

STATE OF NEW YORK

4070

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

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:

1 Section 1. Short title. This act shall be known and may be cited as
2 the "trapped at work act".

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

ARTICLE 37

TRAPPED AT WORK ACT

Section 1050. Statement of public policy.

1051. Definitions.

1052. Scope.

1053. Prohibiting the use of employment promissory notes and other similar provisions.

1054. Enforcement.

1055. Rules.

1056. Savings clause.

15 § 1050. Statement of public policy. Workers' ability to freely change
16 jobs is critical to their economic liberty as well as to creating a
17 thriving and innovative economy in the state of New York. Additionally,
18 a tenet of worker protections and empowerment is that the cost of any
19 training required by an employer to perform a job should be borne by the
20 employer, who ultimately stands to financially benefit from a well-
21 trained workforce. Employment provisions that have the effect of indebt-
22 ing workers to their former employers upon separation for the cost of
23 training have the effects of reducing those workers' professional mobil-
24 ity, creating obstacles toward financial security, and chilling the
25 state economy. It is in the interest of individual workers and of the

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

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1 state to protect workers from these employment-based debts and to align
2 the costs of operating a business with its financial benefits by ensur-
3 ing employers maintain expenses for training they require for their
4 workers.

5 § 1051. Definitions. For purposes of this article:

6 1. "Employer" means an individual, partnership, association, corpo-
7 ration, limited liability company, trust, government or government
8 subdivision, or any organized group that hires or contracts with a work-
9 er to work for the employer. For the purposes of this article, this term
10 shall also include any subsidiary of an employer and any individual,
11 partnership, association, corporation, limited liability company, trust,
12 government or government subdivision, or any organized group associated
13 with an employer that provides training to workers.

14 2. "Worker" means an individual who is permitted to work for or on
15 behalf of an employer. The term "worker" includes an employee, independ-
16 ent contractor, extern, intern, volunteer, apprentice, sole proprietor
17 who provides a service or services to an employer or to a client or
18 customer of an employer on behalf of such employer, and an individual
19 who provides service through a business or nonprofit entity or associ-
20 ation. "Worker" does not include an individual, even if the individual
21 performs incidental service for the employer, whose sole relationship
22 with the employer is as a vendor of goods.

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

30 § 1052. Scope. 1. This article supersedes common law only to the
31 extent that it applies to an employment promissory note but otherwise
32 does not affect principles of law and equity consistent with this arti-
33 cle.

34 2. The rights and remedies provided pursuant to this article shall be
35 in addition to, and shall not supersede, any other rights and remedies
36 provided by statute or common law.

37 § 1053. Prohibiting the use of employment promissory notes and other
38 similar provisions. 1. Beginning on the effective date of this article,
39 no employer may require, as a condition of employment, any worker or
40 prospective worker to execute an employment promissory note. The
41 execution of an employment promissory note as a condition of employment
42 is unconscionable, against public policy, and unenforceable, and any
43 such note shall be void. If any such note is part of a larger agreement,
44 the invalidity of such note shall not affect the other provisions of
45 such agreement.

46 2. Nothing in this section shall prohibit or render void or unenforce-
47 able any agreement between a worker and an employer that:

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

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

53 (c) requires educational personnel to comply with any terms or condi-
54 tions of sabbatical leaves granted by their employers; or

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

1 § 1054. Enforcement. 1. Any employer found to have violated this arti-
2 cle shall be fined by the commissioner not less than one thousand
3 dollars and not more than five thousand dollars for each violation. Each
4 worker or prospective worker whom an employer required to execute an
5 employment promissory note or against whom an employer seeks to enforce
6 such a note shall constitute a separate violation of this article.

7 2. Any worker or prospective worker for whom an employer requires
8 execution of an employment promissory note as a condition of employment
9 or against whom an employer seeks to enforce such a note may bring an
10 action against such employer to recover actual damages or five thousand
11 dollars, whichever is greater, and injunctive relief. In the event of a
12 successful action, the court shall award any plaintiff reasonable costs
13 and attorney fees.

14 § 1055. Rules. The commissioner may promulgate rules and regulations
15 necessary to carry out the provisions of this article.

16 § 1056. Savings clause. If any portion of this article or the applica-
17 tion thereof to any person, occupation or circumstance is held invalid,
18 the remainder of the article and the application of such provision to
19 other persons, employees, occupations, or circumstances shall not be
20 affected thereby.

21 § 3. This act shall take effect immediately.