



New Laws for New York Employers in a New Year: What to Know as 2025 Unfolds

Insights

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Employers in New York State and New York City face unique challenges given all the new workplace laws that are passed each year – and 2024 was no different. Indeed, multiple bills were enacted in the past year that will raise the workplace compliance stakes for the year ahead. Let's take a closer look at the key laws that took effect in 2024 or are set to take effect in 2025, as well as new legislation that may be on the horizon.

Minimum Wage and Other Compensation Laws

- **Minimum wage increases** - New York State's minimum wage increased from \$16 to \$16.50 for workers in New York City, Long Island, and Westchester. The minimum wage for the rest of the state increased to \$15.50. These increases took effect on January 1. Minimum wage will continue to increase incrementally over the next few years, reaching \$17 per hour in certain parts of the state by January 1, 2026. Thereafter, increases will automatically be tied to inflation using the Consumer Price Index.
- **Cash wage for tipped workers and tip credit increases** - In conjunction with the minimum wage increases, the cash wage and tip credit also increased as of January 1. The cash wage for tipped service employees in New York City, Long Island, and Westchester went up to \$13.75 and the tip credit to \$2.75. Tipped food service workers in the same region received a cash wage increase to \$11.00 and the tip credit went up to \$5.50. For the rest of the state, the cash wage is \$12.90 and the tip credit is \$2.60 for tipped service employees, while tipped food service workers in the rest of the state will receive a cash wage of \$10.35 and tip credit of \$5.15.
- **Salary threshold increase** - The salary threshold for executive and administrative employees to be classified as exempt increased again this year. For employers in New York City, Nassau, Suffolk, and Westchester counties, the threshold rose to \$1,237.50 per week. In the rest of the state, the threshold is \$1,161.65 per week.
- **Wage threshold increase for certain wage protections** - Effective March 13, 2024, the salary threshold for bona fide executive, administrative, or professional employees to be exempt from certain wage protection provisions of the New York Labor Law increased to \$1,300 per week (up from \$900). Executive, administrative, and professional employees who earn less than \$1,300 per week now need to be paid at least semi-monthly. Advance consent is also required to pay such employees via direct deposit.

- **Protections for freelance workers** - The statewide “Freelance Isn’t Free Act” took effect on August 28, 2024. This law provides certain protections for freelance workers. Specifically, the act mandates that any hiring party retaining a freelancer for at least \$800 of services provide a detailed written contract and timely and full payment. The law also includes anti-retaliation provisions as well as the right to bring a claim if obligations are not met and affords an administrative process for disputes between freelancers and hiring parties.

Workplace Safety

- **Retail Worker Safety Act** - The state established the Retail Worker Safety Act (RWSA), which mandates retail employers develop and implement programs to prevent workplace violence. This includes providing interactive training on these programs, and for employers with 500+ employees, installing panic buttons or providing wearable or mobile phone-based panic buttons. Policies and training information must be provided in writing, in the employee’s primary language. The New York Department of Labor (NYDOL) will create a model workplace violence prevention training program to guide employers in developing their own training programs. Though the RWSA takes effect this year on March 4, and the panic button requirement takes effect January 1, 2027, legislation has been introduced that would amend certain aspects of the legislation, particularly around training and panic button obligations, and would push back the effective date of the law. Stay tuned.
- **Warehouse Worker Protection Act** - In 2023, New York enacted the Warehouse Worker Protect Act (WWPA) to protect employees from disciplinary action or termination where quotas are undisclosed or do not allow for proper breaks. In 2024, the state amended the WWPA to establish the Warehouse Worker Injury Reduction Program (WWIRP) to identify and minimize the risks of musculoskeletal injuries and disorders among workers involved in performing manual materials handling tasks. The WWIRP will require warehouse employers to implement measures to reduce musculoskeletal injuries. This includes conducting worksite evaluations by qualified ergonomists, providing training for employees and supervisors, consulting employees and workplace safety committees, and establishing medical staffing and treatment protocols. Employers must maintain records of risk reduction efforts and make them accessible to workers and are prohibited from retaliating against employees for reporting injuries or safety concerns. Some provisions will take effect on February 19, others on June 1, and the rest on June 19.

Paid Leave

- **Paid prenatal leave** - As of January 1 this year, all New York private employers must offer workers 20 hours of paid time off, at their regular rate of pay, for prenatal care or any medical care related to pregnancy. Employees can use prenatal leave to attend healthcare services during an employee’s pregnancy or related to their pregnancy, including physical examinations, medical procedures, monitoring and testing, and discussions with a healthcare provider related to the pregnancy, including fertility treatment or care appointments and end-of-pregnancy care appointments. Prenatal leave may be used only by the employee directly receiving prenatal

healthcare services and may not be used by spouses, partners, or other support persons to attend prenatal appointments with a pregnant person.

- **Paid nursing leave - Nursing mothers in New York now have the right to paid break time when they need to express breast milk in the workplace. Effective June 19, 2024, workers now can take up to 30-minutes of paid break time for lactation.**

Paid family leave enhancements - New York's Paid Family Leave Program (PFL) provides eligible employees with up to 12 weeks of job protected leave for paid time off to bond with a new child, care for a family member with a serious health condition, or to assist loved ones when a family member is on active military service. Employees receive 67% of their average weekly wage, capped at 67% of New York's Average Weekly Wage during their time off. PFL may be fully funded by employee contributions. In 2025, the state's PFL program increased the maximum weekly benefit to \$1,177.32, with an employee contribution rate of 0.388% of gross wages.

Worker Protections

- **Statute of limitations expanded for administrative relief** - Employees or other covered individuals alleging unlawful discriminatory employment practices in violation of the New York State Human Rights Law (NYSHRL) now have three years – an increase from one year – to file a complaint with the New York State Division of Human Rights (DHR), the state agency that investigates and enforces the NYSHRL. The enactment of this law expands the statute of limitations for all claims of unlawful discriminatory practices in line with the three-year limitations period that had been in place just for sexual harassment claims. It took effect on February 15, 2024.
- **Clean Slate Act** - The Clean Slate Act creates a process to automatically seal most criminal convictions after a person is released from incarceration and then completes a waiting period. Certain convictions will be automatically sealed after a period specified in the law (for example, felony convictions will be sealed after eight years). Automatic sealing is not available for the most serious crimes such as sex crimes and most Class A felonies (murder, first-degree kidnapping, and arson). The law took effect on November 16, 2024, and the courts will have three years to identify prior convictions eligible for automatic sealing under the law.

Now that the law is effective, most employers are not permitted to inquire about or have access to the sealed criminal records of any employee or applicant. Exceptions apply for certain facilities that hire people to care for children, people with disabilities, the elderly, or other vulnerable populations.

- **Criminal history record restrictions** - Continuing in its efforts to prevent criminal history discrimination, New York law will effectively prohibit employers (and others) from requiring an individual to provide a copy of their criminal history record. This amendment takes effect March

- **Personal electronic media accounts** – Effective March 12 last year, a law took effect in New York that prohibits employers from requesting or requiring an employee or applicant to disclose their username or password for social media accounts, blogs, messaging sites, and the like. Employers also cannot require employees or applicants to access these personal accounts in the employer’s presence. The law does not cover personal accounts used for business purposes, provided the employee was given advance notice of the employer’s right to require access to such information. Additionally, employers are not restricted from viewing information in the public domain that can be accessed without log-in information.
- **Protections for fashion workers** – Effective this year on June 19, the New York State Fashion Workers Act aims to ensure transparency and fair treatment for workers in the fashion industry. The act requires model management companies to register to operate in New York and adhere to specific duties, including a fiduciary duty to act in the best interests of models. In addition, model management companies must ensure a safe work environment and communicate zero tolerance for abuse, provide models with written agreements and itemized deductions, disclose any financial relationships with clients, and notify former models about collected royalties. The act prohibits certain fees, long-term contracts, and unauthorized use of digital replicas. It also outlines penalties for violations and establishes a process for handling complaints.
- **Employment protections for National Guard members** – Effective September 27 last year, amendments to New York’s military law expand the definition of “military service” to include state active duty, ensuring that service members who leave non-temporary positions for military duties have reemployment rights. These rights include timelines for applying for reemployment and protection against discharge without cause for one year after returning to work. Additionally, the amendments provide a legal pathway for addressing employer non-compliance, allowing affected individuals to seek assistance from the Attorney General.
- **Sunsetting of COVID-19 sick leave** – While most updates impose additional compliance obligations on employers, in this circumstance, lawmakers removed one. Effective this year on July 31, the state law requiring employers to provide COVID-19 sick leave ends.

Local Laws in New York City

Not to be outdone by the state, New York City legislators also enacted numerous laws impacting compliance obligations for businesses in the Big Apple.

- **Private right to sue under Earned Safe and Sick Time Act** – Amendments to the Earned Safe and Sick Time Act (ESSTA) now allow employees to sue their employers for alleged violations. As of March 20, 2024, employees have two years to bring a lawsuit for such violations. Before this amendment, employers could only file complaints with the respective administrative agency responsible for enforcing the local law.
- **Shortened claim periods prohibited** – Any contractual provision that attempts to shorten the period for filing claims alleging violations of the New York City Human Rights Law (NYCHRL) is

period for filing claims alleging violations of the New York City Human Rights Law (NYCHRL) is now unenforceable and void as against public policy in New York City. While court cases previously upheld contractually shortened statute of limitations periods under the NYCHRL, this amendment, effective May 11, 2024, now prohibits such provisions in employment agreements.

- **Lactation room accommodation policy requirements** - New York City employers are already required to develop and implement a written lactation accommodation room policy. Now, under amendments that take effect in May, employers will need to distribute the written policy to new hires. Additionally, employers must make the policy readily available to employees by posting it prominently in the workplace and electronically on the intranet, if one exists. In addition, NYC updated its law regarding lactation to align with the state's new requirement for 30 minutes of paid lactation break time.
- **New York City Workers' Bill of Rights** – Effective July 2024, employers are required to provide each employee with a Workers' Bill of Rights prepared by the City. It explains the rights and protections under federal, state, and local laws provide to employees, job applicants, and independent contractors in NYC regardless of immigration status. In addition to distributing the notice, employers must post the Bill of Rights in a worksite area that is both accessible and visible to employees. Businesses that use a website or mobile application to regularly communicate with employees are also required to post the notice through those means.

What's Coming in 2025?

As busy as lawmakers were in 2024, we expect even more employment-related legislation in the coming year. We've already seen legislative efforts take off, just three weeks into the new session:

- Just days ago, lawmakers **passed a sweeping health data privacy bill** that will impact all businesses handling health data of New Yorkers, if signed by Governor Hochul.
- And lawmakers have expressed a renewed commitment to passing legislation **banning or substantially limiting non-compete agreements** for New York workers.

Additionally, as announced during her State of the State address, Governor Hochul is supporting several legislative initiatives focused on protecting workers this year:

- She aims to **expand the NYDOL's enforcement powers** to include the ability to levy liens, seize financial assets, and issue stop work orders after unpaid wage theft judgments against employers.
- Governor Hochul also plans to **update child labor laws** by increasing civil penalties for severe violations, including felony-level charges for violations that result in serious injury to children.
- Given the growth of AI these last few years and perceived risks to workers, the Governor plans to require businesses to report AI-related layoffs to the NYDOL when submitting notices of worker layoffs to its Worker Adjustment and Retraining Notification (WARN) system and offer affected workers access to training programs.

- Finally, Governor Hochul seeks to **expand access to medical care in the workers' compensation system** by authorizing all licensed providers, aligning reimbursement rates with Medicare, and ensuring continuous payment of medical bills during claim disputes.

You should note that passing any legislation related to these initiatives will require action by the legislature in Albany.

Conclusion

It is important to review and assess your policies and procedures for compliance with state and local laws and regulations. For upcoming laws that have not yet taken effect, you should take steps to ensure your business is ready for their implementation. And of course, you'll need to stay on top of new laws as 2025 unfolds.

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