STATE OF NEW YORK

4070--B

2025-2026 Regular Sessions

IN SENATE

January 31, 2025

Introduced by Sen. MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Labor -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the labor law, in relation to enacting the "trapped at work 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 and may be cited as the "trapped at work act".

§ 2. The labor law is amended by adding a new article 37 to read as follows:

ARTICLE 37
TRAPPED AT WORK ACT

Section 1050. Definitions.
1051. Scope.
1052. Prohibiting the use of employment promissory notes and other similar provisions.
1053. Enforcement.
1054. Rules.
1055. Savings clause.

§ 1050. Definitions. For purposes of this article:

1. "Employer" means an individual, partnership, association, corporation, limited liability company, trust, government or government subdivision, or any organized group that hires or contracts with a worker to work for the employer. For the purposes of this article, this term shall also include any subsidiary of an employer and any individual, partnership, association, corporation, limited liability company, trust, government or government subdivision, or any organized group associated with an employer that provides training to workers.

2. "Worker" means an individual who is permitted to work for or on behalf of an employer. The term "worker" includes an employee, independent contractor, extern, intern, volunteer, apprentice, sole proprietor

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

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who provides a service or services to an employer or to a client or customer of an employer on behalf of such employer, and an individual who provides service through a business or nonprofit entity or association. "Worker" does not include an individual, even if the individual performs incidental service for the employer, whose sole relationship with the employer is as a vendor of goods.

3. "Employment promissory note" means any instrument, agreement, or contract provision that requires a worker to pay the employer, or the employer's agent or assignee, a sum of money if the worker leaves such employment before the passage of a stated period of time. "Employment promissory note" includes any such instrument, agreement, or contract provision which states such payment of moneys constitutes reimbursement for training provided to the worker by the employer or by a third party.

§ 1051. Scope. The rights and remedies provided pursuant to this article shall not supersede any other rights and remedies provided by statute or common law.

§ 1052. Prohibiting the use of employment promissory notes and other similar provisions. 1. Beginning on the effective date of this article, no employer may require, as a condition of employment, any worker or prospective worker to execute an employment promissory note. The execution of an employment promissory note as a condition of employment is unconscionable, against public policy, and unenforceable, and any such note shall be null and void. If any such note is part of a larger agreement, the invalidity of such note shall not affect the other provisions of such agreement.

2. Nothing in this section shall prohibit or render void or unenforceable any agreement between a worker and an employer that:

(a) requires the worker to repay to the employer any sums advanced to such worker by the employer, unless such sums were used to pay for training related to the worker's employment with the employer;

(b) requires the worker to pay the employer for any property it has sold or leased to such worker;

(c) requires educational personnel to comply with any terms or conditions of sabbatical leaves granted by their employers; or

(d) is entered into as part of a program agreed to by the employer and its workers' collective bargaining representative.

§ 1053. Enforcement. 1. Notwithstanding any other provision of law, an employee who is sued by an employer seeking to enforce the provisions of a promissory note made null and void by this article shall be able to recover attorney's fees upon a successful defense.

2. Any employer found to have violated this article shall be fined by the commissioner not less than one thousand dollars and not more than five thousand dollars for each violation. Each worker or prospective worker whom an employer required to execute an employment promissory note or against whom an employer seeks to enforce such a note shall constitute a separate violation of this article.

§ 1054. Rules. The commissioner may promulgate rules and regulations necessary to carry out the provisions of this article.

§ 1055. Savings clause. If any portion of this article or the application thereof to any person, occupation or circumstance is held invalid, the remainder of the article and the application of such provision to other persons, employees, occupations, or circumstances shall not be affected thereby.

§ 3. This act shall take effect immediately.