

PROGRAM BILL # 49

S. Senate

IN SENATE--Introduced by Sen

--read twice and ordered printed, and when printed to be committed to the Committee on

A. Assembly

IN ASSEMBLY--Introduced by M. of A.

with M. of A. as co-sponsors

--read once and referred to the Committee on

LABOLA (Relates to permitted deductions from wages)

Lab. perm'd deducts from wages

AN ACT

to amend the labor law, in relation to permitted deductions from wages; and providing for the repeal of such provisions upon expiration thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

IN SENATE

Senate introducer's signature

The senators whose names are circled below wish to join me in the sponsorship of this proposal

- s20 Adams s44 Farley s58 Kennedy s54 Nozzolio s28 Serrano
s15 Addabbo s02 Flanagan s34 Klein s53 O'Mara s51 Seward
s55 Alesi s08 Fuschillo s26 Krueger s37 Oppenheimer s09 Skelos
s11 Avella s59 Gallivan s24 Lanza s21 Parker s14 Smith
s40 Ball s12 Gianaris s39 Larkin s13 Peralta s25 Squadron
s42 Bonacic s22 Golden s01 LaValle s30 Perkins s16 Stavisky
s46 Breslin s47 Griffo s52 Libous s61 Ranzenhofer s35 Stewart-
s38 Carlucci s60 Grisanti s45 Little s48 Ritchie Cousins
s50 DeFrancisco s06 Hannon s05 Marcellino s33 Rivera s27 Storobin
s32 Diaz s36 Hassell- s07 Martins s56 Robach s49 Valesky
s17 Dilan Thompson s62 Maziarz s41 Saland s57 Young
s29 Duane s10 Huntley s43 McDonald s19 Sampson s03 Zeldin
s31 Espallat s04 Johnson s18 Montgomery s23 Savino

IN ASSEMBLY

Assembly introducer's signature

The Members of the Assembly whose names are circled below wish to join me in the multi-sponsorship of this proposal:

- a049 Abbate a085 Crespo a042 Jacobs a121 Miller, D. a067 Rosenthal
a092 Abinanti a107 Crouch a095 Jaffee a102 Miller, J. a118 Russell
a105 Amedore a014 Curran a057 Jeffries a038 Miller, M. a144 Ryan
a084 Arroyo a063 Cusick a135 Johns a052 Millman a012 Saladino
a035 Aubry a045 Cymbrowitz a112 Jordan a015 Montesano a113 Sayward
a124 Barclay a034 DenDekker a099 Katz a132 Morella a029 Scarborough
a103 Barrett a081 Dinowitz a074 Kavanagh a039 Moya a016 Schimel
a040 Barron a114 Duprey a145 Kearns a003 Murray a140 Schliminger
a082 Benedetto a004 Englebright a065 Kellner a037 Nolan a064 Silver
a122 Blankenbush a054 Espinal a129 Kolb a128 Oaks a027 SImanowitz
a055 Boyland a071 Farrell a025 Lancman a069 O'Donnell a036 SImotas
a008 Boyle a123 Finch a091 Latimer a051 Ortiz a100 Skartados
a026 Braunstein a007 Fitzpatrick a013 Lavine a136 Palmesano a146 Snardz
a044 Brennan a137 Friend a050 Lentol a088 Paulin a079 Stevenson
a116 Brindisi a143 Gabryszak a125 Lifton a141 Peoples- a011 Sweeney
a131 Bronson a090 Galef a072 Linares Stokes a110 Tedisco
a046 Brook-Krasny a133 Gantt a127 Lopez, P. a058 Perry a115 Tenney
a147 Burling a077 Gibson a053 Lopez, V. a087 Fretlow a002 Thisle
a117 Butler a149 Giglio a001 Losquadro a073 Quart a061 Titone
a101 Cahill a066 Glick a126 Lupardo a021 Ra a031 Titus
a096 Calhoun a023 Goldfeder a111 Magee a097 Rabbitt a062 Tobacco
a043 Camara a150 Goodell a120 Magnarelli a009 Raia a148 Walter
a106 Canestrari a075 Gottfried a059 Maisel a006 Ramos a041 Weinstein
a089 Castelli a005 Graf a060 Malliotakis a134 Reilich a020 Weisenberg
a086 Castro a098 Gunther a030 Markey a109 Reilly a024 Weprin
a138 Ceretto a130 Hanna a093 Mayer a178 Rivera, J. a070 Wright
a033 Clark a139 Hawley a019 McDonough a080 Rivera, N. a094 Zebrowski
a047 Colton a083 Heastie a104 McEneny a076 Rivera, P.
a010 Conte a028 Hevesi a017 McKevitt a119 Roberts
a032 Cook a048 Hikind a108 McLaughlin a056 Robinson
a142 Corwin a018 Hooper a022 Meng a068 Rodriguez

1) Single House Bill (introduced and printed separately in either or both houses). Uni-Bill (introduced simultaneously in both houses and printed as one bill. Senate and Assembly introducer sign the same copy of the bill).

2) Circle names of co-sponsors and return to introduction clerk with 2 signed copies of bill and 4 copies of memorandum in support (single house); or 4 signed copies of bill and 8 copies of memorandum in support (uni-bill).

1 Section 1. Subdivision 1 of section 193 of the labor law, as added by
2 chapter 548 of the laws of 1966, is amended to read as follows:

3 1. No employer shall make any deduction from the wages of an employee,
4 except deductions which:

5 a. are made in accordance with the provisions of any law or any rule
6 or regulation issued by any governmental agency including regulations
7 promulgated under paragraph c and paragraph d of this subdivision; or

8 b. are expressly authorized in writing by the employee and are for the
9 benefit of the employee[;], provided that such authorization is volun-
10 tary and only given following receipt by the employee of written notice
11 of all terms and conditions of the payment and/or its benefits and the
12 details of the manner in which deductions will be made. Whenever there
13 is a substantial change in the terms or conditions of the payment,
14 including but not limited to, any change in the amount of the deduction,
15 or a substantial change in the benefits of the deduction or the details
16 in the manner in which deductions shall be made, the employer shall, as
17 soon as practicable, but in each case before any increased deduction is
18 made on the employee's behalf, notify the employee prior to the imple-
19 mentation of the change. Such authorization shall be kept on file on
20 the employer's premises for the period during which the employee is
21 employed by the employer and for six years after such employment ends.
22 Notwithstanding the foregoing, employee authorization for deductions
23 under this section may also be provided to the employer pursuant to the
24 terms of a collective bargaining agreement. Such authorized deductions
25 shall be limited to payments for:

26 (i) insurance premiums[,] and prepaid legal plans;

27 (ii) pension or health and welfare benefits[.];

1 (iii) contributions to a bona fide charitable [organizations, payments
2 for] organization;
3 (iv) purchases made at events sponsored by a bona fide charitable
4 organization affiliated with the employer where at least twenty percent
5 of the profits from such event are being contributed to a bona fide
6 charitable organization;
7 (v) United States bonds[, payments for];
8 (vi) dues or assessments to a labor organization[.];
9 (vii) discounted parking or discounted passes, tokens, fare cards,
10 vouchers, or other items that entitle the employee to use mass transit;
11 (viii) fitness center, health club, and/or gym membership dues;
12 (ix) cafeteria and vending machine purchases made at the employer's
13 place of business and purchases made at gift shops operated by the
14 employer, where the employer is a hospital, college, or university;
15 (x) pharmacy purchases made at the employer's place of business;
16 (xi) tuition, room, board, and fees for pre-school, nursery, primary,
17 secondary, and/or post-secondary educational institutions;
18 (xii) day care, before-school and after-school care expenses;
19 (xiii) payments for housing provided at no more than market rates by
20 non-profit hospitals or affiliates thereof; and
21 (xiv) similar payments for the benefit of the employee.
22 c. are related to recovery of an overpayment of wages where such over-
23 payment is due to a mathematical or other clerical error by the employ-
24 er. In making such recoveries, the employer shall comply with requ-
25 lations promulgated by the commissioner for this purpose, which
26 regulations shall include, but not be limited to, provisions governing:
27 the size of overpayments that may be covered by this section; the
28 timing, frequency, duration, and method of such recovery; limitations on

1 the periodic amount of such recovery; a requirement that notice be
2 provided to the employee prior to the commencement of such recovery; a
3 requirement that the employer implement a procedure for disputing the
4 amount of such overpayment or seeking to delay commencement of such
5 recovery; the terms and content of such a procedure and a requirement
6 that notice of the procedure for disputing the overpayment or seeking to
7 delay commencement of such recovery be provided to the employee prior to
8 the commencement of such recovery.

9 d. repayment of advances of salary or wages made by the employer to
10 the employee. Deductions to cover such repayments shall be made in
11 accordance with regulations promulgated by the commissioner for this
12 purpose, which regulations shall include, but not be limited to,
13 provisions governing: the timing, frequency, duration, and method of
14 such repayment; limitations on the periodic amount of such repayment; a
15 requirement that notice be provided to the employee prior to the
16 commencement of such repayment; a requirement that the employer imple-
17 ment a procedure for disputing the amount of such repayment or seeking
18 to delay commencement of such repayment; the terms and content of such a
19 procedure and a requirement that notice of the procedure for disputing
20 the repayment or seeking to delay commencement of such repayment be
21 provided to the employee at the time the loan is made.

22 § 2. Subdivisions 2 and 3 of section 193 of the labor law, subdivision
23 2 as added and subdivision 3 as renumbered by chapter 160 of the laws of
24 1974 and subdivision 3 as added by chapter 548 of the laws of 1966, are
25 amended to read as follows:

26 2. Deductions made in conjunction with an employer sponsored pre-tax
27 contribution plan approved by the IRS or other local taxing authority,
28 including those falling within one or more of the categories set forth

1 in paragraph b of subdivision one of this section, shall be considered
2 to have been made in accordance with paragraph a of subdivision one of
3 this section.

4 3. a. No employer shall make any charge against wages, or require an
5 employee to make any payment by separate transaction unless such charge
6 or payment is permitted as a deduction from wages under the provisions
7 of subdivision one of this section or is permitted or required under any
8 provision of a current collective bargaining agreement.

9 b. Notwithstanding the existence of employee authorization to make
10 deductions in accordance with subparagraphs (iv), (ix), and (x) of para-
11 graph b of subdivision one of this section and deductions determined by
12 the commissioner to be similar to such deductions in accordance with
13 subparagraph (xiv) of paragraph b of subdivision one of this section,
14 the total aggregate amount of such deductions for each pay period shall
15 be subject to the following limitations: (i) such aggregate amount shall
16 not exceed a maximum aggregate limit established by the employer for
17 each pay period; (ii) such aggregate amount shall not exceed a maximum
18 aggregate limit established by the employee, which limit may be for any
19 amount (in ten dollar increments) up to the maximum amount established
20 by the employer under subparagraph (i) of this paragraph; (iii) the
21 employer shall not permit any purchases within these categories of
22 deduction by the employee that exceed the aggregate limit established by
23 the employee or, if no limit has been set by the employee, the limit set
24 by the employer; (iv) the employee shall have access within the work-
25 place to current account information detailing individual expenditures
26 within these categories of deduction and a running total of the amount
27 that will be deducted from the employee's pay during the next applicable
28 pay period. Information shall be available in printed form or capable

1 of being printed should the employee wish to obtain a listing. No
2 employee may be charged any fee, directly or indirectly, for access to,
3 or printing of, such account information.

4 c. With the exception of wage deductions required or authorized in a
5 current existing collective bargaining agreement, an employee's authori-
6 zation for any and all wage deductions may be revoked in writing at any
7 time. The employer must cease the wage deduction for which the employee
8 has revoked authorization as soon as practicable, and, in no event more
9 than four pay periods or eight weeks after the authorization has been
10 withdrawn, whichever is sooner.

11 [3.] 4. Nothing in this section shall justify noncompliance with arti-
12 cle three-A of the personal property law relating to assignment of earn-
13 ings, [nor] with section two hundred twenty-one of this chapter relating
14 to company stores or with any other law applicable to deductions from
15 wages.

16 § 3. This act shall take effect on the sixtieth day after it shall
17 have become a law and shall expire and be deemed repealed 3 years after
18 such effective date.