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How the Mamdani Administration and the Next City Council Can Tackle the Affordability Crisis with Good Jobs That Help New Yorkers Thrive

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Summary

Mayor-elect Zohran Mamdani's vision of a city that centers working-class New Yorkers is grounded in a transformational approach that addresses root causes, not just symptoms. At the National Employment Law Project (NELP), we understand that the deeper affordability crisis facing our city is rooted in an economy where too many New Yorkers are working in jobs that don't pay enough, lack basic protections, and offer no path to stability. A just and livable city must be built on the foundation of a *good-jobs economy*—a bold reimagining where living wages, fair conditions, and worker power are non-negotiable.

Tackling the affordability crisis to make New York City a place where working people can make a living and thrive calls for an all-of-government, multi-pronged approach. But a key piece of the solution must be ensuring that employers deliver good jobs with living wages and the protections that New Yorkers need. To do that, the Mamdani administration and the next City Council should adopt new labor standards and protections, while simultaneously strengthening the tools and capacity of the city's labor agency to implement them. Together with parallel action to promote a resurgence of the labor movement and more good union jobs, these strategies can help build the type of good-jobs economy that working families deserve and that will benefit *all* New Yorkers by creating a more just, resilient city that truly reflects our shared values.

Key Recommendations

- Tackle the affordability crisis by enacting a city minimum wage and other new worker protections such as banning non-competes
- Give city labor agencies the capacity and tools they need to enforce New York's nation-leading worker protection laws
- Protect workers facing abusive conditions in low-road industries and from threatened immigration enforcement
- End abrupt and unfair firings, and guarantee severance pay
- Protect workers from abusive uses of AI and surveillance in the workplace

1. Tackle the Affordability Crisis by Raising the Minimum Wage and Enacting New Worker Protections

Higher labor standards should be at the center of the city's strategy for promoting more good jobs.

Make the minimum wage a living wage by enacting a city wage law.

Raising pay for working families is essential for making New York a city we can afford. But while many other high-cost cities have enacted higher city minimum wages over the past 20 years—for example, Seattle's is \$20.76, and Los Angeles passed a \$30 minimum wage for airport and hotel workers—under state law, New York City's minimum wage will be just \$17.00 in 2026. A 60-year-old court ruling suggested that cities in New York can't raise local minimum wages on their own but experts believe this ruling is ripe for reconsideration by New York's courts. The new mayor and City Council should start by passing Int. 1391-2025, currently pending in the city council, which would raise the minimum wage for New York's security guard industry—a key sector where low pay and poor working conditions are undermining public safety. Then they should build on it by enacting a true New York City minimum wage that's in line with the city's high cost of living—and ask New York's courts or the legislature to clarify that cities in the state can and should be able to raise the minimum wage, as cities like Los Angeles, Chicago, Denver, and Minneapolis already do. This could be done either by simply passing a city minimum wage and litigating it up to the New York Court of Appeals, or by seeking clarification from the legislature as part of this year's state budget negotiations.

Raise New Yorkers' pay and protect them from being trapped in abusive jobs by banning "non-compete" job restrictions.

Growing numbers of companies subject their workforces—both service workers and professionals—to "non-compete" restrictions, which prevent employees from leaving their jobs to take a better-paying position at another company in the same field. These restrictions not only suppress pay but can also trap people in jobs where they are being harassed or mistreated. Former President Biden's Federal Trade Commission issued a rule banning non-competes, but federal judges appointed by Trump blocked the ban and the Trump FTC has now abandoned the rule. New York's legislature also tried to ban non-competes, but Governor Hochul gave in to pressure from Wall Street and vetoed it. The next mayor and City Council should protect working New Yorkers from these abusive non-compete restrictions by working to pass Int. 0140-2024 and Int. 0375-2024, which will prohibit these practices for both employees and freelancers in the city.

2. Protect Workers and Responsible Employers by Giving City Labor Agencies the Capacity and Tools to Enforce New York's Nation-Leading Worker Protections

New York City has been pioneering some of the most important new protections for workers in our evolving economy, and the Department of Consumer and Worker Protection (DCWP) has quickly become

one of the nation's premier labor enforcement agencies. It has achieved impressive results on a relatively small budget: recovering over \$50 million for workers in the past four years; setting a minimum pay rate for app delivery workers of \$21.44 that has raised workers' pay by over \$1 billion; and developing a national reputation for data-driven, workplace-wide enforcement of worker protections. But as the agency's mandate grows, without adequate staff capacity and tools for efficiently implementing and enforcing these protections, its impressive track record is at risk, and it will struggle to continue to be effective in making work better and more secure.

Significantly expand staffing at the Department of Consumer and Worker Protection.

Staffing at the DCWP's Office of Labor Policy & Standards (OLPS)—the lead entity charged with enforcing all of the city's new worker protections—has not kept pace as worker complaints surged beginning in 2023, and as the city enacted and charged DCWP with enforcing new protections in 2025, including an expansion of the delivery worker minimum pay rate to Instacart, Amazon Flex, and other delivery apps, and an expansion of Paid Safe and Sick Leave protections to cover childcare obligations and other needs. In fact, only about 10% of the agency's overall staffing is currently devoted to worker protection. OLPS's current staff lines should be at least doubled just to meet current understaffed enforcement responsibilities. Then, as new laws are enacted— everything from a city minimum wage, to a non-compete ban, to further protections for Amazon and app-based workers—staffing should be expanded further in proportion to those responsibilities. The first phase of this needed staffing expansion could be achieved in part by reallocating to OLPS the 45 new staff lines at the Department of Transportation that Mayor Adams pledged for punitive traffic enforcement against delivery workers—which is the wrong way to keep New Yorkers safe and will only endanger delivery workers by potentially opening them up to ICE enforcement.

Restore staffing levels at the City Commission on Human Rights.

This agency plays a critical role in enforcing our anti-discrimination laws, including those protecting immigrants against retaliation based on their immigration status (real or perceived). But the Commission on Human Rights' staffing was slashed during the Bloomberg years and never fully restored. At a time when the Trump administration is dismantling our civil rights laws and immigrant communities are under attack, this vital agency needs a substantial increase in its enforcement staffing to enable it to protect New Yorkers, as well as more effective enforcement tools, as the New York City Human Rights Law Working Group has recommended.

Streamline DCWP enforcement to make it more efficient and less resourceintensive.

Currently, when DCWP seeks to enforce New York's worker protections, it is required to pursue an unusual and lengthy legal process that includes bringing a lawsuit at the Office of Administrative Trials and Hearings (OATH) to win a recommended order from the city's administrative law judges, whose sympathies often lie with employers charged with violations. It can take years for OATH to hear the case and issue a decision, and only then can DCWP order an employer to pay workers compensation for violations they experienced years ago. This structure poses significant obstacles to labor enforcement by increasing the agency's staffing costs required for each action, and making enforcement a lengthy, uncertain process. This cumbersome process ultimately results in less enforcement and emboldens employers to hold out and resist settling meritorious claims. The next mayor and City Council should make enforcement simpler and less resource-intensive by allowing DCWP to operate the way that the New York State Department of Labor does: allowing it to issue findings of violations, which employers may then appeal to OATH if they choose.

Fund enforcement with civil penalties paid by violators and increase enforcement capacity with Private Attorneys General Act enforcement.

California and Seattle have increased resources for labor enforcement by including civil penalties paid to the state or city as one of the sanctions for violations and earmarking the revenue generated for labor agency enforcement operations. New York City should do the same. In addition, it should provide additional capacity for enforcement by authorizing "private attorneys general"-type enforcement, as California and Chicago do, by allowing workers, unions, and other worker organizations to sue over violations of city labor protections, with some of the revenue generated used to compensate workers, and the remainder used to fund the agency and fund know-your-rights education by worker organizations.

Create a high impact affirmative enforcement capacity at the Corporation Counsel.

To enhance enforcement of New York City's worker, consumer, and other key protections, and expand the city's ability to fight abusive practices, including attacks by the Trump administration, the Corporation Counsel needs a much stronger affirmative enforcement team. San Francisco (a city just a fraction the size of New York) has led the way in this regard with an innovative affirmative enforcement unit that functions more like a state attorney general's office. The Corporation Counsel's Affirmative Litigation Division is understaffed with limited capacity to support worker protection enforcement. It needs more experienced attorneys to bring high-impact enforcement actions under the city's worker and consumer protection laws, and other affirmative litigation to defend New Yorkers' interests.

Leverage city procurement and licensing to improve labor enforcement.

The city should also enhance labor enforcement by leveraging its vast contracting and licensing operations. Contractors that fail to remedy violations or cooperate with investigations of city or state worker protections should not be able to do business with New York City or maintain city licenses. The mayor should issue an executive order directing the Mayor's Office of Contract Services (MOCS) and contracting agencies to notify any city vendor under DCWP investigation that it will be disqualified for failure to

cooperate with the investigation or failure to pay workers relief and penalties for any violations found. The executive order should also direct MOCS to collaborate with the New York State Department of Labor to ensure that city vendors similarly cooperate and pay what they owe for violations of state law.

3. Protect Workers Facing Abusive Conditions

As the federal government has withdrawn from worker protection and Albany has often failed to act, New York City is increasingly the lead agency protecting working New Yorkers against abuses on the job. The next mayor should build on this foundation by addressing conditions in problem industries where growing numbers of New Yorkers are employed.

Protect "last mile" delivery workers.

The explosion of e-commerce retailing with next day delivery has given rise to a vast workforce of "last mile" delivery staff working for Amazon and other big corporations. The large volume and rapid delivery pace of this business model have put tremendous pressure on delivery staff, endangering both the public and workers. A new analysis by New York City Comptroller Brad Lander's office shows that as last mile vehicles and staff have flooded city streets, they have been involved in high rates of traffic accidents, and delivery workers are seeing elevated rates of injury on the job. The city's ability to regulate this industry to protect workers and the public has been undermined by the retail giants' use of a complex combination of sub-contracted, unaccountable vendors (so-called "Delivery Service Provider" contractors), combined with an "Uber"-ized team of workers misclassified as independent contractors delivering packages with their own vehicles (known as "Amazon Flex"). A key first step for establishing standards over this system to protect the workforce and the public is to require the corporations to more actively manage their delivery staff. To do this, the City Council has proposed the Delivery Protection Act, which would require ecommerce companies to employ those workers directly (not as out-sourced contractors), following an approach that New York has recently used for hotels. The next mayor should work with the City Council to pass and implement this needed reform.

Extend predictable scheduling and overwork protections to warehouse workers and others.

The spread of algorithmic, unpredictable scheduling is harming low wage workers in New York, leaving them unable to plan their lives and budgets, as their schedules and earnings fluctuate with variable hours and unpredictable shifts. In 2017, the city adopted fair scheduling protections for workers in the fast food and retail sectors. Forthcoming research from the Harvard Kennedy School and the Shift Project shows that this law has resulted in more stable schedules and incomes for this workforce. The new administration should build on its success by expanding these protections to other industries, starting with e-commerce warehousing. That's another problem sector where corporations like Amazon use a combination of unpredictable, constantly changing schedules, and extreme overwork, including 12-hour shifts and forced overtime requirements. These grueling demands are resulting in high levels of stress and injuries. The next mayor and City Council should protect workers by extending the fair workweek law to cover scheduling in this growing industry, while also banning forced overtime and discouraging excessive hours by requiring overtime premium pay for very long shifts.

Protect immigrant workers by helping employers and workers prepare for possible ICE enforcement.

As the Trump administration attacks New York's immigrant communities, working New Yorkers and employers face the threat of disruption and dislocation that can hurt their families and businesses. To help both prepare, the City Council should pass legislation soon to be proposed by Council Member Shahana Hanif that would ensure transparency and create procedural safeguards for workers when employers or ICE conduct immigration audits. This important legislation would also ensure that employers and workers are prepared for any potential law enforcement interactions in the workplace through required training, notices, and written protocols.

4. Protect Workers from Abrupt and Unfair Firings

Losing a job abruptly and without a good reason, a fair process, or severance pay wreaks havoc on employees' lives, leaving them with no paycheck and bills coming due. In 2021, New York City enacted one of the nation's first "just cause" laws to protect fast food workers against unfair firings. With an economy weakened by the Trump administration's policies and by the spread of Al making jobs more precarious, the next mayor and City Council should now expand such protections to more New Yorkers.

Protect app-based drivers and delivery workers against unfair firings or "deactivations."

New York has been leading the nation in enacting strong labor standards for app-based workers like ride-hail drivers and delivery workers. But the gig corporations have responded by pressuring workers to risk their lives speeding through traffic to meet unrealistic delivery times, making work schedules difficult to access, and using punitive ratings systems to punish workers unfairly, often without advance notice or a fair process for challenging the decision. The City Council is currently poised to extend New York's successful fast food just cause law to protect ride-hail workers by passing Int. 0276-2024. The next mayor and City Council should extend those same protections to delivery workers by passing Int. 0276-2024.

Extend "just cause" protections to all New York workers.

The next mayor and City Council should also build on that momentum to extend the same just cause job protections to all working New Yorkers. New York's fast food just cause law has brought more stability to fast food workers' lives and allowed <u>Starbucks workers who were fired while trying to unionize to challenge their dismissals and get their jobs back</u>. But unfair firings aren't limited to fast food, ride-hail, and delivery workers. In a 2023 survey, New Yorkers reported that <u>when they have been fired, 90% were given no advance notice and 60% were given no reason</u> or a reason they felt was unfair or inaccurate. That's why workers in other industries are calling for the city to expand the successful just cause law to all working New Yorkers by passing the Secure Jobs Act, Int. 0837-2022.

Ensure that all New Yorkers receive severance pay when they lose their jobs.

In addition to protections against unfair firings, severance pay is a key life-line for helping New Yorkers who lose their jobs pay their bills while they look for new employment. But 66% of workers receive no severance pay when they are terminated. Lack of severance pay especially hurts Black New Yorkers, who tend to be out of work longer when they lose their jobs, and undocumented immigrant New Yorkers who, despite paying taxes, are excluded from receiving unemployment insurance when they are between jobs. To protect New Yorkers as the economy weakens and as Al makes more jobs precarious, the next mayor and City Council should take the simple step of making severance pay mandatory for all discharged workers—either as part of passing the Secure Jobs Act, or as stand-alone legislation.

5. Protect Workers from Abusive Uses of Al and Surveillance in the Workplace

While AI and other new tech tools offer the potential to boost productivity, improve government services, and make New Yorkers' lives better, their growing deployment in workplaces also poses significant risks and needs to be managed with guardrails—as states and other countries are starting to do.

Ban surveillance pay and price discrimination.

Corporations are increasingly exploiting <u>individualized data indicating how desperate workers and consumers</u> are in order to low-ball pay for those who most need the income, and jack up prices on those who may be willing to pay more. <u>App-based companies like Uber</u> are <u>leading the charge in deploying these tactics</u>, but experts warn that employers in other industries are starting to use this approach to set <u>compensation incentives</u> and to set <u>prices based on personalized data</u>. Efforts in other states to ban these abusive practices have been <u>blocked or watered down by a lobbying blitz by big tech</u>. This year <u>New York State began requiring that the use of surveillance pricing be disclosed</u> to consumers. But disclosure alone is not enough. The next mayor and City Council should build on that first step by banning these practices altogether.

Protect working New Yorkers from being surveilled at work and then fired by a robot.

Unless regulated, AI and digital technologies, including workplace <u>surveillance and automated decision</u> <u>systems</u>, threaten to degrade pay and working conditions. Employers are increasingly using such "bossware" to evaluate, discipline, and discharge workers, and push them to work ever faster. Some <u>workers are now being "fired by a robot"</u>—sometimes with little human oversight. The next mayor and City Council should regulate abusive bossware. The most effective way to do this is by passing <u>the proposed</u> <u>Secure Jobs Act</u>, <u>Int. 0837-2022</u>, which was designed to include key protections when bossware systems are used in evaluating or discharging workers.

Establish sectoral standards boards to set industry-based guardrails for use of AI and bossware.

Sectoral standards boards are a key new approach that states are now deploying to improve job conditions and curb abusive practices at the industry level. Such boards, which are composed of worker, employer, and government representatives, meet to develop proposed labor standards for an industry, which are then reviewed, approved or modified, and made legally binding by a labor agency. Because uses and risks associated with deployment of Al and bossware are different for nurses, journalists, property service workers, and warehouse workers, sectoral standards boards can offer an effective way to implement guardrails for these technologies that are tailored to the risks posed in specific industries, as well as to establish needed pay and benefits standards to improve conditions at the industry level. The next mayor and City Council should enact a sectoral standards board system for New York City, which would then allow workers to petition to convene a standards board to set standards for their industry.

Fix the New York City law that was supposed to ensure that AI and algorithmic hiring systems are not smokescreens for discrimination.

Local Law 144 of 2021 was supposed to protect New Yorkers against all of the ways automated job applicant screening and other uses of Al can introduce bias into hiring by requiring pre-use bias audits of such systems. But it was poorly designed with numerous loopholes and so has proven ineffective. Much of the problem derives from the fact that the law was designed by a tech corporation seeking to drum up consulting business for itself. Local Law 144 should be overhauled to actually provide the protection it promised by closing loopholes and adding meaningful enforcement, including agency enforcement and a private right of action, like most other city worker protections have.

By building a good-jobs economy from the ground up, New York City can lead the nation as a beacon of equity, dignity, and shared prosperity—modeling how cities can boldly deliver for working people and confront inequality head-on.

About NELP

Founded in 1969, the National Employment Law Project (NELP) is a nonprofit advocacy organization dedicated to building a just and inclusive economy where all workers have expansive rights and thrive in good jobs. Together with local, state, and national partners, NELP advances its mission through transformative legal and policy solutions, research, capacity-building, and communications. NELP is the leading national nonprofit working at the federal, state, and local levels to create a good-jobs economy. Learn more at www.nelp.org.