

# 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:

1 Section 1. Subdivision 9 of section 25 of the workers' compensation  
2 law, as amended by a chapter of the laws of 2020 amending the workers'  
3 compensation law relating to the direct deposit of benefits, as proposed  
4 in legislative bills numbers S.7210 and A.7579, is amended to read as  
5 follows:

6 9. Direct deposit. (a) Compensation payments [~~or any portion of~~  
7 ~~compensation payments~~] shall be [~~allowed~~] required, upon the written  
8 request from an injured worker or a person entitled to a death benefit  
9 provided by this chapter, to be deposited directly in a bank for any  
10 purpose to an account in the name of such injured worker or person enti-  
11 tled to [~~a~~] death [~~benefit~~] benefits, [~~on forms provided by the board,~~]  
12 and duly filed in accordance with such regulations. Each person eligible  
13 to receive payment of compensation or [~~a~~] death [~~benefit~~] benefits under  
14 this section shall be notified of the option to receive such payment in  
15 the form of direct deposit from the carrier or self-insured employer,  
16 such notice to be promulgated by the board. Such eligible person shall  
17 also be provided the [~~forms~~] means necessary to enroll in direct deposit  
18 pursuant to this paragraph in a manner specified by regulations of the  
19 board at the same time as notice is given pursuant to this paragraph.

20 (b) The board is hereby authorized to promulgate reasonable rules and  
21 regulations, as may be necessary, to administer the direct deposit of  
22 [~~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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1 ~~portion of an injured worker's compensation payment, such~~ Such regu-  
2 lations shall permit the deposit of [~~a payment~~] compensation payments to  
3 be split between multiple accounts by either a dollar amount or exact  
4 percentage, provided, however, such regulations may establish a minimum  
5 dollar amount and may limit the maximum number of partial deposits  
6 allowed.

7 (c) As used in this subdivision, the term "bank" includes any finan-  
8 cial institution which is a member of the New York automated clearing-  
9 house or any financial institution designated by the board.

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

13 § 2. Section 2 of a chapter of the laws of 2020 amending the workers'  
14 compensation law relating to the direct deposit of benefits, as proposed  
15 in legislative bills numbers S.7210 and A.7579, is amended to read as  
16 follows:

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

18 § 3. This act shall take effect on the same date and in the same  
19 manner as a chapter of the laws of 2020 amending the workers' compen-  
20 sation law relating to the direct deposit of benefits, as proposed in  
21 legislative bills numbers S.7210 and A.7579, takes effect.