STATE OF NEW YORK

1298

2021-2022 Regular Sessions

IN SENATE

January 11, 2021

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

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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~~portion of an injured worker's compensation payment, such~~] Such regulations shall permit the deposit of [~~a payment~~] compensation payments to be split between multiple 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.

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

§ 2. Section 2 of 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:

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

§ 3. This act shall take effect on the same date and in the same manner as 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, takes effect.