



New York's Gig Economy Legislative Proposals For 2020 Begin To Take Shape

Insights

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In anticipation of New York's 2020 legislative session, state lawmakers are beginning to develop a proposal to regulate the gig economy – and the news isn't good for businesses. As we discussed in an entry back in September, New York seems intent on developing a law including California-like elements that might lead to a version of the ABC test in the Empire State. But recent news means we might see things get taken a massive step further. Some legislative leaders are also seeking to introduce the country's first collective bargaining law that would permit gig workers to unionize.

On December 5, Assembly members held a public hearing to discuss possible changes to the law to revamp the misclassification test for independent contractor status, following an October hearing in the Senate. And while no agreement was reached about which proposal might emerge as the galvanizing selection, there is no shortage of speculation about what the final version might look like.

- Senator Robert Jackson (D-NYC) and Assemblywoman Deborah Glick (D-NYC) have sponsored a proposal that is modeled after California's ABC test.
- Union leaders are “generally supportive” of that type of proposal, but perhaps because of some the blowback being seen in California in anticipation of the ABC test becoming law on January 1, AFL-CIO leadership has said that the “needs of the labor movement here in New York State are slightly different.”
- Senator Diane Savino (D-NYC) and Assemblyman Marcus Crespo (D-NYC) offered a similar proposal at the end of the 2019 session, but they are working to amend the bill to include a “more workable” version of the ABC test and reintroduce it for the 2020 session. And as Senator Savino told Bloomberg Law, “There's no scenario I can imagine that [the proposal's] not going to include collective bargaining.”

Seattle attempted to become the first jurisdiction in the country that would allow ride-sharing drivers to unionize, but that effort got bogged down in litigation and has never been implemented. Some view the New York attempt to have more legal validity, but there is no doubt that any law passed creating a collective bargaining right for gig workers would be met by court challenges.

The New York legislative session kicks off on January 8. We'll monitor the activity in Albany to see how it might impact the gig economy.

Related People



Melissa Camire

Partner

212.899.9965

Email