



Legislation Text

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Int. No. 974

By Council Members Rosenthal, Miller, Rivera, Cornegy and Ayala

A Local Law to amend the administrative code of the city of New York, in relation to the disclosure in employment advertisements of mandatory arbitration and non-disparagement clauses in employment contracts

Be it enacted by the Council as follows:

Section 1. Chapter 5 of title 20 of the administrative code of the city of New York is amended by adding a new subchapter 20 to read as follows:

SUBCHAPTER 20

EMPLOYMENT ADVERTISEMENTS

§ 20-830 Employment advertisements. a. Definitions. As used in this subchapter, the following terms have the following meanings:

Employment advertisement. The term “employment advertisement” means any public solicitation, in print or electronic format, for applications for paid work in the city of New York.

Mandatory arbitration clause. The term “mandatory arbitration clause” means a contract clause that requires the settlement of some or all disputes through arbitration.

Non-disparagement clause. The term “non-disparagement clause” means a contract clause that restricts signatories from speaking in ways that damage a person’s reputation.

b. Disclosure of mandatory arbitration clauses and non-disparagement clauses. Persons in the city of New York shall, in employment advertisements for which the employment will be subject to a contract that includes a mandatory arbitration clause or non-disparagement clause, clearly and plainly disclose in such advertisement that the employment will be subject to a contract with such a clause or clauses.

c. Civil penalties. Any person who violates any provision of this section or any rule promulgated pursuant thereto is liable for a civil penalty of not less than \$500 or more than \$1,000 for each violation. For purposes of this section, each position for which an employment advertisement is published in violation of this section shall constitute a separate violation. A proceeding to recover any civil penalty authorized pursuant to this chapter is returnable to any tribunal established within the office of administrative trials and hearings or within any agency of the city designated to conduct such proceedings.

d. Enforcement. The department is authorized to enforce the provisions of this section.

§ 2. This local law takes effect 120 days after it becomes law; provided, however, that the department of consumer affairs may promulgate rules as may be necessary for the implementation of this local law prior to such effective date.

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