STATE OF NEW YORK

1394

2025-2026 Regular Sessions

IN ASSEMBLY

January 9, 2025

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

AN ACT to amend the labor law, in relation to establishing a joint committee for unemployment insurance oversight; and directing the department to conduct a study on the unemployment insurance program

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

Section 1. The labor law is amended by adding a new section 641 to read as follows:

§ 641. Joint committee for unemployment insurance oversight. 1. There is hereby established a joint committee on unemployment insurance oversight. Such committee shall consist of fourteen members; three of whom shall be appointed by the temporary president of the senate; three of whom shall be appointed by the speaker of the assembly; the commissioner of labor or their designee; the secretary of state or their designee; a representative of the small business administration; a representative of the New York state chamber of commerce; two representatives of union labor, one of whom shall be appointed by the chair of the assembly standing committee on labor and one of whom shall be appointed by the chair of the senate labor committee; one unemployment insurance advocate who is a claimant's representative and who represents claimants pro bono to be jointly appointed by the temporary president of the senate and speaker of the assembly; and one representative of the academic profession who is knowledgeable in unemployment insurance to be jointly appointed by the chairs of the senate and assembly committees on labor. The temporary president of the senate and speaker of the assembly shall appoint a senator and assembly member, respectively, each to serve as co-chair. Members of the committee shall serve at the pleasure of the appointing authority. Members of the committee shall receive no compensation for their services but shall be allowed their actual and neces-

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

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sary expenses incurred in the performance of their duties pursuant to this section.

2. The committee established pursuant to this section shall examine the following:

(a) the condition of the unemployment insurance system in the state, including but not limited to, the department's policies regarding unemployment insurance and implementation of federal guidelines, the distribution of funding across the department, staffing levels, access and equity, modernization efforts, and any other information necessary to provide a sufficient understanding of the department's functioning, how effectively it is providing services to New Yorkers, and recommendations to improve such effectivity;

(b) any potential need for additional alterations to the unemployment insurance system, including the charging, taxing, eligibility, and benefit provisions and alterations to information technology modernization plans and staffing;

(c) the equality and accessibility of the unemployment insurance system in how such benefits are paid out; and

(d) the fiscal health of the unemployment insurance trust fund.

3. The committee shall have the power to subpoena and to take testimony by deposition and the power to compel the attendance of witnesses and the production of records, in the same manner as prescribed by law in judicial proceedings in the courts of this state.

4. Each year in which the committee meets following the release of the report detailed in section two of the chapter of the laws of two thousand twenty-five that added this section, the committee shall make a report on updated findings and recommendations to the governor and the legislature by December thirty-first of such year. The committee shall make such findings and recommendations available to the public on the department's website.

§ 2. The department of labor, in collaboration with the office of the attorney general and the joint committee on unemployment insurance oversight established pursuant to section one of this act, shall conduct a comprehensive study on unemployment insurance in the state.

1. Such study shall examine how New York state can:

(a) expand access to benefits, including ensuring that eligible workers receive support by modernizing information technology systems, improving in-person services, fully staffing the department of labor, improving access for limited English proficient claimants, using plain language, and paying workers misclassified as self-employed; changing inferences of credibility of an employer while the department of labor conducts initial investigation of claims; expanding eligibility by redefining fault and fraud, introducing extended benefits, and reconsidering the definition of "employee" and exclusions of seasonal, temporary, and gig economy workers; and creating new benefits for workers who cannot be included in state unemployment insurance, such as the unemployment bridge program;

(b) revitalize under-used services, including re-employment supports, the 599 Program, and the Shared Work Program;

(c) ensure adequate benefit levels by adjusting the replacement rate, minimum benefit, and maximum benefit, and by introducing a dependent benefit; and

(d) ensure adequate funding by adjusting the taxable wage base, the rate at which the taxable wage base is taxed, and collecting from employers who misclassify workers as independent contractors.

2. The department shall make a report of the findings of its study, including any recommendations for legislative action as it may deem necessary and appropriate. Such report shall be delivered to the governor, the temporary president of the senate and the speaker of the assembly on or before December first, two thousand twenty-seven. Such findings shall be made available to the public on the department's website.

§ 3. This act shall take effect immediately.