Labor & Employment

First Notices Under New York's Wage Theft Prevention Act Due February 1, 2012

As of January 1, 2012, New York State employers became subject to the requirements of the state's new Wage Theft Prevention Act (the "WTPA"). The WTPA imposes significant new requirements on New York employers.

First, employers must provide employees written notification of pay rates and schedules both at the time of hire and on an annual basis, between January 1 and February 1 of each year. The first annual notification for current employees is due by February 1, 2012. These notices must include the following information:

- Rate(s) of pay (hourly, shift, day, week, salary, piece, commission or other);
- Regular pay day or pay schedule;
- Name, address, and telephone number of the employer;
- Allowances taken as part of minimum wage (tips, meal deductions, etc.);
- For exempt employees only: the basis for their exemption and regular and overtime pay rates;
- For commissioned employees only: employees must be offered a written commission agreement, which must be attached to the employee's annual pay notice and which the employee should sign and return.

Note that the WTPA also requires that <u>before</u> an employer decreases an employee's rate of pay, the employer must provide the employee with written notice of the change.

Second, notices must be delivered in both English and the employee's primary language, but only if the employee's primary language is Spanish, Chinese, Korean, Haitian Creole, Polish, or Russian. The New York State Department of Labor has prepared sample notice forms in all required languages, which can be found here. For quick reference, the department has also provided a summary of the requirements for the notice forms, which can be found here.

Finally, once an employer distributes these notices, the employer must collect signed, dated acknowledgment forms confirming that employees received all of the required materials. The law also requires that employers keep all records of compliance on file for at least six years. Employers may distribute the notices electronically, but only if employees can electronically acknowledge receipt and print out a copy for their records.

Employers should check to ensure that all employees receive the required notices by February 1, and that each employee returns an acknowledgment of receipt.

For more information concerning this new requirement, or employer obligations under the Wage Theft Prevention Act, please contact an attorney in Ropes & Gray's Labor and Employment department.