

# STATE OF NEW YORK

1251

2021-2022 Regular Sessions

## IN ASSEMBLY

January 7, 2021

Introduced by M. of A. REYES -- read once and referred to the Committee on Labor

AN ACT to amend the workers' compensation law, in relation to the direct deposit of benefits; and amending a chapter of the laws of 2020 amending the workers' compensation law relating to the direct deposit of benefits, as proposed in legislative bills numbers S.7210 and A.7579, in relation to the effectiveness thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision 9 of section 25 of the workers' compensation law, as amended by a chapter of the laws of 2020 amending the workers' compensation law relating to the direct deposit of benefits, as proposed in legislative bills numbers S.7210 and A.7579, is amended to read as follows:

9. Direct deposit. (a) Compensation payments [~~or any portion of compensation payments~~] shall be [~~allowed~~] required, upon the written request from an injured worker or a person entitled to a death benefit provided by this chapter, to be deposited directly in a bank for any purpose to an account in the name of such injured worker or person entitled to [~~a~~] death [~~benefit~~] benefits, [~~on forms provided by the board,~~] and duly filed in accordance with such regulations. Each person eligible to receive payment of compensation or [~~a~~] death [~~benefit~~] benefits under this section shall be notified of the option to receive such payment in the form of direct deposit from the carrier or self-insured employer, such notice to be promulgated by the board. Such eligible person shall also be provided the [~~forms~~] means necessary to enroll in direct deposit pursuant to this paragraph in a manner specified by regulations of the board at the same time as notice is given pursuant to this paragraph.

(b) The board is hereby authorized to promulgate reasonable rules and regulations, as may be necessary, to administer the direct deposit of [~~injured worker's~~] compensation payments. [~~In regard to the deposit of a~~]

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [~~-~~] is old law to be omitted.

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1 ~~portion of an injured worker's compensation payment, such~~ Such regu-  
2 lations shall permit the deposit of [~~a payment~~] compensation payments to  
3 be split between multiple accounts by either a dollar amount or exact  
4 percentage, provided, however, such regulations may establish a minimum  
5 dollar amount and may limit the maximum number of partial deposits  
6 allowed.

7 (c) As used in this subdivision, the term "bank" includes any finan-  
8 cial institution which is a member of the New York automated clearing-  
9 house or any financial institution designated by the board.

10 (d) Notwithstanding any provision in this subdivision to the contrary,  
11 direct deposit of any compensation payment may not be made if such  
12 payment would be in violation of any federal or state law or regulation.

13 § 2. Section 2 of a chapter of the laws of 2020 amending the workers'  
14 compensation law relating to the direct deposit of benefits, as proposed  
15 in legislative bills numbers S.7210 and A.7579, is amended to read as  
16 follows:

17 § 2. This act shall take effect [~~immediately~~] July 1, 2021.

18 § 3. This act shall take effect on the same date and in the same  
19 manner as a chapter of the laws of 2020 amending the workers' compen-  
20 sation law relating to the direct deposit of benefits, as proposed in  
21 legislative bills numbers S.7210 and A.7579, takes effect.