

STATE OF NEW YORK

210

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sens. HELMING, BORRELLO, CANZONERI-FITZPATRICK, GALLIVAN, LANZA, OBERACKER, TEDISCO -- read twice and ordered printed, and when printed to be committed to the Committee on Labor

AN ACT to amend the labor law and the state finance law, in relation to employer contributions to the unemployment insurance fund and establishing the unemployment insurance solvency reserve fund

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

1 Section 1. Section 581-a of the labor law is amended by adding a new
2 subdivision 3-a to read as follows:

3 3-a. Notwithstanding the provisions of section five hundred eighty-one
4 of this title to the contrary and notwithstanding the actual size of the
5 fund index, the rate of contribution for a qualified employer in the two
6 thousand twenty-six fiscal year shall be the percentage shown in the
7 column headed by the size of the fund index at five percent or more and
8 on the same line with such qualified employer's negative or positive
9 employer's account percentage pursuant to subdivision two of section
10 five hundred eighty-one of this title, unless using the actual size of
11 the fund index would result in a lower rate of contribution for an
12 employer, in which case such employer shall be liable for such lower
13 rate of contribution.

14 § 2. The state finance law is amended by adding a new section 92-kk to
15 read as follows:

16 § 92-kk. Unemployment insurance solvency reserve fund. 1. There is
17 hereby established in the state treasury a fund to be known as the
18 "unemployment insurance solvency reserve fund". Such fund shall consist
19 of moneys deposited there and moneys shall be withdrawn from such fund
20 only for the purposes as provided therein.

21 2. Such fund may consist of but not be limited to, discretionary
22 federal funds designated as recovery funds during a period of economic

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

LBD00704-01-5

1 downturn and non-recurring state funds derived from settlement proceeds
2 and other sources.

3 3. Such fund may also consist of amounts appropriated or transferred
4 pursuant to statute.

5 4. The amounts available in such reserve may be used if the following
6 conditions are met:

7 (a) The unemployment insurance fund has borrowed money from the feder-
8 al government for the purpose of paying benefits to claimants;

9 (b) The federal government has imposed an interest assessment
10 surcharge on the state of New York for loans to the unemployment insur-
11 ance fund; and

12 (c) The federal government is recovering the principal on money loaned
13 to the unemployment insurance fund for the payment of benefit to claim-
14 ants.

15 § 3. This act shall take effect immediately.