

## Reminder: NYC's Freelance Isn't Free Act Takes Effect on May 15

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On May 15, 2017, New York City's ***Freelance Isn't Free Act ("FIFA")*** will take effect. FIFA requires parties that retain "freelance workers" to provide any service where the contract between them has a value of \$800 or more to reduce their agreement to a written contract.

FIFA defines a freelance worker as "any natural person or any organization composed of no more than one natural person, whether or not incorporated or employing a trade name, that is hired or retained as an independent contractor by a hiring party to provide services in exchange for compensation." Importantly, the law does not cover organizations or more than one natural person.

The \$800 threshold is reached either by itself or when aggregated with all contracts for services during the preceding 120 days. The contract must include, at a minimum, the following information:

- the name and address of both the hiring party and the freelance worker,
- an itemized list of the services that will be provided and the value of those services,
- the rate and method of compensation, and
- the date on which payment is due or the mechanism by which such date will be determined.

If no payment due date is indicated in the contract, the hiring party must pay the freelance worker within 30 days of the completion of services.

A hiring party is also prohibited from threatening, intimidating, disciplining, harassing, denying a work opportunity, or discriminating against a freelance worker who exercises his or her rights under FIFA.

The law establishes penalties for violations of these rights, including statutory damages, double damages, injunctive relief, and attorney's fees.

In anticipation of May 15, 2017, employers should ensure that contracts entered into with freelance workers (or existing contracts that are renewed) with a value of \$800 or more comply with FIFA.

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