

STATE OF NEW YORK

2595

2025-2026 Regular Sessions

IN SENATE

January 21, 2025

Introduced by Sens. MAYER, CLEARE, COMRIE, GOUNARDES, HOYLMAN-SIGAL, JACKSON, MAY, MYRIE, RAMOS, SEPULVEDA -- 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 removing the exclusion of part-time employees from certain definitions relating to employment and expanding the definition of employer; removing certain exclusions for employer notice requirements for the closing of a facility; removing the discretionary reduction of penalties for employers for certain acts or omissions concerning notice requirements for mass layoffs, relocations or employment loss; removing the maximum time period for determining back pay and other liabilities for certain employees who experience employment loss; allowing the attorney general to take certain action to assist certain employees in receiving back pay and other liabilities; requiring employers to pay severance to employees when there is a plant closing, relocation, or mass layoff; and to repeal certain provisions of such law relating thereto

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

1 Section 1. Section 860-a of the labor law, as added by chapter 475 of
2 the laws of 2008, is amended to read as follows:

3 § 860-a. Definitions. As used in this article, the following terms
4 shall have the following meanings:

5 1. "Affected employees" means employees who may reasonably be expected
6 to experience an employment loss as a consequence of a proposed [~~plant~~]
7 facility closing or mass layoff by their employer.

8 2. "Affiliate" means a person that directly, or indirectly through one
9 or more intermediaries, controls, or is controlled by, or is under
10 common control with, a specified person.

11 3. "Associate", when used to indicate a relationship with any person,
12 means:

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

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1 (a) any entity of which such person is an officer or partner or is,
2 directly or indirectly, the beneficial owner of ten percent or more of
3 any class of voting securities;

4 (b) any trust or other estate in which such person has a substantial
5 beneficial interest or as to which such person serves as trustee or in a
6 similar fiduciary capacity; and

7 (c) any relative or spouse of such person, or any relative of such
8 spouse, who has the same home as such person.

9 4. "Beneficial owner", when used with respect to any securities, means
10 a person:

11 (a) that, individually or with or through any of its affiliates or
12 associates, beneficially owns such securities, directly or indirectly;
13 or

14 (b) that, individually or with or through any of its affiliates or
15 associates, has (i) the right to acquire such securities, whether such
16 right is exercisable immediately or only after the passage of time,
17 pursuant to any agreement, arrangement or understanding, whether or not
18 in writing, or upon the exercise of conversion rights, exchange rights,
19 warrants or options, or otherwise; or (ii) the right to vote such secu-
20 rities pursuant to any agreement, arrangement or understanding, whether
21 or not in writing; provided, however, that a person shall not be deemed
22 the beneficial owner of any securities under this subparagraph if the
23 agreement, arrangement or understanding to vote such securities (1)
24 arises solely from a revocable proxy or consent given in response to a
25 proxy or consent solicitation made in accordance with the applicable
26 rules and regulations under the Exchange Act and (2) is not then report-
27 able on a Schedule 13D under the Exchange Act, or any comparable or
28 successor report; or

29 (c) that has any agreement, arrangement or understanding, whether or
30 not in writing, for the purpose of acquiring, holding, voting, except
31 voting pursuant to a revocable proxy or consent as described in subpara-
32 graph (ii) of paragraph (b) of this subdivision, or disposing of such
33 securities with any other person that beneficially owns, or whose affil-
34 iates or associates beneficially own, directly or indirectly, such secu-
35 rities.

36 5. "Control", including the terms "controlling", "controlled by" and
37 "under common control with", means the possession, directly or indirect-
38 ly, of the power to direct or cause the direction of (a) the management
39 and policies of a person, (b) the operation of a person, or (c) substan-
40 tially all of the assets of a person, whether through the ownership of
41 voting securities, by contract, or otherwise. A person's beneficial
42 ownership of ten percent or more of an entity's outstanding voting secu-
43 rities shall create a presumption that such person has control of such
44 entity. Notwithstanding the foregoing, a person shall not be deemed to
45 have control of an entity if such person holds voting securities, in
46 good faith and not for the purpose of circumventing this section, as an
47 agent, bank, broker, nominee, custodian or trustee for one or more bene-
48 ficial owners who do not individually or as a group have control of such
49 entity.

50 6. "Employment loss" means:

51 (a) an employment termination, other than a discharge for cause,
52 voluntary departure ~~other than in anticipation of an announced facility~~
53 ~~closing or mass layoff~~, or retirement;

54 (b) a mass layoff exceeding [~~six~~] ~~three~~ months;

55 (c) a reduction in hours of work of more than fifty percent during
56 each month of any consecutive [~~six-month~~] ~~three-month~~ period.

"Employment loss" shall not result under circumstances where a ~~[plant]~~ facility closing or mass layoff is the result of the relocation or consolidation of part or all of the employer's business and, before the closing or mass layoff, the employer offers to transfer the employee to a different site of employment within a reasonable commuting distance with no more than a ~~[six-month]~~ three-month break in employment, or the employer offers to transfer the employee to any other site of employment, regardless of distance, with no more than a ~~[six-month]~~ three-month break in employment, and the employee accepts within thirty days of the offer or of the closing or mass layoff, whichever is later.

~~[3-]~~ 7. "Employer" means any business enterprise that employs fifty or more employees[, excluding part time employees, or fifty or more employees that work in the aggregate at least two thousand hours per week]. "Employer" shall include any affiliate of an employer. "Employer" shall not include the federal or state government or any of their political subdivisions, including any unit of local government or any school district.

~~[4-]~~ 8. "Exchange Act" means the act of Congress known as the Securities Exchange Act of 1934, as the same has been or hereafter may be amended from time to time.

9. "Mass layoff" means a reduction in force which:
(a) is not the result of a ~~[plant]~~ facility closing; and
(b) results in an employment loss for those working at or reporting to a single site of employment during any thirty-day period for ~~[-~~
~~(i) at least thirty-three percent of the employees (excluding part-time employees); and~~
~~(ii) at least twenty-five employees (excluding part time employees);~~
~~or~~
~~(iii) at least two hundred fifty employees (excluding part-time employees)]~~ twenty or more employees.

~~[5-]~~ "Part-time employee" means an employee who is employed for an average of fewer than twenty hours per week or who has been employed for fewer than six of the twelve months preceding the date on which notice is required.

~~6-]~~ 10. "Facility closing" means the permanent or temporary shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment, if the shutdown results in an employment loss at the single site of employment during any thirty-day period for [twenty-five] twenty or more employees [other than part-time employees].

~~[7-]~~ 11. "Representative" means an exclusive representative within the meaning of section 9(a) or 8(f) of the National Labor Relations Act (29 U.S.C. 159(a), 158(f)) or section 2 of the Railway Labor Act (45 U.S.C. 152).

~~[8-]~~ 12. "Relocation" means the removal of all or substantially all of the industrial or commercial operations of an employer to a different location fifty miles or more away.

13. "Person" means any individual, partnership, association, corporation, cooperative, limited liability company, firm, trust, or other entity.

§ 2. Subdivision 3 of section 860-b of the labor law is REPEALED.

§ 3. Subdivisions 5 and 7 of section 860-b of the labor law, as added by chapter 475 of the laws of 2008, are amended to read as follows:

5. In the case of a sale of part or all of an employer's business, the seller shall be responsible for providing notice for any ~~[plant]~~ facility closing or mass layoff in accordance with this section, up to and

1 including the effective date of the sale. After the effective date of
2 the sale of part or all of an employer's business, the purchaser shall
3 be responsible for providing notice for any ~~[plant]~~ facility closing or
4 mass layoff in accordance with this section. Notwithstanding any other
5 provision of this article, any person who is an employee of the seller
6 as of the effective date of the sale shall be considered an employee of
7 the purchaser immediately after the effective date of the sale.

8 7. Nothing set forth herein shall be read to prevent an employer who
9 is not required to comply with the notice requirements of this section,
10 to the extent possible, to provide notice to its employees about a
11 proposal to close a ~~[plant]~~ facility or permanently reduce its work-
12 force.

13 § 4. Subdivision 1 of section 860-c of the labor law, as added by
14 chapter 475 of the laws of 2008, is amended to read as follows:

15 1. In the case of a ~~[plant]~~ facility closing or mass layoff, an
16 employer is not required to comply with the notice requirement in subdivi-
17 sion one of section eight hundred sixty-b of this article if:

18 ~~(a) [(i) at the time the notice would have been required, the employer~~
19 ~~was actively seeking capital or business; and~~

20 ~~(ii) the capital or business sought, if obtained, would have enabled~~
21 ~~the employer to avoid or postpone the relocation or termination; and~~

22 ~~(iii) the employer reasonably and in good faith believed that giving~~
23 ~~the notice required by subdivision one of section eight hundred sixty-b~~
24 ~~of this article would have precluded the employer from obtaining the~~
25 ~~needed capital or business;~~

26 ~~(b) the need for a notice was not reasonably foreseeable at the time~~
27 ~~the notice would have been required;~~

28 ~~(c)~~ the ~~[plant]~~ facility closing is of a temporary facility or the
29 ~~[plant]~~ facility closing or mass layoff is the result of the completion
30 of a particular project or undertaking, and the affected employees were
31 hired with the understanding that their employment was limited to the
32 duration of the facility or project or undertaking;

33 ~~[(d) the plant closing or mass layoff is due to any form of natural~~
34 ~~disaster, such as a flood, earthquake, or drought; or~~

35 ~~(e)~~ (b) the facility closing or mass layoff constitutes a strike or
36 constitutes a lockout not intended to evade the requirements of this
37 article. Nothing in this article shall require an employer to serve
38 written notice when permanently replacing a person who is deemed to be
39 an economic striker under the National Labor Relations Act (29 U.S.C.
40 151 et seq.). Nothing in this article shall be deemed to validate or
41 invalidate any judicial or administrative ruling relating to the hiring
42 of permanent replacements for economic strikers under the National Labor
43 Relations Act.

44 § 5. Section 860-d of the labor law, as added by chapter 475 of the
45 laws of 2008, is amended to read as follows:

46 § 860-d. Extension of mass layoff period. A mass layoff of more than
47 ~~[six]~~ three months which, at its outset, was announced to be a mass
48 layoff of ~~[six]~~ three months or less with an announced expected date of
49 recall shall be treated as an employment loss under this article unless:

50 1. the extension beyond ~~[six]~~ three months is caused by business
51 circumstances (including unforeseeable changes in price or cost) not
52 reasonably foreseeable at the time of the initial mass layoff; and

53 2. notice is given at the time it becomes reasonably foreseeable that
54 the extension beyond ~~[six]~~ three months will be required.

55 § 6. Section 860-e of the labor law, as added by chapter 475 of the
56 laws of 2008, is amended to read as follows:

§ 860-e. Determinations with respect to employment loss. In determining whether a ~~[plant]~~ facility closing or mass layoff has occurred or will occur, employment losses for two or more groups of employees at a single site of employment, each of which is less than the minimum number of employees specified in ~~[subdivisions four or six]~~ subdivision nine or ten of section eight hundred sixty-a of this article but which in the aggregate meet or exceed that minimum number set forth in such subdivisions, and which occur within any ninety-day period shall be considered to be a ~~[plant]~~ facility closing or mass layoff unless the employer demonstrates that the employment losses are the result of separate and distinct actions and causes and are not an attempt by the employer to evade the requirements of this article.

§ 7. The section heading of section 860-g of the labor law, as added by chapter 475 of the laws of 2008, is amended to read as follows:

Violation; liability; severance.

§ 8. Subdivisions 2, 4, 6 and 8 of section 860-g of the labor law, as added by chapter 475 of the laws of 2008, are amended and two new subdivisions 9 and 10 are added to read as follows:

2. Back pay and other liability under this section is calculated for the period of the employer's violation, ~~[up to a maximum of sixty days,]~~ or one-half the number of days that the employee was employed by the employer, whichever period is smaller.

4. The amount of an employer's liability under subdivision one of this section, shall be reduced by the following:

(a) Any wages, except vacation moneys accrued before the period of the employer's violation, paid by the employer to the employee during the period of the employer's violation.

(b) Any voluntary and unconditional payments made by the employer to the employee that were not required to satisfy any legal obligation.

(c) Any payments by the employer to a third party or trustee, such as premiums for health benefits or payments to a defined contribution pension plan, on behalf of and attributable to the employee for the period of the violation.

(d) Any liability paid by the employer under any applicable federal law governing notification of mass layoffs, ~~[plant]~~ facility closings, or relocations.

(e) In an administrative proceeding by the commissioner, any liability paid by the employer prior to the commissioner's determination as the result of a private action brought under this article.

(f) In a private action brought under this article, any liability paid by the employer in an administrative proceeding by the commissioner prior to the adjudication of such private action.

6. ~~[If an employer proves to the satisfaction of the commissioner that the act or omission that violated this article was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this article, the commissioner may, in his or her discretion, reduce the amount of liability provided for in this section. In determining the amount of such reduction, the commissioner shall consider (a) the size of the employer; (b) the hardships imposed on employees by the violation; (c) any efforts by the employer to mitigate the violation; and (d) the grounds for the employer's belief.]~~

(a) Within thirty days after a natural disaster, such as a flood, earthquake, or drought, an employer may make application to the commissioner for a reduction in liability imposed under this article. If such employer proves, to the satisfaction of the commissioner, that the mass

1 layoff, relocation or employment loss out of which liability arose was a
2 direct result of such natural disaster, the commissioner may, in such
3 commissioner's discretion, reduce any liability with respect to such
4 mass layoff, relocation or employment loss provided for in this article,
5 including the severance obligations provided by subdivision ten of this
6 section. In determining the amount of any approved reduction, the
7 commissioner shall consider:(i) the size of the employer; (ii) the hard-
8 ships imposed on employees by any and all violations; (iii) any efforts
9 by the employer to mitigate any violation or violations and any
10 reduction in liability to employees; and (iv) the degree of harm caused
11 to the employer and the employees by the natural disaster.

12 (b) Any aggrieved employee of an employer making application pursuant
13 to paragraph (a) of this subdivision seeking to challenge the determi-
14 nation of the commissioner may bring a civil action on their own behalf,
15 or on behalf of other persons similarly situated, or both, in any court
16 of competent jurisdiction, within the time period provided by section
17 two hundred thirteen of the civil practice law and rules. The court may
18 award reasonable attorney's fees as part of costs to any plaintiff who
19 prevails in a civil action brought under this article.

20 8. Neither the commissioner nor any court shall have the authority to
21 enjoin a [plant] facility closing, relocation, or mass layoff under this
22 article; provided, however, whenever an employer is liable pursuant to
23 subdivision one of this section, application may be made by the attorney
24 general in the name of the people of the state of New York to a court or
25 justice having jurisdiction by a special proceeding to issue an injunc-
26 tion, and upon notice to the defendant of not less than five days, to
27 enjoin and restrain the actions of such employer or take such other
28 actions the attorney general may deem appropriate to enforce the
29 provisions of subdivision one of this section. In connection with any
30 such proposed application, the attorney general is authorized to take
31 proof and make a determination of the relevant facts and to issue
32 subpoenas in accordance with the civil practice law and rules.

33 9. No waivers of liability under this article shall be enforceable
34 unless supervised by a court, the commissioner or certified class coun-
35 sel.

36 10. Whenever there is a plant closing, relocation, or mass layoff
37 under this article, the employer shall pay severance to each employee
38 entitled to notice who lost their employment equal to one week of pay
39 for each full year of employment. An employer who fails to give notice
40 as required by paragraph (a) of subdivision one of section eight hundred
41 sixty-b of this article before ordering a mass layoff, relocation, or
42 employment loss shall pay each such employee an additional four weeks of
43 severance pay. The rate of severance pay provided by the employer pursu-
44 ant to this section shall be the average regular rate of compensation
45 received by the employee during the last three years of employment with
46 the employer, or the employee's final regular rate of compensation,
47 whichever is higher. Severance under this subdivision shall be regarded
48 as compensation due to an employee for losses associated with the termi-
49 nation of the employment relationship, and earned in full upon the
50 termination of the employment relationship, notwithstanding the calcu-
51 lation of the amount of the payment with reference to the employee's
52 length of service. The employer shall pay the severance pay required
53 pursuant to this subdivision or the severance pay required by a collec-
54 tive bargaining agreement or for any other reason, whichever is greater.
55 The four weeks of severance pay provided for an employee by this subdi-
56 vision in the event of a failure to give notice as required by paragraph

1 (a) of subdivision one of section eight hundred sixty-b of this article
2 shall be reduced by any back pay paid to the employee pursuant to this
3 section or subsection 5 of section 2104 of the federal Worker Adjustment
4 and Retraining Notification Act (29 U.S.C. Sec. 2104 et seq.), because
5 of a violation of subsection 3 of section 2102 of such act (29 U.S.C.
6 Sec. 2102 et seq.). No waiver of the right to severance provided pursu-
7 ant to this subdivision shall be effective without approval of the waiv-
8 er by the commissioner or a court of competent jurisdiction.

9 § 9. Severability. If any provision or application of this act shall
10 be held to be invalid, or to violate or be inconsistent with any appli-
11 cable federal law or regulation, that shall not affect other provisions
12 or applications of this act which can be given effect without that
13 provision or application; and to that end, the provisions and applica-
14 tions of this act are severable.

15 § 10. This act shall take effect immediately.