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# Legislative Update: Significant Changes in New York Employment Law

By: Jeffrey M. Schlossberg



In the past month, several significant laws have been passed in New York that impact employers. The most noteworthy involve the requirement to obtain written notice and acknowledgment from employees regarding their wages, the addition of a new protected classification to the New York Human Rights Law, and

the extension of COBRA benefits.

# **Written Notice of Pay Rates Required**

Employers will now be required to provide employees with written notice at the time of hire regarding their rate of pay and the official pay day designated by the employer. This information previously was required to be provided, but not in writing. In addition, the law now requires employers to obtain a written acknowledgement of such notice.

Further, for all employees who are eligible for overtime, the notice must provide the regular hourly rate and the overtime rate of pay.

The law was enacted to permit workers to determine whether their paychecks properly reflect the hourly wage rates their employers agreed to at the time of hiring, including the proper overtime rate.

Although this legislation will impose a greater burden on employers, it may prove helpful should a dispute arise in the future over the rates applied.

The law goes into effect October 26, 2009. Now would be an appropriate time for employers to review all aspects of their timekeeping procedures and their determinations regarding who is and is not paid overtime.

### **Domestic Violence Victims Protected**

Effective July 7, 2009, the New York State Human Rights Law was amended to add victims of domestic violence to the list of protected classes. The Human Rights Law prohibits employment discrimination in hiring, firing and terms of employment.

According to the legislative memorandum accompanying the bill, the purpose of the amendment is to protect victims of domestic violence or stalking from discrimination so they may have the ability to deal with the circumstances, achieve financial independence from their abuser, and participate more fully in the economy.

In light of this new provision, employers should amend their handbooks and policies regarding workplace harassment and update training programs to include references to domestic violence.

#### **COBRA Benefits Extended**

Under an amendment to the New York Insurance Law, employees who have otherwise exhausted federal continuation benefits under COBRA may maintain coverage for up to 36 months, if the employee would otherwise have been entitled to less than 36 months. The law took effect on July 1, 2009 and applies to all contracts issued, renewed, modified, altered or amended on or after that date.

COBRA allows workers to continue group health insurance coverage for 18 months. However, COBRA applies only to employers with 20 or more employees. To address this gap, New York enacted a "Mini-COBRA" law requiring all employers to offer 18 months of continuation coverage.

The new law allows employees, regardless of the size of the employer, to extend health insurance continuation from 18 to 36 months.

Employers are reminded that the cost for the continuation coverage is borne by the employee and that employers are permitted to charge a 2% administrative fee.

If we can be of assistance on these or any employment law issue, do not hesitate to contact us.



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