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New Year, New Employment Law Updates: New York's 2025 Updates

As 2025 begins, employers across New York state face a series of important employment law updates that will shape workplace policies and practices ranging from wage transparency to leave entitlements. Below we discuss the most significant New York legal updates employers should be aware of and what may be on the horizon later in the year.

Minimum Wage Increases

Effective January 1, New York's minimum wage increased. In New York City, on Long Island, and in Westchester County, the minimum wage increased to $16.50 per hour. In the rest of the state, it increased to $15.50 per hour. [1] Employers should verify that all employees' wages comply with the new rates and adjust pay scales accordingly.

Exempt Salary Threshold Increases

Although the proposed increases to the federal salary thresholds have been enjoined nationwide by a court, New York continues to increase these thresholds. Effective January 1, the minimum salary threshold for exempt executive and administrative employees in New York City, on Long Island, and in Westchester County increased to $1,237.50 per week ($64,350 annually). For the rest of the state, the threshold for those exemptions rose to $1,161.65 per week ($60,405.80 annually). These adjustments are part of the state's ongoing efforts to align salary thresholds with minimum wage increases.

Prenatal Care Leave

Effective January 1, New York implemented its pioneering Paid Prenatal Leave Law, making it the first state to mandate paid leave specifically for prenatal care. As previously reported in our Prenatal Care Leave alert, this law grants all private-sector employees in the state up to 20 hours of paid leave annually to attend pregnancy-related medical appointments, which can be taken in increments as short as one hour. Covered services include physical examinations, medical procedures, monitoring, testing, fertility treatments, and end-of-pregnancy care. The 20 hours of paid prenatal leave are in addition to any existing leave entitlements, such as New York state paid sick leave or other employer-provided leaves. Notably, this leave is exclusive to employees directly receiving prenatal healthcare and does not extend to spouses, partners, or other support persons. The law also prohibits employers from requiring employees to submit medical records, documents, or other confidential information about their health condition as a prerequisite for using paid prenatal leave.

Workers' Compensation for Job-Related Stress Claims

Effective January 1, an amendment to the New York Workers' Compensation Law (Senate Bill S6635) broadened the eligibility criteria for "mental injury" claims related to extraordinary work-related stress. Before this amendment, only identified emergency personnel, such as police officers, firefighters, paramedics, and emergency dispatchers, were permitted to file claims for psychological injuries resulting from high-stress work environments. This legislation removes those occupational restrictions, allowing all workers to seek compensation for mental injuries caused by exceptional workplace stress. Additionally, it prevents the Workers' Compensation Board from denying claims based on an argument that the stress experienced was not greater than normal workplace conditions, ensuring broader protections for employees struggling with severe work-related stress.

New York Retail Worker Safety Act

Effective March 3, the New York Retail Worker Safety Act will require retail employers with at least 10 employees to implement comprehensive workplace violence prevention measures. Such measures include establishing a written policy that identifies potential risk factors, such as late-night shifts, cash handling, and working alone, and outlining strategies to mitigate these risks. Employers are also required to provide interactive training programs covering de-escalation techniques, active shooter drills, and emergency procedures. Additionally, by January 1, 2027, retailers with 500 or more employees statewide must equip employees with a silent response button to request immediate assistance from a security officer, manager, or supervisor in the case of an emergency. The silent response button can be installed in an easily accessible location in the workplace or it can be a wearable or phone-based button. The New York State Department of Labor will offer model policies and training materials to assist employers with complying with this new law.

COVID-19 Leave Ending July 31

As we previously reported in our Expiration of COVID-19 Paid Sick Leave Law alert, the New York COVID-19 Sick Leave Law will expire on July 31. As of that date, employees will no longer be entitled to COVID-19 sick leave, although employees may use other qualifying leave for COVID-19-related reasons.

Reminder of Employment Law Developments in 2024

Paid Lactation Breaks

Effective June 19, 2024, all New York state employers are required to provide employees with 30 minutes of paid break time each time the employee has a reasonable need to express breast milk for up to three years following childbirth. This paid break is in addition to any existing paid break or meal times, which employees may also use for lactation purposes if needed. Employers are obligated to inform employees of these rights by providing them with the New York State Department of Labor's Policy on the Rights of Employees to Express Breast Milk in the Workplace upon hiring, annually thereafter, and upon an employee's return to work following childbirth. See our previous alert, Paid Lactation Breaks, for additional information.

New York State Clean Slate Act

As we previously reported in our alert, "New York Rings in the New Year With New Employment Laws," effective November 16, 2024, the New York State Clean Slate Act established an automatic sealing process for certain criminal records provided certain requirements have been met. Once sealed, these records are inaccessible for most civil purposes, including employment background checks. Employers must continue to comply with existing New York state and New York City laws regarding when criminal conviction inquiries may be made and factors to consider if an employer relies on this information.

Pending Noncompete Legislation

Although 2024 did not bring a change in noncompete law in New York, there was a lot of activity at the legislative level and similar activity is anticipated in 2025. At the state level, the New York Legislature reintroduced legislation (Assembly Bill 1361) that seeks to regulate the use of restrictive covenants, including noncompetes, by establishing clear limitations on their enforceability. If passed, the legislation would permit employers to require noncompetes but only if they meet specific conditions, such as being used to protect legitimate business interests, e.g., trade secrets, being reasonable in scope, and applying only to services the employee provided in the last two years of employment. The Legislature also reintroduced the Twenty-First Century Anti-Trust Act (Senate Bill 335), which aims to modernize New York's antitrust laws by strengthening regulations against monopolies, monopsonies, and anticompetitive practices, with significant implications for noncompete agreements. The bill explicitly prohibits restrictions on labor mobility, including limiting the use of noncompetes. We previously reported in our alert, Pending NYC Bills Addressing Noncompetes, on pending bills introduced by the New York City Council.

The Bottom Line

To prepare for and comply with these changes, employers should:

- review and update workplace policies, employee handbooks, and training materials;
- train HR and management staff on the new requirements;

- ensure compliance with wage adjustments and leave entitlement updates; and
- consult legal counsel to mitigate risks associated with noncompliance.

It is essential that employers act proactively to ensure compliance with New York's ever-evolving employment laws.

[1] *Note that there are separate wage minimums for tipped service workers.*

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