



NEW YORK STATE SENATOR

Michelle Hinchey

Senators Hinchey, Gonzalez Introduce The Workforce Stabilization Act to Address the Impact of Artificial Intelligence (AI) on New York's Labor Market

Office of NYS Senator Michelle Hinchey

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ALBANY, NY – Today, Senators Michelle Hinchey and Kristen Gonzalez unveiled The Workforce Stabilization Act (S9401), a landmark piece of legislation to protect New York’s labor market from the disruptive impacts of Artificial Intelligence (AI) as it rapidly transforms industries and redefines traditional job roles. As the first bill of its kind in New York, the Act reaffirms New York’s position as a vanguard in the realm of labor rights and technological innovation, setting the stage for a future where the benefits of AI are harnessed responsibly and equitably. Hinchey and Gonzalez are championing this proactive first step in a long-term vision that not only acknowledges the evolving landscape of AI but also establishes robust protections for workers, ensuring the stability of New York’s workforce in the face of unprecedented technological change.

The New York Workforce Stabilization Act requires any corporation in the state with 100 or more employees planning to use AI to submit an impact assessment report to the DOL. This assessment must detail the number of employees expected to be displaced by AI, the data used for AI training and its underlying algorithms, and, regarding data mining, the type of user data AI will access. The bill will also impose an additional 2% surcharge on corporate income taxes for companies that use AI to replace 15 or more workers or rely on AI for data mining. All revenue generated would be invested in worker retraining programs, workforce development, and unemployment benefits through the New York State Department of Labor (DOL).

“We’re living in an era of lightning-fast advancement in Artificial Intelligence that

has equal potential to help society as it does to deepen economic inequality,”

Senator Michelle Hinchey said. “If left unregulated, AI has the ability to eliminate the beginning two-thirds of our career pipeline, driving us backward into an Oligarchical society and self-selecting winners and losers in the labor market in the process. I’m proud to sponsor new legislation that will provide a starting point for New York to confront the challenges these burgeoning technologies will bring to our workforce before it’s too late. As a state, we have a responsibility to protect our residents from the negative impacts of new technologies and prioritize their well-being over the bottom lines of growing corporations.”

Senator Kristen Gonzalez, Chair of the Internet and Technology Committee, said, "The ability of AI systems to convincingly replicate aspects of human knowledge makes them an appealing replacement for blue-, pink-, and white-collar human workers. But the truth is that these deeply imperfect technologies cannot replace human judgment or creativity, and our economy is simply not prepared for the mass displacement of workers that broad AI adoption could accelerate. The New York Workforce Stabilization Act is a necessary protection and an important step in the right direction for workers across all industries in the state."

Artificial Intelligence (AI) is technology that enables computers and digital devices to execute tasks typically done by humans, like learning, reading, writing, creating, and analyzing. In the future, this might mean fewer jobs and lower wages [for some workers](#), with certain jobs disappearing completely. A [2023 report](#) by Eloundou, Manning, Mishkin, and Rock concluded that about one in five U.S. workers may see an impact on at least 50% of their job tasks due to AI. By 2030, about [30% of hours worked](#) in the U.S. could be automated by generative AI, and the AI market is projected to be worth over [\\$1.3 trillion](#) at that point.

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