



LABOR AND EMPLOYMENT POLICIES IN NEW YORK CITY

Employment does not exist in a vacuum. The relationships between employer and employee or contractor are governed by an array of laws and policies enacted at the federal, state, and local levels, which set standards for pay and benefits, scheduling, worker safety, and more. New York City has enacted multiple laws in recent years to improve working conditions, particularly for low-wage workers and those with more tenuous employment. And additional laws continue to be proposed that could further increase protections and benefits for workers.

With the arrival of COVID-19 and its impact on New York City's economy, along with that of the broader nation, policies have been developed, particularly in the area of unemployment, to provide support for workers at a time of great uncertainty and economic precarity.

While these laws impact the clients of workforce organizations, they also affect frontline workforce professionals themselves. This brief addresses key laws and policies impacting New York City's workers, as well as their potential impact on the professionals serving as frontline workers across the city's workforce system.

Recent Developments in Labor and Employment Policy

In recent years, numerous laws impacting workers have been passed at the state and local level, ensuring higher wages, guaranteed sick leave, health insurance and other benefits, as well as protections for freelance workers. Recent federal laws, passed in the wake of COVID-19, also impact unemployment benefits. Key legislation includes the following:

Federal Laws

Unemployment Insurance A particularly relevant policy during the COVID-19 pandemic is expanded

Where the Workforce Field Unites

unemployment insurance. Typically, workers are eligible for unemployment payments when they lose a job due to a reduction in force, a lack of work, an inability to meet performance standards, or a variety of other reasons. Unemployment generally pays a limited benefit for up to 26 weeks, while the unemployed worker is actively seeking work.

Since the rise of COVID-19, Congress introduced the Coronavirus Aid, Relief and Economic Security (CARES) Act, which provides additional Pandemic Unemployment Assistance (PUA) to workers who have lost jobs due to the pandemic. Under this law, eligible workers qualify for up to 39 weeks of unemployment assistance, rather than the typical 26, and receive an additional \$600 per week until July 31, 2020. Furthermore, PUA is available to workers beyond those typically eligible for unemployment, including workers who voluntarily quit due to COVID-19, caregivers for family members who have been diagnosed with COVID-19, and displaced gig workers, among others.²

Health Insurance and the Affordable Care Act Since its implementation in 2010, the Affordable Care Act (ACA) has expanded access to healthcare for millions of workers across the United States. The ACA "employer mandate" requires employers with 50 or more full-time employees to provide health insurance that is "affordable" and provides "minimum value" to at least 95 percent of their full-time employees and their children (until they turn 26), or face penalties.³ Employers with fewer than 50 employees do not have such a requirement, and thus are not subjected to any financial penalty if they fail to cover their workers. However, specific group health plans are available to them through the Small Business Health Options Program (SHOP), and businesses with fewer than 25 employees are eligible for tax credits to cover some of these costs.4





State Laws

Minimum Wage As discussed in The Hub's Monitoring the Minimum Wage series, the State of New York implemented a statewide increase in the minimum wage, phased in over several years, with employers of 11 or more workers in New York City reaching \$15 as of December 31, 2018 and smaller employers in the city following one year later.⁵

Paid Family Leave In 2016, the State of New York implemented a guaranteed paid family leave law, providing eligible employees with paid time off to: bond with a newly born, adopted, or fostered child; care for a family member with a serious health condition; or assist loved ones when a spouse, domestic partner, child, or parent is deployed abroad

on active military service.⁶ Employees, regardless of full-time or part-time status, are eligible for coverage after approximately six months on the job. The law does not apply to government workers, unless the government employers in question voluntarily opt in, or if this leave is a negotiated benefit under a collective bargaining agreement.⁷

Local Laws

Multiple laws have been passed at the local level in New York City, impacting workers and providing various benefits and protections. The table below provides an overview of relevant recent laws.

Law	Year Passed	Description
Earned Safe and Sick Time Act	2014 (updated in 2018)	Covers time off for the worker or a sick family member. Expanded in 2018 to cover "safe leave," when the worker or a family members is a victim of domestic violence, unwanted sexual contact, stalking, or human trafficking. Guarantees up to 40 hours of paid leave for employees that work more than 80 hours annually.
Commuter Benefits Law	2016	Employers with more than 20 full-time non-union employees must provide commuter benefits (meaning the ability to pay for commuting expenses out of pre-tax wages). Covers mass transit and paratransit expenses, but not expenses related to parking or biking. ⁹
Freelance Isn't Free Act	2017	All contracts for freelance work amounting to over \$800 within a 120-day period must be in writing. Payment must be provided by the date indicated in the contract, and if no date is indicated, the worker must be paid within 30 days of completing their work. ¹⁰
Fair Workweek Act (specific to retail and fast food workers)	2017	Retail employers must give retail workers predictable work schedules. Fast food employers are required to give their workers good faith estimates of when they will work, predictable work schedules, and the ability to sign up for new shifts before hiring new workers. ¹¹
Temporary Schedule Change Law	2018	Provides greater flexibility for worker who need to change their own work schedules, giving them the right to temporarily change their schedules for certain "personal events," typically involving child care, a legal proceeding involving the worker or a household member, or any other event that would allow leave under the Paid Safe and Sick Leave Law. ¹²
Paid Personal Time	Pending	In 2019, New York City Public Advocate Jumaane Williams introduced a bill to guarantee New York City workers paid personal time off. Employers with at least 5 full-time employees would be required to provide these workers with at least 80 hours (two weeks) of paid time off annually. This also applies to households employing at least one domestic worker. ¹³







These local laws often include caveats with regard to who is covered. Most notably, all of these laws include a carve-out that exempts government workers, as well as workers covered by a collective bargaining agreement, from their coverage.

Impact of Policies on Workforce Professionals

The laws and policies discussed above are relevant and important for frontline workforce professionals to understand when engaging employers and connecting their program participants with quality employment. However, they are also relevant to the work experiences of these frontline workers themselves. As referenced in the Workforce Field Building Hub's fourth brief in the *Voices from the Frontline* series, human service professionals were the sixth-lowest-paid industry sector group in New York City in 2018, and "workers in the social assistance sector have been among the largest beneficiaries of minimum wage increases." ¹¹⁴

In response to these challenges, numerous organizations, such as the Human Services Council and United Neighborhood Houses have worked to advocate on behalf of nonprofit organizations and the professionals who work in the human services field, in order to improve government contract terms, ultimately improving worker pay and benefits.¹⁵ And in New York City, as well as some other cities around the country, nonprofit workers have begun unionization efforts in some circumstances. 16 Recently, workers at large New York City nonprofit Housing Works began a unionization effort, which so far has been opposed by management. 17 These efforts, if successful, could ultimately improve upon the baselines guaranteed by law and provide better job quality for workforce professionals, as well as other individuals working in the human services field.

At the current moment, the policy that may be most relevant to workforce professionals' needs might be the expansion of unemployment benefits. As nonprofit organizations face canceled contracts, losses of revenue, and other financial pressures due to COVID-19's impact on New York City, they have been implementing layoffs and furloughs of workers, including those in the workforce field.¹⁸ As a result, the CARES Act and Pandemic Unemployment Assistance provide a key source of support for workforce professionals who are now out of work. As mentioned above, workers can receive up to 39 weeks of unemployment assistance, and until July 31, will receive an additional \$600 per week, on top of their regular unemployment checks, to help them weather the storm.

Looking Forward

In the coming weeks, we will release the first report on findings from the 2020 Survey of NYC Frontline Workforce Professionals, conducted in early 2020. This report will include initial findings regarding not only the demographics of the dedicated professionals providing frontline service to clients across New York City's workforce system, but also information on their pay, hours, and benefits, topics impacted by existing labor policies at the federal, state, and local level, and potentially revealing priority areas for policymakers focused on improving working conditions and job quality for workforce and other human service professionals.

Stay tuned for our first report, with findings from the 2020 Survey of NYC Frontine Workforce Professionals, coming soon...









- 1 Employees who are fired for violation of company policy or rule, or who voluntarily quit, are ineligible. <u>Before You Apply for Unemployment: Frequently Asked Questions.</u> New York State Department of Labor. 2020.
- 2 <u>Unemployment Insurance Relief During COVID-19 Outbreak.</u> United States Department of Labor. 2020.
- 3 Affordability for employee-only coverage is set at 9.78% of the employee's household income, as of 2020. A plan provides "minimum value" if it pays at least 60% of covered services. Employer Mandate: Employers must offer health insurance or pay a penalty. Cigna International. 2020.
- 4 <u>Affordable Care Act Tax Provisions for Small Employers</u>. Internal Revenue Service. 2020.
- 5 Per the Minimum Wage Act, Article 19 of the New York State Labor Law, employers in Long Island and Westchester County will reach \$15/hour on December 31, 2021, with the rest of the state receiving annual increases until reaching \$15/hour, based on determinations by the State Director of the Division of the Budget, based on economic indices. Currently, the remainder of New York State has a minimum wage of \$11.80/hour, scheduled to increase to \$12.50/hour on December 31, 2020. New York State Department of Labor (2020).
- 6 New York State Paid Family Leave. 2020.
- 7 As of 2020, employees receive 10 weeks of paid leave, with the benefit set at 60 percent of the employee's average weekly wage (but capped at 60 percent of the statewide average weekly wage). New York State Paid Family Leave Benefits Schedule, 2020.
- 8 Family member, as defined under the law, includes "any individual whose close association with the employee is the equivalent of family." <u>Paid Sick Leave: What Employees Need to Know.</u> New York City Department of Consumer Affairs. 2018.
- 9 <u>Commuter Benefits Law Information for Employers and Employees.</u> New York City Department of Consumer Affairs. 2016.
- 10 Freelance Workers. New York City Department of Consumer Affairs. 2017.
- 11 Fast Food and Retail Workers. New York City Department of Consumer Affairs. 2017.
- 12 <u>Temporary Schedule Change Law: What Employers and Workers Need to Know.</u> New York City Department of Consumer Affairs. 2018.
- 13 Sanders, Anna. "<u>City Council won't approve two weeks paid vacation bill this decade, despite de Blasio saying it will pass 'this year."</u> New York Daily News. December 3, 2019.
- 14 <u>Voices From the Frontline Brief 4: Job Quality for Frontline Workforce Professionals.</u>
 Workforce Professionals Training Institute. 2020.
- 15 The Human Services Council and the Restore Opportunity Now's <u>Undervalued and Underpaid</u> report (2017) called for increased public investment in the sector, to benefit workers and strengthen services. Additional HSC reports are available <u>here</u>. United Neighborhood Houses has published <u>numerous statements</u>, <u>comments</u>, <u>and reports</u> on city and state budget decisions, calling for increased investments in pay and benefits as well. These organizations, and others, continue to advocate on behalf of human services organizations, who are facing financial and other challenges due to COVID-19.
- 16 Rosenberg, Eli. <u>"Workers are forming unions at nonprofits and think tanks. Their bosses aren't always happy."</u> Washington Post. February 4, 2020.
- 17 Liebson, Rebecca. <u>"Housing Works Is Cast in Unusual Role: Corporate Overlord."</u> The New York Times. October 29, 2019.
- 18 New York City Employment & Training Coalition. April 2020. <u>Economic Ripple Effects:</u> <u>Impact of the COVID-19 Crisis on the New York City Workforce Development Sector & Marginalized New Yorkers.</u> May 2020.

The 2020 Survey of NYC Frontline Workforce

Professionals explores the motivations of workforce professionals, their working environments and long-term career goals, and challenges they face. Findings from the survey and resulting recommendations will inform field-wide leadership of better strategies for worker engagement and satisfaction, and improved program performance.

The Workforce Field Building Hub brings together key leaders from across the interdisciplinary and diverse New York City and national workforce community to identify common issues and solutions to build and strengthen the field of workforce development. For more information, https://www.workforceprofessionals. org/the-hub/overview/.

Workforce Professionals Training Institute (WPTI) increases the effectiveness of people, programs, and organizations that are committed to generating pathways out of poverty through employment. Our three-tiered approach – professional training, organizational consulting, and systems building – strengthens capacity at all levels of the workforce development system. For more information, visit http://workforceprofessionals.org.

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