

# STATE OF NEW YORK

584--B

2025-2026 Regular Sessions

## IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. STECK, SANTABARBARA, PAULIN, LEVENBERG, REYES, SHIMSKY -- read once and referred to the Committee on Labor -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

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:

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

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

### ARTICLE 37

#### TRAPPED AT WORK ACT

##### Section 1050. Definitions.

###### 1051. Scope.

###### 1052. Prohibiting the use of employment promissory notes and other similar provisions.

###### 1053. Enforcement.

###### 1054. Rules.

###### 1055. Savings clause.

##### § 1050. Definitions. For purposes of this article:

1. "Employer" means an individual, partnership, association, corporation, limited liability company, trust, government or government subdivision, or any organized group that hires or contracts with a worker to work for the employer. For the purposes of this article, this term shall also include any subsidiary of an employer and any individual, partnership, association, corporation, limited liability company, trust,

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

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1 government or government subdivision, or any organized group associated  
2 with an employer that provides training to workers.

3 2. "Worker" means an individual who is permitted to work for or on  
4 behalf of an employer. The term "worker" includes an employee, independ-  
5 ent contractor, extern, intern, volunteer, apprentice, sole proprietor  
6 who provides a service or services to an employer or to a client or  
7 customer of an employer on behalf of such employer, and an individual  
8 who provides service through a business or nonprofit entity or associ-  
9 ation. "Worker" does not include an individual, even if the individual  
10 performs incidental service for the employer, whose sole relationship  
11 with the employer is as a vendor of goods.

12 3. "Employment promissory note" means any instrument, agreement, or  
13 contract provision that requires a worker to pay the employer, or the  
14 employer's agent or assignee, a sum of money if the worker leaves such  
15 employment before the passage of a stated period of time. "Employment  
16 promissory note" includes any such instrument, agreement, or contract  
17 provision which states such payment of moneys constitutes reimbursement  
18 for training provided to the worker by the employer or by a third party.

19 § 1051. Scope. The rights and remedies provided pursuant to this arti-  
20 cle shall not supersede any other rights and remedies provided by stat-  
21 ute or common law.

22 § 1052. Prohibiting the use of employment promissory notes and other  
23 similar provisions. 1. Beginning on the effective date of this article,  
24 no employer may require, as a condition of employment, any worker or  
25 prospective worker to execute an employment promissory note. The  
26 execution of an employment promissory note as a condition of employment  
27 is unconscionable, against public policy, and unenforceable, and any  
28 such note shall be void. If any such note is part of a larger agreement,  
29 the invalidity of such note shall not affect the other provisions of  
30 such agreement.

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

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

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

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

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

42 § 1053. Enforcement. 1. Any employer found to have violated this arti-  
43 cle shall be fined by the commissioner not less than one thousand  
44 dollars and not more than five thousand dollars for each violation. Each  
45 worker or prospective worker whom an employer required to execute an  
46 employment promissory note or against whom an employer seeks to enforce  
47 such a note shall constitute a separate violation of this article.

48 2. Any worker or prospective worker for whom an employer requires  
49 execution of an employment promissory note as a condition of employment  
50 or against whom an employer seeks to enforce such a note may bring an  
51 action against such employer to recover actual damages or five thousand  
52 dollars, whichever is greater, and injunctive relief. In the event of a  
53 successful action, the court shall award any plaintiff reasonable costs  
54 and attorney fees.

55 § 1054. Rules. The commissioner may promulgate rules and regulations  
56 necessary to carry out the provisions of this article.

1     § 1055. Savings clause. If any portion of this article or the applica-  
2     tion thereof to any person, occupation or circumstance is held invalid,  
3     the remainder of the article and the application of such provision to  
4     other persons, employees, occupations, or circumstances shall not be  
5     affected thereby.

6     § 3. This act shall take effect immediately.