STATE OF NEW YORK

8674

IN SENATE

January 7, 2026

Introduced by Sen. FAHY -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the labor law and the state finance law, in relation to establishing a reasonable accommodation reimbursement grant program; and making an appropriation therefor

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 19 to read as follows:

§ 19. Reasonable accommodation reimbursement grant program. 1. For the purposes of this section, the following terms shall have the following meanings:

(a) "Applicant" means any person, whether employed or unemployed, seeking or entering into any arrangement for employment with an eligible employer.

(b) "Eligible employer" means an employer domiciled within New York state and having its principal place of business as identified in its certificate of incorporation in New York state that:

(i) employs not more than five hundred employees on any business day during the preceding calendar year; and

(ii) generates five million dollars or less in gross annual revenue.

(c) (i) "Individual with a disability" means a disabled person who, with reasonable accommodation, can perform the essential functions required of all applicants for the job in question.

(ii) For the purposes of this section, "disability" excludes any condition resulting from alcohol or drug abuse which prevents a person from performing the essential functions of the job in question or constitutes a direct threat to property or the safety of others.

(iii) If a respondent contends that a person is not an individual with a disability, as defined by this paragraph, the burden shall be on such respondent to prove that it was reasonable to conclude the disabled person, with reasonable accommodation, could not have met the requirements of the job or that the selected person was demonstrably better able to perform the job.

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

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(d) "Reasonable accommodation" means steps which must be taken to accommodate the known physical or mental limitations of an individual with a disability, which may include, but shall not be limited to:

(i) making facilities readily accessible to and usable by individuals with disabilities; or

(ii) job restructuring, modified work schedules, reassignment to a vacant position, acquisition or modification of equipment or devices, or the provision of aides on a temporary or periodic basis.

(e) "Program" means the reasonable accommodation reimbursement grant program established under subdivision two of this section.

(f) "Fund" means the reasonable accommodation reimbursement fund established under section ninety-nine-tt of the state finance law.

2. The commissioner shall establish a reasonable accommodation reimbursement grant program for the purpose of reimbursing eligible employers for the cost of expenses incurred in providing reasonable accommodations for individuals with a disability who are either applicants or employees of such eligible employers.

3. (a) The commissioner shall develop forms and procedures for soliciting and reviewing applications for reimbursement under this section.

(b) The program shall award reimbursements to eligible employers to the extent that funds are available in the account established under section ninety-nine-tt of the state finance law.

(c) Applications for the program shall be processed on a first-received, first-processed basis within each fiscal year until funding is exhausted. Applications received after funding has been exhausted in a fiscal year shall not be eligible for reimbursement.

(d) Documentation for reimbursement shall be provided by eligible employers in a form approved by the commissioner.

4. The maximum total reimbursement per eligible employer in a fiscal year shall be thirty thousand dollars, provided, however that:

(a) submissions for one-time reasonable accommodation expenses shall be no less than two hundred fifty dollars and no more than fifteen thousand dollars per individual with a disability; and

(b) submissions for ongoing reasonable accommodation expenses shall have no minimum or maximum requirements.

5. The commissioner may provide technical assistance regarding requests for reasonable accommodations under the program.

6. The commissioner may use up to twenty percent of the fund's biennial appropriation amount for administration and marketing of the program.

7. No later than sixty days after the effective date of this section, and no later than June thirtieth of each following year, the commissioner shall make publicly available information regarding the availability of grants under the program, and the procedure of requesting reimbursement for reasonable accommodations under the program.

8. The commissioner shall submit an annual report to the governor, the temporary president of the senate, and the speaker of the assembly with data on the employer reimbursements made under the program in the preceding calendar year. Such report shall include, but not be limited to:

(a) the number and type of accommodations requested;

(b) the cost of accommodations requested;

(c) the employers from which requests were made;

(d) the number and type of accommodations that were denied and the reasons for such denials;

(e) any remaining balance in the fund; and

(f) whether the fund was depleted, the date on which monies in the fund were exhausted, and the number, type, and cost of accommodations that were not reimbursed to employers.

§ 2. The state finance law is amended by adding a new section 99-tt to read as follows:

§ 99-tt. Reasonable accommodation reimbursement fund. 1. There is hereby established in the joint custody of the comptroller and the commissioner of taxation and finance a special fund to be known as the "reasonable accommodation reimbursement fund".

2. Monies allocated to the reasonable accommodation reimbursement fund shall be kept separate and shall not be commingled with any other funds in the custody of the state comptroller.

3. Monies of such fund shall consist of all monies appropriated therefor by the legislature.

4. Monies of such fund, when allocated, shall be available to the commissioner of labor for the award of grants pursuant to section nineteen of the labor law.

§ 3. The sum of five million dollars ($5,000,000), or so much thereof as may be necessary, is hereby appropriated to the reasonable accommodation reimbursement fund established under section 99-tt of the state finance law out of any moneys in the state treasury in the general fund to the credit of the state comptroller and the commissioner of taxation and finance, not otherwise appropriated, and made immediately available, for the purpose of carrying out the provisions of this act. Such moneys shall be payable on the audit and warrant of the state comptroller on vouchers certified or approved by the commissioner of labor in the manner prescribed by law.

§ 4. This act shall take effect on the ninetieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.