STATE OF NEW YORK

8589--A

2025-2026 Regular Sessions

IN SENATE

November 21, 2025

Introduced by Sen. MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- 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 "automation displacement protection 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 "automation displacement protection act".

§ 2. Legislative findings and intent. The legislature finds that the rapid deployment of artificial intelligence and automated decision systems is reshaping the nature of work in New York state. While technological advancement can enhance productivity, the sudden substitution of human labor with automated systems threatens the economic stability of working people, their families, and the communities that rely on them. It is the public policy of this state to ensure that technological progress proceeds with fairness and transparency, to require employers to provide advance notice of workforce reductions attributable to automation, and to safeguard opportunities for retraining and redeployment of displaced workers.

§ 3. The labor law is amended by adding a new article 25-D to read as follows:

ARTICLE 25-D
PROTECTION OF WORKERS FROM AI DISPLACEMENT

Section 863. Definitions.
863-a. Notice of technological displacement.
863-b. Workforce transition period.
863-c. Incentive eligibility.
863-d. Civil penalties and remedies.

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

LBD14017-02-5

§ 863. Definitions. For the purposes of this article, the following terms shall have the following meanings:

1. "Covered employer" means any business enterprise that employs fifty or more full-time employees in the state.

2. "Artificial intelligence system" means any computer-based system capable of performing tasks, making predictions, or generating content that would otherwise require human intelligence, including machine learning, natural language processing, computer vision, or generative models.

3. "Technological displacement" means the elimination of employment positions, or a reduction in hours equivalent to twenty-five percent or more of total workforce time, within any twelve-month period, caused in whole or in substantial part by the introduction or expanded use of an artificial intelligence system or other automated technology.

4. "Employment loss" includes any termination, layoff exceeding six months, reduction in work hours of fifty percent or more during each month of any six-month period, or conversion of a human-performed function to an automated function.

§ 863-a. Notice of technological displacement. 1. A covered employer shall provide no fewer than ninety days advance written notice prior to any technological displacement affecting twenty-five or more employees, or twenty-five percent of the workforce, whichever is less.

2. Notice under subdivision one of this section shall be provided to:

(a) all affected employees and any employee organization representing them;

(a) continued employment or equivalent wages; or

(b) the commissioner;

(c) the chief elected official of each locality where the affected facility is located; and

(d) the local workforce development board.

3. The notice under subdivision one of this section shall describe:

(a) the functions to be automated;

(b) the number, classification, and location of affected employees;

(c) the anticipated date of displacement;

(d) available retraining or reassignment programs; and

(e) the identity of any vendor or contractor supplying the artificial intelligence system.

§ 863-b. Workforce transition period. 1. Each employee affected by a technological displacement shall be entitled to a transition employment period of ninety days from the date of notice provided under section eight hundred sixty-three-a of this article, during which the covered employer shall offer:

(a) continued employment or equivalent wages; or

(b) participation, at such covered employer's expense, in a recognized retraining or reskilling program approved by the department.

2. A covered employer shall not discharge an employee affected by a technological displacement during the transition period under subdivision one of this section except for just cause.

§ 863-c. Incentive eligibility. 1. Any covered employer that fails to comply with the notice or transition requirements of this article shall be ineligible for state grants, loans, or tax incentives for five years following such violation.

2. The commissioner shall maintain a public registry of covered employers found to have violated this article.

§ 863-d. Civil penalties and remedies. 1. A covered employer that fails to provide the notice required by this article shall be liable to each affected employee for up to sixty days of back pay and benefits.

2. The commissioner may assess a civil penalty of up to ten thousand dollars per day for willful violations of this article.

3. The attorney general may bring an action to enjoin violations and recover penalties on behalf of the state.

§ 4. This act shall take effect immediately.