

NEW YORK LABOR LAW: CERTAIN EMPLOYEE INVENTIONS BELONG TO EMPLOYEES

INSIGHT

New York's recent addition of Section 203-f to Labor Law declares unenforceable any provisions in existing and future employment agreements requiring an employee to assign to the employer those inventions developed entirely on the employee's own time without using the employer's equipment, supplies, facilities or trade secrets.

The new law is rooted in public policy to strengthen IP protections for workers, encourage innovation, and grow the New York tech sector. The new law does not apply to inventions that "relate to" the employer's business or "result from" work performed for the employer, but the legislature recognized that "overly broad contracts can rob employees of their intellectual property." As a result, certain inventions made while under an employment contract are non-assignable by the employment contract.

The intent is to catch up to jurisdictions such as California, where similar protections already exist. Additional jurisdictions which limit employer-required assignments include Delaware, Illinois, Kansas, Minnesota, Nevada, New Jersey, North Carolina, Utah, and Washington.

Employers should review their employment agreements for compliance with assignment limitations and ensure there is a severability clause in existing agreements to preserve their enforceability.

Harris Beach's [Intellectual Property lawyers](#) and [Labor and Employment lawyers](#) are tracking this and related matters. Should you have questions, please reach out to attorney [James R. Muldoon](#) at (315) 214-2021 and jmuldoon@harrisbeach.com; attorney [Marina Plotkin](#) at (212) 313-5409 and mplotkin@harrisbeach.com; attorney [Daniel J. Moore](#) at (585) 419-8626 and dmoore@harrisbeach.com; or the Harris Beach attorney with whom you most frequently work.

This alert is not a substitute for advice of counsel on specific legal issues.

Harris Beach has offices throughout New York state, including Albany, Buffalo, Ithaca, Long Island, New York City, Rochester, Saratoga Springs, Syracuse and White Plains, as well as Washington D.C., New Haven, Connecticut and Newark, New Jersey.

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