

Calling All New York Property Owners: The New York Labor Law Affects You!



WHY SHOULD YOU BE CONCERNED?

The New York Labor Law imposes “**strict liability**” on property owners and contractors for injuries to workers when making repairs/alterations to your building. This means **the property owner can be held responsible** for compensating the injured worker in the event that they sustain an injury, **even if the worker is 100% at fault**. Depending on the severity, these judgements can amount to values between **\$250,000 to \$1,000,000** and sometimes higher!

THE TRUTH:

Injuries happen. Approximately **two deaths per day** on average are reported due to fatal falls from ladders, scaffolds, buildings, and other height-related incidents according to a study conducted by the National Institute of Occupational Safety and Health (NIOSH). Falls from scaffolds on average represent **50 deaths annually** and approximately **4,500 injuries**. Injuries can also result from falling objects or construction debris on the jobsite.

HOW TO AVOID A POTENTIAL LAW SUIT:

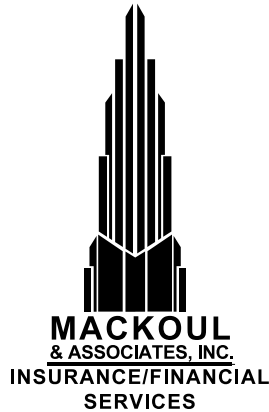
As a property owner, you have a certain level of obligation to qualify the contractors that are hired. Make sure to hire competent general contractors who understand the importance of carrying the proper insurance coverage including Commercial General Liability (CGL) and Workers’ Compensation coverage. **Below are six basic risk management techniques that can add significant protection against law suits:**



1. *Require the contractor to provide a written safety plan and ask them if they will be performing any risky height related work. Clearly communicate that contractors are **NOT** to use your ladders, scaffolding, tools or other construction related equipment.*
2. *Review written contracts with your attorney before signing anything. A poorly designed contract can leave you without the protection you need. Your contract should state that all subcontractors must carry the minimum required General Liability limits.*
3. *Require the general contractor to agree to indemnify and hold you harmless for any losses which occur during the repairs.*
4. *Require a waiver of subrogation agreement from the general contractor.*
5. *Require the general contractor and subcontractors to add you as an additional insured on their General Liability policies.*
6. *Require the General Contractor to supply you with a certificate of insurance **BEFORE** they are allowed to start working. After the work has started, you should have a system in place to make sure you obtain updated certificates prior to their insurance expiring.*

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SAMPLE LANGUAGE

INDEMNIFICATION:

TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR SHALL FULLY PROTECT, INDEMNIFY, AND SAVE AND HOLD HARMLESS THE OWNER FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, DAMAGES, LIENS, LIABILITIES, ATTORNEYS' FEES, LOSSES AND EXPENSES, AND/OR CAUSES OF ACTION OF ANY AND EVERY NATURE WHATSOEVER ARISING IN ANY MANNER, DIRECTLY OR INDIRECTLY, OUT OF OR IN CONNECTION WITH, OR IN THE COURSE OF OR INCIDENTAL TO ANY OF CONTRACTOR'S WORK OR OPERATIONS HEREUNDER. CONTRACTOR'S OBLIGATIONS TO INDEMNIFY AND HOLD HARMLESS OWNER AS STATED ABOVE SHALL APPLY IF AND TO THE EXTENT SUCH CLAIM, CAUSE OF ACTION, DEMAND, DAMAGE, LIEN, LIABILITY, FEE, LOSS OR EXPENSES IS CAUSED, IN WHOLE OR IN PART, BY ANY NEGLIGENT ACT OR OMISSION OR BREACH OF CONTRACT BY CONTRACTOR OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY CONTRACTOR OR ANYONE FOR WHOSE ACTS CONTRACTOR IS OR MAY BE LIABLE OR IS CAUSED BY OR ARISES OUT OF THE USE OF ANY PRODUCTS, MATERIAL OR EQUIPMENT FURNISHED BY CONTRACTOR.

INSURANCE REQUIREMENTS:

Before commencing work, the Contractor/Subcontractor shall furnish [REDACTED] with certificates of insurance showing that the following insurance is in force. All insurance shall be carried with companies which are financially responsible and authorized to do the business in the State of New York. [REDACTED] shall be named as an Additional Insured on each certificate.

(A) Workers Compensation, in accordance with State Workers' Compensation laws, for all employees engaged under the construction contract.

(B) Commercial General Liability, which is comprehensive general liability insurance (bodily injury and property damage) and must include products and completed operations. The minimum amount of required coverage is \$1,000,000 per occurrence. The policy shall cover all operations of the contractor in connection with the project, including use of all equipment, hoists, and vehicles on the project site.

(C) Automobile Liability on owned, non-owned and hired motor vehicles used on or in connection with the site(s) for a combined single limit for bodily injury and property damage of not less than \$500,000 per occurrence.

Expiration or Cancellation. If any insurance is due to expire during the construction period, the contractor/subcontractor shall not permit the coverage to lapse. All certificates of insurance, as evidence of coverage, shall provide that no coverage may be canceled or non-renewed by the insurance company until at least a 30-day prior written notice has been given to [REDACTED].

Noncompliance. The Contractor shall ensure that the coverage required by the contract is kept in force until the work is accepted by [REDACTED]. The Contracting Officer shall notify the contractor to stop work if the required insurance coverage is not in force at the time the work begins or if the coverage expires or lapses before the work is accepted. The Contracting Officer also shall notify the contractor that any such work stoppage is an infraction of the contract and that the contractor is liable for any losses or delays.