



## Legislation Text

---

**File #:** Res 0324-2014, **Version:** \*

---

### Res. No. 324

Resolution calling on the New York State Legislature to pass A.9742/S.7742 and the Governor to sign such legislation into law, which would create new provisions to prevent fraud in employment agencies by strengthening license procedures, general practice procedures, and enforcement.

By Council Members Dromm, Espinal, Gentile, Johnson, Koo, Mendez and Miller

Whereas, Employment agency abuse affects many people seeking employment in New York City and State on a daily basis; and

Whereas, There are approximately 300 licensed employment agencies in New York City; and

Whereas, Employment agencies are governed by the New York State General Business Law (“GBL”); and

Whereas, Unfortunately, the current provisions of the GBL offer insufficient protection for job seekers, especially low-wage workers; and

Whereas, For example, Section 185 of Article 11 of the GBL permits employment agencies to charge an advance fee prior to finding individuals employment, which potentially exposes the most vulnerable job seekers to employment agency fraud; and

Whereas, These agencies routinely accept advance fees from low-wage workers, fail to provide them employment in return, and keep the fee without providing a service; and

Whereas, A recent study conducted by New Immigrant Community Empowerment and the Urban Justice Center on individuals residing in Queens, New York found that 81% of survey respondents who used an employment agency to find work but were unable to find a job through the agency had been charged a fee; and

Whereas, Additionally, the study found that agencies do not inform job seekers that fees are

refundable and, in violation of existing provisions, refuse to refund excess fees; and

Whereas, A.9742, introduced by Assemblyman Francisco P. Moya and pending in the New York State Assembly, and companion bill S.7742, introduced by State Senator Diane J. Savino and currently pending in the New York State Senate, seek to amend the GBL by strengthening license and general practice procedures and enhancing enforcement in an effort to prevent fraud by employment agencies; and

Whereas, A.9742/S.7742 would amend the GBL to more effectively deter employment agency abuse; facilitate better enforcement of the GBL; help empower job seekers to hold employment agencies accountable; and improve the job market for low-wage workers; and

Whereas, New York State should enact provisions that better serve individuals seeking to gain employment and become contributors to our State's economy; now, therefore, be it

Resolved, That the Council of the City of New York calls on the New York State Legislature to pass A.9742/S.7742 and the Governor to sign such legislation into law, which would create new provisions to prevent fraud in employment agencies by strengthening license procedures, general practice procedures, and enforcement.

WJH  
LS 1889/1958  
6/5/14