreement provides terms and conditions for the discharge or laying off of employees that are at least as protective of employee rights as those pursuant to this article; and

2. Successor call center contractor whose call center employees will be accreted to a bargaining unit with a pre-existing collective bargaining agreement, provided that the collective bargaining agreement provides terms and conditions for the discharge or laying off of employees that are at least as protective of employee rights as those pursuant to this article; and

3. Former call center contractor that obtains a written commitment from a successor call center contractor that the successor call center

contractor's call center employees will be covered by a collective bargaining agreement that provides terms and conditions for the discharge or laying off of employees that are at least as protective of employee rights as those pursuant to this article.

§ 2. Severability. If any provision of this law or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions of the law which can be given effect without the invalid provision or application, and to this end the provisions of this article shall be severable.

§ 3. This act shall take effect immediately.