

**NEW YORK STATE SENATOR** 

Andrew Gounardes

## Sen. Gounardes Joins Elected Officials, Advocates to Celebrate Implementation of His "Freelance Isn't Free" Law

**Andrew Gounardes** 

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## ISSUE:

- Labor Rights
- Worker Protections



Statewide Law Guarantees Mandatory Contracts, 30-day Payment Terms, Protection Against Retaliation, Remedies and Legal Recourse

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**Brooklyn, NY** - New York State Senator Andrew Gounardes joined State Senator Jessica Ramos, Comptroller Brad Lander; DCWP Commissioner Vilda Vera Mayuga, the Freelancers Union and others today to celebrate the official implementation of his <u>Freelance Isn't Free Law</u>, which provides new labor protections for freelancers across New York State.

The Freelance Isn't Free Law, championed by New York State Senator Andrew Gounardes and New York State Assembly Member Harry Bronson, was passed by the New York State Legislature to address the growing crisis of nonpayment among freelancers. The landmark legislation builds on the success of New York City's 2017 Freelance Isn't Free Act and represents a significant step forward in ensuring that independent workers receive the compensation they deserve for their labor.

Freelancers make up nearly one-third of the United States workforce, and in New York State, they are an essential yet often overlooked segment of the economy. With more than 850,000 low-wage independent workers in New York State, the Freelance Isn't Free Law addresses a significant gap in worker protection. From tech

professionals to agricultural workers in Upstate New York, freelancers span every industry and geography in the state.

This legislation is particularly timely, given the rapid growth of the freelance workforce. The flexibility and autonomy that come with freelancing have attracted millions of workers, yet these benefits are often overshadowed by the persistent issue of nonpayment. Studies show that 71% of freelancers have struggled to collect payment at some point in their careers, with many experiencing significant financial strain as a result. The Freelance Isn't Free Law is designed to alleviate this burden, providing freelancers with the legal tools they need to ensure they are paid promptly and in full.

The Freelance Isn't Free Law will be enforced by the New York State Attorney General's Office, which has been granted the authority to investigate violations and provide appropriate remedies. Freelancers who face nonpayment or retaliation will now have a clear and direct path to seek justice. Freelancers can file a complaint at ag.ny.gov/file-complaint.

The New York Freelance Isn't Free Law guarantees:

- Mandatory Contracts: Clients must provide a written contract for any freelance work valued at \$800 or more within a 120-day period. The contract must outline the scope of work, payment rate, method, and due date. Failure to do so can result in a \$250 penalty.
- **30-Day Payment Terms:** The law mandates clients must pay freelancers by the contract's due date or within 30 days of work completion if no date is specified. Clients cannot offer faster payment in exchange for accepting less than the agreed amount.
- **Protections Against Retaliation:** Freelancers are protected from retaliation by clients if they assert their rights under the law. This includes protection from threats, intimidation, and being denied future work opportunities for demanding payment or fair treatment.
- Legal Recourse and Double Damages: Freelancers who face nonpayment or retaliation have the right to seek legal recourse. The law provides for the recovery of double damages for unpaid work, as well as attorneys' fees, making it financially viable for freelancers to pursue justice.

The Freelance Isn't Free Law's enactment in New York State marks a watershed moment for the freelance workforce and sets a powerful precedent for other states considering similar legislation. As the largest advocacy organization for freelancers in the U.S., Freelancers Union remains committed to fighting for the rights of independent workers and will continue to push for further protections at both the state and federal levels.

Since its implementation, New York City's Freelance Isn't Free Act has proven highly effective in protecting freelancers from nonpayment. According to a <u>five-year report</u> from the New York City Department of Consumer and Worker Protection (DCWP), the Navigation Program received 2,542 complaints between fiscal years 2019 and 2023, resulting in \$2.9 million in recovered payments for at least 773 freelancers. The program has successfully helped freelancers recover owed payments, often without the need for litigation, demonstrating its critical role in safeguarding freelance workers' rights in the city.

"Today, we make it clear that freelance workers can't be pushed around or denied their rights — whether they live in Brooklyn, in Buffalo, or anywhere else in New York," said **New York State Senator Andrew Gounardes.** "I wrote my Freelance Isn't Free legislation with a simple idea in mind: all workers are entitled to dignity and respect. Whether you're a contract electrician, a domestic worker or a freelance journalist, you deserve full, clear, and enforced labor protections."

"All work must be paid work, no matter your classification as a worker or the industry you're in," said **Rafael Espinal, Executive Director of Freelancers Union**. "For too long, millions of freelancers who drive our economy have been overlooked, operating without the safety net or benefits afforded to traditional employees. As we usher in these historic protections in New York, it's time for policymakers and the public to recognize freelancers for what they truly are: essential members of the workforce. The passage of these laws is just the beginning of a national movement to ensure that independent workers are protected from exploitation and treated with the dignity and fairness they deserve – they are the future of work, and their voices must be heard."

"From domestic workers to journalists to home contractors, freelancers are an essential part of New York's economy, and they deserve to get paid fully and fairly for their hard work," said **New York State Attorney General Letitia James**. "The Freelance Isn't Free Act will ensure these workers have clear written contracts, get

paid on time, and are protected from discrimination. I was proud to support this legislation and I applaud Senator Gounardes, Assemblymember Bronson, and all those involved for their work to pass this legislation and empower my office to enforce this new law on behalf of freelancers across our state. No one should be able to exploit or mislead workers just because they work independently, and I'm proud that New York continues to lead the way in protecting workers' rights."

"The Freelance Isn't Free law, which goes into effect today, is a historic step forward in protecting freelance workers, who are essential members of our workforce," said **New York State Assemblymember Harry Bronson, Chair, Labor Committee.** "Through this law, we are clearly stating that New York values and respects their contributions to our economy. New York is home to one of the largest freelance workforces in America and these workers now have the tools and legal recourse to address non-payment or retaliation. I am proud of the work Senator Gounardes and I, with the support of the Freelancers Union, did to pass this through the New York legislature, and am thankful to the Governor for recognizing the value in ensuring that our freelance workers are protected by signing it into law."

"Freelance workers are still workers. They still deal with pervasive wage theft that plagues the rest of New York's workforce. As of today, however, freelancers statewide have stronger protections & legal remedies with the enactment of Freelance isn't Free," said **New York State Senator Jessica Ramos, Chair, Labor Committee.** "I'm proud that my committee played a role in making Freelance Isn't Free law, and thank Senator Gounardes and Assembly Member Bronson for their tireless advocacy."

"Freelancers, like all workers, deserve to be fairly compensated for their labor and treated with respect," said **New York City Department of Consumer and Worker Protection Commissioner Vilda Vera Mayuga.** "We're proud to see New York City's landmark Freelance Isn't Free Act extended to freelancers across New York State. The success of the law here in our city is proof that expanding these vital protections to freelancers around the State will help prevent the exploitation of millions of New Yorkers."

"Home to the largest population of independent contractors in the country, New York City's freelance workers fuel our economy and deserve to be protected from wage theft," said **New York City Comptroller Brad Lander.** "That's why I partnered with the Freelancers Union to create and pass the City's 'Freelance Isn't Free Act' in

2016, which gave groundbreaking protections to freelancers to ensure they are paid on time and in full. Because of this law, hundreds of independent contractors were able to recover millions of dollars from employers. I'm delighted to celebrate the enactment of Senator Gounardes' state version of the bill, which will extend these critical and common-sense safeguards to gig workers across New York."

"Freelancers are kept isolated, treated as employees at the mercy of the businesses and individuals who hire them without many of the associated benefits and guarantees an employer is supposed to provide," said Larry Goldbetter, President of the National Writers Union. "That's why it's so important for freelancers to come together and organize for protections like the ones guaranteed by Freelance Isn't Free. We are grateful to Senator Gounardes and Assembly Member Bronson for championing this legislation, as well as Attorney General Letitia James' support in ensuring these new protections are enforceable so that freelancers can be paid on time for their work. We're also proud of the work our allies—including the American Photographic Artists, the National Press Photographers Associations, the International Brotherhood of Teamsters, staff media unions in the Writers Guild and NewsGuild, and more—have done to advocate for and expand Freelance Isn't Free. With laws in New York and Illinois, several cities across the country, and soon the state of California, millions of freelancers will be covered by a variant of Freelance Isn't Free. But this isn't an end to the fight for freelance protections; it's just the beginning."

Media Contact:

## **Billy Richling**

Communications Director

State Senator Andrew Gounardes

billy@senatorgounardes.nyc

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## related legislation

2023-S5026

- Introduced
- In Committee Assembly
  - o In Committee Senate
- On Floor Calendar Assembly
  - o On Floor Calendar Senate
- Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor

Relates to protections for freelance workers

February 22, 2023

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