STATE OF NEW YORK

7453

2025-2026 Regular Sessions

IN SENATE

April 16, 2025

Introduced by Sens. HOYLMAN-SIGAL, GOUNARDES, KRUEGER, MAYER, SALAZAR -- read twice and ordered printed, and when printed to be committed to the Committee on Labor

AN ACT to amend the labor law and the civil service law, in relation to protection of employees and former employees against retaliatory action by employers

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

Section 1. Section 740 of the labor law, as amended by chapter 522 of the laws of 2021, is amended to read as follows:

§ 740. Retaliatory action by employers; prohibition. 1. Definitions. For purposes of this section, unless the context specifically indicates otherwise:

(a) "Employee" means an individual who performs services for and under the control and direction of an employer for wages or other remuneration, including former employees, or natural persons employed as independent contractors to carry out work in furtherance of an employer's business enterprise who are not themselves employers.

(b) "Employer" means any person, firm, partnership, institution, corporation, or association that employs one or more employees.

(c) "Law, rule or regulation" includes: (i) any duly enacted federal, state or local statute or ordinance or executive order; (ii) any rule or regulation promulgated pursuant to such statute or ordinance or executive order; or (iii) any judicial or administrative decision, ruling or order.

(d) "Public body" includes the following:

(i) the United States Congress, any state legislature, or any elected local governmental body, or any member or employee thereof;

(ii) any federal, state, or local court, or any member or employee thereof, or any grand or petit jury;

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

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(iii) any federal, state, or local regulatory, administrative, or public agency or authority, or instrumentality thereof;

(iv) any federal, state, or local law enforcement agency, prosecutorial office, or police or peace officer;

(v) any federal, state or local department of an executive branch of government; or

(vi) any division, board, bureau, office, committee, or commission of any of the public bodies described in subparagraphs (i) through (v) of this paragraph.

(e) "Retaliatory action" means an adverse action taken by an employer or [~~his or her~~] **the employer's** agent to discharge, threaten, penalize, or in any other manner discriminate against any employee or former employee exercising [~~his or her~~] **the employee's or former employee's** rights under this section, including (i) adverse employment actions or threats to take such adverse employment actions against an employee in the terms of conditions of employment including but not limited to discharge, suspension, or demotion; (ii) actions or threats to take such actions that would adversely impact a former employee's current or future employment; or (iii) threatening to contact or contacting United States immigration authorities or otherwise reporting or threatening to report an employee's suspected citizenship or immigration status or the suspected citizenship or immigration status of an employee's family or household member, as defined in subdivision two of section four hundred fifty-nine-a of the social services law, to a federal, state, or local agency.

(f) "Supervisor" means any individual within an employer's organization who has the authority to direct and control the work performance of [~~the affected~~] **an** employee; or who has [~~managerial~~] authority to take corrective action regarding the [~~violation of the law, rule or regulation~~] **illegal or dangerous business activity** of which the employee complains.

(g) "Agent" means any individual, partnership, association, corporation or group of persons acting on behalf of an employer.

(h) "Illegal or dangerous business activity" means any practice, agent of such employer, taken in the course of the employer's business, whether or not within the scope of employment or agency, that: (i) is in violation of any law, rule or regulation; or (ii) creates and presents a substantial and specific danger to the public health or safety.

2. Prohibitions. An employer shall not take any retaliatory action against an employee **or former employee**, whether or not within the scope of the employee's **or former employee's** job duties, because such employee **or former employee** does any of the following:

(a) discloses **to a supervisor or a public body**, or threatens to [~~disclose~~] **make a disclosure** to [~~a supervisor or to~~] a public body **unless the employer remedies the illegal or dangerous business activity, information about** an **illegal or dangerous business** activity[~~, policy or practice of the employer that the employee reasonably believes is in violation of law, rule or regulation or that the employee reasonably believes poses a substantial and specific danger to the public health or safety~~];

(b) provides information to, or testifies before, any public body conducting an investigation, hearing or inquiry into any such **illegal or dangerous business** activity[~~, policy or practice by such employer~~]; or

(c) objects to, or refuses to participate in any [~~such~~] **illegal or dangerous** activity[~~, policy or practice~~].

3. Application. The protection against retaliatory action provided by **paragraphs (a), (b) and (c) of subdivision two of this section shall apply to any employee who in good faith reasonably believes that an illegal or dangerous business activity has occurred or will occur, based on information that the employee in good faith reasonably believes to be true; provided however that the protection against retaliatory action provided by** paragraph (a) of subdivision two of this section pertaining to disclosure to a public body shall not apply to an employee who makes such disclosure to a public body unless the employee has made a good faith effort to notify [~~his or her~~] **the** employer by bringing the **illegal or dangerous business** activity[~~, policy or practice~~] to the attention of a supervisor [~~of the employer~~] and has afforded such employer a reasonable opportunity to correct such activity[~~, policy or practice~~]. Such employer notification shall not be required where: (a) **illegal or dangerous business; (b)** there is an imminent and serious danger to the public health or safety; [~~(b)~~] **(c)** the employee reasonably believes that reporting to the supervisor would result in a destruction of evidence or other concealment of the **illegal or dangerous** activity[~~, policy or practice~~]; [~~(c)~~] **(d)** such activity, policy or practice could reasonably be expected to lead to endangering the welfare of a minor; [~~(d)~~] **(e)** the employee reasonably believes that reporting to the supervisor would result in physical harm to the employee or any other person; or [~~(e)~~] **(f)** the employee reasonably believes that the supervisor is already aware of the activity, policy or practice and will not correct [~~such~~] **the illegal or dangerous** activity[~~, policy or practice~~] **and will not correct such activity**.

4. Violation; remedy. (a) An employee who has been the subject of a retaliatory action in violation of this section may institute a civil action in a court of competent jurisdiction for relief as set forth in subdivision five of this section within two years after the alleged retaliatory action was taken.

(b) Any action authorized by this section may be brought in the county in which the alleged retaliatory action occurred, in the county in which the complainant resides, or in the county in which the employer has its principal place of business. In any such action, the parties shall be entitled to a jury trial.

(c) [~~It shall be a defense to any action brought pursuant to this section that the retaliatory action was predicated upon grounds other than the employee's exercise of any rights protected by this section.~~] **Except as otherwise provided in this section, a violation of this section is established when the complainant demonstrates that a motivating factor for the retaliatory action violates subdivision two of this section. Remedies for violation of subdivision two of this section shall be limited solely to those provided in paragraphs (e), (f) and (g) of subdivision five of this section if the employer demonstrates that it would have taken the same action in the absence of the impermissible motivating factor.**

5. Relief. In any action brought pursuant to subdivision four of this section, the court may order relief as follows**, with monetary amounts as determined by the jury other than under paragraph (e) and/or paragraph (g) of this subdivision**:

(a) [~~an injunction to restrain continued violation of this section;~~

~~(b)~~] the reinstatement of the employee to the same position held before the retaliatory action, or to an equivalent position, or front pay in lieu thereof;

[~~(c)~~] (b) the reinstatement of full fringe benefits and seniority rights;

[~~(d)~~] (c) the compensation for lost wages, benefits and other remuneration;

(d) compensatory damages for economic loss and for emotional distress;

(e) the payment by the employer of reasonable costs, disbursements, and attorney's fees;

(f) a civil penalty of an amount not to exceed ten thousand dollars and/or a liquidated damages award equal to amounts of damages pursuant to paragraphs (c) and (d) of this subdivision, unless the court finds that the employer acted in good faith in the retaliatory action; [~~and/or~~]

(g) the payment by the employer of punitive damages, if the violation was willful, malicious or wanton[~~.~~]; and/or

(h) an injunction to restrain the employer's continued violation of this section.

6. Employer relief. A court, in its discretion, may also order that reasonable attorneys' fees and court costs and disbursements be awarded to an employer if the court determines that an action brought by an employee under this section was without basis in law or in fact.

7. Existing rights. Nothing in this section shall be deemed to diminish the rights, privileges, or remedies of any employee under any other law or regulation or under any collective bargaining agreement or employment contract.

8. Publication. Every employer shall inform employees of their protections, rights and obligations under this section, by posting a notice thereof. Such notices shall be posted conspicuously in easily accessible and well-lighted places customarily frequented by employees and applicants for employment.

§ 2. Subdivisions 2 and 3 of section 75-b of the civil service law, as added by chapter 660 of the laws of 1984, paragraph (a) of subdivision 2 as amended by chapter 899 of the laws of 1986, are amended and a new subdivision 5 is added to read as follows:

2. (a) A public employer shall not dismiss, suspend, demote, penalize, threaten or discriminate against, or take other disciplinary or other [~~adverse personnel action~~] act of reprisal against a public employee regarding the employee's employment because the employee: (i) discloses to a public body or threatens to make a disclosure to a public body or supervisor if the employer does not remedy the improper conduct, to a governmental body information[~~: (i)~~] regarding a violation of a law, rule or regulation which violation creates [~~and~~] or presents a substantial and specific danger to the public health or safety[~~; or (ii) which the employee reasonably believes to be true and reasonably believes~~], or which constitutes an improper governmental action[~~. "Improper governmental action" shall mean any action by a public employer or employee, or an agent of such employer or employee, which is undertaken in the performance of such agent's official duties, whether or not such action is within the scope of his employment, and which is in violation of any federal, state or local law, rule or regulation~~], or which could reasonably be expected to lead to endangering the welfare of a minor; (ii) provides information to, or testifies before, any public body conducting an investigation, hearing or inquiry into any violation or improper governmental action; or (iii) objects to, or refuses to participate in, any such violation or improper governmental action.

(b) The protection against retaliatory action provided in subparagraphs (i) and (ii) of paragraph (a) of this subdivision shall apply to

any employee who in good faith reasonably believes that a violation or improper governmental action has occurred or will occur, based on information that the employee in good faith reasonably believes to be true.

(c) Prior to disclosing information pursuant to subparagraph (i) of paragraph (a) of this subdivision, an employee shall have made a good faith effort to provide the appointing authority or the authority's designee the information to be disclosed and shall provide the appointing authority or designee a reasonable time to take appropriate action unless there is imminent and serious danger to public health or safety. For the purposes of this subdivision, an employee who acts pursuant to this paragraph shall be deemed to have disclosed information to a governmental body under paragraph (a) of this subdivision. Notification to the appointing authority or designee shall not be required where: (i) the employer has not posted any notice required by subdivision five of this section; (ii) there is an imminent and serious danger to the public health or safety; (iii) the employee reasonably believes that reporting to the appointing authority or designee would result in a destruction of evidence or other concealment of the improper governmental action; or (iv) such activity could reasonably be expected to lead to endangering the welfare of a minor.

(d) "Improper governmental action" shall mean any practice, procedure, action or failure to act by a public employer or employee, or an agent of such employer or employee, which is undertaken in the performance of such agent's official duties, whether or not such action is within the scope of such person's employment, and which is: (i) in violation of any law, rule or regulation regarding governmental action; or (ii) creates and presents a substantial and specific danger to the public health or safety. "Law, rule or regulation" includes: (i) any duly enacted federal, state or local statute or ordinance; (ii) any rule or regulation promulgated pursuant to any such statute or ordinance; or (iii) any judicial or administrative decision, ruling or order.

3. (a) Where an employee is subject to dismissal or other disciplinary action under a final and binding arbitration provision, or other disciplinary procedure contained in a collectively negotiated agreement, or under section seventy-five of this title or any other provision of state or local law, or to the elimination of job title or classification that uniquely fits and singles out such employee and the employee reasonably believes that such dismissal [~~or~~], other disciplinary action or other adverse action would not have been taken but for the conduct protected under subdivision two of this section, [~~he or she~~] the employee may assert such as a defense before the designated arbitrator or hearing officer. The merits of such defense shall be considered and determined as part of the arbitration award or hearing officer decision of the matter. If there is a finding that the dismissal or other disciplinary action is based solely on a violation by the employer of such subdivision, the arbitrator or hearing officer shall dismiss or recommend dismissal of the disciplinary proceeding, as appropriate, and, if appropriate, reinstate the employee with back pay, and, in the case of an arbitration procedure, may take other appropriate action as is permitted in the collectively negotiated agreement.

(b) Where an employee is subject to a collectively negotiated agreement which contains provisions preventing an employer from taking adverse [~~personnel~~] actions and which contains a final and binding arbitration provision to resolve alleged violations of such provisions of the agreement and the employee reasonably believes that such [~~personnel~~] action would not have been taken but for the conduct protected under

subdivision two of this section, [~~he or she~~] **the employee** may assert such as a claim before the arbitrator. The arbitrator shall consider such claim and determine its merits and shall, if a determination is made that such adverse [~~personnel~~] action is based on a violation by the employer of such subdivision, take such action to remedy the violation as is permitted by the collectively negotiated agreement.

(c) [~~Where~~] **In addition to or in lieu of the procedures set forth in paragraphs (a) and (b) of this subdivision, or where** an employee is not subject to any of the provisions of [~~paragraph (a) or (b) of this subdivision~~] **such paragraphs**, the employee may commence an action in a court of competent jurisdiction under the same terms and conditions **and for the same relief** as set forth in article twenty-C of the labor law.

5. Every public employer shall inform employees of their protections, rights and obligations under this section, by posting a notice thereof. Such notices shall be posted conspicuously in easily accessible and well-lighted places customarily frequented by employees and applicants for employment.

§ 3. This act shall take effect on the ninetieth day after it shall have become a law.