STATE OF NEW YORK

11732

IN ASSEMBLY

September 16, 2026

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Vanel) -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the legislative law, in relation to defining extenuating circumstances for limits on outside earned income by members

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

Section 1. Subparagraphs 6 and 7 of paragraph b of subdivision 2 of section 5-b of the legislative law, as amended by section 1 of part PP of chapter 55 of the laws of 2025, are amended and a new subparagraph 8 is added to read as follows:

(6) income from a trade or business in which a member of their family holds a controlling interest, where the member's services are not a material factor in the production of income; [~~and~~]

(7) compensation from services actually rendered prior to January first, two thousand twenty-five, or prior to being sworn in as a member of the legislature[~~.~~]**; and**

(8) any income derived from work that is earned while the member is experiencing an extenuating circumstance for which additional income is necessary, as defined in paragraph c of this subdivision, provided that the member has complied with such paragraph.

§ 2. Subdivision 2 of section 5-b of the legislative law is amended by adding a new paragraph c to read as follows:

c. (1) For purposes of this section, "extenuating circumstances" means an event, condition, or other occurrence that has caused, will cause, or is expected to cause severe financial strain on a member of the legislature or the member's immediate family, including, but not limited to, any of the following: (i) unreimbursed expenses for the medical care or long-term care of the member or of the member's spouse, domestic partner, child, parent or dependent; (ii) expenses for the care of the member's child or dependent; (iii) funeral and burial expenses of the member's spouse, domestic partner, child, parent or dependent; (iv) uninsured loss of or damage to the member's primary residence caused by fire, flood or other casualty; (v) distributive award that the member is obligated to pay pursuant to an order or judgment of a court of compe-

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

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tent jurisdiction; (vi) education, vocational school training, or other education related expenses; or (vii) loss of or damage to the member's primary method of transportation.

(2) A member who intends to earn outside earned income in excess of the limit set forth in subdivision one of this section in reliance on subparagraph eight of paragraph b of this subdivision shall, as soon as practicable before or after doing so, file with the legislative ethics commission a statement, affirmed under penalty of perjury. The commission shall promulgate rules and regulations pertaining to the form and timing of such submission. A member who knowingly and intentionally makes a material misstatement in, or omits a material fact from, a filing made pursuant to this paragraph shall be deemed to have knowingly and intentionally violated this section for purposes of subdivision three of this section.

§ 3. This act shall take effect immediately and shall apply to outside earned income, as defined by subdivision 2 of section 5-b of the legislative law, earned on and after January 1, 2027.