

Legislative Update AUGUST 2024*

Disclaimer: This Legislative Update contains general information compiled as a service for MVSHRM members. MVSHRM cannot accept responsibility for any errors or omissions or any liability resulting from the use or misuse of any such information. For specific legal advice, please contact counsel. Thank you for your understanding.

NEW YORK EMPLOYERS MUST ABIDE BY THE “FREELANCE ISN’T FREE ACT”

On July 26, 2024, the New York State Department of Labor (DOL) announced publicly that a statewide “Freelance Isn’t Free Act” would soon take effect throughout all of New York State. The new statewide law is based on a similar law applicable solely in New York City concerning freelance workers. New York City’s Law, referred to in the new legislation as the “NYC Freelance Isn’t Free Law,” will continue to remain in effect. According to the DOL’s announcement, the statewide Freelance Isn’t Free Act is slated to go into effect on August 28, 2024.

According to the DOL, the statewide Act aims to ensure that freelance workers receive timely compensation for all services performed. The statewide Act requires written contracts between freelance workers and hiring parties, and creates broad protections for freelancers.

A freelance worker is defined as any individual, or any organization composed of no more than one person, hired as an independent contractor to provide services with a value of at least \$800.00. If a freelance worker is retained by the same hiring party for multiple, smaller jobs, the employer must add the value of each contract to determine whether the Act’s requirements apply to them.

A written agreement must, at minimum, contain:

- The name and mailing address of both parties;
- An itemization of all services to be provided by the freelance worker, as well as the value of the services and the rate and method of compensation;
- The date of payment or the mechanism by which the payment date will be determined; and
- The date the freelance worker must submit a list of services rendered so the hiring party can meet any internal processing deadlines for the purposes of compensation being rendered by the agreed-upon date.

For employers who do not wish to create their own contracts, the DOL announced on July 26, 2024 that it will be providing model contracts on its website. As of August 26, 2024, model contracts were unable to be located on the DOL’s website.

Source: New York State Department of Labor (NYSDOL)

* MVSHRM’s August 2024 Legislative Update is edited by Joseph A. DeTraglia, Esq., a labor and employment attorney with the Utica, New York law firm Joseph A. DeTraglia, Esq., P.C., who serves as MVSHRM’s Legislative Committee Chairperson and as a Past President of the Oneida County Bar Association. He can be reached at 315-790-8822 or at JD@DeTragliaLawFirm.com.