STATE OF NEW YORK

7579

2019-2020 Regular Sessions

IN ASSEMBLY

May 9, 2019

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

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 added by chapter 638 of the laws of 2004, paragraph (a) as amended by chapter 70 of the laws of 2005, is amended to read as follows:

9. Direct deposit. (a) Compensation payments or any portion of compensation payments [~~may~~] **shall** be allowed, 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, on forms provided by the board, and duly filed in accordance with such regulations[~~, provided that an injured worker's employer, if such employer is an authorized self insured employer, or otherwise such employer's insurance carrier, has elected to permit the direct deposit of such compensation payments~~]. **Each person eligible to receive payment of compensation or a death benefit under this section shall be notified of the option to receive such payment in the form of direct deposit, such notice to be promulgated by the board. Such eligible person shall also be provided the forms necessary to enroll in direct deposit pursuant to this paragraph 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 portion of an injured worker's compensation payment, such regulations **shall permit the deposit of a payment to be split between multiple**

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

LBD11454-01-9

accounts by either a dollar amount or exact percentage, provided, however, such regulations may establish a minimum dollar amount and may limit the maximum number of partial deposits allowed.

(c) As used in this subdivision, the term "bank" includes any financial institution which is a member of the New York automated clearinghouse or any financial institution designated by the board.

§ 2. This act shall take effect immediately.