STATE OF NEW YORK

8589--C

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 -- recommitted to the Committee on Labor in accordance with Senate Rule 6, sec. 8 -- 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 "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. 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.

§ 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" means the same as defined in section seventeen hundred of the general business law.

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

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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.

§ 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;

(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.

§ 3. This act shall take effect immediately.