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Labor Law Amendments Limit Damages for Violation of New York's Weekly Pay Law

Law and the Workplace on **May 9, 2025**

As we've blogged on previously, there's a split in the New York intermediate-level appellate courts as to whether a private right of action exists for a violation of Labor Law § 191(1)(a), which—absent a waiver by the Commissioner of Labor—requires New York employers to pay "manual workers" no less frequently than weekly.

In 2019, the Appellate Division, First Department held in *Vega v CM & Assoc. Constr. Mgt., LLC* that such a private right of action exists and permits a plaintiff to seek liquidated damages equal to the amount of the late-paid wages. In 2024, the Appellate Division, Second Department held in *Grant v. Global Aircraft Dispatch, Inc.* that no such private right of action exists. The split has yet to be resolved by New York's highest court, the Court of Appeals.

As part of the FY26 budget process, the New York Legislature passed and Governor Kathy Hochul signed into law on May 9, 2025 amendments limiting damages for a violation of Labor Law § 191(1)(a) to the following, provided the employer has paid wages on a regular payday no less frequently than semi-monthly:

- For an employer's first violation, no more than 100% of the lost interest found to be due for the delayed payment of wages; and
- For conduct occurring after May 9, 2025, liquidated damages equal to 100% of the late-paid wages for any employer who, after May 9, 2025, has been subject to one or more previous findings and orders for violations of Labor Law § 191(1)(a) for which no proceeding for administrative or judicial review is pending and the time for initiation of such proceeding shall have expired and relating to employees performing the same work.

For purposes of the amendments, an "order" shall mean a single final order or determination made by the Commissioner of Labor or a court, regardless of the number of employees or the time period that was subject to such order.

The amendments—which will be reflected in Labor Law § 198—confirm that, other than set as set forth above for certain repeat violations after May 9, 2025 and provided the employer has regularly paid wages at least semi-monthly, liquidated damages shall not be available for violations of Labor Law § 191(1)(a).

The amendments take immediate effect as of May 9, 2025 and apply to causes of action pending or commenced on or after that date.

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