# **LABOR AND EMPLOYMENT LAW**

## **INFORMATION MEMO**

**DECEMBER 18, 2024** 

# New York State Introduces a Registration Requirement for Contractors and Subcontractors on Public and Private Projects

All contractors and subcontractors who submit bids or perform construction work on public work projects or private projects covered by Article 8 of the Labor Law are required to register with the New York State Department of Labor (NYSDOL) by Monday, Dec. 30, 2024, pursuant to N.Y. Labor Law Section 220-i. The new law is designed to ensure contractors and subcontractors working on public projects or projects receiving public funding "do not have previous labor law violations and will abide by the New York Labor Laws and Regulations, including prevailing wage requirements."

### Who is Covered?

Section 220-i(a) defines a contractor as "any entity entering into a contract to perform construction, demolition, reconstruction, excavation, rehabilitation, repair, installation, renovation, alteration, or custom fabrication." Under 220-i(b), a subcontractor is any entity who subcontracts with a contractor to perform any of the tasks mentioned in the contractor definition.

### What is Covered?

Private projects subject to Article 8 of the Labor Law include those covered by Labor Law Sections 224-a (public subsidy funded projects), 224-d (renewable energy systems), 224-e (broadband projects), and 224-f (climate risk-related and energy transition projects, and roadway excavations).

### **Registration Requirements**

Contractors and subcontractors will need to be able to provide the following information:

- 1. Business name and principal address
- 2. Contact phone number
- 3. Status as a person, partnership, association, joint stock company, trust, corporation, or other form of business entity
- 4. The name, address, and percentage interest of each person with an ownership interest
- 5. The names and addresses of the corporation's officers (if a publicly traded corporation)
- 6. Tax Identification Number (FEIN)
- 7. Unemployment Insurance Registration Number
- 8. Workers' Compensation Board Employer Number

- 9. Outstanding wage assessments
- 10. Federal or state debarment history over the last eight years
- 11. Final determinations of violations of any labor laws or employment tax laws including but not limited to:
  - Workers' compensation coverage requirements
  - Payment of workers' compensation premiums
  - Deduction and payment of income taxes
  - Payment of unemployment insurance contributions
  - Payment of prevailing wage
- 12. Final determinations of violations of any workplace safety laws or standards, including federal Occupational Safety and Health Act (OSHA) standards
- 13. Participation in a New York State Apprenticeship Program, if applicable
- 14. Status as a New York State certified Minority or Women-owned Business Enterprise (MWBE), if applicable
- 15. Proof of Workers' Compensation Insurance Coverage

### **Penalties for Failing to Register**

Pursuant to Section 220-i(8), "a contractor bidding on a contract for public work knowing it is not registered, or allow[ing] a subcontractor to commence work on a covered project that it knows or should have known is not registered," can be subject to a fine of up to \$1,000. Subcontractors that knowingly engage in projects that are covered but unregistered will be subject to the same penalty. NYSDOL encourages all contractors and subcontractors to register as soon as possible to avoid negatively impacting a bidding period or project schedule. Contractors are responsible for verifying that all of their subcontractors are properly registered.

If approved, contractors and subcontractors will receive a Certificate of Registration electronically. If registration is not approved, contractors and subcontractors can request a hearing within 30 days of notification.

If you have questions about registering your business, please reach out to any attorney in Bond's labor and employment practice or the attorney with whom you regularly work. To stay fully up to date on employment law in New York, subscribe and visit Bond's New York Labor and Employment Law Report and attend Bond's complimentary weekly webinar series offered every Tuesday at noon.









