

Workplace Legal Alert



Law Office of
Ralph A. Somma
Labor & Employment Law

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Independent Contractors: Freelance Isn't Free Act

New York's Freelance Isn't Free Act (FIFA), effective August 28, 2024, imposes new legal obligations upon companies that hire an independent contractor to perform services valued at \$800 or more. The \$800 threshold applies to single contracts or those, which, in the past 120 days, exceed \$800 in the aggregate (excepting, attorneys, medical professionals, sales representatives and construction contractors). A similar law has been in effect in New York City since 2017.

FIFA requires:

1. a written contract specifying the (a) parties' name and address; (b) services to be performed; (c) value of the services; (d) rate and method of pay; (e) date or mechanism to determine when payment is due (no later than 30 days after completion); and, (f) date the freelancer must submit a list of services rendered to initiate payment; and,
2. written freelancers' contracts be kept for at least 6 years.

The failure to maintain a written contract creates a presumption that the terms presented by the freelancer are the agreed-upon terms between the parties.

Hiring parties are prohibited from harassing, discriminating, threatening, intimidating, disciplining, or denying work to a freelance worker for exercising any rights under the FIFA.

FIFA permits recovery of double damages (i.e., 200% of the underpayment), injunctive relief, attorneys' fees and costs, civil penalties, and other remedies as may be appropriate.

If you have any questions or concerns, do not hesitate to contact me.

