

New York's Highest Court Establishes Lowered Threshold for Punitive Damages Under New York City Law

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In *Chauca v. Abraham*, No. 113 (November 20, 2017), the New York State Court of Appeals clarified the standard for awarding punitive damages under the New York City Human Rights Law (NYCHRL). Unlike Title VII of the Civil Rights Act of 1964, which provides for punitive damages where a plaintiff proves malice or reckless indifference, the NYCHRL does not articulate such a standard. In rejecting the Title VII standard for punitive damages, the New York State Court of Appeals held that “the standard for determining punitive damages under the NYCHRL is whether the wrongdoer has engaged in discrimination with wilful [sic] or wanton negligence, or recklessness, or a ‘conscious disregard of the rights of others or conduct so reckless as to amount to such disregard.’”

Background

In the case, Chauca sued her former employer and two of her supervisors in the U.S. District Court for the Eastern District of New York for sex and pregnancy discrimination under, inter alia, Title VII and the NYCHRL. At trial, the district court judge denied Chauca’s request for a jury instruction on punitive damages under the NYCHRL because her evidence did not meet the legal standard under Title VII. Chauca appealed the denial of a jury instruction on punitive damages, and the Second Circuit Court of Appeals certified the question to the New York State Court of Appeals. In rejecting the district court’s approach, the court of appeals focused on the legislative intent of the NYCHRL and held that “‘the provisions of [the NYCHRL] shall be construed liberally . . . regardless of whether federal or New York State civil or human rights laws . . . have been so construed.’”

Key Takeaways

This decision serves as a reminder that courts are required to construe the NYCHRL more liberally and broadly in favor of discrimination plaintiffs than its federal and state counterparts, Title VII and New York State Human Rights Law. Employers may want to carefully consider their employment practices within New York City in light of this decision.

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