

STATE OF NEW YORK

9420

IN SENATE

March 11, 2026

Introduced by Sen. C. RYAN -- 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 securing collective bargaining agreement validity during a change in operator or ownership

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

1 Section 1. The labor law is amended by adding a new section 706-a to
2 read as follows:

3 § 706-a. Prevention of unfair labor practices in transfer of oper-
4 ations. 1. For the purposes of this section, the following terms shall
5 have the following meanings:

6 (a) "Owner" shall mean the entity that holds legal title to the prop-
7 erty or facility, including any parent or affiliated companies.

8 (b) "Operator" shall mean the entity responsible for the day-to-day
9 management and operation of the property or facility, which may or may
10 not be the owner.

11 (c) "Successor operator" shall mean a person, company, or entity that
12 acquires a property or operation of an existing facility, whether by
13 sale, transfer, lease, takeover, assignment, reorganization, bankruptcy
14 proceeding, or other means.

15 (d) "Collective bargaining agreement" or "CBA" shall mean an agreement
16 between an owner or operator and a labor union that governs the terms
17 and conditions of employment for workers at a facility or property.

18 2. In the event that a property or facility which employs employees
19 subject to a collective bargaining agreement is sold, transferred,
20 leased, or otherwise acquired by a successor operator or owner, unless a
21 new CBA is made pursuant to applicable state and local laws, such
22 successor operator or owner shall agree, in writing, to:

23 (a) become a party bound by all terms, conditions, and obligations set
24 forth in the collective bargaining agreement; and

25 (b) honor all employment terms and conditions, including, but not
26 limited to, wages, benefits, job security, and work opportunities, as
27 set forth in the existing agreement.

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

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1 3. If, following a transfer of operations, the amount of work for some
2 or all employees increases, such increase shall be fully covered under
3 the terms and conditions of the collective bargaining agreement.

4 4. (a) If the owner and operator of a property or facility, following
5 one or more transfers of ownership or operation, are separate entities,
6 the leadership and board, if applicable, shall not overlap or commingle
7 in a way that would create a conflict of interest or which would allow
8 such owner or operator to avoid joint liability for honoring a collec-
9 tive bargaining agreement.

10 (b) If the successor operator and owner are found to share or commin-
11 gle leadership in a manner which was intended to or actually caused a
12 conflict of interest with respect to a CBA, such successor operator
13 shall be considered a continuation of the prior operator for purposes of
14 enforcing the CBA.

15 5. The board shall have the authority to enforce the provisions of
16 this section. By its own motion or at the request of the parties, the
17 board is authorized to initiate or arbitrate proceedings in relation to
18 a violation of this section pursuant to the provisions of section seven
19 hundred two-a of this article.

20 6. (a) Any successor operator who is found to have failed to comply
21 with this section shall be subject to a civil penalty not to exceed
22 fifty thousand dollars for each violation.

23 (b) If a successor operator fails to honor a collective bargaining
24 agreement in violation of this section, the affected labor union and its
25 employees may petition for reinstatement of the CBA by the public
26 employment relations board.

27 (c) In a legal proceeding against a successor operator or owner who
28 violates this section, in its discretion, the court may award specific
29 performance, monetary damages, back pay and lost wages, or some combina-
30 tion thereof.

31 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
32 sion, section or part of this act shall be adjudged by any court of
33 competent jurisdiction to be invalid, such judgment shall not affect,
34 impair, or invalidate the remainder thereof, but shall be confined in
35 its operation to the clause, sentence, paragraph, subdivision, section
36 or part thereof directly involved in the controversy in which such judg-
37 ment shall have been rendered. It is hereby declared to be the intent of
38 the legislature that this act would have been enacted even if such
39 invalid provisions had not been included herein.

40 § 3. This act shall take effect immediately.