



## **New York Imposes New Penalties For Discrimination**

Insights

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*(Labor Letter, August 2009)*

Employers operating in New York are now subject to additional liability if they're found to have violated the New York State Human Rights Law (NYSHRL). Under a recent amendment, the provision in the NYSHRL that authorizes imposition of monetary penalties – previously applicable only for housing discrimination – has been expanded to cover employment-related cases.

So, effective for actions arising on and after July 6, 2009, employers can be ordered to pay a "penalty" to the state of New York in the amount of up to \$100,000 for "wanton, willful or malicious" violations, and up to \$50,000 for violations which don't meet the higher standard. These are to be in addition to the existing remedies, which include economic losses, pain and suffering, compensatory damages and injunctive relief.

Until now, employees have not generally focused on bringing claims under the NYSHRL, since administrative proceedings can be backed up for many years, and punitive damages and attorney's fees are not recoverable. When lawsuits were filed, plaintiffs invoked federal statutes or the very plaintiff-friendly New York City anti-discrimination code. This amendment certainly ups the ante for employers sued in New York and should prompt more serious consideration of early no-fault resolution of discrimination claims.