

## New York State Court Strikes Down Prevailing Wage Law for New York City Contractors

**Published Date:** August 30, 2013

**Author:** [A. Sonu Ray](#) (New York City)

**Published Date:** August 30, 2013

**Author:** [A. Sonu Ray](#) (New York City)

1 0 Google + 0

**Published Date:** August 30, 2013

*Mayor of the City of New York v. New York City Council*, No. 451369/2012 (N.Y. Sup. Ct., N.Y. Cty. Aug. 5, 2013): In a decision that pitted the Bloomberg administration against the New York City Council, a New York state court struck down the prevailing wage bill that was passed by the City Council last year. The legislation would have raised wages for janitors, security guards, and other building service workers in structures that received substantial government subsidies or where the city was a major tenant. Specifically, the law would have required a wage of \$10 an hour with benefits or \$11.50 an hour without benefits; the current state minimum wage is \$7.25 an hour, set to rise to \$8.00 after December 31, 2013. However, the court ruled that the prevailing wage law was invalid because it was preempted by the state minimum wage law.

Mayor Michael R. Bloomberg had vetoed the legislation, asserting that it would deter businesses from New York City. The City Council overrode his veto as well as a veto concerning a living wage bill, which would have raised pay for a broader range of workers whose employers receive subsidies. In response, the Bloomberg administration sued the City Council over the prevailing wage law in state court and the living wage law in federal court; the federal case was dismissed based on the administration's lack of standing. As for prevailing wages, they are set by the city comptroller for work on public projects, which vary by occupation and reflect union rates. Even if the prevailing wage bill had not been overturned, it was not expected to have a major impact on wages because most of the workers affected by the bill are already paid the proposed prevailing wage rates. In any event, the City Council has indicated that it will appeal the decision to the New York Appellate Department. We will continue to monitor the legislation as the Bloomberg administration comes to a close and the next New York City mayor takes office in January 2014.

**Note:** This articles was published in the [August 2013 issue](#) of the *New York eAuthority*.

Posting and viewing of the information on this website is not intended to constitute legal advice or create an attorney-client relationship.

Privacy & Cookie Policy Disclaimer © [site-date-yyyy], Ogletree, Deakins, Nash, Smoak & Stewart, P.C., All rights reserved.

**Source URL:** <http://www.ogletreedeakins.com/publications/2013-08-30/new-york-state-court-strikes-down-prevailing-wage-law-new-york-city-contract>