

STATE OF NEW YORK

S. 6405

A. 9005

SENATE - ASSEMBLY

January 14, 2016

IN SENATE -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

IN ASSEMBLY -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means

AN ACT to amend the executive law, in relation to the appointment of an independent special counsel to review matters involving the use of deadly physical force by a police officer; to amend the criminal procedure law, in relation to grand jury reports and proceedings, the district attorney's letter and leave to appeal; to amend the county law, in relation to the appointment of a special district attorney; to amend the penal law, in relation to unlawful grand jury disclosure; to amend the executive law, in relation to establishing a model law enforcement use of force policy and to reporting duties of law enforcement departments with respect to enforcement of certain violations and misdemeanors; and to amend the criminal procedure law, in relation to the contents of an application for a search warrant (Part A); to amend chapter 503 of the laws of 2009, relating to the disposition of monies recovered by county district attorneys before the filing of an accusatory instrument, in relation to the effectiveness thereof (Part B); to amend the tax law, in relation to suspending the transfer of monies into the emergency services revolving loan fund from the public safety communications account (Part C); to amend the executive law in relation to transferring certain functions to the division of state police from the division of homeland security and emergency services (Part D); to amend chapter 268 of the laws of 1996, amending the education law and the state finance law relating to providing a recruitment incentive and retention program for certain active members of the New York army national guard, New York air national guard, and New York naval militia, in relation to the effectiveness of such chapter (Part E); to amend chapter 83 of the laws of 1995 amending the state finance law and other laws relating to bonds, notes, and revenues, in relation to making certain provisions permanent; and to amend chapter 1 of the laws of 2005 amending the state finance law relating to restricting contacts in the procurement proc-

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

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ess and the recording of contacts relating thereto, in relation to making certain provisions permanent (Part F); to amend the workers' compensation law, in relation to the authorization of certain providers, the computation of average weekly wages basis of compensation, penalties of the workers' compensation board, an assumption of workers' compensation liability insurance policy and fund for reopened cases financing agreement, the authority to issue aggregate penalties, deposits into the aggregate trust fund, the pooled individual self-insured employer fund, workers' compensation board, workers' compensation board's designation to review appeals or any review of any orders, authorizations of assessments for annual expenses, payment of claims of affected World Trade Center volunteers and to allow public group self-insured employers to offer alternative coverage; to amend the public authorities law, in relation to the assumption of workers' compensation liability insurance policy, and the dormitory authority's authority to issue bonds to reduce assessments imposed on self-insured employers; to amend the insurance law, in relation to large deductible programs; and to repeal certain provisions of the public authorities law relating thereto (Part G); to amend the workers' compensation law and the insurance law, in relation to provide paid family leave benefits; and to repeal sections 223 and 224 of the workers' compensation law, relating to disability benefits (Part H); to amend the public authorities law, in relation to establishing the New York State Design and Construction Corporation act (Part I); to amend the civil service law, in relation to the state's contribution to the cost of health insurance premiums for retirees of the state and their dependents (Part J); to amend the civil service law, in relation to the reimbursement of medicare premium charges (Part K); to amend the civil service law, in relation to the expiration of public arbitration panels (Part L); to amend the state finance law, in relation to the dedicated infrastructure investment fund (Part M); and to provide for the administration of certain funds and accounts related to the 2016-17 budget, authorizing certain payments and transfers; to amend the state finance law, in relation to the rainy day reserve fund, the dedicated infrastructure investment fund infrastructure investment account, and the school tax relief fund; to amend the state finance law, in relation to payments, transfers and deposits; to amend the state finance law, in relation to the period for which appropriations can be made; to amend chapter 60 of the laws of 2015, providing for the administration of certain funds and accounts related to the 2015-16 budget, in relation to certain transfers and to the effectiveness of certain provisions thereof; to amend the New York state urban development corporation act, in relation to funding project costs for certain capital projects; to amend chapter 389 of the laws of 1997, relating to the financing of the correctional facilities improvement fund and the youth facility improvement fund, in relation to the issuance of bonds; to amend the private housing finance law, in relation to housing program bonds and notes; to amend chapter 329 of the laws of 1991, amending the state finance law and other laws relating to the establishment of the dedicated highway and bridge trust fund, in relation to the issuance of bonds; to amend the public authorities law, in relation to the issuance of bonds; to amend the public authorities law, in relation to the dormitory authority; to amend chapter 61 of the laws of 2005 relating to providing for the administration of certain funds and accounts related to the 2005-2006 budget, in relation to issuance of bonds by the urban development corporation; to



amend the New York state urban development corporation act, in relation to the issuance of bonds; to amend the public authorities law, in relation to the state environmental infrastructure projects; to amend the New York state urban development corporation act, in relation to authorizing the urban development corporation to issue bonds to fund project costs for the implementation of a NY-CUNY challenge grant program; to amend chapter 81 of the laws of 2002, relating to providing for the administration of certain funds and accounts related to the 2002-2003 budget, in relation to increasing the aggregate amount of bonds to be issued by the New York state urban development corporation; to amend the public authorities law, in relation to financing of peace bridge and transportation capital projects; to amend the public authorities law, in relation to dormitories at certain educational institutions other than state operated institutions and statutory or contract colleges under the jurisdiction of the state university of New York; to amend the New York state medical care facilities finance agency act, in relation to bonds and mental health facilities improvement notes; to amend chapter 63 of the laws of 2005, relating to the composition and responsibilities of the New York state higher education capital matching grant board, in relation to increasing the amount of authorized matching capital grants; to direct the distribution of local sales tax revenue from the city of New York; and providing for the repeal of certain provisions upon expiration thereof (Part N)

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

1 Section 1. This act enacts into law major components of legislation
2 which are necessary to implement the state fiscal plan for the 2016-2017
3 state fiscal year. Each component is wholly contained within a Part
4 identified as Parts A through N. The effective date for each particular
5 provision contained within such Part is set forth in the last section of
6 such Part. Any provision in any section contained within a Part, includ-
7 ing the effective date of the Part, which makes a reference to a section
8 "of this act", when used in connection with that particular component,
9 shall be deemed to mean and refer to the corresponding section of the
10 Part in which it is found. Section three of this act sets forth the
11 general effective date of this act.

12 PART A

13 Section 1. The executive law is amended by adding a new section 6-a to
14 read as follows:

15 § 6-a. Independent special counsel. 1. The governor may appoint an
16 independent special counsel to review any matter involving credible
17 allegations of the use of deadly physical force by a police officer as
18 defined in subdivision thirty-four of section 1.20 of the criminal
19 procedure law or a peace officer as defined in subdivision thirty-three
20 of section 1.20 of the criminal procedure law, acting within his or her
21 official powers, duties, functions, or capacity, and where such deadly
22 physical force resulted in the death of an unarmed person, and

23 (a) after a review of the facts of the case, the district attorney
24 declines to present evidence to a grand jury regarding such fatality; or



1 (b) after presentation of evidence to a grand jury regarding such
2 fatality, the grand jury declines to return an indictment on any charges
3 against such police or peace officer.

4 2. Where, as described in paragraph (a) or paragraph (b) of subdivi-
5 sion one of this section, the district attorney declines to present
6 evidence to a grand jury or presents evidence and the grand jury
7 declines to return an indictment, the district attorney shall, within
8 sixty days of the occurrence of either paragraph (a) or paragraph (b) of
9 subdivision one of this section, but no more than six months after the
10 date of such death of such unarmed person as described in subdivision
11 one of this section, provide to the independent special counsel: (i) all
12 evidentiary materials gathered during the course of the investigation;
13 (ii) where applicable, the grand jury minutes, including the
14 instructions to the grand jury; (iii) where applicable, the grand jury
15 exhibits; and (iv) any records and any other evidence in the possession,
16 custody, and control of the district attorney, including but not limited
17 to police reports, photographs, scientific reports, audio and video
18 recordings, and physical evidence.

19 3. If the independent special counsel, after a review of all evidenti-
20 ary and grand jury materials as described in this section, determines
21 that there were: (a) substantial errors of such magnitude that there
22 exists a reasonable probability that an indictment would have resulted
23 but for these errors, and that the presumption of regularity afforded to
24 such proceedings can no longer apply; or (b) there exists newly discov-
25 ered evidence of such magnitude that there exists a reasonable probabil-
26 ity that had such evidence been presented to the grand jury, an indict-
27 ment would have resulted, then he or she shall refer the matter for
28 consideration of appointment of a special district attorney as provided
29 in section seven hundred-one-a of the county law.

30 4. The evidentiary and grand jury materials provided to the independ-
31 ent special counsel as described in this section shall remain confiden-
32 tial and shall not be subject to disclosure under article six of the
33 public officers law and, for purposes of this article, the release of
34 evidentiary materials and grand jury materials by the district attorney
35 to the independent special counsel shall be considered acting within the
36 scope of the lawful discharge of the district attorney's duties pursuant
37 to paragraph (a) of subdivision four of section 190.25 of the criminal
38 procedure law, and therefore not unlawful disclosure under section
39 215.70 of the penal law.

40 5. For purposes of this article and pursuant to subdivision four of
41 section 190.25 of the criminal procedure law, the grand jury materials
42 provided to the independent special counsel shall remain secret, except
43 that the independent special counsel is permitted to disclose the
44 evidentiary and grand jury materials to the governor, or his designee as
45 part of a recommendation made pursuant to subdivision three of this
46 section and such disclosure shall not be an unlawful grand jury disclo-
47 sure under section 215.70 of the penal law.

48 6. Except as otherwise provided in this section, the independent
49 special counsel, the governor, and members of the governor's staff may
50 not further disclose any of the grand jury materials as described in
51 this section with the exception of the grand jury instructions provided
52 to the grand jury, unless authorized by court order issued upon applica-
53 tion, pursuant to subdivision four of section 190.25 of the criminal
54 procedure law. For the limited and exclusive purpose of making such
55 application to disclose grand jury material, the independent special
56 counsel shall be deemed a "district attorney."



1 § 2. Subdivision 1 of section 190.85 of the criminal procedure law is
2 amended by adding a new paragraph (d) to read as follows:

3 (d) Stating its findings after investigation of an incident involving
4 the use of deadly physical force by a police officer as defined in
5 subdivision thirty-four of section 1.20 of the criminal procedure law or
6 a peace officer as defined in subdivision thirty-three of section 1.20
7 of the criminal procedure law, acting within his or her official powers,
8 duties, functions, or capacity, and where such deadly physical force
9 resulted in the death of an unarmed person. The report created pursuant
10 to this paragraph shall include, but not be limited to, the charges
11 presented, the legal instructions, and a summary of the evidence
12 presented, provided that all names and identifying information are
13 redacted from such report.

14 § 3. The criminal procedure law is amended by adding a new section
15 190.86 to read as follows:

16 § 190.86 District attorney letter.

17 1. After an investigation of an incident involving a police officer as
18 defined in subdivision thirty-four of section 1.20 of this chapter or a
19 peace officer as defined in subdivision thirty-three of section 1.20 of
20 this chapter, acting within his or her official powers, duties, func-
21 tions, or capacity concerning acts that include the use of deadly phys-
22 ical force against an unarmed person, and such encounter resulted in the
23 death of such unarmed person, and when a grand jury declines to return
24 an indictment on any charges against such police or peace officer
25 regarding such death, in lieu of the issuance of a grand jury report as
26 set forth in paragraph (d) of subdivision one of section 190.85 of this
27 article, the district attorney may issue a letter to the public, with a
28 copy to the governor, and to the commissioner, chief, or the equivalent
29 commanding officer of the department or agency employing the police or
30 peace officers involved. In such letter, the district attorney may
31 explain the facts of the case and may also make recommendations based
32 upon the results of the grand jury's investigation.

33 2. When the district attorney elects not to present such a matter as
34 described in subdivision one of this section to a grand jury, the
35 district attorney may issue a letter to the public, with a copy to the
36 governor, and to the commissioner, chief, or the equivalent commanding
37 officer of the department or agency employing the police or peace offi-
38 cers involved. In such letter, the district attorney may explain the
39 facts of the case, the reasoning for not presenting the case to a grand
40 jury, and may also make appropriate recommendations.

41 3. For purposes of this article, the release of such a letter by the
42 district attorney in lieu of a grand jury report shall be considered
43 acting within the district attorney's official duties and therefore not
44 unlawful disclosure under section 215.70 of the penal law.

45 § 4. Subdivision 4 of section 190.25 of the criminal procedure law is
46 amended by adding two new paragraphs (c) and (d) to read as follows:

47 (c) After presentation of evidence to a grand jury involving the use
48 of deadly physical force by a police officer as defined in subdivision
49 thirty-four of section 1.20 of the criminal procedure law or a peace
50 officer as defined in subdivision thirty-three of section 1.20 of the
51 criminal procedure law, acting within his or her official powers,
52 duties, functions, or capacity, and where such deadly physical force
53 resulted in the death of an unarmed person, and such grand jury declines
54 to return an indictment to any charges against such on-duty police or
55 peace officer with respect to such death, a district attorney is author-
56 ized to provide grand jury testimony, evidence, exhibits and the legal



1 instructions to the independent special counsel, as defined in section
2 six-a of the executive law, within sixty days of the completion of all
3 grand jury action in such matter, including the issuance of a grand jury
4 report pursuant to paragraph (d) of subdivision one of section 190.85 of
5 this article.

6 (d) The grand jury materials provided to the independent special coun-
7 sel, pursuant to paragraph (c) of this subdivision, shall remain secret,
8 pursuant to the provisions of this section, except that the independent
9 special counsel is permitted to disclose the grand jury materials to the
10 governor and the governor's staff as part of a recommendation made
11 pursuant to section six-a of the executive law and therefore, such
12 disclosure shall not be an unlawful grand jury disclosure under section
13 215.70 of the penal law. The independent special counsel, the governor,
14 and members of the governor's staff may not disclose any grand jury
15 material, except as authorized by court order issued upon application
16 pursuant to this section, with the exception of the legal instructions
17 provided to the grand jury which heard evidence, as provided in subdivi-
18 sion six of section six-a of the executive law. The legal instructions
19 may be made public provided that all names and identifying information
20 are redacted. For the limited and exclusive purpose of making such
21 application, the independent special counsel shall be deemed a "district
22 attorney." Grand jury material provided to the independent special coun-
23 sel shall remain confidential and shall not be subject to disclosure
24 under article six of the public officers law.

25 § 5. The county law is amended by adding a new section 701-a to read
26 as follows:

27 § 701-a. Special district attorney. Notwithstanding any other law to
28 the contrary, whenever credible allegations of the use of deadly phys-
29 ical force by a police officer as defined in subdivision thirty-four of
30 section 1.20 of the criminal procedure law or a peace officer as defined
31 in subdivision thirty-three of section 1.20 of the criminal procedure
32 law, acting within his or her official powers, duties, functions, or
33 capacity, and where such deadly physical force resulted in the death of
34 an unarmed person, are received by the governor, or his designee pursu-
35 ant to section six-a of the executive law, the governor shall have the
36 authority to appoint a special district attorney to investigate the
37 allegations and, where appropriate, prosecute the case. Such special
38 district attorney shall be an attorney at law residing within the state.

39 2. The special district attorney shall possess and exercise all the
40 powers and perform all the duties in respect of such actions or
41 proceedings, which the district attorney is authorized or required to
42 exercise or perform. The special district attorney shall be provided by
43 the district attorney and/or the special independent counsel as defined
44 in subdivision one of section six-a of the executive law, all evidenti-
45 ary materials as set forth in subdivision two of section six-a of the
46 executive law.

47 § 6. Section 230.20 of the criminal procedure law is amended by adding
48 a new subdivision 5 to read as follows:

49 5. Any party aggrieved by an order of the appellate division concern-
50 ing a motion made pursuant to subdivision two of this section may seek
51 leave to appeal from such order to the court of appeals, pursuant to
52 subdivision three of section 450.90 of this chapter.

53 § 7. Section 450.90 of the criminal procedure law is amended by adding
54 a new subdivision 3 to read as follows:

55 3. Provided that a certificate granting leave to appeal is issued
56 pursuant to section 460.20 of this title, an appeal may be taken to the



1 court of appeals by any party aggrieved by an order of the appellate
2 division concerning a motion made pursuant to subdivision two of section
3 230.20 of this chapter. Upon the request of either party, the hearing
4 and determination of an appeal granted pursuant to this subdivision
5 shall be conducted in an expeditious manner. The chief administrator of
6 the courts, with the advice and consent of the administrative board of
7 the courts, shall adopt rules for the expeditious briefing, hearing and
8 determination of such appeals.

9 § 8. Section 215.70 of the penal law, as amended by chapter 843 of the
10 laws of 1980, is amended to read as follows:

11 § 215.70 Unlawful grand jury disclosure.

12 A person is guilty of unlawful grand jury disclosure when, being a
13 grand juror, a public prosecutor, a grand jury stenographer, a grand
14 jury interpreter, a police officer or a peace officer guarding a witness
15 in a grand jury proceeding, or a clerk, attendant, warden or other
16 public servant having official duties in or about a grand jury room or
17 proceeding, or a public officer or public employee, or independent
18 special counsel, as defined in subdivision one of section six-a of the
19 executive law, or anyone to whom the independent special counsel
20 discloses grand jury material pursuant to paragraph (d) of subdivision
21 four of section 190.25 of the criminal procedure law, he or she inten-
22 tionally discloses to another the nature or substance of any grand jury
23 testimony, or any decision, result or other matter attending a grand
24 jury proceeding which is required by law to be kept secret, except in
25 the proper discharge of his or her official duties or upon written order
26 of the court. Nothing contained herein shall prohibit a witness from
27 disclosing his or her own testimony.

28 Unlawful grand jury disclosure is a class E felony.

29 § 9. Subdivision 4 of section 840 of the executive law is amended by
30 adding a new paragraph (c) to read as follows:

31 (c) As appropriate, review and update its model law enforcement use of
32 force policy suitable for adoption by any law enforcement agency
33 throughout the state. The most current version of such policy shall be
34 filed with the division of criminal justice services. The chief of
35 every local police department, each county sheriff, and the superinten-
36 dent of state police must implement a use of force policy. The use of
37 force policy shall provide comprehensive guidance to law enforcement
38 officers on the proper use of force, consistent with current law, as it
39 relates to the use of force while acting within his or her official
40 powers, duties or functions. The use of force policy should be consist-
41 ent with the model law enforcement policy as required by this section
42 except that a department shall not be limited from imposing further
43 restrictions or additional guidance on the proper use of force.

44 § 10. The executive law is amended by adding a new section 837-s to
45 read as follows:

46 § 837-s. Reporting duties of law enforcement departments with respect
47 to enforcement of certain violations and misdemeanors. 1. The chief of
48 every police department, each county sheriff, and the superintendent of
49 state police shall report, annually, to the division the total number of
50 arrests made or appearance tickets or summonses issued by a law enforce-
51 ment officer for offenses which do not require the taking of finger-
52 prints pursuant to subdivision one of section 160.10 of the criminal
53 procedure law. Such reports shall be in the form and manner prescribed
54 by the division and shall contain such information as the division deems
55 necessary including, but not limited to, the age, sex, race and ethnici-
56 ty of the person arrested or to whom an appearance ticket was issued.



1 2. The chief of every police department, each county sheriff, and the
2 superintendent of state police shall report to the division any arrest-
3 related death in the form and manner prescribed by the division. An
4 arrest-related death is a death which occurs during law enforcement
5 custody or an attempt to establish custody including, but not limited
6 to, deaths caused by any use of force.

7 § 11. Subdivision 3 of section 690.35 of the criminal procedure law is
8 amended by adding a new paragraph (f) to read as follows:

9 (f) A statement whether the application for the warrant had been
10 previously submitted to another judge, and if so, the statement must
11 include the name of the judge or judges to whom the application was
12 previously submitted, the result of such application or applications,
13 and when such application or applications were made.

14 § 12. Severability clause. If any clause, sentence, paragraph, subdi-
15 vision, section or part of this act shall be adjudged by any court of
16 competent jurisdiction to be invalid, such judgment shall not affect,
17 impair, or invalidate the remainder thereof, but shall be confined in
18 its operation to the clause, sentence, paragraph, subdivision, section
19 or part thereof directly involved in the controversy in which such judg-
20 ment shall have been rendered. It is hereby declared to be the intent of
21 the legislature that this act would have been enacted even if such
22 invalid provisions had not been included herein.

23 § 13. This act shall take effect on the thirtieth day after it shall
24 have become a law and shall apply only to acts that occurred on or after
25 such effective date, except that section one of this act shall remain in
26 effect until the expiration of the term of the fifty-sixth governor of
27 New York State and that section eleven of this act shall take effect on
28 the one hundred eightieth day after it shall have become a law.

29 PART B

30 Section 1. Section 2 of part H of chapter 503 of the laws of 2009
31 relating to the disposition of monies recovered by county district
32 attorneys before the filing of an accusatory instrument, as amended by
33 section 25 of part B of chapter 55 of the laws of 2015, is amended to
34 read as follows:

35 § 2. This act shall take effect immediately and shall remain in full
36 force and effect until March 31, [2016] 2017, when it shall expire and
37 be deemed repealed.

38 § 2. This act shall take effect immediately and shall be deemed to
39 have been in full force and effect on and after March 31, 2016.

40 PART C

41 Section 1. Paragraph (b) of subdivision 6 of section 186-f of the tax
42 law, as amended by section 1 of part D of chapter 55 of the laws of
43 2014, is amended to read as follows:

44 (b) The sum of one million five hundred thousand dollars must be
45 deposited into the New York state emergency services revolving loan fund
46 annually; provided, however, that such sums shall not be deposited for
47 state fiscal years two thousand eleven--two thousand twelve, two thou-
48 sand twelve--two thousand thirteen, two thousand fourteen--two thousand
49 fifteen [and], two thousand fifteen--two thousand sixteen, two thousand
50 sixteen--two thousand seventeen and two thousand seventeen--two thousand
51 eighteen;

52 § 2. This act shall take effect immediately.

1

PART D

2 Section 1. Notwithstanding any law to the contrary, the responsibil-
3 ities, duties and functions, pursuant to subdivision 2 of section 70 of
4 the civil service law, of the intelligence and analysis unit of the
5 office of counterterrorism within the division of homeland security and
6 emergency services shall be transferred to the division of state police.

7 § 2. Paragraphs (f) and (g) of subdivision 2 of section 709 of the
8 executive law, as amended by section 14 of part B of chapter 56 of the
9 laws of 2010, are amended to read as follows:

10 (f) coordinate state resources for the collection and analysis of
11 information relating to [terrorist threats and terrorist activities and
12 other] natural and man-made disasters throughout the state subject to
13 any applicable laws, rules, or regulations;

14 (g) coordinate and facilitate information sharing among local, state,
15 and federal [law enforcement] agencies to ensure appropriate intelli-
16 gence to assist in the early identification of and response to [poten-
17 tial terrorist activities and other] natural and man-made disasters,
18 subject to any applicable laws, rules, or regulations governing the
19 release, disclosure or sharing of any such information;

20 § 3. Section 709-a of the executive law, as added by section 15-a of
21 part B of chapter 56 of the laws of 2010, is amended to read as follows:

22 § 709-a. Office of counterterrorism. The office of counterterrorism
23 shall develop and analyze the state's policies, protocols and strategies
24 relating to the prevention and detection of terrorist acts and terrorist
25 threats. The office shall also be responsible for [the collection, anal-
26 ysis and sharing of information relating to terrorist threats and
27 terrorist activities throughout the state;] coordinating strategies,
28 protocols and first responder equipment needs to detect a biological,
29 chemical or radiological terrorist act or threat; working with private
30 entities and local, state and federal agencies to conduct assessments of
31 the vulnerability of critical infrastructure to terrorist attack; and
32 consulting with appropriate state and local governments and private
33 entities to facilitate and foster cooperation to better prepare the
34 state to prevent and detect threats and acts of terrorism.

35 § 4. 1. Transfer of records. Upon the transfer of functions, pursuant
36 to section 1 of this act, the division of homeland security and emergen-
37 cy services shall deliver to the division of state police, all pertinent
38 books, papers, records and property.

39 2. Existing rights and remedies preserved. No existing right or remedy
40 of any character shall be lost, impaired or affected by reason of this
41 act.

42 3. Pending actions and proceedings. No action or proceeding pending at
43 the time when this act shall take effect, brought by or against the
44 division of homeland security and emergency services relating to the
45 function, power or duty transferred to or devolved upon the division of
46 state police shall be affected by this act, but the same may be prose-
47 cuted or defended in the name of the division of state police and upon
48 the application to the court, the division of state police shall be
49 substituted as a party.

50 4. Completion of unfinished business. Any business or other matter
51 undertaken or commenced by the division of homeland security and emer-
52 gency services pertaining to or connected with the functions, powers,
53 obligations and duties transferred and assigned to the division of state
54 police, pending on the effective date of this act, may be conducted and
55 completed by the division of state police in the same manner and under



1 the same terms and conditions and with the same effect as if conducted
2 and completed by the division of homeland security and emergency
3 services.

4 § 5. This act shall take effect immediately.

5

PART E

6 Section 1. Section 5 of chapter 268 of the laws of 1996, amending the
7 education law and the state finance law relating to providing a recruit-
8 ment incentive and retention program for certain active members of the
9 New York army national guard, New York air national guard, and New York
10 naval militia, as amended by section 24 of part A of chapter 57 of the
11 laws of 2011, is amended to read as follows:

12 § 5. This act shall take effect January 1, 1997 and shall expire and
13 be deemed repealed September 1, [2016] 2021; provided that any person
14 who has begun to receive the benefits of this act prior to its expira-
15 tion and repeal shall be entitled to continue to receive the benefits of
16 this act after its expiration and repeal until completion of a baccalau-
17 reate degree or cessation of status as an active member, whichever
18 occurs first.

19 § 2. This act shall take effect immediately.

20

PART F

21 Section 1. Subdivision 5 of section 362 of the chapter 83 of the laws
22 of 1995 amending the state finance law and other laws relating to bonds,
23 notes and revenues, as amended by section 37 of part L of chapter 55 of
24 the laws of 2012, is amended to read as follows:

25 5. Sections thirty-one through forty-two of this act shall take effect
26 on the thirtieth day after it shall have become a law and shall be
27 deemed to have been in full force and effect on and after April 1,
28 1995[; provided that section 163 of the state finance law, as added by
29 section thirty-three of this act shall remain in full force and effect
30 until June 30, 2016 at which time it shall expire and be deemed
31 repealed. Contracts executed prior to the expiration of such section 163
32 shall remain in full force and effect until the expiration of any such
33 contract notwithstanding the expiration of certain provisions of this
34 act].

35 § 2. Section 16 of chapter 1 of the laws of 2005, amending the state
36 finance law relating to restricting contacts in the procurement process
37 and the recording of contacts relating thereto, as amended by chapter 62
38 of the laws of 2014, is amended to read as follows:

39 § 16. This act shall take effect immediately; provided, however, that
40 sections one, six, eight, nine, ten, eleven and fifteen of this act
41 shall take effect January 1, 2006; and provided, however, the amendments
42 to paragraph f of subdivision 9 of section 163 of the state finance law
43 made by section fifteen of this act shall not affect the repeal of such
44 section and shall be deemed repealed therewith; provided, further, that
45 the amendments to article 1-A of the legislative law, made by this act,
46 shall not affect the repeal of such article pursuant to chapter 2 of the
47 laws of 1999, as amended, and shall be deemed repealed therewith;
48 provided, further, that sections thirteen and fourteen of this act shall
49 take effect January 1, 2006 [and shall be deemed repealed July 31,
50 2016]; provided, further, that effective immediately, the advisory coun-
51 cil on procurement lobbying created pursuant to section twelve of this
52 act shall be constituted no later than sixty days following the effec-

tive date of this act, provided that effective sixty days following the effective date of this act, the advisory council on procurement lobbying shall be authorized to establish model guidelines and to add, amend and/or repeal any rules or regulations necessary for the implementation of its duties under sections twelve and thirteen of this act, and the advisory council authorized to make and complete such model guidelines on or before the effective date of section thirteen of this act; provided, further, that procurement contracts for which bid solicitations have been issued prior to the effective date of this act shall be awarded pursuant to the provisions of law in effect at the time of issuance.

§ 3. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2016.

PART G

Section 1. Section 13-b of the workers' compensation law, as amended by chapter 1068 of the laws of 1960, the section heading and subdivisions 1 and 2 as amended by chapter 473 of the laws of 2000, and subdivision 3 as amended by section 85 of part A of chapter 58 of the laws of 2010, is amended to read as follows:

§ 13-b. Authorization of [physicians] providers, medical bureaus and laboratories by the chair. 1. [Upon the recommendation of the medical society of the county in which the physician's office is located or of a board designated by such county society or of a board representing duly licensed physicians of any other school of medical practice in such county, the chair may authorize physicians licensed to practice medicine in the state of New York to render medical care under this chapter and to perform independent medical examinations in accordance with subdivision four of section thirteen-a of this article. If, within sixty days after the chair requests such recommendations the medical society of such county or board fails to act, or if there is no such society in such county, the chair shall designate a board of three outstanding physicians, who shall make the requisite recommendations.

No such authorization shall be made in the absence of a recommendation of the appropriate society or board or of a review and recommendation by the medical appeals unit. No person shall render medical care or conduct independent medical examinations under this chapter without such authorization by the chair, provided, that:] As used in this chapter, the following definitions shall have the following meanings unless their context requires otherwise:

(a) "Acupuncturist" shall mean licensed as having completed a formal course of study and having passed an examination in accordance with the education law, the regulations of the commissioner of education, and the requirements of the board of regents. Acupuncturists are required by the education law to advise, in writing, each patient of the requirement that he or she consult with a physician for the condition or conditions necessitating acupuncture care, as prescribed by such law.

(b) "Authorization agreement" shall mean an agreement between the chair and the provider signed by the provider desirous of rendering medical care and/or treatment to a claimant or claimants injured in the course of their employment and/or to conduct independent medical examinations.

(c) "Chair" of the board shall mean either the chair or the chair's designee.



1 (d) "Chiropractor" shall mean licensed and having completed two years
2 of preprofessional college study and a four-year resident program in
3 chiropractic in accordance with the education law, and consistent with
4 the licensing requirements of the commissioner of education.

5 (e) "Nurse practitioner" shall mean a licensed professional nurse
6 certified by a national certifying body as having completed the required
7 educational program in accordance with the education law and the regu-
8 lations of the commissioner of education.

9 (f) "Occupational therapist" shall mean licensed as having a bach-
10 elor's or master's degree in occupational therapy from a registered
11 program with the education department or receipt of a diploma or degree
12 resulting from completion of not less than four years of postsecondary
13 study, which includes the professional study of occupational therapy in
14 accordance with the education law and the regulations of the commission-
15 er of education.

16 (g) "Physical therapist" shall mean licensed as having completed a
17 master's degree or higher in physical therapy in accordance with the
18 education law and the licensing requirements of the commissioner of
19 education.

20 (h) "Physician" shall mean licensed with a degree of doctor of medi-
21 cine, M.D., or doctor of osteopathy, D.O., or an equivalent degree in
22 accordance with the education law and the licensing requirements of the
23 state board of medicine and the regulations of the commissioner of
24 education.

25 (i) "Physicians' assistant" shall mean a licensed provider who has
26 graduated from a two-to-four year state-approved physicians' assistant
27 program, has passed a licensing examination, and whose actions and
28 duties are within the scope of practice of the supervising physician, in
29 accordance with the education law and the regulations of the commission-
30 er of education.

31 (j) "Podiatrist" shall mean licensed as having received a doctoral
32 degree in podiatry in accordance with the regulations of the commission-
33 er of education and the education law, and must satisfactorily meet all
34 other requirements of the state board for podiatry.

35 (k) "Provider" shall mean a duly licensed acupuncturist, chiropractor,
36 independent medical examiner, nurse practitioner, physical therapist,
37 physician, physicians' assistant, podiatrist, psychologist, or social
38 worker subject to an authorization agreement.

39 (l) "Psychologist" shall mean licensed as having received a doctoral
40 degree in psychology from a program of psychology registered with the
41 department of education or the substantial equivalent thereof in accord-
42 ance with the education law, the requirements of the state board for
43 psychology, and the regulations of the commissioner of education.

44 (m) "Social worker" shall mean licensed clinical social worker. A
45 licensed clinical social worker has completed a master's of social work
46 that includes completion of a core curriculum of at least twelve credit
47 hours of clinical courses or the equivalent post-graduate clinical
48 coursework, in accordance with the education law and the commissioner of
49 education.

50 [(a)] 2. Any [physician] provider licensed [to practice medicine]
51 pursuant to the education law to provide medical care and treatment in
52 the state of New York may render emergency [medical] care and treatment
53 in an emergency hospital or urgent care setting providing emergency
54 treatment under this chapter without authorization by the chair under
55 this section; [and]



1 [(b) A] (a) Such licensed [physician] provider as identified in the
2 opening paragraph of this subdivision who is [a member of a constituted
3 medical staff of any hospital] on staff at any hospital or urgent care
4 center providing emergency treatment may [render] continue such medical
5 care under this chapter while an injured employee remains a patient in
6 such hospital or urgent care setting; and

7 [(c)] (b) Under the [active and personal] direct supervision of an
8 authorized [physician] provider, medical care may be rendered by a
9 registered nurse or other person trained in laboratory or diagnostic
10 techniques within the scope of such person's specialized training and
11 qualifications. This supervision shall be evidenced by signed records of
12 instructions for treatment and signed records of the patient's condition
13 and progress. Reports of such treatment and supervision shall be made by
14 such [physician] provider to the chair on such forms and at such times
15 as the chair may require.

16 [(d) Upon the referral which may be directive as to treatment of an
17 authorized physician physical therapy care may be rendered by a duly
18 licensed physical therapist. Where physical therapy care is rendered
19 records of the patient's condition and progress, together with records
20 of instruction for treatment, if any, shall be maintained by the phys-
21 ical therapist and physician. Said records shall be submitted to the
22 chair on such forms and at such times as the chair may require.

23 (e) Upon the prescription or referral of an authorized physician occu-
24 pational therapy care may be rendered by a duly licensed occupational
25 therapist. Where occupational therapy care is rendered records of the
26 patient's condition and progress, together with records of instruction
27 for treatment, if any shall be maintained by the occupational therapist
28 and physician. Said records shall be submitted to the chair on forms and
29 at such times as the chair may require.

30 (f)] (c) Where it would place an unreasonable burden upon the employer
31 or carrier to arrange for, or for the claimant to attend, an independent
32 medical examination by an authorized [physician] provider, the employer
33 or carrier shall arrange for such examination to be performed by a qual-
34 ified [physician] provider in a medical facility convenient to the
35 claimant.

36 (d) Upon the prescription or referral of an authorized physician, care
37 or treatment may be rendered to an injured employee by an authorized
38 physical therapist, occupational therapist or acupuncturist provided the
39 conditions and the treatment performed are among the conditions that the
40 physical therapist, occupational therapist or acupuncturist is author-
41 ized to treat pursuant to the education law or the regulations of the
42 commissioner of education. Where any such care or treatment is
43 rendered, records of the patient's condition and progress, together with
44 records of instruction for treatment, if any, shall be maintained by the
45 physical therapist, occupational therapist, acupuncturist rendering
46 treatment and by the referring physician. Said records shall be submit-
47 ted to the chair on forms and at such times as the chair may require.

48 (e) A record, report or opinion of a physical therapist, occupational
49 therapist, acupuncturist or physician's assistant shall not be consid-
50 ered as evidence of (1) the causal relationship of any condition to an
51 accident or occupational disease under this chapter or (2) disability or
52 the degree thereof, nor may any such provider perform an independent
53 medical examination concerning a claim under this chapter.

54 [2] 3. A [physician licensed to practice medicine in the state of New
55 York who is] provider properly licensed or certified pursuant to the
56 regulations of the commissioner of education and the requirements of the

1 education law desirous of being authorized to render medical care under
2 this chapter and/or to conduct independent medical examinations in
3 accordance with paragraph (b) of subdivision four of section thirteen-a
4 and section one hundred thirty-seven of this chapter shall [file an
5 application for authorization under this chapter with the medical socie-
6 ty in the county in which his or her office is located, or with a board
7 designated by such society, or with a board designated by the chair as
8 provided in this section. In such application the applicant shall state
9 his or her training and qualifications, and shall agree to limit his or
10 her professional activities under this chapter to such medical care and
11 independent medical examinations, as his or her experience and training
12 qualify him or her to render] sign an authorization agreement. [The
13 applicant shall further agree to refrain] The provider agrees to abide
14 by the terms, conditions, and limitations outlined in the authorization
15 agreement, including, but not limited to refraining from subsequently
16 treating for remuneration, as a private patient, any person seeking
17 medical treatment, or submitting to an independent medical examination,
18 in connection with, or as a result of, any injury compensable under this
19 chapter, if he or she has been removed from the list of [physicians]
20 providers authorized to render medical care or to conduct independent
21 medical examinations under this chapter, or if the person seeking such
22 treatment, or submitting to an independent medical examination, has been
23 transferred from his or her care in accordance with the provisions of
24 this chapter. This agreement shall run to the benefit of the injured
25 person so treated or examined, and shall be available to him or her as a
26 defense in any action by such [physician] provider for payment for
27 treatment rendered by a [physician] provider after he or she has been
28 removed from the list of [physicians] providers authorized to render
29 medical care or to conduct independent medical examinations under this
30 chapter, or after the injured person was transferred from his or her
31 care in accordance with the provisions of this chapter. [The medical
32 society or the board designated by it, or the board as otherwise
33 provided under this section, if it deems such licensed physician duly
34 qualified, shall recommend to the chair that such physician be author-
35 ized to render medical care and/or conduct independent medical examina-
36 tions under this chapter, and such recommendation and authorization
37 shall specify the character of the medical care or independent medical
38 examination which such physician is qualified and authorized to render
39 under this chapter. Such recommendations shall be advisory to the chair
40 only and shall not be binding or conclusive upon him or her. The
41 licensed physician may present to the medical society or board,
42 evidences of additional qualifications at any time subsequent to his or
43 her original application. If the medical society or board fails to
44 recommend to the chair that a physician be authorized to render medical
45 care and/or to conduct independent medical examinations under this chap-
46 ter, the physician may appeal to the medical appeals unit. The medical
47 society or the board designated by it, or the board as otherwise
48 provided under this section, may upon its own initiative, or shall upon
49 request of the chair, review at any time the qualifications of any
50 physician as to the character of the medical care or independent medical
51 examinations which such physician has theretofore been authorized to
52 render under this chapter and may recommend to the chair that such
53 physician be authorized to render medical care or to conduct independent
54 medical examinations thereafter of the character which such physician is
55 then qualified to render. On such advisory recommendation the chair may
56 review and after reasonable investigation may revise the authorization



1 of a physician in respect to the character of medical care and/or to
2 conduct independent medical examinations which he or she is authorized
3 to render. If the medical society or board recommends to the chair that
4 a physician be authorized to render medical care and/or to conduct inde-
5 pendent medical examinations under this chapter of a character different
6 from the character of medical care or independent medical examinations
7 he or she has been theretofore authorized to render, such physician may
8 appeal from such recommendation to the medical appeals unit.

9 3] 4. Laboratories and bureaus engaged in x-ray diagnosis or treat-
10 ment or in physiotherapy or other therapeutic procedures and which
11 participate in the diagnosis or treatment of injured [workmen] claimants
12 under this chapter shall be operated or supervised by [qualified physi-
13 cians duly authorized] authorized providers under this chapter and shall
14 be subject to the provisions of section thirteen-c of this article. The
15 person in charge of diagnostic clinical laboratories [duly] authorized
16 under this chapter shall possess the qualifications established by the
17 public health and health planning council for approval by the state
18 commissioner of health or, in the city of New York, the qualifications
19 approved by the board of health of said city and shall maintain the
20 standards of work required for such approval.

21 § 2. Section 13-d of the workers' compensation law, as amended by
22 chapter 459 of the laws of 1944, the section heading and subdivisions 1
23 and 2 as amended by chapter 473 of the laws of 2000, paragraphs (a) and
24 (b) of subdivision 2 as amended and subdivision 5 as added by chapter 6
25 of the laws of 2007 and subdivision 4 as amended by chapter 1068 of the
26 laws of 1960, is amended to read as follows:

27 § 13-d. Removal of [physicians] providers from lists of those author-
28 ized to render medical care or to conduct independent medical examina-
29 tions. 1. [The medical society of the county in which the physician's
30 office is located at the time or a board designated by such county soci-
31 ety or a board representing duly licensed physicians of any other school
32 of medical practice in such county shall investigate, hear and make
33 findings with respect to all charges as to professional or other miscon-
34 duct of any authorized physician as herein provided under rules and
35 procedure to be prescribed by the medical appeals unit, and shall report
36 evidence of such misconduct, with their findings and recommendation with
37 respect thereto, to the chair. Failure to commence such investigation
38 within sixty days from the date the charges are referred to the society
39 by the chair or submit findings and recommendations relating to the
40 charges within one hundred eighty days from the date the charges are
41 referred shall empower the chair to appoint, as a hearing officer, a
42 member of the board, employee, or other qualified hearing officer to
43 hear and report on the charges to the chair. A qualified hearing offi-
44 cer, who is neither a member of the board, or employee thereof shall be
45 paid at a reasonable per diem rate to be fixed by the chair.

46 Such investigation, hearing, findings, recommendation and report may
47 be made by the society or board of an adjoining county upon the request
48 of the medical society of the county in which the alleged misconduct or
49 infraction of this chapter occurred, subject to the time limit and
50 conditions set forth herein. The medical appeals unit shall review the
51 findings and recommendation of such medical society or board, or hearing
52 officer appointed by the chair upon application of the accused physician
53 and may reopen the matter and receive further evidence. The findings,
54 decision and recommendation of such society, board or hearing officer
55 appointed by the chair or medical appeals unit shall be advisory to the
56 chair only, and shall not be binding or conclusive upon him or her.

1 2.] The chair shall [remove from the list of physicians authorized to]
2 temporarily suspend, revoke, or otherwise limit the authorization of any
3 provider to render medical care under this chapter, or to conduct inde-
4 pendent medical examinations in accordance with paragraph (b) of subdi-
5 vision four of section thirteen-a of this article, [the name of any
6 physician who he or she shall find] should he or she find, after reason-
7 able investigation [is disqualified because such physician:], that such
8 provider has failed to render competent, professional, or quality
9 medical care and treatment under this chapter.

10 2. A provider's failure to provide the standard of care or his or her
11 breach of the duty to provide competent, professional, or quality
12 medical care and treatment under this chapter can be found in the
13 following acts of misconduct:

14 (a) has [been guilty of] committed professional, medical, or other
15 misconduct or incompetency in connection with rendering medical services
16 under the law or has violated any of the specified grounds for unprofes-
17 sional conduct as more fully set forth in the education law, specif-
18 ically the rules of the board of regents, the office of professions, or
19 the regulations of the commissioner of education; or

20 (b) has exceeded the limits of his or her professional competence in
21 rendering medical care or in conducting independent medical examinations
22 under the law[,], or has made materially false statements [regarding his
23 or her qualifications in his or her application for the recommendation
24 of the medical society or board as provided in section thirteen-b of
25 this article] in connection with the authorization agreement; or

26 (c) has failed to transmit copies of medical reports to claimant's
27 attorney or licensed representative as provided in subdivision (f) of
28 section thirteen of this article; or has failed to submit full and
29 truthful medical reports of all his or her findings to the employer, and
30 directly to the chair or the board within the time limits provided in
31 subdivision four of section thirteen-a of this article with the excep-
32 tion of injuries which do not require (1) more than ordinary first aid
33 or more than two treatments by a physician or person rendering first
34 aid, or (2) loss of time from regular duties of one day beyond the work-
35 ing day or shift; or

36 (d) knowingly made a false statement or representation as to a materi-
37 al fact in any medical report made pursuant to this chapter or in testi-
38 fying or otherwise providing information for the purposes of this chap-
39 ter; or

40 (e) has solicited, or has employed another to solicit for himself or
41 herself or for another, professional treatment, examination or care of
42 an injured employee in connection with any claim under this chapter; or

43 (f) has refused to appear before, to testify, to submit to a deposi-
44 tion, or to answer upon request of, the chair, board, [medical appeals
45 unit] or any duly authorized officer of the state, any legal question,
46 or to produce any relevant book [or], paper, or response concerning his
47 or her conduct under any authorization [granted to him or her under this
48 chapter] or authorization agreement; or

49 (g) has directly or indirectly [requested, received or participated in
50 the division, transference, assignment, rebating, splitting or refunding
51 of a fee for, or has directly or indirectly requested, received or prof-
52 ited by means of a credit or other valuable consideration as a commis-
53 sion, discount or gratuity in connection with the furnishing of medical
54 or surgical care, an independent medical examination, diagnosis or
55 treatment or service, including X-ray examination and treatment, or for
56 or in connection with the sale, rental, supplying or furnishing of clin-



1 ical laboratory services or supplies, X-ray laboratory services or
2 supplies, inhalation therapy service or equipment, ambulance service,
3 hospital or medical supplies, physiotherapy or other therapeutic service
4 or equipment, artificial limbs, teeth or eyes, orthopedic or surgical
5 appliances or supplies, optical appliances, supplies or equipment,
6 devices for aid of hearing, drugs, medication or medical supplies, or
7 any other goods, services or supplies prescribed for medical diagnosis,
8 care or treatment, under this chapter; except that reasonable payment,
9 not exceeding the technical component fee permitted in the medical fee
10 schedule, established under this chapter for X-ray examinations, diagno-
11 sis or treatment, may be made by a physician duly authorized as a roent-
12 genologist to any hospital furnishing facilities and equipment for such
13 examination, diagnosis or treatment, provided such hospital does not
14 also submit a charge for the same services. Nothing contained in this
15 paragraph shall prohibit such physicians who practice as partners, in
16 groups or as a professional corporation or as a university faculty prac-
17 tice corporation from pooling fees and moneys received, either by the
18 partnership, professional corporation, university faculty practice
19 corporation or group by the individual members thereof, for professional
20 services furnished by any individual professional member, or employee of
21 such partnership, corporation or group, nor shall the professionals
22 constituting the partnerships, corporations, or groups be prohibited
23 from sharing, dividing or apportioning the fees and moneys received by
24 them or by the partnership, corporation or group in accordance with a
25 partnership or other agreement], while temporarily suspended, benefited
26 from the splitting or pooling of fees by managing or directing a medical
27 practice employing or hiring other authorized providers to render treat-
28 ment under this chapter, supervised care and treatment under this chap-
29 ter, or submitted for reimbursement board forms for services rendered
30 under this chapter; or

31 (h) has violated any of the provisions outlined in section thirteen of
32 this article, the rules, policies, and regulations promulgated by the
33 board, the provider's medical license requirements, as more fully set
34 forth in the public health law and the education law, or the require-
35 ments set forth in the authorization agreement; or

36 (i) has been subject to a condition, limitation, or finding by the
37 department of health in a report, determination, or any type of order
38 resulting from allegations of misconduct.

39 3. [Any person who violates or attempts to violate, and any person who
40 aids another to violate or attempts to induce him to violate the
41 provisions of paragraph (g) of subdivision two of this section shall be
42 guilty of a misdemeanor] Once suspended, revoked, or limited, a surgeon
43 may provide only required and necessary post-surgical care and treatment
44 to a workers' compensation patient recovering from a surgical procedure
45 performed within a reasonable time frame prior to the effective date of
46 the provider's authorization suspension or revocation.

47 4. [Nothing] In addition to the power or duty of the chair to tempo-
48 rarily suspend, revoke, or otherwise limit the authorization of a
49 provider in the event that one of the acts of professional, medical, or
50 other misconduct is found to exist, nothing in this section shall be
51 construed as limiting in any respect the [power or duty of the chairman]
52 chair's authority to [investigate instances of misconduct, either before
53 or after investigation by a medical society or board as herein provided,
54 or to temporarily suspend the authorization of any physician that he may
55 believe to be guilty of such misconduct] impose a fine not to exceed
56 five thousand dollars.



1 [5. Whenever the department of health shall conduct an investigation
2 with respect to charges of professional or other misconduct by a physi-
3 cian which results in a report, determination or consent order that
4 includes a finding of professional or other misconduct or incompetency
5 by such physician, the chair shall have full power and authority to
6 temporarily suspend, revoke or otherwise limit the authorization under
7 this chapter of any physician upon such finding by the department of
8 health that the physician has been guilty of professional or other
9 misconduct. The recommendations of the department of health shall be
10 advisory to the chair only and shall not be binding or conclusive upon
11 the chair.]

12 § 3. Subdivision 2 of section 13-k of the workers' compensation law,
13 as amended by chapter 473 of the laws of 2000, is amended to read as
14 follows:

15 2. An employee injured under circumstances which make such injury
16 compensable under this article, when care is required for an injury to
17 the foot which injury or resultant condition therefrom may lawfully be
18 treated by a duly registered and licensed podiatrist of the state of New
19 York, may select to treat him or her any podiatrist authorized by the
20 chair to render podiatry care, as hereinafter provided. If the injury or
21 condition is one which is without the limits prescribed by the education
22 law for podiatry care and treatment, or the injuries involved affect
23 other parts of the body in addition to the foot, the said podiatrist
24 must so advise the said injured employee and instruct him or her to
25 consult a physician of said employee's choice for appropriate care and
26 treatment. Such physician shall thenceforth have overall supervision of
27 the treatment of said patient including the future treatment to be
28 administered to the patient by the podiatrist. If for any reason during
29 the period when podiatry treatment and care is required, the employee
30 wishes to transfer his or her treatment and care to another authorized
31 podiatrist he or she may do so, in accordance with rules prescribed by
32 the chair, provided however that the employer shall be liable for the
33 proper fees of the original podiatrist for the care and treatment he or
34 she shall have rendered. [A podiatrist licensed and registered to prac-
35 tice podiatry in the state of New York who is desirous of being author-
36 ized to render podiatry care under this section and/or to conduct inde-
37 pendent medical examinations in accordance with paragraph (b) of
38 subdivision three of this section shall file an application for authori-
39 zation under this section with the podiatry practice committee. In such
40 application he or she shall agree to refrain from subsequently treating
41 for remuneration, as a private patient, any person seeking podiatry
42 treatment, or submitting to an independent medical examination, in
43 connection with, or as a result of, any injury compensable under this
44 chapter, if he or she has been removed from the list of podiatrists
45 authorized to render podiatry care or to conduct independent medical
46 examinations under this chapter, or if the person seeking such treatment
47 has been transferred from his or her care in accordance with the
48 provisions of this section. This agreement shall run to the benefit of
49 the injured person so treated or examined, and shall be available to him
50 or her as a defense in any action by such podiatrist for payment for
51 treatment rendered by a podiatrist after he or she has been removed from
52 the list of podiatrists authorized to render podiatry care or to conduct
53 independent medical examinations under this section, or after the
54 injured person was transferred from his or her care in accordance with
55 the provisions of this section. The podiatry practice committee if it
56 deems such licensed podiatrist duly qualified shall recommend to the



1 chair that such podiatrist be authorized to render podiatry care and/or
2 to conduct independent medical examinations under this section. Such
3 recommendation shall be advisory to the chair only and shall not be
4 binding or conclusive upon him or her.] The chair shall prepare and
5 establish a schedule for the state, or schedules limited to defined
6 localities, of charges and fees for podiatry treatment and care, to be
7 determined in accordance with and to be subject to change pursuant to
8 rules promulgated by the chair. Before preparing such schedule for the
9 state or schedules for limited localities the chair shall request the
10 podiatry practice committee to submit to him or her a report on the
11 amount of remuneration deemed by such committee to be fair and adequate
12 for the types of podiatry care to be rendered under this chapter, but
13 consideration shall be given to the view of other interested parties.
14 The amounts payable by the employer for such treatment and services
15 shall be the fees and charges established by such schedule.

16 § 4. Subdivision 2 of section 13-1 of the workers' compensation law,
17 as amended by chapter 473 of the laws of 2000, is amended to read as
18 follows:

19 2. An employee injured under circumstances which make such injury
20 compensable under this article, when care is required for an injury
21 which consists solely of a condition which may lawfully be treated by a
22 chiropractor as defined in section sixty-five hundred fifty-one of the
23 education law may select to treat him or her, any duly registered and
24 licensed chiropractor of the state of New York, authorized by the chair
25 to render chiropractic care as hereinafter provided. If the injury or
26 condition is one which is outside the limits prescribed by the education
27 law for chiropractic care and treatment, the said chiropractor must so
28 advise the said injured employee and instruct him or her to consult a
29 physician of said employee's choice for appropriate care and treatment.
30 Such physician shall thenceforth have supervision of the treatment of
31 said condition including the future treatment to be administered to the
32 patient by the chiropractor. [A chiropractor licensed and registered to
33 practice chiropractic in the state of New York, who is desirous of being
34 authorized to render chiropractic care under this section and/or to
35 conduct independent medical examinations in accordance with paragraph
36 (b) of subdivision three of this section shall file an application for
37 authorization under this section with the chiropractic practice commit-
38 tee. In such application he or she shall agree to refrain from subse-
39 quently treating for remuneration, as a private patient, any person
40 seeking chiropractic treatment, or submitting to an independent medical
41 examination, in connection with, or as a result of, any injury compensa-
42 ble under this chapter, if he or she has been removed from the list of
43 chiropractors authorized to render chiropractic care or to conduct inde-
44 pendent medical examinations under this chapter, or if the person seek-
45 ing such treatment has been transferred from his or her care in accord-
46 ance with the provisions of this section. This agreement shall run to
47 the benefit of the injured person so treated, or examined, and shall be
48 available to him or her as a defense in any action by such chiropractor
49 for payment rendered by a chiropractor after he or she has been removed
50 from the list of chiropractors authorized to render chiropractic care or
51 to conduct independent medical examinations under this section, or after
52 the injured person was transferred from his or her care in accordance
53 with the provisions of this section. The chiropractic practice committee
54 if it deems such licensed chiropractor duly qualified shall recommend to
55 the chair that such be authorized to render chiropractic care and/or to
56 conduct independent medical examinations under this section. Such recom-

1 mendations shall be advisory to the chair only and shall not be binding
2 or conclusive upon him or her.] The chair shall prepare and establish a
3 schedule for the state, or schedules limited to defined localities of
4 charges and fees for chiropractic treatment and care, to be determined
5 in accordance with and to be subject to change pursuant to rules promul-
6 gated by the chair. Before preparing such schedule for the state or
7 schedules for limited localities the chair shall request the chiroprac-
8 tic practice committee to submit to him or her a report on the amount of
9 remuneration deemed by such committee to be fair and adequate for the
10 types of chiropractic care to be rendered under this chapter, but
11 consideration shall be given to the view of other interested parties,
12 the amounts payable by the employer for such treatment and services
13 shall be the fees and charges established by such schedule.

14 § 5. Subdivisions 2 and 3 and paragraph (b) of subdivision 4 of
15 section 13-m of the workers' compensation law, subdivision 2 as added by
16 chapter 589 of the laws of 1989 and subdivision 3 and paragraph (b) of
17 subdivision 4 as amended by chapter 473 of the laws of 2000, are amended
18 to read as follows:

19 2. (a) An injured employee, injured under circumstances which make
20 such injury compensable under this article, may lawfully be treated[,
21 upon the referral of an authorized physician,] by a psychologist, duly
22 registered and licensed by the state of New York, authorized by the
23 chairman to render psychological care pursuant to [this] section thir-
24 teen-b of this article. Such services shall be within the scope of such
25 psychologist's specialized training and qualifications as defined in
26 article one hundred fifty-three of the education law.

27 (b) Medical bureaus, medical centers jointly operated by labor and
28 management representatives, hospitals and health maintenance organiza-
29 tions, authorized to provide medical care pursuant to section thirteen-c
30 of this chapter, may provide psychological services when required[, upon
31 the referral of an authorized physician, provided such care is rendered
32 by a duly registered, licensed and authorized psychologist, as required
33 by this section].

34 (c) A psychologist rendering service pursuant to this section shall
35 maintain records of the patient's psychological condition and treatment,
36 and such records or reports shall be submitted to the chairman on such
37 forms and at such times as the chairman may require.

38 3. [A psychologist, licensed and registered to practice psychology in
39 the state of New York, who is desirous of being authorized to render
40 psychological care under this section and/or to conduct independent
41 medical examinations in accordance with paragraph (b) of subdivision
42 four of this section shall file an application for authorization under
43 this section with the psychology practice committee. The applicant shall
44 agree to refrain from subsequently treating for remuneration, as a
45 private patient, any person seeking psychological treatment, or submit-
46 ting to an independent medical examination, in connection with, or as a
47 result of, any injury compensable under this chapter, if he or she has
48 been removed from the list of psychologists authorized to render psycho-
49 logical care under this chapter. This agreement shall run to the benefit
50 of the injured person so treated, and shall be available as a defense in
51 any action by such psychologist for payment for treatment rendered by
52 such psychologist after being removed from the list of psychologists
53 authorized to render psychological care or to conduct independent
54 medical examinations under this section. The psychology practice commit-
55 tee if it deems such licensed psychologist duly qualified shall recom-
56 mend to the chair that such person be authorized to render psychological

1 care and/or to conduct independent medical examinations under this
2 section. Such recommendations shall be only advisory to the chair and
3 shall not be binding or conclusive.] The chair shall prepare and estab-
4 lish a schedule for the state or schedules limited to defined localities
5 of charges and fees for psychological treatment and care, to be deter-
6 mined in accordance with and be subject to change pursuant to rules
7 promulgated by the chair. Before preparing such schedule for the state
8 or schedules for limited localities the chair shall request the psychol-
9 ogy practice committee to submit to such chair a report on the amount of
10 remuneration deemed by such committee to be fair and adequate for the
11 types of psychological care to be rendered under this chapter, but
12 consideration shall be given to the view of other interested parties.
13 The amounts payable by the employer for such treatment and services
14 shall be the fees and charges established by such schedule.

15 (b) Upon receipt of the notice provided for by paragraph (a) of this
16 subdivision, the employer, the carrier, and the claimant each shall be
17 entitled to have the claimant examined by a qualified psychologist,
18 authorized by the chair in accordance with [subdivision three of this]
19 section thirteen-b of this article and section one hundred thirty-seven
20 of this chapter, at a medical facility convenient to the claimant and in
21 the presence of the claimant's psychologist, and refusal by the claimant
22 to submit to such independent medical examination at such time or times
23 as may reasonably be necessary in the opinion of the board shall bar the
24 claimant from recovering compensation, for any period during which he or
25 she has refused to submit to such examination.

26 § 6. Section 14 of the workers' compensation law, as amended by chap-
27 ter 925 of the laws of 1937, subdivisions 1 and 2 as amended by chapter
28 94 of the laws of 1946, subdivision 3 as amended by chapter 277 of the
29 laws of 1941, subdivision 5 as amended by chapter 730 of the laws of
30 1978, subdivision 6 as amended by chapter 6 of the laws of 2007 and
31 subdivision 7 as amended by chapter 169 of the laws of 2007, is amended
32 to read as follows:

33 § 14. Weekly wages basis of compensation. Except as otherwise provided
34 in this chapter, the average weekly wages of the injured employee at the
35 time of the injury shall be taken as the basis upon which to compute
36 compensation or death benefits, and shall be determined as follows:

37 1. [If the injured employee shall have worked in the employment in
38 which he was working at the time of the accident, whether for the same
39 employer or not, during substantially the whole of the year immediately
40 preceding his injury, his average annual earnings shall consist of three
41 hundred times the average daily wage or salary for a six-day worker, and
42 two hundred sixty times the average daily wage or salary for a five-day
43 worker, which he shall have earned in such employment during the days
44 when so employed;

45 2. If the injured employee shall not have worked in such employment
46 during substantially the whole of such year, his average annual earn-
47 ings, if a six-day worker, shall consist of three hundred times the
48 average daily wage or salary, and, if a five-day worker, two hundred and
49 sixty times the average daily wage or salary, which an employee of the
50 same class working substantially the whole of such immediately preceding
51 year in the same or in a similar employment in the same or a neighboring
52 place shall have earned in such employment during the days when so
53 employed;

54 3. If either of the foregoing methods of arriving at the annual aver-
55 age earnings of an injured employee cannot reasonably and fairly be
56 applied, such annual average earnings shall be such sum as, having

1 regard to the previous earnings of the injured employee and of other
2 employees of the same or most similar class, working in the same or most
3 similar employment, or other employment as defined in this chapter, in
4 the same or neighboring locality, shall reasonably represent the annual
5 earning capacity of the injured employee in the employment in which he
6 was working at the time of the accident, provided, however, his average
7 annual earnings shall consist of not less than two hundred times the
8 average daily wage or salary which he shall have earned in such employ-
9 ment during the days when so employed, further provided, however, that
10 if the injured employee shall have been in the military or naval service
11 of the United States or of the state of New York within twelve months
12 prior to his injury, and his average annual earnings cannot be fairly
13 determined under subdivisions one and two, then the average annual earn-
14 ings shall be determined by multiplying his average daily wage during
15 the days so employed by not less than two hundred and forty;

16 4. The average weekly wages of an employee shall be one-fifty-second
17 part of his average annual earnings;] The average weekly wage shall be
18 determined by computing the total wages paid to the employee during the
19 thirteen weeks immediately preceding the date of injury and dividing by
20 thirteen, provided that:

21 a. If the employee worked less than thirteen weeks in the employment
22 in which the employee was injured, the average weekly wage shall be
23 based upon the total wage earned by the employee in the employment in
24 which the employee was injured, divided by the total number of weeks
25 actually worked in that employment;

26 b. If the injured employee sustains a compensable injury before
27 completing his or her first work week, or if the injured employee is a
28 seasonal employee, or if the earnings are at an irregular rate, such as
29 piecework, or on a commission basis, or are specified to be bi-weekly,
30 monthly, or other period, then the average weekly wage shall be taken as
31 the actual weekly earnings averaged for this period of time, not exceed-
32 ing one year;

33 c. If there is insufficient evidence available to determine the earn-
34 ings of the employee under the foregoing methods, or if the pay has not
35 been designated for the work required, the average weekly wage shall be
36 based upon the previous earnings of the injured employee and of other
37 employees of the same or most similar class, working in the same or most
38 similar employment, or other employment as defined in this chapter, in
39 the same or neighboring locality, that shall reasonably represent the
40 annual earning capacity of the injured employee in the employment in
41 which he or she was working at the time of the accident for a period of
42 thirteen weeks prior to the injury or, if that method does not consti-
43 tute sufficient evidence of the average weekly wage, earnings data for a
44 period not exceeding one year prior to the injury;

45 d. Provided, further, however, that only in the event that there is
46 insufficient evidence ascertained under the foregoing methods of comput-
47 ing the average weekly wage of the employee by reason of the nature of
48 the employment or where for any other reason the methods will not fairly
49 and accurately compute the average weekly wage, computation of the aver-
50 age weekly wage may be determined by such other manner and by such other
51 method as will be based upon the facts presented to fairly determine
52 such employee's average weekly wage;

53 e. If a claim is established as an occupational disease, the average
54 weekly wage shall be based on earnings as of the date of disablement.

55 [5.] 2. If it be established that the injured employee was under the
56 age of twenty-five when injured, and that under normal conditions his

1 wages would be expected to increase, that fact may be considered in
2 arriving at his average weekly wages.

3 [6.] 3. If the injured employee is concurrently engaged in more than
4 one employment at the time of injury, the employee's average weekly
5 wages shall be calculated upon the basis of wages earned from all
6 concurrent employments covered under this chapter. The employer in whose
7 employment the employee was injured shall be liable for the benefits
8 that would have been payable if the employee had had no other employ-
9 ment. [Any additional benefits resulting from the increase in average
10 weekly wages due to the employee's concurrent employments shall be paya-
11 ble in the first instance by the employer in whose employment the
12 employee was injured and shall be reimbursed by the special disability
13 fund created under subdivision eight of section fifteen of this article,
14 but only if such claim is presented in accordance with subparagraph two
15 of paragraph (h) of subdivision eight of section fifteen of this arti-
16 cle.] The employer in whose employment the employee was injured shall be
17 liable for all medical costs.

18 [7.] 4. The average weekly wages of a jockey, apprentice jockey or
19 exercise person licensed under article two or four of the racing, pari-
20 mutuel wagering and breeding law shall be computed based upon all of the
21 earnings of such jockey, apprentice jockey or exercise person, including
22 those derived from outside of the state.

23 § 7. Subdivision 1 of section 20 of the workers' compensation law, as
24 amended by chapter 635 of the laws of 1996, is amended to read as
25 follows:

26 1. At any time after the expiration of the first seven days of disa-
27 bility on the part of an injured employee, or at any time after the
28 employee's death, a claim for compensation may be presented to the
29 employer or to the chair. The board shall have full power and authority
30 to determine all questions in relation to the payment of claims
31 presented to it for compensation under the provisions of this chapter.
32 The chair or board shall make or cause to be made such investigation as
33 it deems necessary, and upon application of either party, shall order a
34 hearing, and within thirty days after a claim for compensation is
35 submitted under this section, or such hearing closed, shall make or deny
36 an award, determining such claim for compensation, and file the same in
37 the office of the chair. Immediately after such filing the chair shall
38 send to the parties a copy of the decision. Upon a hearing pursuant to
39 this section either party may present evidence and be represented by
40 counsel. The decision of the board shall be final as to all questions
41 of fact, and, except as provided in section twenty-three of this arti-
42 cle, as to all questions of law. Except as provided in section twenty-
43 seven of this article, all awards of the board shall draw simple inter-
44 est from thirty days after the making thereof at the rate provided in
45 section five thousand four of the civil practice law and rules. Whenev-
46 er a hearing or proceeding for the determination of a claim for compen-
47 sation is begun before a referee, pursuant to the provisions of this
48 chapter, such hearing or proceeding or any adjourned hearing [thereon
49 shall], including a referral for decision, may continue before [the same
50 referee until a final determination awarding or denying compensation,
51 except in the absence, inability or disqualification to act of such
52 referee, or for other good cause, in which event such hearing or
53 proceeding may be continued before another referee by order of the chair
54 or board] any referee as determined by the board.



1 § 8. Section 23 of the workers' compensation law, as amended by
2 section 10 of part GG of chapter 57 of the laws of 2013, is amended to
3 read as follows:

4 § 23. Appeals. An award or decision of the board shall be final and
5 conclusive upon all questions within its jurisdiction, as against the
6 state fund or between the parties, unless reversed or modified on appeal
7 therefrom as hereinafter provided. Any party may within thirty days
8 after notice of the filing of an award or decision of a referee, file
9 with the board an application in writing for a modification or rescis-
10 sion or review of such award or decision, as provided in this chapter.
11 The board shall render its decision upon such application in writing and
12 shall include in such decision a statement of the facts which formed the
13 basis of its action on the issues raised before it on such application.
14 Within thirty days after notice of the decision of the board upon such
15 application has been served upon the parties, or within thirty days
16 after notice of an administrative redetermination review decision by the
17 chair pursuant to subdivision five of section fifty-two, section one
18 hundred thirty-one or section one hundred forty-one-a of this chapter
19 has been served upon any party in interest, an appeal may be taken ther-
20 efrom to the appellate division of the supreme court, third department,
21 by any party in interest, including an employer insured in the state
22 fund; provided, however, that any party in interest may within thirty
23 days after notice of the filing of the board [panel's] decision with the
24 secretary of the board, make application in writing for review thereof
25 by the full board. If the decision or determination was that of a panel
26 of the board and there was a dissent from such decision or determination
27 other than a dissent the sole basis of which is to refer the case to an
28 impartial specialist, the full board shall review and affirm, modify or
29 rescind such decision or determination in the same manner as herein
30 above provided for an award or decision of a referee. If the decision
31 or determination was that of a unanimous panel of the board, or there
32 was a dissent from such decision or determination the sole basis of
33 which is to refer the case to an impartial specialist, the board may in
34 its sole discretion review and affirm, modify or rescind such decision
35 or determination in the same manner as herein above provided for an
36 award or decision of a referee. Failure to apply for review by the full
37 board shall not bar any party in interest from taking an appeal directly
38 to the court as above provided. The board may also, in its discretion
39 certify to such appellate division of the supreme court, questions of
40 law involved in its decision. Such appeals and the question so certified
41 shall be heard in a summary manner and shall have precedence over all
42 other civil cases in such court. The board shall be deemed a party to
43 every such appeal from its decision upon such application, and the chair
44 shall be deemed a party to every such appeal from an administrative
45 redetermination review decision pursuant to subdivision five of section
46 fifty-two of this chapter. The attorney general shall represent the
47 board and the chair thereon. An appeal may also be taken to the court of
48 appeals in the same manner and subject to the same limitations not
49 inconsistent herewith as is now provided in the civil practice law and
50 rules. It shall not be necessary to file exceptions to the rulings of
51 the board. An appeal to the appellate division of the supreme court,
52 third department, or to the court of appeals, shall not operate as a
53 stay of the payment of compensation required by the terms of the award
54 or of the payment of the cost of such medical, dental, surgical, optome-
55 tric or other attendance, treatment, devices, apparatus or other neces-
56 sary items the employer is required to provide pursuant to section thir-



1 teen of this article which are found to be fair and reasonable. Where
2 such award is modified or rescinded upon appeal, the appellant shall be
3 entitled to reimbursement in a sum equal to the compensation in dispute
4 paid to the respondent in addition to a sum equal to the cost of such
5 medical, dental, surgical, optometric or other attendance, treatment,
6 devices, apparatus or other necessary items the employer is required to
7 provide pursuant to section thirteen of this article paid by the appel-
8 lant pending adjudication of the appeal. Such reimbursement shall be
9 paid from administration expenses as provided in section one hundred
10 fifty-one of this chapter upon audit and warrant of the comptroller upon
11 vouchers approved by the chair. Where such award is subject to the
12 provisions of section twenty-seven of this article, the appellant shall
13 pay directly to the claimant all compensation as it becomes due during
14 the pendency of the appeal, and upon affirmance shall be entitled to
15 credit for such payments. Neither the chair, the board, the commission-
16 ers of the state insurance fund nor the claimant shall be required to
17 file a bond upon an appeal to the court of appeals. Upon final determi-
18 nation of such an appeal, the board or chair, as the case may be, shall
19 enter an order in accordance therewith. Whenever a notice of appeal is
20 served or an application made to the board by the employer or insurance
21 carrier for a modification or rescission or review of an award or deci-
22 sion, and the board shall find that such notice of appeal was served or
23 such application was made for the purpose of delay or upon frivolous
24 grounds, the board shall impose a penalty in the amount of five hundred
25 dollars upon the employer or insurance carrier, which penalty shall be
26 added to the compensation and paid to the claimant. Whenever an applica-
27 tion is made to the board by the employer or insurance carrier for a
28 modification or rescission or review of an award or decision, and the
29 board shall find that such application was made for the purpose of delay
30 and upon frivolous grounds, the board may impose a penalty pursuant to
31 paragraph (f) of subdivision three of section twenty-five of this arti-
32 cle. Upon a finding that an application has been made to the board for
33 the purpose of delay and upon frivolous grounds, and the employer or
34 carrier has made payment to the claimant of all compensation as it
35 becomes due during the pendency of the application, no penalty pursuant
36 to paragraph (f) of subdivision three of section twenty-five of this
37 article shall be imposed. The penalties provided herein shall be
38 collected in like manner as compensation. A party against whom an award
39 of compensation shall be made may appeal from a part of such award. In
40 such a case the payment of such part of the award as is not appealed
41 from shall not prejudice any rights of such party on appeal, nor be
42 taken as an admission against such party. Any appeal by an employer from
43 an administrative redetermination review decision pursuant to subdivi-
44 sion five of section fifty-two of this chapter shall in no way serve to
45 relieve the employer from the obligation to timely pay compensation and
46 benefits otherwise payable in accordance with the provisions of this
47 chapter.

48 Nothing contained in this section shall be construed to inhibit the
49 continuing jurisdiction of the board as provided in section one hundred
50 twenty-three of this chapter.

51 § 9. Paragraph (f) of subdivision 3 of section 25 of the workers'
52 compensation law, as amended by chapter 316 of the laws of 1991, is
53 amended to read as follows:

54 (f) If the employer or its insurance carrier shall fail to make
55 payments of compensation according to the terms of the award within ten
56 days or the uninsured employers' fund shall fail to make payments of

1 compensation according to the terms of the award within thirty days
2 after such ten day period except in case of an application to the board
3 for a modification, rescission or review of such award, there shall be
4 imposed a penalty equal to twenty percent of the unpaid compensation
5 which shall be paid to the injured worker or his or her dependents, and
6 there shall also be imposed an assessment of fifty dollars, which shall
7 be paid into the state treasury. Whenever an application is made to the
8 board by the employer or insurance carrier for a modification or rescis-
9 sion or review of an award or decision in accordance with section twen-
10 ty-three of this article, and the board shall find that such application
11 was made for the purpose of delay and upon frivolous grounds, the board
12 may impose a penalty equal to twenty percent of the unpaid compensation
13 which shall be paid to the injured worker or his or her dependents, and
14 there shall also be imposed an assessment of fifty dollars, which shall
15 be paid into the state treasury.

16 § 10. The closing paragraph of paragraph (a) of subdivision 2 of
17 section 25 of the workers' compensation law, as amended by chapter 635
18 of the laws of 1996, is amended to read as follows:

19 If the insurance carrier shall fail either to file notice of contro-
20 versy or begin payment of compensation within the prescribed period or
21 within ten days after receipt of a copy of the notice required in
22 section one hundred ten of this chapter, whichever period is the great-
23 er, the board may[, after a hearing,] impose a penalty in the amount of
24 three hundred dollars, which shall be in addition to all other penalties
25 provided for in this chapter and shall be paid to the claimant. Such
26 penalty shall be collected in like manner as an award of compensation.

27 § 11. Subdivisions 1 and 7 of section 27 of the workers' compensation
28 law, subdivision 1 as amended by chapter 192 of the laws of 1949, subdi-
29 vision 7 as amended by chapter 62 of the laws of 1989, the closing para-
30 graph of subdivision 7 as amended by chapter 6 of the laws of 2007 and
31 as further amended by section 104 of part A of chapter 62 of the laws of
32 2011, are amended to read as follows:

33 1. All payments made into the fund pursuant to the provisions of this
34 section shall constitute an indivisible and aggregate trust fund except
35 as hereinafter provided. Notwithstanding any other provisions of this
36 chapter, the board shall not direct a mandatory deposit on or after the
37 effective date of the chapter of the laws of two thousand sixteen which
38 amended this subdivision. The carrier shall make a mandatory deposit
39 into the fund as directed in a board decision filed prior to the effec-
40 tive date of the chapter of the laws of two thousand sixteen which
41 amended this subdivision, in the amount set forth in a supplemental
42 board decision of any date. The carrier is responsible for payments to
43 the claimant as directed until the deposit is made into the fund. If the
44 insurance carrier shall fail to make a timely mandatory deposit into the
45 fund the chair may impose a penalty equal to twenty percent of the
46 unpaid mandatory deposit amount which shall be paid to the injured work-
47 er or his or her dependents, and there shall also be imposed an assess-
48 ment of fifty dollars, which shall be paid into the state treasury.

49 7. [For the purpose of securing the solvency of the aggregate trust
50 fund, there shall be required, in addition to the payments hereinbefore
51 provided for, a payment on each award, as follows:

52 (a) In the mandatory type cases based on an accident occurring on or
53 subsequent to July first, nineteen hundred forty-one up to and including
54 June thirtieth, nineteen hundred forty-three an amount equal to six per
55 centum of the present value of each such case paid into such fund;

1 (b) In the mandatory type cases based on an accident occurring on or
2 subsequent to July first, nineteen hundred forty-three an amount equal
3 to ten per centum of the present value of each such case paid into such
4 fund;

5 (c) In the discretionary type cases based on an accident occurring up
6 to and including June thirtieth, nineteen hundred thirty-nine an amount
7 equal to sixteen per centum of the present value of each such case paid
8 into such fund;

9 (d) In the discretionary type cases based on an accident occurring on
10 or subsequent to July first, nineteen hundred thirty-nine an amount
11 equal to ten per centum of the present value of each such case paid into
12 such fund.

13 Such additional payments shall be required until the surplus of the
14 fund equals or exceeds one per centum of the total outstanding loss
15 reserves as shown by three successive annual reports of the fund to the
16 superintendent of financial services and such additional payment shall
17 be required as a payment upon each award based on an accident occurring
18 prior to July first next succeeding the third such annual report, but
19 not as a payment upon any award based on an accident occurring on or
20 after said July first; provided, however, that if and when the surplus
21 of the fund as shown by any annual report thereafter shall be less than
22 one per centum of the total outstanding loss reserves, then the addi-
23 tional payments as provided in paragraphs (a), (b), (c) and (d) of this
24 subdivision shall be resumed and shall be payable upon any award based
25 on an accident occurring on or after July first next succeeding the
26 close of the year for which such annual report is made. Thereafter, the
27 suspension or resumption of additional payments as required by this
28 subdivision shall be governed by the foregoing provisions. Such loss
29 reserves shall be computed based upon the tables specified in subdivi-
30 sion five of this section and interest at a standard to be determined by
31 the superintendent of financial services by regulation.] For the
32 purposes of insuring the solvency of the aggregate trust fund subsequent
33 to the first day of January, two thousand sixteen, the superintendent of
34 financial services, in accordance with subdivision two of section one
35 hundred eight of this chapter, may direct carriers to deposit not more
36 than two percent of written premiums into the workers' compensation
37 guarantee fund established by article six of this chapter to enable the
38 aggregate trust fund to meet its obligations under this section for a
39 period of time not to extend ten years from the effective date of the
40 chapter of the laws of two thousand sixteen which amended this subdivi-
41 sion. In the event that the aggregate trust fund does not have the
42 assets sufficient to meet its obligations after such ten year period,
43 the financial shortfall shall become the liability of the workers'
44 compensation security fund pursuant to the provisions of section one
45 hundred nine-c of this chapter.

46 § 12. Subdivisions 3 and 4 of section 25-a of the workers' compen-
47 sation law, subdivision 3 as amended by section 13 of part GG of chapter
48 57 of the laws of 2013, subdivision 4 as amended by chapter 395 of the
49 laws of 1964, and the closing paragraph of subdivision 4 as further
50 amended by section 104 of part A of chapter 62 of the laws of 2011, are
51 amended to read as follows:

52 3. Any awards so made shall be payable out of the special fund hereto-
53 fore created for such purpose, which fund is hereby continued and shall
54 be known as the fund for reopened cases. The employer, or, if insured,
55 his insurance carrier shall pay into such fund, or, in the case of
56 awards made on or after July first, nineteen hundred sixty-nine, either

1 into such fund or the uninsured employers' fund under section twenty-
2 six-a of this article in accordance with the provisions thereof, for
3 every case of injury causing death for which there are no persons enti-
4 tled to compensation the sum of three hundred dollars where such injury
5 occurred prior to July first, nineteen hundred forty and the sum of one
6 thousand dollars where such injury shall occur on or after said date and
7 prior to April first, nineteen hundred forty-five, and the sum of
8 fifteen hundred dollars where such injury shall occur on or after April
9 first, nineteen hundred forty-five and prior to September first, nine-
10 teen hundred seventy-eight and the sum of three thousand dollars where
11 such injury shall occur on or after September first, nineteen hundred
12 seventy-eight, and in each case of death resulting from injury sustained
13 on or after July first, nineteen hundred forty and prior to September
14 first, nineteen hundred seventy-eight, where there are persons entitled
15 to compensation but the total amount of such compensation is less than
16 two thousand dollars exclusive of funeral benefits, the employer, or, if
17 insured, his insurance carrier, shall pay into such fund, or, in the
18 case of awards made on or after July first, nineteen hundred sixty-nine
19 and prior to September first, nineteen hundred seventy-eight, either
20 into such fund or the uninsured employers' fund under section twenty-
21 six-a of this article in accordance with the provisions thereof, the
22 difference between the sum of two thousand dollars and the compensation,
23 exclusive of funeral benefits, and in each case of death resulting from
24 injury sustained on or after September first, nineteen hundred seventy-
25 eight, the employer, or if insured, his insurance carrier shall pay into
26 such fund or the uninsured employers' fund under section twenty-six-a of
27 this article in accordance with the provisions thereof, the difference
28 between the sum of five thousand dollars and the compensation, exclusive
29 of funeral benefits actually paid to or for the dependents of the
30 deceased employee together with any expense charge required by section
31 twenty-seven of this article; provided, however, that where death shall
32 occur subsequent to the periods limited by subdivision one of this
33 section no payment into such special fund nor to the special fund
34 provided by subdivision nine of section fifteen nor to the uninsured
35 employers' fund provided by section twenty-six-a of this article shall
36 be required. In addition to the assessments made against all insurance
37 carriers for the expenses of administering this chapter provided for
38 under the provisions of section one hundred fifty-one of this chapter,
39 and the payments above provided, the employer, or, if insured, his
40 insurance carrier, shall pay the sum of five dollars into said fund for
41 each case in which an award is made pursuant to the provisions of para-
42 graphs a to s inclusive of subdivision three of section fifteen of this
43 chapter, by reason of injury sustained between July first, nineteen
44 hundred forty and June thirtieth, nineteen hundred forty-two, both dates
45 inclusive, and the sum of ten dollars for each such case by reason of
46 injury sustained between July first, nineteen hundred forty-two and June
47 thirtieth, nineteen hundred fifty, both dates inclusive, which payment
48 shall be in addition to any payment of compensation to the injured
49 employee as provided in this chapter.

50 There shall be maintained in the special fund at all times assets at
51 least equal in value to the sum of (1) the value of awards charged
52 against such fund, (2) the value of all claims that have been reopened
53 by the board as a charge against such fund but as to which awards have
54 not yet been made, (3) effective January first, nineteen hundred seven-
55 ty-one, the value of total supplemental benefits to be paid from such
56 fund as reimbursement pursuant to subdivision nine of this section, and



(4) a reserve equal to ten per cent of the sum of items (1), (2) and (3) of this paragraph. Annually, as soon as practicable after January first in each year, the chair shall ascertain the condition of the fund and [whenever the assets shall fall below the prescribed minimum as herein provided the chair] shall collect: (a) debt service amount sufficient to cover debt service and associated costs to be paid during the calendar year by the dormitory authority, as calculated in accordance with subdivision four of this section and (b) whenever the value of other assets fall below the prescribed minimum to be maintained as herein provided, an amount sufficient to restore the fund to the prescribed minimum. Such assessments shall be included in the assessment rate established pursuant to subdivision two of section one hundred fifty-one of this chapter. Such assessments shall be deposited with the commissioner of taxation and finance and transferred to the benefit of such fund following payment of debt service and associated costs, if any, pursuant to section one hundred fifty-one of this chapter. Commencing on the first of January, two thousand fourteen, the amount collected from all employers required to obtain workers' compensation coverage to maintain the financial integrity of the fund may be paid over a period of time at the discretion of the chair based upon an analysis of the financial condition of the fund. Such payment as determined by the chair shall be included in the assessment rate established pursuant to subdivision two of section one hundred fifty-one of this chapter. The chair shall promulgate regulations to administer claims whose liability has been transferred to the fund for reopened cases. Such regulations may include exercise of the chair's authority to administer existing claims, to procure management for those claims, or to sell such liability including, without limitation, by obtaining an "assumption of workers' compensation liability insurance policy" as defined in section sixteen hundred eighty-1 of the public authorities law. The chair may examine into the condition of the fund at any time on his or her own initiative or on request of the attorney of the fund.

The provisions of this subdivision shall not apply with respect to policies containing coverage pursuant to section thirty-four hundred twenty of the insurance law relating to every policy providing comprehensive personal liability insurance on a one, two, three or four family owner-occupied dwelling.

4. The chair and the commissioner of taxation and finance are authorized and directed to enter into a financing agreement with the dormitory authority, to be known as the "fund for reopened cases financing agreement". Such agreement shall set forth the process for calculating the annual debt service of the bonds issued by the dormitory authority and any other associated costs in connection with the fund for reopened cases, as set forth in section sixteen hundred eighty-1 of the public authorities law. For purposes of this section, "associated costs" may include a coverage factor, reserve fund requirements, all costs of any nature incurred by the dormitory authority in connection with the fund for reopened cases financing agreement or pursuant thereto, the costs of any independent audits undertaken under this section, and any other costs for the implementation of this subdivision and the issuance of bonds by the dormitory authority, including interest rate exchange payments, rebate payments, liquidity fees, credit provider fees, fiduciary fees, remarketing, dealer, auction agent and related fees and other similar bond-related expenses, unless otherwise funded. By September first of each year, the dormitory authority shall provide to the chair the calculation of the amount expected to be paid by the dormitory



1 authority in debt service and associated costs for purposes of calculat-
2 ing the debt service assessment as set forth in subdivision three of
3 this section. All monies received on account of any assessment under
4 subdivision three of this section and this subdivision shall be applied
5 in accordance with this subdivision and in accordance with the fund for
6 reopened cases financing agreement until the financial obligations of
7 the dormitory authority in respect to its contract with its bondholders
8 are met and all associated costs payable to or by the dormitory authori-
9 ty have been paid, notwithstanding any other provision of law respecting
10 secured transactions. This provision may be included by the dormitory
11 authority in any contract of the dormitory authority with its bondhold-
12 ers.

13 The fund for reopened cases financing agreement may restrict disburse-
14 ments, investments, or rebates, and may prescribe a system of accounts
15 applicable to the fund for reopened cases as consistent with the
16 provisions of this section governing such fund, including custody of
17 funds and accounts with a trustee that may be prescribed by the dormito-
18 ry authority as part of its contract with the bondholders. For purposes
19 of this subdivision, the term "bonds" shall include notes issued in
20 anticipation of the issuance of bonds, or notes issued pursuant to a
21 commercial paper program.

22 (a) The commissioner of taxation and finance shall be the custodian of
23 such [special] fund for reopened cases and, unless otherwise provided
24 for in the fund for reopened cases financing agreement, shall invest any
25 surplus or reserve monies thereof in securities which constitute legal
26 investments for savings banks under the laws of this state and in inter-
27 est bearing certificates of deposit of a bank or trust company located
28 and authorized to do business in this state or of a national bank
29 located in this state secured by a pledge of direct obligations of the
30 United States or of the state of New York in an amount equal to the
31 amount of such certificates of deposit, and may sell any of the securi-
32 ties or certificates of deposit in which such fund is invested, if
33 necessary for the proper administration or in the best interest of such
34 fund. Disbursements from such fund for compensation provided by this
35 section shall be paid by the commissioner of taxation and finance upon
36 vouchers signed by the [chairman] chair of the board unless the financ-
37 ing agreement provides for some other means of authorizing such
38 disbursements that is no less protective of the fund.

39 The commissioner of taxation and finance, as custodian of such fund,
40 annually as soon as practicable after January first, shall furnish to
41 the [chairman] chair of the workers' compensation board a statement of
42 the fund, setting forth the balance of monies in the said fund as of the
43 beginning of the year, the income of the fund, a summary of payments out
44 of the fund on account of compensation ordered to be paid by the board,
45 medical and other expense, and all other charges against the fund, and
46 setting forth the balance of the fund remaining to its credit on Decem-
47 ber thirty-first. Such statement shall be open to public inspection in
48 the office of the [chairman] chair, and a copy thereof shall be trans-
49 mitted by the [chairman] chair to the superintendent of financial
50 services. The superintendent of financial services may examine into the
51 condition of such fund at any time on his or her own initiative or on
52 request of the [chairman] chair or representative of the fund. He or she
53 shall verify the receipts and disbursements of the fund, and shall
54 ascertain the liability of the fund upon all cases in which awards of
55 compensation have been made and charged against said fund and shall
56 render a report of such facts to the [chairman] chair. Such report



1 shall also be open to public inspection in the office of the [chairman]
2 chair. The chair, not less than ninety days after the issuance of the
3 dormitory authority's annual audit, shall furnish to the president of
4 the senate and the speaker of the assembly the following reports on the
5 fund for reopened cases: a revenue and operating expense statement; a
6 financing plan; a report concerning the assets and liabilities; the
7 number of agreements to procure management of such claims; the number of
8 assumption of workers' compensation liability insurance policies
9 executed selling such claims; the number of claimants remaining in the
10 fund; the estimated current unfunded liability of the fund with respect
11 to such claims; and a debt issuance report including but not limited to
12 (i) pledged assessment revenue and financing coverage, (ii) debt service
13 maturities, (iii) interest rate exchange or similar agreements, and (iv)
14 financing and issuance costs.

15 The commissioner of taxation and finance may establish within the fund
16 for reopened cases such accounts and sub-accounts as he or she deems
17 useful for the operation of the fund, or as necessary to segregate
18 moneys within the fund, subject to the provisions of the fund for
19 reopened cases financing agreement.

20 § 13. Subdivision (i) of section 32 of the workers' compensation law,
21 as added by chapter 6 of the laws of 2007 and paragraph 5 as further
22 amended by section 104 of part A of chapter 62 of the laws of 2011, is
23 amended to read as follows:

24 (i) (1) The waiver agreement management office may contract with an
25 insurance carrier, self-insured employer, state insurance fund or any
26 third party to assume liability for, manage, administer, or settle
27 claims on its behalf, so long as (A) such contract is approved by the
28 special disability fund advisory committee and (B) such [third] party
29 shall agree to be subject to any guidelines or directives as the chair
30 may issue.

31 (2) The chair may, with approval of the special disability fund advi-
32 sory committee and on such terms as the committee deems appropriate,
33 [shall have discretion to] procure one or more private entities to
34 assume the liability for and [management, administration or settlement
35 of] manage, administer or settle all or a portion of the claims in the
36 special disability fund including, without limitation, by obtaining "an
37 assumption of workers' compensation liability insurance policy" as
38 defined for purposes of section sixteen hundred eighty-1 of the public
39 authorities law. Any such policy shall expressly provide and, notwith-
40 standing any other provision of law, operate to release from any further
41 liability (1) the special disability fund and (2) the insurance carrier,
42 including as the case may be the state insurance fund, originally liable
43 for any claim covered by the assumption of workers' compensation liabil-
44 ity insurance policy securing such further and future contingent liabil-
45 ity as may arise for any such claim, including from prior injuries to
46 employees and be incurred by reason of any change in the condition of
47 such employees for payment of additional compensation. Notwithstanding
48 any other provisions of law, no consultation or approval of any employ-
49 er, insurance carrier, self-insurer or the state insurance fund shall be
50 required before such office may enter into any such policy or waiver
51 agreement, or before the board may approve such waiver agreement. Any
52 such procurement shall be conducted in accordance with state finance
53 law, except as otherwise set forth below. The chair shall not award any
54 contract that has not been approved by the special disability fund advi-
55 sory committee. Notwithstanding the foregoing, the chair of the workers'



1 compensation board may, if approved by the special disability fund advisory committee, and on such terms as the committee deems appropriate:

2 (A) waive any informality in a bid, and either reject all bids and
3 again advertise for bids, or interview at least two responsible qualified bidders and negotiate and enter into a contract with one or more of
4 such bidders; or

5 (B) group claims to be assigned, in whole or in part, based on the
6 insurance carrier, self-insured employer or state insurance fund that is
7 receiving or will receive reimbursement on those claims from the second
8 disability fund. Such grouping shall be permissible notwithstanding that
9 any insurance carrier may have greater access to information, or may be
10 able to provide better terms, in regard to claims so grouped.

11 (3) [Any such contract shall expressly provide that the special disability fund is no longer liable for the claims covered by the contract, and require security of either cash, an indemnity policy, or such security as is otherwise sufficient to cover any losses incurred as a result of the failure or default of the entity or entities awarded any such contract, including as a result of the insolvency of any such entity. The chair may waive all or part of such security, and may impose other reasonable methods of insuring payment, upon approval of the special disability fund advisory committee] Any policy executed by the chair pursuant to this section shall be in the form of an assumption of workers' compensation liability insurance policy securing such further and future contingent liability as may arise from any claim covered by such policy, including prior injuries to workers and be incurred by reason of any change in the condition of such workers warranting the board making subsequent awards for payment of additional compensation. Such policy shall be in a form approved by the superintendent of financial services and issued by the state insurance fund or any insurance company licensed to issue this class of insurance in this state. In the event that such policy is issued by an insurance company other than the state insurance fund, then said policy shall be deemed of the kind specified in paragraph fifteen of subsection (a) of section one thousand one hundred thirteen of the insurance law and covered by the workers' compensation security fund as created and governed by article six-A of this chapter. Such policy shall only be issued for a single complete premium paid in advance and in an amount deemed acceptable by the chair and the superintendent of financial services. When issued such policy shall be non-cancellable without recourse for any cause during the continuance of the liability secured and so covered.

12 (4) Notwithstanding any other provision of this article, the waiver agreement management office may request in writing any information relevant to its entry into or management of waiver agreements from (A) any insurance carrier, employer, or the state insurance fund, if that entity has submitted a claim for reimbursement from the special disability fund as to the claimant to whom the information relates; or (B) the special funds conservation committee. The party to whom the request is made shall provide the requested information within fourteen days of the request, unless before that date it files an objection with the board to any information which is subject to a recognized privilege or whose production is otherwise barred by law. The objecting party shall provide the requested information within five business days of the board's rejection of its objection.

13 (5) No carrier, self-insured employer or the state insurance fund shall assume the liability for, or management, administration or settlement of any claims under this section on which it holds reserves, beyond

1 such reserves as are permitted by regulation of the superintendent of
2 financial services for purposes of this provision. No carrier may assume
3 liability for any claims in the special disability fund under this para-
4 graph unless the carrier maintains, on a stand alone basis, separate
5 from its parent or any affiliated entities, an interactive financial
6 strength rating from a nationally recognized statistical rating organ-
7 ization that is considered secure or deemed acceptable by the special
8 disability fund advisory committee.

9 (6) The director of the budget shall notify in writing the chairs of
10 the senate finance committee and the assembly ways and means committee
11 of any plans to transfer all or a portion of the portfolio of claims
12 determined to be eligible for reimbursement from the special disability
13 fund or to [contract with any party to take responsibility in whole or
14 in part for the administration of a material portion of the claims,
15 including the procurement process to be used to select parties involved
16 in such transfer or contract] enter into an assumption of workers'
17 compensation liability insurance policy, not less than forty-five days
18 prior to the commencement of such process. At any time borrowing is
19 anticipated to settle claims, the chief executive officer of the dormi-
20 tory authority of the state of New York and the director of the budget
21 shall provide a report to the chairs of the senate finance committee and
22 the assembly ways and means committee on a planned bond sale of the
23 authority and such report shall include, but not be limited to: (A) the
24 maximum amount of bonds expected to be sold by the authority in
25 connection with a sale agreement; (B) the expected maximum interest rate
26 and maturity date of such bonds; (C) the expected amount of the bonds
27 that will be fixed and/or variable interest rate; (D) the estimated
28 costs of issuance; (E) the estimated level or levels of reserve fund or
29 funds, if any; (F) the estimated cost of bond issuance, if any; (G) the
30 anticipated use or uses of the proceeds; (H) the maximum expected net
31 proceeds that will be paid to the state as a result of the issuance of
32 such bonds; and (I) the process to be used to select parties to the
33 transaction. Any such expectations and estimates in the report shall not
34 be deemed a substantive limitation on the authority of the dormitory
35 authority of the state of New York.

36 § 14. Subdivisions 1 and 8 of section 151 of the workers' compensation
37 law, as added by section 22 of part GG of chapter 57 of the laws of
38 2013, are amended to read as follows:

39 1. The annual expenses necessary for the board to administer the
40 provisions of this chapter, the volunteer ambulance workers' benefit
41 law, the volunteer firefighters' benefit law, the disability benefits
42 law, and the workmen's compensation act for civil defense volunteers
43 shall be borne by affected employers securing compensation for their
44 employees pursuant to section fifty of this chapter. The board shall
45 collect such annual expenses from affected employers through assessments
46 as provided by the provisions of this section, including for purposes of
47 this subdivision: (a) the aggregate assessment amount described in
48 subparagraph four of paragraph (h) of subdivision eight of section
49 fifteen of this chapter for the special disability fund in accordance
50 with each financing agreement described in such subparagraph, (b) the
51 aggregate assessment amount described in section fifty-c of this chapter
52 for the self-insurer offset fund in accordance with each financing
53 agreement described in such section, (c) the aggregate assessment amount
54 described in subdivision three of section twenty-five-a of this chapter
55 for the fund for reopened cases in accordance with each financing agree-
56 ment described in such section, and (d) the assessment amount described



1 in section two hundred fourteen of this chapter for the special fund for
2 disability benefits; provided, that the foregoing and any other
3 provision of this chapter to the contrary notwithstanding, assessment
4 receipts shall be applied first to fully fund the aggregate amount
5 described in subparagraph four of paragraph (h) of subdivision eight of
6 section fifteen of this chapter pursuant to a special disability fund
7 financing agreement entered into by the dormitory authority prior to
8 March thirty-first, two thousand thirteen pursuant to section sixteen
9 hundred eighty-1 of the public authorities law, and then to fully fund
10 the aggregate amount described in subparagraph four of paragraph (h) of
11 subdivision eight of section fifteen and in subdivision three of section
12 twenty-five-a of this chapter, and in section fifty-c of this chapter in
13 accordance with each such then applicable special disability fund
14 financing agreement entered into by the dormitory authority on or subse-
15 quent to March thirty-first, two thousand thirteen, pursuant to section
16 sixteen hundred eighty-1 of the public authorities law, with each such
17 then applicable fund for reopened cases financing agreement entered into
18 by the dormitory authority pursuant to such provision or with each then
19 applicable self-insured bond financing agreement [pursuant to such
20 provisions] entered into by the dormitory authority pursuant to section
21 sixteen hundred eighty-1 of the public authorities law, respectively,
22 prior to application to any other purpose other than to pay any actual
23 costs of collecting such assessment that are not otherwise funded. For
24 purposes of this section, affected employer means all employers required
25 to obtain workers' compensation coverage pursuant to this chapter.

26 8. The foregoing and every other [prevision] provision of law to the
27 contrary notwithstanding, all moneys received on account of the assess-
28 ment authorized by this section shall be deposited upon receipt into the
29 administrative clearing account held by the commissioner of taxation and
30 finance and applied, as pledged assessments for purposes of sections
31 sixteen hundred eighty-1 and sixteen hundred eighty-q of the public
32 authorities law and prior to any other application: first, in accordance
33 with any other provision of any special disability fund financing agree-
34 ment entered into prior to March thirty-first, two thousand thirteen, to
35 the extent required to fully fund the then current payment and reserve
36 requirements under such financing agreement with respect to the bonds
37 issued by the dormitory authority pursuant to section sixteen hundred
38 eighty-1 of the public authorities law prior to such date; and second,
39 in accordance with each special disability fund financing agreement
40 entered into on or subsequent to March thirty-first, two thousand thir-
41 teen, each fund for reopened cases financing agreement and each self-in-
42 ured bond financing agreement, to the extent required to fully fund the
43 then current payment and reserve requirements under each such financing
44 agreement [entered into after March thirty-first, two thousand thirteen]
45 with respect to bonds issued by the dormitory authority pursuant to
46 either section sixteen hundred eighty-1 or section sixteen hundred
47 eighty-q of the public authorities law, on a pari passu basis without
48 preference or priority among all such other bonds. Such monies shall not
49 be commingled with any other monies in the commissioner's custody prior
50 to the completion of such application and shall not be deemed to be part
51 of the state treasury or of any funds under management of the state or
52 be deemed money of the state or money under control of the state. This
53 section shall not be deemed to authorize any infringement upon the
54 rights of holders of such bonds issued or to be issued under such
55 sections of the public authorities law. The provisions of this section
56 may be included by the dormitory authority in any contract with the



1 holders of any such bonds. The operation of this section and the appli-
2 cation of the receipts of the assessment authorized by this section
3 shall be subject to the provisions of each financing agreement author-
4 ized pursuant to subparagraph four of paragraph (h) of subdivision eight
5 of section fifteen [or to] of this chapter, section fifty-c of this
6 chapter, or subdivision three of section twenty-five-a of this chapter
7 and this section shall not be deemed to authorize any infringement upon
8 the rights of holders of bonds issued or to be issued pursuant to either
9 such provision.

10 § 15. Subdivision 3 of section 25 of the workers' compensation law is
11 amended by adding a new paragraph (g) to read as follows:

12 (g) Notwithstanding any other provision in this chapter, the chair may
13 by regulation elect to establish a performance standard concerning the
14 subject of any penalty or assessment provision applicable to an insur-
15 ance carrier or self-insured employer, where such penalty or assessment
16 is remittable to the New York state treasury, or chair, but not to
17 claimants or any other payee or fund, and impose a single penalty or
18 assessment upon the failure to meet that promulgated standard, with
19 notice to the carrier or self-insured employer. The penalty or assess-
20 ment imposed in the aggregate shall be payable to the chair. Such aggre-
21 gate penalty or assessment imposed in the aggregate shall be payable to
22 the chair. Such aggregate penalty or assessment shall be based upon the
23 number of violations as multiplied against the applicable penalty or
24 assessment, but may be negotiated by the chair's designee in full satis-
25 faction of the penalty or assessment. A final agreement between the
26 chair's designee and the carrier or self-insured employer may be submit-
27 ted and approved subject to section thirty-two of this article, without
28 notice to any claimant. Any aggregate penalty or assessment issued in
29 this section shall be issued administratively, and the chair may, by
30 regulation, specify the method of review or redetermination, and the
31 presentment of evidence and objections shall occur solely upon the
32 documentation. The carrier or self-insured employer shall receive credit
33 for any instances in which the aggregate penalty or assessment is inclu-
34 sive of a penalty or assessment previously issued and paid in an indi-
35 vidual claim or proceeding. A final determination is subject to review
36 under section twenty-three of this article, except that no stay in
37 payment of the penalty or assessment shall apply pending the outcome of
38 the application for administrative review. Failure to pay the finally
39 determined penalty or assessment, or the penalty or assessment agreed
40 upon pursuant to section thirty-two of this article, within ten days of
41 filing, shall result in the imposition of a twenty percent penalty,
42 payable to the chair. In the event of the carrier or self-insured
43 employer instituting or continuing an issue without reasonable grounds,
44 the provisions of subdivision three of section one hundred fourteen-a of
45 this chapter shall be applicable.

46 § 16. Subparagraph (c) of paragraph 7 of subdivision 3-a of section
47 50 of the workers' compensation law, as amended by section 4 of part R
48 of chapter 56 of the laws of 2010, is amended to read as follows:

49 (c) Upon the assumption of the assets and liabilities of a group self-
50 insurer by the chair or his or her designee pursuant to regulation of
51 the chair, all records, documents and files of whatever nature, pertain-
52 ing to the group self-insurer, including but not limited to any procure-
53 ment records of the group self-insurer with respect to an assumption of
54 workers' compensation liability insurance policy, be they in the
55 possession of the group self-insurer or a third party, and all remaining
56 assets of the group self-insurer, shall become the property of the

1 chair. All custodians of such records and/or funds shall turn over to
2 the chair or his designee all such original records upon demand.

3 § 17. Subdivision 3 of section 50 of the workers' compensation law, as
4 amended by section 3 of part G of chapter 57 of the laws of 2011 and the
5 closing paragraph as further amended by section 104 of part A of chapter
6 62 of the laws of 2011, is amended to read as follows:

7 3. By furnishing satisfactory proof to the chair of his financial
8 ability to pay such compensation for himself, [or to pay such compen-
9 sation on behalf of a group of employers in accordance with subdivision
10 ten of this section, in which case the chair shall require the] in which
11 case all eligible individual self-insured employers shall collectively
12 secure their liability for the payment of workers' compensation obli-
13 gations through participation in the pooled individual self-insured
14 employer fund. Notwithstanding any other provision of this section, the
15 chair shall, by regulation, set minimum credit, financial, or other
16 conditions that an individual self-insured employer must meet in order
17 to participate in the pooled security system. In the event any existing
18 individual self-insured employer is unable to meet the conditions set by
19 the chair, the existing individual self-insured employer shall be
20 excluded from participation in the pooled individual self-insured
21 employer fund and the existing individual self-insured employer shall
22 post a separate security deposit in the manner provided by paragraph (h)
23 of this subdivision. The chair shall promulgate regulations requiring
24 the chair to set an aggregate security requirement for all individual
25 self-insured employers participating in the pooled individual self-in-
26 sured employer fund based on a review of all participating individual
27 self-insured employers annual reports and any other information as may
28 be specified by the chair. The chair shall procure and maintain in the
29 pooled individual self-insured employer fund a combination of cash and
30 investment securities satisfactory to provide adequate security to
31 secure the payment of the aggregate workers' compensation obligations of
32 all individual self-insured employers participating in the fund as well
33 as any amounts as may be reasonably necessary to pay for the administra-
34 tive and other activities of the fund. This amount shall be known as the
35 aggregate pooled security amount. Each participating individual self-in-
36 sured employer shall pay the initial entry fee required herein during
37 their first year of participation in the fund. This amount shall be
38 known as the pool deposit fee. Thereafter, on an annual basis, the chair
39 shall evaluate the condition and sufficiency of the aggregate pooled
40 security amount. Where necessary, the chair shall require each partic-
41 ipating individual self-insured employer to pay a participation fee, on
42 a pro rata basis, sufficient to bring the pooled individual self-insured
43 employer fund up to the aggregate pooled security amount. This amount
44 shall be known as the pool participation fee. A participating individual
45 self-insured employer's obligation to pay either the pool deposit fee or
46 subsequent pool participation fees shall continue, regardless of the
47 individual self-insured employer's cessation of participation in the
48 pooled individual self-insured employer fund, for so long as the former
49 self-insured employer shall continue to have workers' compensation obli-
50 gations attributable to its period of participation in the pooled indi-
51 vidual self-insured employer fund.

52 (a) In order to provide for the aggregate pooled security amount, each
53 participating individual self-insured employer shall pay to the chair
54 its pool deposit fee and any annual pool participation fee within thirty
55 days of demand by the chair. The amount of the pool deposit fee and pool
56 participation fee paid by each participating individual self-insured



1 employer shall be set by the chair, based on his or her reasonable
2 consideration, of all the following factors:

3 (i) The total amount needed to provide the pooled security deposit
4 amount;

5 (ii) The individual self-insured employer's paid or incurred liabil-
6 ities as reflected in its annual report;

7 (iii) The financial strength and creditworthiness of the individual
8 self-insured employer;

9 (iv) Any other reasonable factors as may be authorized by regulation.

10 (b) Within thirty (30) business days of the participating individual
11 self-insured employer paying its pool deposit fee, the chair shall
12 release the security deposit posted by the self-insured employer and
13 held by the chair pursuant to paragraph (h) of this section. Upon
14 payment of the pool deposit fee and any subsequent pool participation
15 fees, and except as provided herein, the individual self-insured employ-
16 er loses all right, title, and interest in the pool deposit fee and pool
17 participation fee. To the extent that in any one year the pool deposit
18 fee or pool participation fee paid by all participating individual self-
19 insurers is not exhausted in the purchase of investment securities
20 obtained by the chair as part of the aggregate pooled security amount,
21 the surplus shall remain with the chair and the principal and interest
22 earned on that surplus shall be used to reduce any future pool fees in
23 subsequent years.

24 (c) If any participating individual self-insured employer objects to
25 the calculation, posting, or any other aspect of its pool fees, upon
26 payment of the pool fee in the time provided, the employer shall have
27 the right to appeal the pool fee to the chair, who shall have exclusive
28 jurisdiction over this dispute. If any participating individual self-in-
29 sured employer fails to pay either its pool deposit fee or pool partic-
30 ipation fee in the time provided, the employer shall: (i) be removed
31 from the pooled individual self-insured employer fund; and (ii) pay a
32 penalty of not less than ten (10) percent nor more than thirty (30)
33 percent of its pool fee. The penalty shall be paid directly to the
34 pooled individual self-insured employer fund. In the event that the
35 self-insured employer fails or neglects to pay the penalty within thirty
36 days, the employer shall be deemed in default in the payment of compen-
37 sation to its employees and the chair may file a judgment against the
38 self-insured employer, pursuant to the provisions of section twenty-six
39 of this chapter, in the amount of the unpaid penalty. The chair may also
40 revoke the authorization to self-insure of any individual self-insured
41 employer who fails to pay a pool fee in the time provided in which case
42 the employer must insure the payment of such compensation in the state
43 fund or with any stock corporation, mutual corporation or reciprocal
44 insurer authorized to transact the business of workers' compensation
45 insurance in this state through a policy issued under the law of this
46 state within thirty days.

47 (d) Upon the chair's posting of the aggregate pooled security amount
48 in the pooled individual self-insured employer fund, said security shall
49 be held until the chair determines that a participating individual self-
50 insured employer has failed or neglected to meet its workers' compen-
51 sation obligations as required by this chapter, and the chair orders the
52 pooled individual self-insured employer fund to commence payment of such
53 unmet self-insurance obligations. Upon ordering the pooled individual
54 self-insured employer fund to commence payment, the chair shall utilize
55 the aggregate pooled security amount necessary to meet the workers'
56 compensation obligations of the defaulting participating individual



1 self-insured employer. In the event additional funds are needed in
2 future years to meet the workers' compensation obligations of any former
3 participating individual self-insured employer, who thereafter defaults
4 with respect to its obligations incurred during its period of partic-
5 ipation in the pooled individual self-insured employer fund, the chair
6 shall make available to the pooled individual self-insured employer fund
7 any portions of the aggregate pooled security amount as may be needed to
8 pay those benefits. In the discretion of the chair, in the event that
9 the obligations associated with the default of participating individual
10 self-insured employers are such that they jeopardize the solvency of the
11 pooled individual self-insured employer fund, the chair may issue bonds,
12 consistent with section sixteen hundred eighty-q of the public authori-
13 ties law, to meet such unmet obligations of self-insured employers.

14 (e) The cash portion of the aggregate pooled security amount shall be
15 segregated from all other funds held by the chair, and shall be invested
16 by the chair for the sole benefit of the pooled individual self-insured
17 employer fund, and may not be used for any other purpose by the state.
18 The commissioner of tax and finance shall be the custodian of the pooled
19 individual self-insured employer fund.

20 (f) The chair shall implement the provisions of this subdivision by
21 promulgating rules and regulations but no such rules or regulations
22 shall be necessary for any provision of this subdivision to be effec-
23 tive.

24 (g) For those individual employers self-insuring pursuant to paragraph
25 (h) of this subdivision, said employers shall also pay an annual fee to
26 the chair for deposit into the pooled individual self-insurance fund.
27 The chair shall calculate this annual fee in the same manner as pool
28 fees set forth above.

29 (h) For those employers who self-insured individually as of the effec-
30 tive date of the pooled individual self-insured employer fund but which
31 do not meet the qualifications for participation therein, such individ-
32 ual self-insured employer shall deposit with the chair of such securi-
33 ties as the chair may deem necessary of the kind prescribed in subdivi-
34 sions one, two, three, four and five, and subparagraph (a) of paragraph
35 three of subdivision seven of section two hundred thirty-five of the
36 banking law, or the deposit of cash, or the filing of irrevocable
37 letters of credit issued by a qualified banking institution as defined
38 by rules promulgated by the chair or the filing of a bond of a surety
39 company authorized to transact business in this state, in an amount to
40 be determined by the chair, or the posting and filing as aforesaid of a
41 combination of such securities, cash, irrevocable letters of credit and
42 surety bond in an amount to be determined by the chair, to secure his
43 liability to pay the compensation provided in this chapter. Any such
44 surety bond must be approved as to form by the chair. If an employer [or
45 group of employers] posts and files a combination of securities, cash,
46 irrevocable letters of credit and surety bond as aforesaid, and if it
47 becomes necessary to use the same to pay the compensation provided in
48 this chapter, the chair shall first use such securities or cash or irre-
49 vocable letters of credit and, when the full amount thereof has been
50 exhausted, he shall then require the surety to pay forthwith to the
51 chair all or any part of the penal sum of the bond for that purpose. The
52 chair may also require an agreement on the part of the employer [or
53 group of employers] to pay any awards commuted under section twenty-sev-
54 en of this chapter, into the special fund of the state fund, as a condi-
55 tion of his being allowed to remain [uninsured] self-insured pursuant to
56 this section. The chair shall have the authority to deny the application



1 of an employer [or group of employers] to pay such compensation for
2 himself or to revoke his consent furnished, under this section at any
3 time, for good cause shown. [The] An individual employer [or group of
4 employers] qualifying under this subdivision shall be known as [a] an
5 individual self-insurer.

6 If for any reason the status of an employer [or group of employers]
7 under this subdivision is terminated, the securities or the surety bond,
8 or the securities, cash, or irrevocable letters of credit and surety
9 bond, on deposit referred to herein shall remain in the custody of the
10 chair for such time as the chair may deem proper and warranted under the
11 circumstances. In lieu thereof, and at the discretion of the chair, the
12 employer, his or her heirs or assigns or others carrying on or liquidat-
13 ing such business, may execute an assumption of workers' compensation
14 liability insurance policy securing such further and future contingent
15 liability as may arise from prior injuries to workers and be incurred by
16 reason of any change in condition of such workers warranting the board
17 making subsequent awards for payment of additional compensation. Such
18 policy shall be in a form approved by the superintendent of financial
19 services and issued by the state fund or any insurance company licensed
20 to issue this class of insurance in this state. In the event that such
21 policy is issued by an insurance company other than the state fund, then
22 said policy shall be deemed of the kind specified in paragraph fifteen
23 of subsection (a) of section one thousand one hundred thirteen of the
24 insurance law and covered by the workers' compensation security fund as
25 created and governed by article six-A of this chapter. It shall only be
26 issued for a single complete premium payment in advance by the employer
27 [or group of employers] and in an amount deemed acceptable by the chair
28 and the superintendent of financial services. In lieu of the applicable
29 premium charge ordinarily required to be imposed by a carrier, said
30 premium shall include a surcharge in an amount to be determined by the
31 chair to: (i) satisfy all assessment liability due and owing to the
32 board and/or the chair under this chapter; and (ii) satisfy all future
33 assessment liability under this section[, and which surcharge shall be
34 adjusted from time to time to reflect any changes to the assessment of
35 group self-insured employers, including any changes enacted by the chap-
36 ter of the laws of two thousand eleven amending sections fifteen and one
37 hundred fifty-one of this chapter]. Said surcharge shall be payable to
38 the board simultaneous to the execution of the assumption of workers'
39 compensation liability insurance policy. However, the payment of said
40 surcharge does not relieve the carrier from any other liability, includ-
41 ing liability owed to the superintendent of financial services pursuant
42 to article six-A of this chapter. When issued such policy shall be non-
43 cancellable without recourse for any cause during the continuance of the
44 liability secured and so covered.

45 (i) There is established an advisory committee for the pooled employer
46 fund whose membership shall consist of the chair or his or her designee,
47 four representatives of individual self-insurers nominated by the New
48 York state self-insurance association and approved by the chair, and
49 four members to be appointed by the governor as follows: one upon nomi-
50 nation of the speaker of the assembly, one upon nomination of the presi-
51 dent of the senate, and two others without limitation. The advisory
52 committee shall meet no less than annually and shall prepare a report
53 available to the public for inspection on or before February first, of
54 each year making recommendations concerning:

55 (i) the standards for participation in the pool;

56 (ii) the adequacy of the funding of the pool;



- 1 (iii) payment of claims insured by defaulted pool participants;
2 (iv) the long term viability of the pool; and
3 (v) such other topics related to the pool as the advisory committee
4 may deem necessary.

5 § 18. Paragraphs c, f, and g of subdivision 5 of section 50 of the
6 workers' compensation law, as amended by chapter 139 of the laws of
7 2008, are amended to read as follows:

8 c. (1) The chair and the department of audit and control as soon as
9 practicable after May first, nineteen hundred sixty, and annually there-
10 after, as soon as practicable after April first in each succeeding year,
11 shall ascertain the total amount of net expenses, including (a) adminis-
12 trative expenses, which shall include the direct costs of personal
13 services, the cost of maintenance and operation, the cost of retirement
14 contributions made and workers' compensation premiums paid by the State
15 for or on account of personnel, rentals for space occupied in state
16 owned or state leased buildings, and (b) all direct or indirect costs
17 incurred by the board during the preceding fiscal year in carrying out
18 the provisions of subdivision three and three-a of this section except
19 those expenses associated with the pooled individual self-insured
20 employers fund. Such expenses shall be adjusted quarterly to reflect
21 any change in circumstances, and shall be assessed against all private
22 self-insured employers, including for this purpose active and terminated
23 group self-insurers, active individual self-insured employers, and indi-
24 vidual self-insured employers who have ceased to exercise the privilege
25 of self-insurance including those individual self-insured employers
26 participating in the pooled individual self-insured employers fund.

27 (2) Such expenses shall be assessed against all self-insurers includ-
28 ing for this purpose employers who have ceased to exercise the privilege
29 of self-insurance. The basis of apportionment of the assessment against
30 each self-insurer shall be a sum equal to that proportion of the amount
31 which the indemnity payment for each self-insurer bore to the total
32 indemnity payments for all self-insurers for the calendar year which
33 ended within the preceding state fiscal year. All such assessments when
34 collected shall be deposited into a fund which shall be used to reim-
35 burse the appropriations theretofore made by the state for the payment
36 of the expenses of administering this chapter.

37 [(3) Pure premium for assessments made prior to January first, two
38 thousand nine against individual and group self-insurers who ceased to
39 self-insure shall be based on payroll at the time the individual or
40 group self-insurer has ceased to self-insure, reduced by a factor
41 reflecting the reduction in the group or individual self-insurer's self-
42 insurance liabilities since ceasing to self-insure.]

43 f. Whenever the chair shall determine that the compensation and bene-
44 fits provided by this chapter may be unpaid by reason of the default of
45 an insolvent private self-insured employer, including a private group
46 self-insurer, except an individual self-insured employer participating
47 in the pooled individual self-insured employers fund, the chair shall
48 pay such compensation and benefits from administration expenses as
49 provided in section one hundred fifty-one of this chapter upon audit and
50 warrant of the comptroller upon vouchers approved by the chair. Such
51 payments shall be considered expenses of administration. The chair shall
52 be reimbursed therefor from the surety bond, cash or securities held or,
53 if such surety bond, securities or cash is insufficient, by the employ-
54 er, its receiver, liquidator, rehabilitator or trustee in bankruptcy.
55 All moneys reimbursed to the chair or recovered by the chair in an
56 action or proceeding to secure such reimbursement shall forthwith be



1 applied as a credit against the expenses on which the assessment levied
2 upon all private self-insured employers, in accordance with paragraphs c
3 and e of this subdivision, is calculated.

4 g. Whenever the chair shall determine that the compensation and bene-
5 fits provided by this chapter may be unpaid by reason of the default of
6 an insolvent private self-insured employer, including a private group
7 self-insurer, except an individual self-insured employer participating
8 in the pooled individual self-insured employers fund, the chair shall
9 levy an assessment against all private self-insured employers, including
10 private group self-insurers, in accordance with paragraphs c and e of
11 this subdivision to assure prompt payment of such compensation and bene-
12 fits. Whenever compensation and benefits are unpaid by reason of such
13 default, the chair shall promptly pay such compensation and benefits
14 from administration expenses as provided in section one hundred fifty-
15 one of this chapter upon audit and warrant of the comptroller upon
16 vouchers approved by the chair. Nothing in this paragraph shall preclude
17 the chair from recovering the moneys it expends from its administrative
18 expenses against the defaulted individual self-insurer, or the members
19 of the defaulted group self-insurer, as otherwise permitted by this
20 chapter.

21 § 19. Section 134 of the workers' compensation law is amended by
22 adding a new subdivision 5 to read as follows:

23 5. In accordance with rules adopted by the department of labor in
24 consultation with the department of financial services and the workers'
25 compensation board and upon receipt of the written notification set
26 forth in subdivision two of this section, the employer's name and other
27 relevant information shall be added to a published list of all employers
28 whose most recent annual payroll is in excess of eight hundred thousand
29 dollars and whose most recent experience rating exceeds the level of
30 1.2. No employer shall be removed from such list until such time as the
31 employer submits to the department of labor the certification of
32 completion of the workplace safety and loss prevention program
33 prescribed herein. Insurers that issue workers' compensation coverage
34 shall consult such list prior to issuing a policy and shall, if applica-
35 ble, impose the surcharge of the employer's manual rate premium in
36 accordance with subdivision three of this section measured from the date
37 of written notification in subdivision two of this section.

38 § 20. Section 140 of the workers' compensation law, as amended by
39 chapter 57 of the laws of 1951, is amended to read as follows:

40 § 140. [Workmen's] Workers' compensation board. The [workmen's] work-
41 ers' compensation board in the department of labor is hereby continued.
42 Such board shall consist of [thirteen] seven members, at least [four]
43 three of whom shall be attorneys and counsellors-at-law duly admitted to
44 practice in this state. The members of the board shall be appointed by
45 the governor, by and with the advice and consent of the senate. The
46 members of the board in office, together with the additional members and
47 the members appointed to fill vacancies, if any, at the time this
48 section takes effect, shall continue, notwithstanding the appointment of
49 any of the members for a term expiring on a different date, to hold
50 office for terms to be assigned by the governor by and with the advice
51 and consent of the senate[; two such terms to expire on December thir-
52 ty-first, nineteen hundred fifty; two to expire on December thirty-
53 first, nineteen hundred fifty-one; two to expire on December thirty-
54 first, nineteen hundred fifty-two; two to expire on December
55 thirty-first, nineteen hundred fifty-three; two to expire on December
56 thirty-first, nineteen hundred fifty-four; two to expire on December



1 thirty-first, nineteen hundred fifty-five; and one to expire on December
2 thirty-first, nineteen hundred fifty-six. The]. Upon the expiration of a
3 seven year term, the members next appointed, except to fill a vacancy
4 created otherwise than by expiration of term, shall be appointed for
5 terms of seven years. The governor shall designate one of the members of
6 the board as chairman and another as vice-chairman.

7 § 21. Section 142 of the workers' compensation law, as added by chap-
8 ter 74 of the laws of 1945, subdivision 2 as amended by chapter 608 of
9 the laws of 1989, the opening paragraph of subdivision 2 as amended by
10 section 12 of part GG of chapter 57 of the laws of 2013, section 5 as
11 amended by chapter 924 of the laws of 1990, subdivision 6 as added by
12 chapter 635 of the laws of 1996 and subdivision 7 as added by chapter
13 452 of the laws of 2005, is amended to read as follows:

14 § 142. General powers and duties of the [workmen's] workers' compen-
15 sation board. 1. The [workmen's] workers' compensation board shall have
16 power to hear and determine all claims for compensation or benefits or
17 relating to special funds created under the provisions of this chapter,
18 in the manner provided by this chapter; to require medical service for
19 injured employees as provided by this chapter; to approve and fix attor-
20 ney's fees and claims for medical service to the extent provided in this
21 chapter; to excuse failure to give notice either of injury or death of
22 an employee, to approve agreements, to modify or rescind awards, to make
23 conclusions of fact and rulings of law, to certify questions to the
24 appellate division of the supreme court, to enter orders in appealed
25 cases, to determine the time for the payment of compensation, to order
26 the reimbursement of employers for amounts advanced, to assess penal-
27 ties, to commute awards, to compromise actions for the collection of
28 awards, to require or permit employers to deposit the present value of
29 awards in the aggregate trust fund of the state fund, to determine by
30 rule the assignment of a minor's right to sue a third party, to require
31 guardianship for minor dependents, to hear and determine claims under
32 the occupational disease act, to order physical examinations, to take
33 testimony by depositions; and to have and exercise all other powers and
34 duties, exclusive of purely administrative functions, originally
35 conferred or imposed upon the [workmen's] workers' compensation commis-
36 sion by this chapter, or by any other statute, and by chapter six
37 hundred and seventy-four of the laws of nineteen hundred fifteen
38 conferred and imposed upon the industrial commission, and by chapter
39 fifty of the laws of nineteen hundred twenty-one conferred and imposed
40 upon the industrial board. For the purpose of exercising such powers and
41 performing such duties, the [workmen's] workers' compensation board
42 shall be deemed to be a continuation of the industrial board provided
43 for by the provisions of the labor law; and all proceedings under this
44 chapter pending before such board are hereby transferred to the [work-
45 men's] workers' compensation board without prejudice to the rights of
46 any party to such proceeding.

47 The [workmen's] workers' compensation board, subject to the provisions
48 of this chapter and of the provisions of the labor law as to the
49 distribution of functions, shall succeed to all the rights, powers,
50 duties and obligations of the department of labor, the industrial
51 commissioner and the industrial board, in so far as they relate to
52 [workmen's] workers' compensation, as heretofore constituted, except
53 such as are vested in the chairman of the board by this article and
54 except with respect to article six of this chapter.

55 Whenever the term "industrial board" or the "chairman" or "vice-chair-
56 man" thereof appears in this chapter or in the provisions of the labor



1 law after the time this article takes effect, it shall be construed to
2 mean the [workmen's] workers' compensation board or the chairman there-
3 of, as created by the provisions of this chapter, as may be required by
4 the context unless the contrary shall be indicated.

5 2. [Any] Except as set forth in subdivision three of this section, any
6 review, hearing, rehearing, inquiry or investigation required or author-
7 ized to be conducted or made by the workers' compensation board may be
8 conducted or made by any panel of the board consisting of not less than
9 three members thereof, and the order, decision or determination of a
10 majority of the members of a panel shall be deemed the order, decision
11 or determination of the board from the date of filing thereof with the
12 secretary of the board, unless the board on its own motion, or on appli-
13 cation by a party in interest for a full board review made in accordance
14 with section twenty-three of this chapter, shall modify or rescind such
15 order, decision or determination. [Four panels shall be constituted at
16 all times, and the chair shall assign the members to the panels upon
17 which they shall serve.] At least one member on each panel shall be an
18 attorney and counsellor-at-law, but the absence of an attorney on any
19 panel shall not invalidate the order, decision or determination of a
20 majority of the members of the panel if at least two affirmative votes
21 are cast in favor of such action. The panels shall be constituted so
22 that the members of the board shall alternate in their periods of
23 service together thereon. Whenever a number of proceedings remains pend-
24 ing before the board for a period in excess of thirty days, members of
25 the board shall hold hearings and otherwise act in the discharge of
26 their duties evenings and at other convenient times on all days of the
27 week except Sundays, in addition to the times when they would perform
28 such duties in the ordinary conduct of the business of the board, in
29 order to expedite the disposal thereof. The chair may and shall, when
30 directed by the governor, prescribe the hours and the times for such
31 additional performance of duty by the members of the board and the peri-
32 od or periods for the continuance thereof.

33 3. The chair of the board, or chair's designee, may designate any
34 board employee who is licensed to practice law in the state of New York
35 or a single board member to conduct an appellate rehearing or review of
36 any order, decision or determination which resolves any issues, other
37 than the determination of compensability in a controverted claim and
38 reverse, modify or affirm such order, decision or determination. In the
39 absence of a designation, and in the case of the determinations
40 mentioned above, the rehearing or review shall be conducted by a three-
41 member panel of board members. Discretion as to designations is solely
42 with the chair or the chair's designee, and shall not be based upon the
43 request of any party, nor shall any designation be subject to review
44 under section twenty-three of this chapter. The order, decision, or
45 determination issued by any such designated board employee or board
46 member on such a claim shall be deemed the order, decision, or determi-
47 nation of the board from the date of the filing thereof in the office of
48 the secretary of the board unless the board, on its own motion or on
49 application duly made to it, modify or rescind such decision. The chair
50 may promulgate rules, or the board may promulgate a subject number,
51 regarding rehearing and review designations under this subdivision.

52 Notwithstanding any provision in this section to the contrary, a
53 member of the board may be designated by the chair to act individually
54 in the hearing and determination of any claim under this chapter, or
55 conduct any investigation, hearing or inquiry hereunder, or review and
56 rescind any order, decision or determination upon any claim and restore

1 such claim for further trial hearing and evidence or consideration
2 except that such member may not conduct any appellate rehearing of any
3 case or otherwise review any order, decision or determination upon any
4 claim and reverse, modify or affirm such order, decision or determi-
5 nation which by the provisions of this section shall be reheard or
6 reviewed by the board or a panel thereof.

7 [3.] 4. The members of the [workmen's] workers' compensation board, a
8 referee or any other officer or employee of the board if duly authorized
9 by the chairman, may administer oaths and take affidavits in matters
10 relating to the provisions of this chapter.

11 The members of the [workmen's] workers' compensation board, the refer-
12 ees and any other officer of the board designated by the chairman, shall
13 have power:

14 a. To issue subpoenas for and compel the attendance of witnesses and
15 the production of books, contracts, papers, documents and other
16 evidence;

17 b. To hear testimony and take or cause to be taken depositions of
18 witnesses residing within or without this state in the manner prescribed
19 by law for like depositions in civil actions in the supreme court.
20 Subpoenas and commissions to take testimony shall be issued under the
21 seal of the board.

22 [4.] 5. Notwithstanding the provisions of any other law, neither the
23 industrial commissioner nor any board or other agency of the department
24 of labor shall in any way direct, review, modify or reverse any decision
25 or finding of the board nor shall the industrial commissioner or any
26 board or other agency of the department of labor supervise or control
27 the board or its members in the exercise of any powers or in the
28 performance of any duties under this chapter.

29 [5.] 6. The workers' compensation board shall keep an accurate record
30 of all hearings held. Where the decision of a referee is affirmed by the
31 board upon review, or where the decision is modified in part, but is
32 affirmed as to the substantial portion of issues raised upon the appli-
33 cation for review or if review is denied, the board shall assess against
34 each insurance carrier or employer seeking such review the sum of one
35 hundred fifty dollars and may assess against any other party the sum of
36 twenty dollars. The amount so secured from these assessments shall be
37 paid into the state treasury.

38 [6.] 7. The workers' compensation board shall not release any informa-
39 tion acquired pursuant to section five hundred thirty-seven of the labor
40 law and section one hundred seventy-one-a of the tax law unless the
41 release of such information is required to further fraud control activ-
42 ities undertaken by the workers' compensation board pursuant to this
43 chapter, in which case release of such information shall be subject to
44 the restrictions contained in section five hundred thirty-seven of the
45 labor law and section one hundred seventy-one-a of the tax law.

46 [7.] 8. Where there has been a motor vehicle accident which caused
47 personal injury and there is a dispute as to whether the injury occurred
48 in the course of employment, the workers' compensation board shall,
49 after notice to the no-fault carrier and the workers' compensation
50 carrier, hold an expedited hearing on the issue of whether the accident
51 occurred during the course of employment.

52 § 22. Subdivision 6 of section 151 of the workers' compensation law is
53 amended by adding a new paragraph (c) to read as follows:

54 (c) Effective immediately, notwithstanding any law to the contrary,
55 pursuant to the provisions of this chapter, the assessment reserves

1 remitted to the chair pursuant to this paragraph shall, at the request
2 of the director of the budget, be distributed as follows:

3 (i) Effective immediately, the chair of the workers' compensation
4 board shall authorize the board to expend up to sixty million dollars to
5 implement infrastructure and system upgrades consistent with recommenda-
6 tions of the workers' compensation board redesign and reengineering
7 project.

8 (ii) Effective immediately, the chair of the workers' compensation
9 board shall authorize the board to expend up to fifty million dollars
10 for: (A) transfer into the training and educational program on occupa-
11 tional safety and health fund created pursuant to chapter eight hundred
12 eighty-six of the laws of nineteen hundred eighty-five and section nine-
13 ty-seven-c of the state finance law; (B) the department of labor occupa-
14 tional safety and health program; (C) transfer into the uninsured
15 employers' fund pursuant to subdivision two of section twenty-six-a of
16 this chapter in connection with payment of claims made pursuant to arti-
17 cle eight-A of this chapter; (D) a reduction in liabilities of the
18 special disability fund pursuant to subdivision eight of section fifteen
19 of this chapter and/or the fund for reopened cases pursuant to section
20 twenty-five-a of this chapter; and/or (E) transfer to or payment on
21 behalf of the superintendent of financial services for costs associated
22 with the implementation of the paid family leave act of article nine of
23 this chapter.

24 (iii) As soon as practicable on or after April first, two thousand
25 sixteen, the chair of the workers' compensation board shall transfer one
26 hundred forty million dollars to the state insurance fund, for partial
27 payment and partial satisfaction of the state's obligations to the state
28 insurance fund under workers' compensation law section eighty-eight-c
29 for two thousand sixteen.

30 (iv) As soon as practicable on or after April first, two thousand
31 seventeen, the chair of the workers' compensation board shall transfer
32 one hundred million dollars to the state insurance fund, for partial
33 payment and partial satisfaction of the state's obligations to the state
34 insurance fund under workers' compensation law section eighty-eight-c
35 for two thousand seventeen.

36 (v) As soon as practicable on or after April first, two thousand eigh-
37 teen, the chair of the workers' compensation board shall transfer one
38 hundred million dollars to the state insurance fund, for partial payment
39 and partial satisfaction of the state's obligations to the state insur-
40 ance fund under workers' compensation law section eighty-eight-c for two
41 thousand eighteen.

42 (vi) As soon as practicable on or after April first, two thousand
43 nineteen, the chair of the workers' compensation board shall transfer
44 thirty-five million dollars to the state insurance fund, for partial
45 payment and partial satisfaction of the state's obligations to the state
46 insurance fund under workers' compensation law section eighty-eight-c
47 for two thousand nineteen.

48 Any and all funds remaining after accounting for the transfers and
49 expenditures set forth above may, at the discretion of the director of
50 the budget, either remain with the workers' compensation board or be
51 transferred to the general fund for the purpose of reducing budget gaps.

52 Annually, the workers' compensation board will provide to the director
53 of the budget, the chair of the senate finance committee, and the chair
54 of the assembly ways and means committee, an accounting of such funds
55 and all associated income received. Such accounting will continue until
56 March thirty-first, two thousand twenty.

1 § 23. Section 167 of the workers' compensation law, as added by chap-
2 ter 446 of the laws of 2006, is amended to read as follows:

3 § 167. Claims of volunteers. For persons who participated in World
4 Trade Center rescue, recovery and clean-up operations as volunteers, the
5 uninsured employers' fund shall be deemed to be the employer [only] for
6 the purposes of administering and paying claims pursuant to this arti-
7 cle. Benefits under this chapter shall be payable to such volunteers
8 [only] in the first instance and to the extent that funds are available
9 out of funds appropriated to the United States Department of Labor under
10 Public Law 109-148 to reimburse the uninsured employer's fund for the
11 payment of such benefits and thereafter from the uninsured employers'
12 fund. The uninsured employers' fund shall not pay for volunteers'
13 medical treatment unless such medical expenses have been denied by the
14 World Trade Center Health Organization.

15 § 24. Subdivision 2 of section 354 of the workers' compensation law,
16 as added by chapter 635 of the laws of 1996, is amended to read as
17 follows:

18 2. An employee , not subject to a collective bargaining agreement or
19 subject to a collective bargaining agreement dated on or after April
20 first, two thousand sixteen, may seek medical treatment from outside the
21 preferred provider organization [thirty] one hundred and twenty days
22 after his or her first visit to a preferred provider organization
23 provider. In the event that such employee seeks medical treatment
24 outside the preferred provider organization the employer may require a
25 second opinion from a provider within the preferred provider organiza-
26 tion. For collective bargaining agreements entered into before April
27 first, two thousand sixteen, the employee may seek medical treatment
28 from outside a preferred provider organization thirty days after his or
29 her first visit with the preferred provider organization.

30 § 25. Paragraphs 1 and 2 and subparagraph (a) of paragraph 5 of subdi-
31 vision 3-a of section 50 of the workers' compensation law, paragraph 1
32 and subparagraph (a) of paragraph 5 as amended by chapter 139 of the
33 laws of 2008 and paragraph 2 as amended by section 4 of part G of chap-
34 ter 57 of the laws of 2011, are amended to read as follows:

35 (1) Definitions. As used in this chapter the term "employers" shall
36 include: (a) employers with related activity in a given industry [which
37 shall include municipal corporations as that term is defined in sections
38 two and six-n of the general municipal law,] employing persons who
39 perform work in connection with the given industry, (b) an incorporated
40 or unincorporated association or associations consisting exclusively of
41 such employers provided they employ persons who perform such related
42 work in the given industry, and (c) a combination of employers as
43 described in subparagraph (a) hereof and an association or associations
44 of employers as described in subparagraph (b) hereof.

45 (2) (a) Any group consisting exclusively of such employers may adopt a
46 plan for self-insurance, as a group, for the payment of compensation
47 under this chapter to their employees, except that no new groups may
48 adopt such a plan, and no group not composed solely of public entities
49 set forth in [paragraph a of] subdivision [four] three-f of this section
50 may insure any liabilities for any employers on and after January first,
51 two thousand twelve, except as provided for in paragraph ten of this
52 subdivision. Under such plan the group shall assume the liability of all
53 the employers within the group and pay all compensation for which the
54 said employers are liable under this chapter[, except that in the case
55 of municipal corporations as herein defined no proof of financial abili-
56 ty or deposit of securities or cash need be made in compliance with this

1 subdivision]. The group qualifying under this subdivision shall be known
2 as a group self-insurer and the employers participating therein and
3 covered thereby shall be known as members.

4 (b) Where such plan is adopted the group self-insurer, except a group
5 composed solely of public entities set forth in subdivision three-f of
6 this section, shall furnish satisfactory proof to the chair of its
7 financial ability to pay such compensation for the members in the indus-
8 try covered by it, its revenues, their source and assurance of contin-
9 uance. The chair shall require the deposit with the chair of such secu-
10 rities as may be deemed necessary of the kind prescribed in subdivisions
11 one, two, three, four and five, and subparagraph (a) of paragraph three
12 of subdivision seven of section two hundred thirty-five of the banking
13 law or the deposit of cash or the filing of irrevocable letters of cred-
14 it issued by a qualified banking institution as defined by rules promul-
15 gated by the chair or the filing of a bond of a surety company author-
16 ized to transact business in this state, in an amount to be determined
17 to secure its liability to pay the compensation of each employer as
18 above provided. Such surety bond must be approved as to form by the
19 chair. The chair shall require each group self-insurer to provide regu-
20 lar reports no less than annually, which shall include but not be limit-
21 ed to audited financial statements, actuarial opinions and payroll
22 information containing proof that it is fully funded. Such reports shall
23 also include a contribution year analysis detailing contributions and
24 expenses associated with each specific contribution year. For purposes
25 of this paragraph, proof that a group self-insurer is fully funded shall
26 at a minimum include proof of unrestricted cash and investments permit-
27 ted by regulation of the chair of at least one hundred percent of the
28 total liabilities, including the estimate presented in the actuarial
29 opinion submitted by the group self-insurer in accordance with this
30 chapter. The chair by regulation, may set further financial standards
31 for group self-insurers. Any group self-insurer that fails to show that
32 it is fully funded shall be deemed underfunded, and must submit a plan
33 for achieving fully funded status which may include a deficit assessment
34 on members of such group self-insurer which shall be subject to approval
35 or modification by the chair.

36 (c) The chair shall evaluate, no less than once every three years, a
37 group self-insurer's compliance with the financial and regulatory
38 requirements for self-insurance. The chair may engage any qualified
39 person or organization to assist with such evaluation and any costs
40 incurred by the chair shall be borne by the group self-insurer under
41 examination. Failure to submit to such independent review or to pay such
42 costs, upon demand of the chair, shall be sufficient grounds to termi-
43 nate coverage of the group self-insurer.

44 (d) The chair may require reports to be prepared by an auditor, actu-
45 ary or other consultant, selected by the board or, at the chair's
46 discretion, by the group self-insurer from a list which shall be pre-ap-
47 proved by the chair to determine whether the group self-insurer meets
48 the financial criteria for self-insurance. All actuaries so selected
49 shall be fellows or associates of the casualty actuarial society.

50 (e) The chair may also require that any and all agreements, contracts
51 and other pertinent documents relating to the organization of the
52 members in the group self-insurer shall be filed with the chair.

53 (f) The chair shall have the authority to revoke consent furnished
54 under this section at any time for good cause shown.

55 (g) Prior to the requested effective date of the participating agree-
56 ment, a group self-insurer shall notify the chair on a prescribed form



1 of a new group self-insurer member and file (1) a member application and
2 (2) a copy of the properly executed prescribed participation agreement
3 wherein the member acknowledges their joint and several obligation for
4 their period of membership. The board shall, on a form promulgated by
5 the chair, provide notice of the member's rights and responsibilities as
6 a group self-insurer member, including the member's assumption of joint
7 and several liability, and require the member to return a signed copy to
8 the chair as a condition of membership.

9 (h) Any member terminating membership in a private group self-insurer
10 after less than four years in such private group self-insurer, and any
11 member in a group self-insurer that has defaulted, shall be precluded
12 from obtaining prospective coverage from any private group self-insurer
13 for a period of at least three years from the effective date of termi-
14 nation.

15 (a) Each private group self-insurer shall, and each group self-insurer
16 may, shall secure the services of a group administrator to be responsi-
17 ble for assisting the group self-insurer in complying with the
18 provisions of this section and the rules and regulations promulgated
19 hereunder, and for coordinating services including but not limited to
20 claims processing, loss control, legal, accounting and actuarial
21 services. No person, firm or corporation shall coordinate such services
22 or otherwise carry out the tasks of a group administrator as provided in
23 this subdivision or in the regulations issued pursuant thereto on behalf
24 of a group self-insurer unless such person shall have obtained from the
25 chair a license authorizing it to act as a group self-insurer adminis-
26 trator, which license may be revoked for good cause. The chair shall
27 promulgate regulations setting forth any additional qualifications for
28 such license, governing the conduct and compensation of group self-in-
29 surer administrators, and setting a license fee in an amount not less
30 than five thousand dollars per year for such license for each group
31 self-insurer the administrator administers. Each administrator shall
32 post a bond in the amount of five hundred thousand dollars for each
33 group self-insurer administered or such other amount as may be set by
34 the chair based on the cost and availability of such bond, from which
35 the chair may recover any recoveries or penalties against the adminis-
36 trator under this section. Nothing in this section shall relieve the
37 trustees of a group self-insurer of any fiduciary obligation they hold
38 to the other members of such group self-insurer.

39 § 26. Section 50 of the workers' compensation law is amended by adding
40 a new subdivision 3-f to read as follows:

41 3-f. (1) Any group consisting exclusively of municipal corporations,
42 public corporations as that term is defined in section sixty-six of the
43 general construction law, county self-insurance plans established under
44 article five of this chapter, boards of cooperative educational services
45 and consortia established by boards of cooperative educational services
46 may adopt a plan for self-insurance, as a group, for the payment of
47 compensation under this chapter to their employees. Such group shall be
48 known as a "public group self-insurer". All other groups established
49 under this section fifty are "private group self-insurers". A county of
50 self-insurance plan established under article five of this chapter is
51 not itself a public group self-insurer, and is not itself subject to the
52 requirements of this section, but may join a public group self-insurer
53 and, if it does so, shall assume all of the obligations of its partic-
54 ipants to the public group self-insurer. No entity which is not a munic-
55 ipal corporation as defined in section two of the general municipal law,
56 other than a county self-insurance plan established under article five



1 of this chapter and a consortium established by a board of cooperative
2 educational services, may join a public group self-insurer unless it may
3 levy taxes or its obligations are guaranteed by another member which is
4 such a municipal corporation. A public group self-insurer shall comply
5 with all of the requirements of subdivision three-a of this section;
6 provided however that no proof of financial ability to pay the compen-
7 sation provided for by this chapter shall be required and, in lieu ther-
8 eof, the joint and several liability of the public group self-insurer's
9 participants shall serve as the security required under paragraph two of
10 subdivision three-a of this section. The chair shall implement the
11 provisions of this subdivision by promulgating rules and regulations but
12 no such rules and regulations shall be necessary for any provisions of
13 this subdivision to be effective.

14 (2) A public group self-insurer as defined herein may offer, as part
15 of the policy or by endorsement, deductibles optional to the policyhold-
16 er for benefits payable under the policy, subject to approval by the
17 chairman and subject to underwriting by the public group self-insurer,
18 consistent with the following standards or factors:

19 (a) claimants' rights are properly protected and claimants' benefits
20 are paid without regard to any such deductible;

21 (b) appropriate premium reductions reflect the type and level of any
22 deductible approved by the chairman and selected by the member;

23 (c) premium reductions for deductibles are determined before applica-
24 tion of any experience modification, premium surcharge, or premium
25 discount;

26 (d) recognition is given to member characteristics, including size,
27 financial capabilities, nature of activities, and number of employees;

28 (e) if the member selects a deductible, the member is liable to the
29 public group self-insurer for the deductible amount in regard to bene-
30 fits paid for compensable claims;

31 (f) the public group self-insurer pays all of the deductible amount,
32 applicable to a compensable claim, to the person or provider entitled to
33 benefits and then seeks reimbursement from the member for the applicable
34 deductible amount; and

35 (g) failure to reimburse deductible amounts by the member to the
36 public group self-insurer is treated under the coverage agreement in the
37 same manner as nonpayment of contributions.

38 (3) If, in the determination of the chair, a public group self-insurer
39 becomes insolvent or otherwise defaults on its obligations, the insol-
40 vent group will require each member and each former member to pay a
41 supplemental assessment in an amount sufficient to make the public group
42 self-insurer solvent based upon a formula to be established by the chair
43 in regulations which considers the members' annual contributions and
44 loss experience. If an assessment is not sufficient to cure the insol-
45 vency or default, (i) each member and any former member will be jointly
46 and severally liable for the remaining deficit; and (ii) whenever the
47 chair shall determine that the compensation and benefits provided by
48 this chapter may be unpaid by reason of the default of a public group
49 self-insurer, the chair shall pay such compensation and benefits from
50 administration expenses as provided in section one hundred fifty-one of
51 this chapter upon audit and warrant of the comptroller upon vouchers
52 approved by the chair. Such payments shall be considered expenses of
53 administration. The chair shall be reimbursed therefor from any member
54 of the public group self-insurer, first pursuant to the supplemental
55 assessment formula referenced herein, but in any event where necessary,
56 on a joint and several basis.



1 § 27. The section heading and subdivisions 1, 2, 3 and 4 of section
2 1680-1 of the public authorities law, as added by chapter 6 of the laws
3 of 2007, are amended to read as follows:

4 [The special] Special disability fund and fund for reopened cases
5 financing. 1. As used in this section the following terms shall have
6 the following meanings:

7 (a) "Ancillary bond facility" means any interest rate exchange or
8 similar agreement or any bond insurance policy, letter of credit or
9 other credit enhancement facility, liquidity facility, guaranteed
10 investment or reinvestment agreement, or other similar agreement,
11 arrangement or contract.

12 (b) "Benefited party" means any person, firm or corporation that
13 enters into an ancillary bond facility with the authority according to
14 the provisions of this section.

15 (c) "Bonds" means any bonds, notes, certificates of participation and
16 other evidence of indebtedness issued by the authority pursuant to
17 subdivision five of this section.

18 (d) "Bond owners or owners of bonds" means any registered owners of
19 bonds.

20 (e) "Chair" means the chair of the workers' compensation board.

21 (f) "Code" means the United States Internal Revenue Code of 1986, as
22 amended.

23 (g) "Costs of issuance" means any item of expense directly or indi-
24 rectly payable or reimbursable by the authority and related to the
25 authorization, sale, or issuance of bonds, including, but not limited
26 to, underwriting fees and fees and expenses of professional consultants
27 and fiduciaries.

28 (h) "Debt service" means actual debt service, comprised of principal,
29 interest and associated costs, as defined in subparagraph five of para-
30 graph (h) of subdivision eight of section fifteen of the workers'
31 compensation law.

32 (i) "Director of the budget" or "director" means the director of the
33 budget of the state of New York.

34 (j) "Financing agreement" means [any agreement authorized pursuant to
35 subdivision four of this section between the chair and the commissioner
36 of taxation and finance, and the authority] each or any special disabili-
37 ty fund financing agreement or fund for reopened cases financing agree-
38 ment, as applicable.

39 (k) "Financing costs" means all costs of issuance, capitalized inter-
40 est, capitalized operating expenses of the authority and, pursuant to
41 the financing agreement, the initial capitalized operating expenses of
42 the waiver agreement management office and debt service reserves, fees,
43 cost of any ancillary bond facility, and any other fees, discounts,
44 expenses and costs related to issuing, securing and marketing the bonds
45 including, without limitation, any net original issue discount.

46 (l) "Fund for reopened cases financing agreement" means an agreement
47 authorized and created pursuant to subdivision four of this section and
48 to subdivision four of section twenty-five-a of the workers' compen-
49 sation law, as such agreement may be amended.

50 (m) "Investment securities" means: (i) general obligations of, or
51 obligations guaranteed by, any state of the United States of America or
52 political subdivision thereof, or the District of Columbia or any agency
53 or instrumentality of any of them, receiving one of the three highest
54 long-term unsecured debt rating categories available for such securities
55 of at least one independent rating agency, or (ii) certificates of
56 deposit, savings accounts, time deposits or other obligations or

1 accounts of banks or trust companies in the state, secured, if the
2 authority shall so require, in such manner as the authority may so
3 determine, or (iii) obligations in which the comptroller is authorized
4 to invest pursuant to either section ninety-eight or ninety-eight-a of
5 the state finance law, or (iv) investments which the commissioner of
6 taxation and finance is permitted to make with surplus or reserve moneys
7 of the special disability fund under subparagraph seven of paragraph (h)
8 of subdivision eight of section fifteen of the workers' compensation
9 law.

10 [(m)] (n) "Interest rate exchange or similar agreement" means a writ-
11 ten contract entered into in connection with the issuance of bonds or
12 with such bonds outstanding with a counterparty to provide for an
13 exchange or swap of payments based upon fixed and/or variable interest
14 rates, and shall be for exchanges in currency of the United States of
15 America only.

16 [(n)] (o) "Net proceeds" means the amount of proceeds remaining
17 following each sale of bonds which are not required by the authority for
18 purposes of this section to pay or provide for debt service or financing
19 costs, as provided in the financing agreement.

20 [(o)] (p) "Operating expenses" means the reasonable or necessary oper-
21 ating expenses of the authority for purposes of this section, including,
22 without limitation, the costs of: retention of auditors, preparation of
23 accounting and other reports, maintenance of the ratings on the bonds,
24 any operating expense reserve fund, insurance premiums, ancillary bond
25 facilities, rebate payments, annual meetings or other required activ-
26 ities of the authority, and professional consultants and fiduciaries.

27 [(p)] (q) "Outstanding", when used with respect to bonds, shall
28 exclude bonds that shall have been paid in full at maturity, or shall
29 have otherwise been refunded, redeemed, defeased or discharged, or that
30 may be deemed not outstanding pursuant to agreements with the holders
31 thereof.

32 [(q)] (r) "Pledged assessments revenues", "pledged revenues" or
33 "pledged assessments" means: (i) with respect to bonds issued prior to
34 March thirty-first, two thousand thirteen pursuant to this section,
35 either receipts of special disability fund assessments imposed pursuant
36 to subparagraph four of paragraph (h) of subdivision eight of section
37 fifteen of the workers' compensation law and pledged for the payment of
38 debt service on the bonds, receipts of assessments for annual expenses
39 imposed pursuant to section one hundred fifty-one of the workers'
40 compensation law and pledged for the payment of debt service on the
41 bonds, or amounts due pursuant to an ancillary bond facility, including
42 the right to receive the same; and (ii) with respect to bonds issued on
43 or subsequent to March thirty-first, two thousand thirteen pursuant to
44 this section, either receipts of such assessments for annual expenses or
45 amounts due pursuant to an ancillary bond facility, including the right
46 to receive same.

47 [(r)] (s) "State" means the state of New York.

48 [(s)] (t) "Special disability fund financing agreement" means an
49 agreement authorized and created pursuant to subdivision four of this
50 section and to subparagraph five of paragraph (h) of subdivision eight
51 of section fifteen of the workers' compensation law, as [same by its
52 terms and bond proceedings,] such agreement may be amended.

53 [(t)] (u) "Waiver agreement" means waiver agreements entered into
54 pursuant to section thirty-two of the workers' compensation law.

1 [(u)] (v) "Waiver agreement management office" shall mean the office
2 described in paragraph (e) of section thirty-two of the workers' compen-
3 sation law.

4 (w) "Workers' compensation liability insurance policy" or "assumption
5 of workers' compensation liability insurance policy" means any policy
6 executed by the chair pursuant to subdivision (i) of section thirty-two
7 or subdivision three of section twenty-five-a of the workers' compen-
8 sation law providing for the assumption of all or part of such further
9 and future contingent workers' compensation liability as may arise from
10 prior injuries to workers. Such policy shall be in a form approved by
11 the superintendent of financial services and issued by the state insur-
12 ance fund or any insurance company licensed to issue this class of
13 insurance in this state. In the event that such policy is issued by an
14 insurance company other than the state insurance fund, then such policy
15 shall be deemed of the kind specified in paragraph fifteen of subsection
16 (a) of section one thousand one hundred thirteen of the insurance law
17 and covered by the workers' compensation security fund as created and
18 governed by article six-A of the workers' compensation law. Such a poli-
19 cy shall only be issued for a single complete premium payment that is
20 payable in advance and in an amount deemed acceptable by the chair and
21 the superintendent of financial services. When issued such policy shall
22 be noncancellable without recourse for any cause during the continuance
23 of the liability secured and so covered.

24 2. The authority is hereby authorized to issue bonds to finance the
25 special disability fund established by paragraph (h) of subdivision
26 eight of section fifteen of the workers' compensation law and to enter
27 into one or more special disability fund financing agreements described
28 in such subdivision and authorized to issue bonds to finance the fund
29 for reopened cases established by subdivision three of section twenty-
30 five-a of the workers' compensation law and to enter into one or more
31 fund for reopened cases financing agreements described in subdivision
32 four of such section. All of the provisions of the authority relating
33 to bonds and notes which are not inconsistent with the provisions of
34 this section shall apply to obligations authorized by this section,
35 including but not limited to the power to establish adequate reserves
36 therefor and to issue renewal notes or refunding bonds thereof. [The
37 provisions of this section shall apply solely to obligations authorized
38 by this section and shall not include liabilities, assets or revenues
39 other than liabilities, assets or revenues derived from the authority
40 solely from the special disability fund.]

41 3. It is found and declared that the special disability fund and the
42 fund for reopened cases no longer [serves] serve the purposes for which
43 [it was] they were created, [adds] add to the time and expense of
44 proceedings before the workers' compensation board and to employers'
45 costs for workers' compensation insurance; that the creation and opera-
46 tion of a waiver agreement management office of the workers' compen-
47 sation board, to manage, maintain and negotiate waiver agreements on
48 behalf of the special disability fund and fund for reopened cases can
49 reduce the special disability fund's and fund for reopened cases
50 unfunded liability; that the reduction of such liability and the closing
51 of the fund to new claims will over the long term reduce assessments
52 paid to the [fund] funds by insurance carriers, self-insurers and the
53 state insurance fund, as well as the employers to whom these costs are
54 passed on; that in the absence of this section the annual cost of [such]
55 assessments to employers is expected to rise; that the settlement of
56 claims and other actions undertaken by the waiver agreement management



1 office will lower the administrative costs of insurance carriers, self-
2 insurers and the state insurance fund; [that revenue obligations issued
3 by the authority and secured by a special assessment annually levied,
4 imposed and collected on and from insurance carriers, self-insurers and
5 the state insurance fund for the governmental purpose of funding waiver
6 agreements] that unfunded special disability fund liabilities and
7 unfunded claims payable from the fund for reopened cases will, absent
8 provision for long-term financing, result in imposition of costs on
9 employers through assessments; that such unfunded liabilities, claims
10 and assessments may have detrimental impact on businesses and not-for-
11 profit corporations in New York state and on the provision of services
12 to New York residents; that without financing the board may be required
13 to impose higher assessments to pay such unfunded liabilities and
14 claims; that financing will allow the workers' compensation board to
15 fund waiver agreements and contract awards and to purchase one or more
16 assumption of workers' compensation liability insurance policies that
17 will limit the long term losses from these unfunded liabilities and
18 claims; that bonds issued by the authority and secured by assessments
19 levied, for the governmental purpose of funding waiver agreements with
20 respect to the special disability fund and funding contract awards,
21 assumption of workers' compensation liability insurance policies and
22 anticipated liabilities with respect to the special disability fund and
23 the fund for reopened cases amortized over a substantial period would
24 allow the state to settle and otherwise manage [claims] special disabili-
25 ty fund and fund for reopened cases and to reduce special disability
26 fund and fund for reopened cases as a means for reducing the fund's
27 liabilities and the assessments needed to pay them, thereby furthering
28 the policy of the state to reduce the costs of workers' compensation and
29 to improve the business climate in the state while compensating injured
30 workers and honoring the obligations of the special disability fund and
31 fund for reopened cases; that all costs of the authority in relation to
32 this section shall be paid from assessments set forth in paragraph (h)
33 of subdivision eight of section fifteen and in section one hundred
34 fifty-one of the workers' compensation law; and that, therefore, the
35 provisions of this section are for the public benefit and good and the
36 authorization as provided in this section of the issuance of revenue
37 obligations of the authority is declared to be for a public purpose and
38 the exercise of an essential governmental function.

39 4. (a) The authority, the commissioner of taxation and finance and the
40 chair, [in] after consultation with the director of the budget and the
41 special disability fund advisory committee shall execute a financing
42 agreement prior to the issuance of any bonds. Such agreement shall
43 contain such terms and conditions as are necessary to carry out and
44 effectuate the purposes of this section, including covenants with
45 respect to the assessment and enforcement of the assessments, the appli-
46 cation and use of the proceeds of the sale of bonds to preserve the
47 tax-exemption on the bonds, the interest on which is intended to be
48 exempt from taxation. The state shall not be authorized to make any
49 covenant, pledge, promise or agreement purporting to bind the state with
50 respect to pledged revenues, except as otherwise specifically authorized
51 by this section.

52 (b) The net proceeds of the bonds shall be deposited in accordance
53 with the applicable financing agreement and this section. [The] Each
54 special disability fund financing agreement shall provide for the appli-
55 cation of the net bond proceeds, and such bond proceeds shall be used,
56 for any of the following corporate purposes: (i) funding of waiver

1 agreements, (ii) payment of financing costs, (iii) funding anticipated
2 liabilities of the special disability fund, (iv) funding contract awards
3 pursuant to [subparagraph two of] paragraph [(h)] (i) of section thir-
4 ty-two of the workers' compensation law [and (v)], (v) funding the
5 purchase of one or more assumption of workers' compensation liability
6 insurance policies to discharge the liabilities incurred under subpara-
7 graph one of paragraph (h) of subdivision eight of section fifteen of
8 the workers' compensation law and (vi) such other purposes as are set
9 forth in the financing agreement. Each fund for reopened cases financing
10 agreement shall provide for the application of the net bond proceeds,
11 and such bond proceeds shall be used, for any of the following corporate
12 purposes: (i) payment of financing costs, (ii) funding anticipated
13 liabilities of the fund for reopened cases, (iii) funding contract
14 awards pursuant to subdivision three of section twenty-five-a of the
15 workers' compensation law, (iv) funding the purchase of one or more
16 assumption of workers' compensation liability insurance policies to
17 discharge the liabilities incurred or to be incurred under subdivision
18 three of section twenty-five-a of the workers' compensation law and (v)
19 such other purposes as are set forth in the financing agreement. Not
20 inconsistent with this section, the authority may provide restrictions
21 on the use and investment of net proceeds of the bonds and other amounts
22 in [the] any financing agreement or otherwise in a tax regulatory agree-
23 ment as necessary or desirable to assure that they are exempt from taxa-
24 tion.

25 § 28. Paragraphs (a), (c), and (g) of subdivision 5 of section 1680-1
26 of the public authorities law, as added by chapter 6 of the laws of
27 2007, subparagraph (i) of paragraph (a) of subdivision 5 as further
28 amended by section 104 of part A of chapter 62 of the laws of 2011, are
29 amended to read as follows:

30 (a) (i) The authority shall have power and is hereby authorized to
31 issue its bonds at such times and in an aggregate principal amount not
32 to exceed an amount to be determined by the superintendent of financial
33 services as necessary to address all or a portion of the incurred
34 unfunded liabilities of the special disability fund, but in no case
35 exceeding twenty-five percent of the unfunded liability of the special
36 disability fund as of a date no later than July first, two thousand
37 seven, as certified to the authority by a qualified third party. The
38 bonds shall be issued for the [following] corporate purposes[: (A) fund-
39 ing of waiver agreements, (B) payment of financing costs, (C) funding
40 anticipated liabilities of the special disability fund, (D) funding
41 contract awards pursuant to paragraph two of subdivision (h) of section
42 thirty-two of the workers' compensation law and (E) such other purposes
43 as are set forth in the financing agreement] identified in subdivision
44 four-b of this section and in the applicable financial agreement. The
45 foregoing limitation on outstanding aggregate principal shall not apply
46 to prevent the issuance of bonds to refund bonds.

47 (ii) Each issuance of bonds shall be authorized by a resolution of the
48 authority, provided, however, that any such resolution authorizing the
49 issuance of bonds may delegate to an officer of the authority the power
50 to issue such bonds from time to time and to fix the details of any such
51 issues of bonds by an appropriate certificate of such authorized offi-
52 cer. Every issue of the bonds of the authority [for the special disabil-
53 ity fund] pursuant to this section shall be special revenue obligations
54 payable from and secured by a pledge of revenues and other assets,
55 including those proceeds of such bonds deposited in a reserve fund for
56 the benefit of bondholders, earnings on funds of the authority and such



1 other funds and assets as may become available, upon such terms and
2 conditions as specified by the authority in the resolution under which
3 the bonds are issued or in a related trust indenture.

4 (iii) The authority shall have the power and is hereby authorized from
5 time to time to issue bonds, [in] after consultation with the director
6 of budget and special disability fund advisory committee to refund any
7 bonds issued under this section by the issuance of new bonds, whether
8 the bonds to be refunded have or have not matured, and to issue bonds
9 partly to refund bonds then outstanding and partly for any of its other
10 corporate purposes under this section. The refunding bonds may be
11 exchanged for the bonds to be refunded or sold and the proceeds applied
12 to the purchase, redemption or payment of such bonds.

13 (c) The authority may sell such bonds in such manner, either at a
14 public or private sale and either on a competitive or negotiated basis,
15 provided no such bonds may be sold by the authority at private sale
16 unless such sale and the terms thereof have been approved in writing by
17 the comptroller of the state of New York. The proceeds of such bonds
18 shall be disbursed for the purposes for which such bonds were issued
19 under such restrictions as the financing agreement and the resolution
20 authorizing the issuance of such bonds or the related trust indenture
21 may provide. Such bonds shall be issued upon approval of the authority
22 and without any other approvals, filings, proceedings or the happening
23 of any other conditions or things other than the approvals, findings,
24 proceedings, conditions, and things that are specified and required by
25 this section[. Provided]; provided, however, that any issuance of bonds
26 under the authority of this section shall be considered a project for
27 the purposes of section fifty-one of this chapter, and subject to
28 approval under such section.

29 (g) The authority may enter into, amend or terminate, as it determines
30 to be necessary or appropriate, any ancillary bond facility [in] after
31 consultation with the director of budget and special disability fund
32 advisory committee (i) to facilitate the issuance, sale, resale,
33 purchase, repurchase or payment of bonds, interest rate savings or
34 market diversification or the making or performance of interest rate
35 exchange or similar agreements, including without limitation bond insur-
36 ance, letters of credit and liquidity facilities, (ii) to attempt to
37 manage or hedge risk or achieve a desirable effective interest rate or
38 cash flow, or (iii) to place the obligations or investments of the
39 authority, as represented by the bonds or the investment of reserved
40 bond proceeds or other pledged revenues or other assets, in whole or in
41 part, on the interest rate, cash flow or other basis decided [in], after
42 consultation with the director of budget and special disability fund
43 advisory committee, which facility may include without limitation
44 contracts commonly known as interest rate exchange or similar agree-
45 ments, forward purchase contracts or guaranteed investment contracts and
46 futures or contracts providing for payments based on levels of, or
47 changes in, interest rates. These contracts or arrangements may be
48 entered into by the authority in connection with, or incidental to,
49 entering into, or maintaining any (i) agreement which secures bonds of
50 the authority or (ii) investment, or contract providing for investment
51 of reserves or similar facility guaranteeing an investment rate for a
52 period of years not to exceed the underlying term of the bonds. The
53 determination by the authority that an ancillary bond facility or the
54 amendment or termination thereof is necessary or appropriate as afore-
55 said shall be conclusive. Any ancillary bond facility may contain such
56 payment, security, default, remedy, and termination provisions and

1 payments and other terms and conditions as determined by the authority,
2 after giving due consideration to the creditworthiness of the counter-
3 party or other obligated party, including any rating by any nationally
4 recognized rating agency, and any other criteria as may be appropriate.

5 § 29. Subdivision 8 of section 1680-1 of the public authorities law,
6 as added by chapter 6 of the laws of 2007, is amended to read as
7 follows:

8 8. All monies of the authority from whatever source derived, that are
9 pledged pursuant to this section, shall be paid to the treasurer of the
10 authority and shall be deposited forthwith in a bank or banks designated
11 by the authority. The monies in such accounts shall be paid out or with-
12 drawn on the order of such person or persons as the authority may
13 authorize to make such requisitions. All deposits of such monies shall
14 either be secured by obligations of the United States or of the state or
15 of any municipality of a market value equal at all times to the amount
16 on deposit, or monies of the authority may be deposited in money market
17 funds rated in the highest short-term or long-term rating category by at
18 least one nationally recognized rating agency. To the extent practica-
19 ble, and consistent with the requirements of the authority, all such
20 monies shall be deposited in interest bearing accounts. The authority
21 shall have power, notwithstanding the provisions of this section, to
22 contract with the holders of any bonds as to the custody, collection,
23 security, investment and payment of any monies of the authority or any
24 monies held in trust or otherwise for the payment of bonds or any way to
25 secure bonds, and carry out any such contract notwithstanding that such
26 contract may be inconsistent with the provisions of this section. Monies
27 held in trust or otherwise for the payment of bonds or in any way to
28 secure bonds and deposits of such moneys may be secured in the same
29 manner as monies of the authority and all banks and trust companies are
30 authorized to give such security for such deposits. Any such monies of
31 the authority not required for immediate use or disbursement may, at the
32 discretion of the authority, be invested in accordance with law and such
33 guidelines as are approved by the authority.

34 § 30. Paragraph (a) of subdivision 10 of section 1680-1 of the public
35 authorities law, as added by chapter 6 of the laws of 2007, is amended
36 to read as follows:

37 (a) The state, solely with respect to the resources of the special
38 disability fund and of the fund for reopened cases, as applicable and as
39 set forth in [the special disability fund] each applicable financing
40 agreement, covenants with the purchasers and all subsequent owners and
41 transferees of bonds issued by the authority pursuant to this section in
42 consideration of the acceptance of the payment of the bonds, until the
43 bonds, together with the interest thereon, with interest on any unpaid
44 installment of interest and all costs and expenses in connection with
45 any action or proceeding on behalf of the owners, are fully met and
46 discharged or unless expressly permitted or otherwise authorized by the
47 terms of each [special disability fund] applicable financing agreement
48 and any contract made or entered into by the authority with or for the
49 benefit of such owners, (i) that in the event bonds of the authority are
50 sold as federally tax-exempt bonds, the state shall not take any action
51 or fail to take action that would result in the loss of such federal tax
52 exemption on said bonds, (ii) that the state will cause the workers'
53 compensation board to impose, charge, raise, levy, collect and apply the
54 pledged assessments and other revenues, receipts, funds or moneys
55 pledged for the payment of debt service requirements in each year in
56 which bonds are outstanding, and (iii) further, that the state (A) will



1 not materially limit or alter the duties imposed on the workers' compen-
2 sation board, the authority and other officers of the state by [the
3 special disability fund] each applicable financing agreement and the
4 bond proceedings authorizing the issuance of bonds with respect to
5 application of pledged assessments or other revenues, receipts, funds or
6 moneys pledged for the payment of debt service requirements, (B) will
7 not issue any bonds, notes or other evidences of indebtedness, other
8 than the bonds authorized by this section, having any rights arising out
9 of paragraph (h) of subdivision eight of section fifteen of the workers'
10 compensation law, subdivision three of section twenty-five-a of the
11 workers' compensation law, section one hundred fifty-one of the workers'
12 compensation law or this section or secured by any pledge of or other
13 lien or charge on the pledged revenues or other receipts, funds or
14 moneys pledged for the payment of debt service requirements; except for
15 bonds authorized under section fifty-c of the workers' compensation law,
16 (C) will not create or cause to be created any lien or charge on the
17 pledged revenues, other than a lien or pledge created thereon pursuant
18 to said sections, (D) will carry out and perform, or cause to be carried
19 out and performed, each and every promise, covenant, agreement or
20 contract made or entered into by [the special disability fund] each
21 applicable financing agreement, by the authority or on its behalf with
22 the bond owners of any bonds, (E) will not in any way impair the rights,
23 exemptions or remedies of the bond owners, and (F) will not limit, modi-
24 fy, rescind, repeal or otherwise alter the rights or obligations of the
25 appropriate officers of the state to impose, maintain, charge or collect
26 the assessments and other revenues or receipts constituting the pledged
27 revenues as may be necessary to produce sufficient revenues to fulfill
28 the terms of the proceedings authorizing the issuance of the bonds,
29 including pledged revenue coverage requirements, provided, however, (i)
30 the remedies available to the authority and the bondholders for any
31 breach of the pledges and agreements of the state set forth in this
32 subclause shall be limited to injunctive relief, (ii) nothing in this
33 subdivision shall prevent the authority from issuing evidences of
34 indebtedness (A) which are secured by a pledge or lien which is, and
35 shall on the face thereof, be expressly subordinate and junior in all
36 respects to every lien and pledge created by or pursuant to said
37 sections, or (B) which are secured by a pledge of or lien on moneys or
38 funds derived on or after the date every pledge or lien thereon created
39 by or pursuant to said sections shall be discharged and satisfied, and
40 (iii) nothing in this subdivision shall preclude the state from exercis-
41 ing its power, through a change in law, to limit, modify, rescind,
42 repeal or otherwise alter the character of the pledged assessments or
43 revenues or to substitute like or different sources of assessments,
44 taxes, fees, charges or other receipts as pledged revenues if and when
45 adequate provision shall be made by law for the protection of the hold-
46 ers of outstanding bonds pursuant to the proceedings under which the
47 bonds are issued, including changing or altering the method of estab-
48 lishing the special assessments.

49 The authority is authorized to include this covenant of the state, as
50 a contract of the state, in any agreement with the owner of any bonds
51 issued pursuant to this section and in any credit facility or reimburse-
52 ment agreement with respect to such bonds. Notwithstanding these pledges
53 and agreements by the state, the attorney general may in his or her
54 discretion enforce any and all provisions related to the special disa-
55 bility fund, without limitation.



1 § 31. Paragraph (t) of subdivision 1 of section 1680-q of the public
2 authorities law, as added by section 35 of part GG of chapter 57 of the
3 laws of 2013, is amended to read as follows:

4 (t) "Self-insured bond financing agreement" or "financing agreement"
5 means an agreement authorized and created pursuant to subdivision four
6 of this section and section fifty-c of the workers' compensation law, as
7 [same by its terms and bond proceedings,] such agreement may be amended.

8 § 32. Subdivision 1 of section 1680-q of the public authorities law,
9 as added by section 35 of part GG of chapter 57 of the laws of 2013, is
10 amended by adding a new paragraph (u) to read as follows:

11 (u) "Workers' compensation liability insurance policy" or "assumption
12 of workers' compensation liability insurance policy" means any policy
13 executed by the chair pursuant to subparagraph (a) of paragraph seven of
14 subdivision three-a of section fifty of the workers' compensation law
15 providing for the assumption of all or part of such further and future
16 contingent workers' compensation liability as may arise from prior inju-
17 ries to workers. Such policy shall be in a form approved by the super-
18 intendent of financial services and issued by the state insurance fund
19 or any insurance company licensed to issue this class of insurance in
20 this state. In the event that such policy is issued by an insurance
21 company other than the state insurance fund, then such policy shall be
22 deemed of the kind specified in paragraph fifteen of subsection (a) of
23 section one thousand one hundred thirteen of the insurance law and
24 covered by the workers' compensation security fund as created and
25 governed by article six-A of the workers' compensation law. Such a poli-
26 cy shall only be issued for a single complete premium payment that is
27 payable in advance and in an amount deemed acceptable by the chair and
28 the superintendent of financial services. When issued such policy shall
29 be noncancellable without recourse for any cause during the continuance
30 of the liability secured and so covered.

31 § 33. Subdivision 2 of section 1680-q of the public authorities law,
32 as added by section 35 of part GG of chapter 57 of the laws of 2013, is
33 REPEALED and a new subdivision 2 is added to read as follows:

34 2. The authority is hereby authorized to issue bonds to reduce assess-
35 ments imposed on self-insured employers under section fifty of the work-
36 ers' compensation law as a result of the unfunded claims of individual
37 and group self-insurers. The authority may enter into one or more self-
38 insured bond financing agreements described in section fifty-c of the
39 workers' compensation law. All of the provisions of the public authori-
40 ties law relating to bonds and notes of the dormitory authority which
41 are not inconsistent with the provisions of this section shall apply to
42 obligations authorized by this section, including but not limited to the
43 power to establish adequate reserves therefor and to issue renewal notes
44 or refunding bonds thereof.

45 § 34. Subparagraph (iii) of paragraph (a) of subdivision 5 of section
46 1680-q of the public authorities law, as added by section 35 of part GG
47 of chapter 57 of the laws of 2013, is amended to read as follows:

48 (iii) The authority shall have the power and is hereby authorized from
49 time to time to issue bonds, [in] after consultation with the chair, the
50 commissioner of taxation and finance and the director of the budget, to
51 refund any bonds issued under this section by the issuance of new bonds,
52 whether the bonds to be refunded have or have not matured, and to issue
53 bonds partly to refund bonds then outstanding and partly for any of its
54 other corporate purposes under this section. The refunding bonds may be
55 exchanged for the bonds to be refunded or sold and the proceeds applied
56 to the purchase, redemption or payment of such bonds.



1 § 35. Paragraph (g) of subdivision 5 of section 1680-q of the public
2 authorities law, as added by section 35 of part GG of chapter 57 of the
3 laws of 2013, is amended to read as follows:

4 (g) The authority may enter into, amend or terminate, as it determines
5 to be necessary or appropriate, any ancillary bond facility [in] after
6 consultation with the chair and director of the budget (i) to facilitate
7 the issuance, sale, resale, purchase, repurchase or payment of bonds,
8 interest rate savings or market diversification or the making or
9 performance of interest rate exchange or similar agreements, including
10 without limitation bond insurance, letters of credit and liquidity
11 facilities, (ii) to attempt to manage or hedge risk or achieve a desira-
12 ble effective interest rate or cash flow, or (iii) to place the obli-
13 gations or investments of the authority, as represented by the bonds or
14 the investment of reserved bond proceeds or other pledged revenues or
15 other assets, in whole or in part, on the interest rate, cash flow or
16 other basis decided [in] after consultation with the chair and director
17 of the budget, which facility may include without limitation contracts
18 commonly known as interest rate exchange or similar agreements, forward
19 purchase contracts or guaranteed investment contracts and futures or
20 contracts providing for payments based on levels of, or changes in,
21 interest rates. These contracts or arrangements may be entered into by
22 the authority in connection with, or incidental to, entering into, or
23 maintaining any agreement which secures bonds of the authority or
24 investment, or contract providing for investment of reserves or similar
25 facility guaranteeing an investment rate for a period of years not to
26 exceed the underlying term of the bonds. The determination by the
27 authority that an ancillary bond facility or the amendment or termi-
28 nation thereof is necessary or appropriate as aforesaid shall be conclu-
29 sive. Any ancillary bond facility may contain such payment, security,
30 default, remedy, and termination provisions and payments and other terms
31 and conditions as determined by the authority, after giving due consid-
32 eration to the creditworthiness of the counterparty or other obligated
33 party, including any rating by any nationally recognized rating agency,
34 and any other criteria as may be appropriate.

35 § 36. Subdivision 8 of section 1680-q of the public authorities law,
36 as added by section 35 of part GG of chapter 57 of the laws of 2013, is
37 amended to read as follows:

38 8. All monies of the authority from whatever source derived, that are
39 pledged pursuant to this section, shall be paid to the treasurer of the
40 authority and shall be deposited forthwith in a bank or banks designated
41 by the authority. The monies in such accounts shall be paid out or with-
42 drawn on the order of such person or persons as the authority may
43 authorize to make such requisitions. All deposits of such monies shall
44 either be secured by obligations of the United States or of the state or
45 of any municipality of a market value equal at all times to the amount
46 on deposit, or monies of the authority may be deposited in money market
47 funds rated in the highest short-term or long-term rating category by at
48 least one nationally recognized rating agency. To the extent practica-
49 ble, and consistent with the requirements of the authority, all such
50 monies shall be deposited in interest bearing accounts. The authority
51 shall have power, notwithstanding the provisions of this section, to
52 contract with the holders of any bonds as to the custody, collection,
53 security, investment and payment of any monies of the authority or any
54 monies held in trust or otherwise for the payment of bonds or any way to
55 secure bonds, and carry out any such contract notwithstanding that such
56 contract may be inconsistent with the provisions of this section. Monies



1 held in trust or otherwise for the payment of bonds or in any way to
2 secure bonds and deposits of such moneys may be secured in the same
3 manner as monies of the authority and all banks and trust companies are
4 authorized to give such security for such deposits. Any such monies of
5 the authority not required for immediate use or disbursement may, at the
6 discretion of the authority, be invested in accordance with law and such
7 guidelines as are approved by the authority.

8 § 37. Clause (B) of subparagraph (iii) of paragraph (a) of subdivision
9 10 of section 1680-q of the public authorities law, as added by section
10 35 of part GG of chapter 57 of the laws of 2013, is amended to read as
11 follows:

12 (B) will not issue any bonds, notes or other evidences of indebt-
13 edness, other than the bonds authorized by this section, having any
14 rights arising out of subparagraph two of paragraph c of subdivision
15 five of section fifty of the workers' compensation law, section one
16 hundred fifty-one of the workers' compensation law, or this section or
17 secured by any pledge of or other lien or charge on the revenues pledged
18 for the payment of debt service requirements; except for bonds author-
19 ized under subdivision eight of section fifteen of the workers' compen-
20 sation law, or under subdivision three of section twenty-five-a of the
21 workers' compensation law.

22 § 38. The opening paragraph of section 3443 of the insurance law, as
23 added by chapter 924 of the laws of 1990, is amended to read as follows:

24 An insurer issuing a workers' compensation and employers' liability
25 insurance policy, [and a group self-insurer for municipal corporations
26 as defined in subdivision three-a of section fifty of the workers'
27 compensation law,] may offer, as part of the policy or by endorsement,
28 deductibles optional to the policyholder for benefits payable under the
29 policy, subject to approval by the superintendent and subject to under-
30 writing by the insurer, consistent with the following standards or
31 factors:

32 § 39. This act shall take effect immediately; provided, however, that
33 sections seventeen and eighteen of this act shall take effect January 1,
34 2017.

35 PART H

36 Section 1. Section 200 of the workers' compensation law, as added by
37 chapter 600 of the laws of 1949, is amended to read as follows:

38 § 200. Short title. This article shall be known and may be cited as
39 the "disability benefits law and the paid family leave benefits law."

40 § 2. Subdivision 14 of section 201 of the workers' compensation law,
41 as added by chapter 600 of the laws of 1949 and as renumbered by chapter
42 438 of the laws of 1964, is amended and eleven new subdivisions 15, 16,
43 17, 18, 19, 20, 21, 22, 23, 24 and 25 are added to read as follows:

44 14. "A day of disability" means any day on which the employee was
45 prevented from performing work because of disability, including any day
46 which the employee uses for family care, and for which [he] the employee
47 has not received his or her regular remuneration.

48 15. "Family leave" shall mean any leave taken by an employee from work
49 to participate in providing care, including physical or psychological
50 care, for a family member of the employee made necessary by a serious
51 health condition of the family member; or to bond with the employee's
52 child during the first twelve months after the child's birth, or the
53 first twelve months after the placement of the child for adoption or
54 foster care with the employee; or because of any qualifying exigency as



1 interpreted under the family and medical leave act, 29 U.S.C.S §
2 2612(a)(1)(e) and 29 C.F.R. S.825.126(a)(1)-(8), arising out of the
3 fact that the spouse, domestic partner, child, or parent of the employee
4 is on active duty (or has been notified of an impending call or order to
5 active duty) in the armed forces of the United States.

6 16. "Child" means a biological, adopted, or foster son or daughter, a
7 stepson or stepdaughter, a legal ward, a son or daughter of a domestic
8 partner, or the person to whom the employee stands in loco parentis.

9 17. "Domestic partner" has the same meaning as set forth in section
10 four of this chapter.

11 18. "Serious health condition" means an illness, injury, impairment,
12 or physical or mental condition that involves inpatient care in a hospi-
13 tal, hospice, or residential health care facility, or continuing treat-
14 ment or continuing supervision by a health care provider and requiring
15 assistance to perform the activities of daily living.

16 19. "Parent" means a biological, foster, or adoptive parent, a
17 parent-in-law, a stepparent, a legal guardian, or other person who stood
18 in loco parentis to the employee when the employee was a child.

19 20. "Family member" means a child, parent, grandparent, grandchild,
20 sibling, spouse, or domestic partner as defined in this section.

21 21. "Grandchild" means a child of the employee's child.

22 22. "Health care provider" shall mean a person licensed under article
23 one hundred thirty-one, one hundred thirty-one-B, one hundred thirty-
24 two, one hundred thirty-three, one hundred thirty-six, one hundred thir-
25 ty-nine, one hundred forty-one, one hundred forty-three, one hundred
26 forty-four, one hundred fifty-three, one hundred fifty-four, one hundred
27 fifty-six or one hundred fifty-nine of the education law or a person
28 licensed under the public health law.

29 23. "Grandparent" means a parent of the employee's parent.

30 24. "Sibling" means a person related to another person by blood,
31 adoption, or affinity through a common legal or biological parent.

32 25. "Family care" shall mean any leave taken by an employee from work:

33 (a) to participate in providing care, including physical or psycholog-
34 ical care, for a family member of the employee made necessary by a seri-
35 ous health condition of the family member; or

36 (b) to bond with the employee's child during the first twelve months
37 after the child's birth, or the first twelve months after the placement
38 of the child for adoption or foster care with the employee; or

39 (c) because of any qualifying exigency as interpreted under the Family
40 and Medical Leave Act, 29 U.S.C. § 2612(a)(1)(E) and 29 C.F.R. §
41 825.126(a)(1)-(8), arising out of the fact that the spouse, domestic
42 partner, child, or parent of the employee is on active duty or has been
43 notified of an impending call or order to active duty in the armed forc-
44 es of the United States.

45 § 3. Section 203 of the workers' compensation law, as amended by chap-
46 ter 436 of the laws of 1986, is amended to read as follows:

47 § 203. Employees eligible for benefits under section two hundred four
48 of this article. Employees in employment of a covered employer for four
49 or more consecutive weeks and employees in employment during the work
50 period usual to and available during such four or more consecutive weeks
51 in any trade or business in which they are regularly employed and in
52 which hiring from day to day of such employees is the usual employment
53 practice shall be eligible for disability and family leave benefits as
54 provided in section two hundred four of this article. Every such
55 employee shall continue to be eligible for family leave benefits only
56 during employment with a covered employer. Every such employee shall

1 continue to be eligible for disability benefits during such employment
2 and for a period of four weeks after such employment terminates regard-
3 less of whether the employee performs any work for remuneration or
4 profit in non-covered employment. If during such four week period the
5 employee performs any work for remuneration or profit for another
6 covered employer the employee shall become eligible for disability bene-
7 fits immediately with respect to that employment. In addition every such
8 employee who has previously completed four or more consecutive weeks in
9 employment with the covered employer and returns to work with the same
10 employer after an agreed and specified unpaid leave of absence or vaca-
11 tion without pay shall become eligible for disability and family leave
12 benefits immediately with respect to such employment. An employee who
13 during a period in which he or she is eligible to receive benefits under
14 subdivision two of section two hundred seven of this article returns to
15 employment with a covered employer and an employee who is currently
16 receiving unemployment insurance benefits or benefits under section two
17 hundred seven of this article and who returns to employment with a
18 covered employer shall become eligible for disability benefits imme-
19 diately with respect to such employment. An employee regularly in the
20 employment of a single employer on a work schedule less than the employ-
21 er's normal work week shall become eligible for disability and family
22 leave benefits on the twenty-fifth day of such regular employment. An
23 employee who [becomes disabled while] is eligible for disability and
24 family leave benefits in the employment of a covered employer shall not
25 be deemed, for the purposes of this article, to have such employment
26 terminated during any period he or she is eligible to receive benefits
27 under section two hundred four of this article with respect to such
28 employment.

29 § 4. The workers' compensation law is amended by adding two new
30 sections 203-a and 203-b to read as follows:

31 § 203-a. Retaliatory action prohibited for family leave. 1. The
32 provisions of section one hundred twenty of this chapter and section two
33 hundred forty-one of this article shall be applicable to family leave.

34 2. Nothing in this section shall be deemed to diminish the rights,
35 privileges, or remedies of any employee under any collective bargaining
36 agreement or employment contract.

37 § 203-b. Reinstatement following family leave. Any eligible employee
38 of a covered employer who takes leave under this section shall be enti-
39 tled, on return from such leave, to be restored by the employer to the
40 position of employment held by the employee when the leave commenced, or
41 to be restored to a comparable position with comparable employment bene-
42 fits, pay and other terms and conditions of employment. The taking of
43 family leave shall not result in the loss of any employment benefit
44 accrued prior to the date on which the leave commenced. Nothing in this
45 section shall be construed to entitle any restored employee to the
46 accrual of any seniority or employment benefits during any period of
47 leave, or any right, benefit or position to which the employee would
48 have been entitled had the employee not taken the leave.

49 § 5. Section 204 of the workers' compensation law, as added by chapter
50 600 of the laws of 1949, subdivision 2 as amended by chapter 38 of the
51 laws of 1989, is amended to read as follows:

52 § 204. Disability and family leave during employment. 1. Disability
53 benefits shall be payable to an eligible employee for disabilities
54 [commencing after June thirtieth, nineteen hundred fifty], beginning
55 with the eighth [consecutive] day of disability and thereafter during
56 the continuance of disability, subject to the limitations as to maximum

1 and minimum amounts and duration and other conditions and limitations in
2 this section and in sections two hundred five and two hundred six of
3 this article. Family leave benefits shall be payable to an eligible
4 employee for the first full day when family leave is required and there-
5 after during the continuance of the need for family leave, subject to
6 the limitations as to maximum and minimum amounts and duration and other
7 conditions and limitations in this section and in sections two hundred
8 five and two hundred six of this article. Successive periods of disabil-
9 ity caused by the same or related injury or sickness shall be deemed a
10 single period of disability or family leave only if separated by less
11 than three months.

12 2. (a) The weekly benefit for family leave that occurs (i) on or after
13 January first, two thousand eighteen shall be thirty-five percent of the
14 employee's average weekly wage but shall not exceed thirty-five percent
15 of the state average weekly wage, (ii) on or after January first, two
16 thousand nineteen shall be forty percent of the employee's average week-
17 ly wage but shall not exceed forty percent of the state average weekly
18 wage, (iii) on or after January first, two thousand twenty shall be
19 forty-five percent of the employee's average weekly wage but shall not
20 exceed forty-five percent of the state average weekly wage, and (iv) on
21 or after January first of each succeeding year, shall be fifty percent
22 of the employee's average weekly wage but shall not exceed fifty percent
23 of the New York state average weekly wage in effect. The weekly bene-
24 fits for family leave that occurs on or after January first, two thou-
25 sand eighteen shall not be less than one hundred dollars per week except
26 that if the employee's wages at the time of injury are less than one
27 hundred dollars per week, the employee shall receive his or her full
28 wages.

29 (b) The weekly benefit which the disabled employee is entitled to
30 receive for disability commencing on or after May first, nineteen
31 hundred eighty-nine shall be one-half of the employee's weekly wage, but
32 in no case shall such benefit exceed one hundred seventy dollars; except
33 that if the employee's average weekly wage is less than twenty dollars,
34 the benefit shall be such average weekly wage. The weekly benefit which
35 the disabled employee is entitled to receive for disability commencing
36 on or after July first, nineteen hundred eighty-four shall be one-half
37 of the employee's weekly wage, but in no case shall such benefit exceed
38 one hundred forty-five dollars; except that if the employee's average
39 weekly wage is less than twenty dollars, the benefit shall be such aver-
40 age weekly wage. The weekly benefit which the disabled employee is enti-
41 tled to receive for disability commencing on or after July first, nine-
42 teen hundred eighty-three and prior to July first, nineteen hundred
43 eighty-four shall be one-half of the employee's average weekly wage, but
44 in no case shall such benefit exceed one hundred thirty-five dollars nor
45 be less than twenty dollars; except that if the employee's average week-
46 ly wage is less than twenty dollars the benefit shall be such average
47 weekly wage. The weekly benefit which the disabled employee is entitled
48 to receive for disability commencing on or after July first, nineteen
49 hundred seventy-four, and prior to July first, nineteen hundred eighty-
50 three, shall be one-half of the employee's average weekly wage, but in
51 no case shall such benefit exceed ninety-five dollars nor be less than
52 twenty dollars; except that if the employee's average weekly wage is
53 less than twenty dollars, the benefit shall be such average weekly wage.
54 The weekly benefit which the disabled employee is entitled to receive
55 for disability commencing on or after July first, nineteen hundred
56 seventy and prior to July first, nineteen hundred seventy-four shall be



1 one-half of the employee's average weekly wage, but in no case shall
2 such benefit exceed seventy-five dollars nor be less than twenty
3 dollars; except that if the employee's average weekly wage is less than
4 twenty dollars the benefit shall be such average weekly wage. For any
5 period of disability less than a full week, the benefits payable shall
6 be calculated by dividing the weekly benefit by the number of the
7 employee's normal work days per week and multiplying the quotient by the
8 number of normal work days in such period of disability. The weekly
9 benefit for a disabled employee who is concurrently eligible for bene-
10 fits in the employment of more than one covered employer shall, within
11 the maximum and minimum herein provided, be one-half of the total of the
12 employee's average weekly wages received from all such covered employ-
13 ers, and shall be allocated in the proportion of their respective aver-
14 age weekly wage payments.

15 § 6. Section 205 of the workers' compensation law, as added by chapter
16 600 of the laws of 1949, subdivision 1 as amended by chapter 651 of the
17 laws of 1958, subdivision 2 as amended by chapter 270 of the laws of
18 1990, subdivision 5 as amended by chapter 288 of the laws of 1970, and
19 subdivisions 3, 4, 5, 6, 7 and 8 as renumbered by chapter 352 of the
20 laws of 1981, is amended to read as follows:

21 § 205. Disabilities, family leave and [disability] periods for which
22 benefits are not payable. 1. No employee shall be entitled to disability
23 benefits under this article:

24 [1.] (a) For more than twenty-six weeks during a period of fifty-two
25 consecutive calendar weeks or during any one period of disability, or
26 for more than twenty-six weeks minus any days taken for family leave
27 during any fifty-two consecutive calendar weeks;

28 [2.] (b) for any period of disability during which an employee is not
29 under the care of a duly licensed [physician or with respect to disabil-
30 ity resulting from a condition of the foot which may lawfully be treated
31 by a duly registered and licensed podiatrist of the state of New York or
32 with respect to a disability resulting from a condition which may
33 lawfully be treated by a duly registered and licensed chiropractor of
34 the state of New York or with respect to a disability resulting from a
35 condition which may lawfully be treated by a duly licensed dentist of
36 the state of New York or with respect to a disability resulting from a
37 condition which may lawfully be treated by a duly registered and
38 licensed psychologist of the state of New York or with respect to a
39 disability resulting from a condition which may lawfully be treated by a
40 duly certified nurse midwife, for any period of such disability during
41 which an employee is neither under the care of a physician nor a podia-
42 trist, nor a chiropractor, nor a dentist, nor a psychologist, nor a
43 certified nurse midwife] health care provider; and for any period of
44 disability during which an employee who adheres to the faith or teach-
45 ings of any church or denomination and who in accordance with its creed,
46 tenets or principles depends for healing upon prayer through spiritual
47 means alone in the practice of religion, is not under the care of a
48 practitioner duly accredited by the church or denomination, and provided
49 such employee shall submit to all physical examinations as required by
50 this chapter.

51 2. No employee shall be entitled to family leave benefits under this
52 article:

53 (a) For more than twelve weeks during a period of fifty-two consec-
54 utive calendar weeks, or when an employee has already received twenty-
55 six weeks of disability benefits, or for any period in which the family



1 leave combined with the disability benefits previously paid exceeds
2 twenty-six weeks during the same fifty-two consecutive calendar weeks;

3 (b) For any period of family leave wherein the notice and medical
4 certification as prescribed by the chair has not been filed. At the
5 discretion of the chair or chair's designee, the family member who is
6 the recipient of care may be required to submit to a physical examina-
7 tion by a qualified health care provider. Such examination shall be paid
8 for by the carrier.

9 (c) As a condition of an employee's initial receipt of family leave
10 benefits during any twelve-month period in which an employee is eligible
11 for these benefits, an employer may require an employee who has accrued
12 but unused vacation time or personal leave available at the time of use
13 of available family leave to choose whether to charge time to accrued
14 but unused vacation or personal leave, and receive full salary, or to
15 not charge time to accrued but unused vacation or personal leave, and
16 receive the benefit as set forth in section two hundred four of this
17 article. With the election of either option, the employee shall receive
18 the full protection of the reinstatement provision set forth in section
19 two hundred three-b of this article, and shall concurrently use avail-
20 able family medical leave act and paid family leave credits. In no event
21 can an employee utilize family leave beyond the twelve weeks per any
22 fifty-two week period set forth in this article. This paragraph may not
23 be construed in a manner that relieves an employer of any duty of
24 collective bargaining the employer may have with respect to the subject
25 matter of this paragraph.

26 3. No employee shall be entitled to disability or family leave bene-
27 fits under this article:

28 (a) for any disability occasioned by the wilful intention of the
29 employee to bring about injury to or the sickness of himself or another,
30 or resulting from any injury or sickness sustained in the perpetration
31 by the employee of an illegal act;

32 [4.] (b) for any day of disability or family leave during which the
33 employee performed work for remuneration or profit;

34 [5.] (c) for any day of disability or family leave for which the
35 employee is entitled to receive from his or her employer, or from a fund
36 to which the employer has contributed, remuneration or maintenance in an
37 amount equal to or greater than that to which he or she would be enti-
38 tled under this article; but any voluntary contribution or aid which an
39 employer may make to an employee or any supplementary benefit paid to an
40 employee pursuant to the provisions of a collective bargaining agreement
41 or from a trust fund to which contributions are made pursuant to the
42 provisions of a collective bargaining agreement shall not be considered
43 as continued remuneration or maintenance for this purpose;

44 [6.] (d) for any period in respect to which such employee is subject
45 to suspension or disqualification of the accumulation of unemployment
46 insurance benefit rights, or would be subject if he or she were eligible
47 for such benefit rights, except for ineligibility resulting from the
48 employee's disability;

49 [7.] (e) for any disability due to any act of war, declared or unde-
50 clared[, if such act shall occur after June thirtieth, nineteen hundred
51 fifty];

52 [8.] (f) for any disability or family leave commencing before the
53 employee becomes eligible to benefits [hereunder or commencing prior to
54 July first, nineteen hundred fifty, but this shall not preclude benefits
55 for recurrence after July first, nineteen hundred fifty, of a disability
56 commencing prior thereto] under this section.



1 4. An employee who has given birth shall select whether she will seek
2 benefits pursuant to subdivision one or two of this section. An employee
3 may not seek benefits concurrently under both subdivisions one and two
4 of this section following childbirth.

5 § 7. Section 206 of the workers' compensation law, as amended by chap-
6 ter 699 of the laws of 1956, paragraph (a) of subdivision 1 as separate-
7 ly amended by chapters 699 and 929 of the laws of 1956 and subdivision 2
8 as amended by chapter 24 of the laws of 1988, is amended to read as
9 follows:

10 § 206. Non-duplication of benefits. 1. No disability benefits shall be
11 payable under section two hundred four or two hundred seven of this
12 article:

13 (a) in a weekly benefit amount which, together with any amount that
14 the employee receives or is entitled to receive for the same period or
15 any part thereof as a permanent disability benefit or annuity under any
16 governmental system or program, except under a veteran's disability
17 program, or under any permanent disability policy or program of an
18 employer for whom he or she has performed services, would, if appor-
19 tioned to weekly periods, exceed his or her weekly benefit amount [here-
20 under] under this section, provided however, that there shall be no
21 offset against the benefits set forth in this article if the claim for
22 disability benefits is based on a disability other than the permanent
23 disability for which the aforesaid permanent disability benefit or annu-
24 ity was granted;

25 (b) with respect to any week for which payments are received under the
26 unemployment insurance law or similar law of this state or of any other
27 state or of the United States;

28 (c) subject to the provisions of subdivision two of this section, for
29 any period with respect to which benefits, compensation or other allow-
30 ances (other than [workmen's] workers' compensation benefits for a
31 permanent partial disability occurring prior to the disability for which
32 benefits are claimed hereunder) are paid or payable under this chapter,
33 the volunteer [firemen's] firefighters' benefit law, or any other [work-
34 men's] workers' compensation act, occupational disease act or similar
35 law, or under any employers' liability act or similar law; under any
36 other temporary disability or cash sickness benefits act or similar law;
37 under section six hundred eighty-eight, title forty-six, United States
38 code; under the federal employers' liability act; or under the maritime
39 doctrine of maintenance, wages and cure.

40 2. If an employee who is eligible for disability benefits under
41 section two hundred three or two hundred seven of this article is disa-
42 bled and has claimed or subsequently claims workers' compensation bene-
43 fits under this chapter or benefits under the volunteer firefighters'
44 benefit law or the volunteer ambulance workers' benefit law, and such
45 claim is controverted on the ground that the employee's disability was
46 not caused by an accident that arose out of and in the course of his
47 employment or by an occupational disease, or by an injury in line of
48 duty as a volunteer firefighter or volunteer ambulance worker, the
49 employee shall be entitled in the first instance to receive benefits
50 under this article for his or her disability. If benefits have been paid
51 under this article in respect to a disability alleged to have arisen out
52 of and in the course of the employment or by reason of an occupational
53 disease, or in line of duty as a volunteer firefighter or a volunteer
54 ambulance worker, the employer or carrier or the chairman making such
55 payment may, at any time before award of workers' compensation benefits,
56 or volunteer firefighters' benefits or volunteer ambulance workers'

benefits, is made, file with the board a claim for reimbursement out of the proceeds of such award to the employee for the period for which disability benefits were paid to the employee under this article, and shall have a lien against the award for reimbursement, notwithstanding the provisions of section thirty-three of this chapter or section twenty-three of the volunteer firefighters' benefit law or section twenty-three of the volunteer ambulance workers' benefit law provided the insurance carrier liable for payment of the award receives, before such award is made, a copy of the claim for reimbursement from the employer, carrier or [chairman] chair who paid disability benefits, or provided the board's decision and award directs such reimbursement therefrom.

3. No family leave benefits shall be payable under section two hundred four of this article:

(a) During periods when the employee is receiving workers' compensation lost wage benefits, benefits under the volunteer firefighters' benefit law or the volunteer ambulance workers' benefit law or under any state's law;

(b) To an employee who is not employed or is on administrative leave from his or her employment;

(c) To an employee during periods where the employee is collecting sick pay or paid time off from the employer; and

(d) for any day in which claimant works at least part of that day for remuneration or profit.

4. Unless otherwise expressly permitted by the employer, benefits available under 29 U.S. Code Chapter 28 (The Family and Medical Leave Act) must be used concurrently with family leave benefits. An employer shall not be required to permit twelve additional weeks of benefits following exhaustion of the twelve weeks of paid family leave benefits.

5. Only one employee may use family leave for the same family member for the same period of leave.

§ 8. Section 207 of the workers' compensation law is amended by adding a new subdivision 5 to read as follows:

5. The foregoing provisions of this section shall not apply to family leave benefits, as family leave benefits are not available to employees that are not employed at the time family leave is requested by filing the notice and medical certification required by the chair.

§ 9. Section 208 of the workers' compensation law, as added by chapter 600 of the laws of 1949, subdivision 1 as amended by chapter 314 of the laws of 2010, is amended to read as follows:

§ 208. Payment of disability and family leave benefits. 1. Benefits provided under this article shall be paid periodically and promptly and, except as to a contested period of disability or family leave, without any decision by the board, or board designee of the chair. The first payment of benefits shall be due on the fourteenth day of disability and benefits for that period shall be paid directly to the employee within four business days thereafter or within four business days after the filing of required proof of claim, whichever is the later. Thereafter benefits shall be due and payable bi-weekly in like manner. The [chairman] chair or chair's designee may determine that benefits may be paid monthly or semi-monthly if wages were so paid, and may authorize deviation from the foregoing requirements to facilitate prompt payment of benefits. Any inquiry which requires the employee's response in order to continue benefits uninterrupted or unmodified shall provide a reasonable time period in which to respond and include a clear and prominent statement of the deadline for responding and consequences of failing to respond.



1 2. The [chairman] chair and superintendent of financial services may,
2 whenever such information is deemed necessary, require any carrier to
3 file in form prescribed by the [chairman] chair a report or reports as
4 to any claim or claims, including (but without limitation) dates of
5 commencement and termination of benefit payments and amount of benefits
6 paid under this article. The [chairman] chair and superintendent of
7 financial services may also require annually information in respect to
8 the aggregate of benefits paid, the number of claims allowed and disal-
9 lowed, the average benefits and duration of benefit periods, the amount
10 of payrolls covered and such other information as the [chairman] chair
11 may deem necessary for the purposes of administering this article. If
12 the carrier is providing benefits in respect to more than one employer,
13 the [chairman] chair and superintendent of financial services may
14 require that such information be shown separately as to those employers
15 who are providing only benefits that are substantially the same as the
16 benefits required in this article. The chair and superintendent of
17 financial services may prescribe the format of such report and may
18 promulgate regulations to effectuate this article.

19 § 10. Section 209 of the workers' compensation law, as added by chap-
20 ter 600 of the laws of 1949, subdivision 3 as amended by chapter 415 of
21 the laws of 1983 and subdivision 4 as amended by chapter 134 of the laws
22 of 1952, is amended to read as follows:

23 § 209. Contribution of employees for disability and family leave bene-
24 fits. 1. Every employee in the employment of a covered employer shall[,
25 on and after January first, nineteen hundred fifty,] contribute to the
26 cost of providing disability and after January first, two thousand eigh-
27 teen, family leave benefits under this article, to the extent and in the
28 manner herein provided.

29 2. The special contribution of each such employee to the accumulation
30 of funds to provide benefits for disabled unemployed shall be as
31 provided in subdivision one of section two hundred fourteen of this
32 article.

33 3. (a) Disability benefits. The contribution of each such employee to
34 the cost of disability benefits provided by this article shall be one-
35 half of one per centum of the employee's wages paid to him or her on and
36 after July first, nineteen hundred fifty, but not in excess of sixty
37 cents per week.

38 (b) Family leave benefits. On September first, two thousand seventeen
39 and annually thereafter the superintendent of financial services shall
40 set the maximum employee contribution, using the reports provided in
41 section two hundred eight of this article, and consistent with the prin-
42 ciple that the costs of family leave should be funded one hundred
43 percent by employee payroll contribution.

44 4. Notwithstanding any other provision of law, the employer is author-
45 ized to collect from his or her employees, except as otherwise provided
46 in any plan or agreement under the provisions of subdivisions four or
47 five of section two hundred eleven of this article, the contribution
48 provided under subdivisions two and three of this section, through
49 payroll deductions. If the employer shall not make deduction for any
50 payroll period he or she may thereafter, but not later than one month
51 after payment of wages, collect such contribution through payroll
52 deduction.

53 5. In collecting employee contributions through payroll deductions,
54 the employer shall act as the agent of his or her employees and shall
55 use the contributions only to provide disability and family leave bene-
56 fits as required by this article. In no event may the employee's annual



1 contribution for family leave exceed his or her pro rata share of the
2 actual annual premium charged for the same year and must be determined
3 consistent with the principle that employees should pay the total costs
4 of family leave premium. In no event may the employee's weekly contrib-
5 ution for disability premium exceed one-half of one per centum of the
6 employee's wages paid to him or her, but not in excess of sixty cents
7 per week. After June thirtieth, nineteen hundred fifty, if the employer
8 is not providing, or to the extent that he or she is not then providing,
9 for the payment of disability benefits to his or her employees by insur-
10 ing with the state fund or with another insurance carrier, he or she
11 shall keep the contributions of his or her employees as trust funds
12 separate and apart from all other funds of the employer. The payment of
13 such contributions by the employer to a carrier providing for the
14 payment of such benefits shall discharge the employer from responsibil-
15 ity with respect to such contributions.

16 § 11. Section 210 of the workers' compensation law, as added by chap-
17 ter 600 of the laws of 1949, is amended to read as follows:

18 § 210. Employer contributions. 1. Every covered employer shall, on and
19 after January first, nineteen hundred fifty, contribute the cost of
20 providing disability and family leave benefits in excess of the contrib-
21 utions collected from his or her employees, to the extent and in the
22 manner provided in this article.

23 2. The special contribution of each covered employer to the accumu-
24 lation of funds to provide benefits for disabled unemployed shall be as
25 provided in subdivision one of section two hundred fourteen of this
26 article.

27 3. The contribution of every covered employer to the cost of providing
28 disability benefits after June thirtieth, nineteen hundred fifty, and
29 providing disability and family leave benefits after January first, two
30 thousand eighteen, shall be the excess of such cost over the amount of
31 the contributions of his or her employees.

32 4. No profit shall be derived by any employer or association of
33 employers or of employees from providing payment of disability and fami-
34 ly leave benefits under this article. All funds representing contrib-
35 utions of employers and employees, and increments thereon, held by
36 employers or associations of employers or of employees authorized or
37 permitted to pay benefits under the provisions of this article, and by
38 trustees paying benefits under plans or agreements meeting the require-
39 ments of section two hundred eleven of this article, shall be trust
40 funds and shall be expended only to provide for the payment of benefits
41 to employees and for the costs of administering this article and for the
42 support of the fund established under section two hundred fourteen of
43 this article.

44 § 12. The opening paragraph and subdivisions 3, 4 and 5 of section 211
45 of the workers' compensation law, the opening paragraph as added by
46 chapter 600 of the laws of 1949, subdivision 3 as amended by chapter 207
47 of the laws of 1992, and subdivisions 4 and 5 as amended by chapter 197
48 of the laws of 1960, are amended, and a new subdivision 7 is added to
49 read as follows:

50 A covered employer shall, with his or her own contributions and the
51 contributions of his employees, provide disability and after January
52 first, two thousand eighteen, family leave benefits to his or her
53 employees in one or more of the following ways:

54 3. by furnishing satisfactory proof to the chair of the employers
55 financial ability to pay such benefits, in which case the chair shall
56 require the deposit of such securities as the chair may deem necessary



1 [of the kind prescribed in subdivisions one, two, three, four and five
2 and paragraph a of subdivision seven of section two hundred thirty-five
3 of the banking law or the deposit of cash or the filing of irrevocable
4 letters of credit issued by a qualified banking institution as defined
5 by rules promulgated by the chair or the filing of the bond of a surety
6 company authorized to do business in this state, conditioned on the
7 payment by the employer of its obligations under this article and in
8 form approved by the chair, or the posting and filing of a combination
9 of such securities, cash, irrevocable letters of credit and surety bonds
10 in an amount to be determined by the chair, to secure his or her liabil-
11 ity to pay the compensation provided in this chapter. The amount of
12 deposit or of the penal sum of the bond shall be determined by the chair
13 and shall not be less than one-half the estimated contributions of the
14 employees of the employer for the ensuing year or one-half of the
15 contributions of the employees which would have been paid by the employ-
16 ees during the preceding year, whichever is the greater, or if such
17 amount is more than fifty thousand dollars an amount not less than fifty
18 thousand dollars. The chair shall have authority to deny an application
19 to provide benefits pursuant to this subdivision or to revoke approval
20 at any time for good cause shown. In the case of an employer who main-
21 tains a deposit of securities, irrevocable letters of credit or cash in
22 accordance with subdivision three of section fifty of this chapter, the
23 chair may reduce the amount of the deposit or of the penal sum of the
24 bond, provided the securities, irrevocable letters of credit or cash
25 deposited by or for such employer under subdivision three of section
26 fifty of this chapter are, by agreement satisfactory to the chair, made
27 available for the payment of unpaid benefits under this article with
28 respect to obligations incurred for disabilities commencing prior to the
29 effective date of such revocation] consistent with the provisions of
30 subdivision three of section fifty of this chapter. An association of
31 employers or employees authorized to pay benefits under this article or
32 the trustee or trustees paying benefits under a plan or agreement
33 authorized under subdivisions four and five of this section, may with
34 the approval of the chair furnish such proof and otherwise comply with
35 the provisions of this section to provide disability and family leave
36 benefits to employees under such plan or agreement.

37 4. by a plan in existence on the effective date of this article. If
38 on the effective date of this article the employees of a covered employ-
39 er or any class or classes of such employees are entitled to receive
40 disability and family leave benefits under a plan or agreement which
41 remains in effect on July first, nineteen hundred fifty, the employer,
42 subject to the requirements of this section, shall be relieved of
43 responsibility for making provision for benefit payments required under
44 this article until the earliest date, determined by the chairman for the
45 purposes of this article, upon which the employer shall have the right
46 to discontinue the provisions thereof or to discontinue his contrib-
47 utions towards the cost. Any such plan or agreement may be extended,
48 with or without modification, by agreement or collective bargaining
49 between an employer or employers or association of employers and an
50 association of employees, in which event the period for which the
51 employer is relieved of such responsibility shall include such period of
52 extension. Any other plan or agreement in existence on the effective
53 date of this article which the employer may, by his or her sole act,
54 terminate at any time, or with respect to which he or she is not obli-
55 gated to continue for any period to make contributions, may be accepted
56 by the [chairman] chair as satisfying the obligation to provide for the



1 payment of benefits under this article if such plan or agreement
2 provides benefits at least as favorable as the disability and family
3 leave benefits provided by this article and does not require contrib-
4 utions of any employee or of any class or classes of employees in excess
5 of the statutory amount provided in subdivision three of section two
6 hundred nine of this article, subdivision three, except by agreement and
7 provided the contribution is reasonably related to the value of the
8 benefits as determined by the chairman. The chairman may require that
9 the employer shall enter into an agreement in writing with the chairman
10 that he will pay the assessments set forth in sections two hundred four-
11 teen and two hundred twenty-eight and that until he shall have filed
12 written notice with the chairman of his election to terminate such plan
13 or agreement or to discontinue making necessary contributions to its
14 cost, he will continue to provide for the payment of the disability and
15 family leave benefits under such plan or agreement.

16 During any period in which any plan or agreement or extension thereof
17 authorized under this subdivision provides for payment of benefits under
18 this article, the responsibility of the employer and the obligations and
19 benefits of the employees shall be as provided in said plan or agreement
20 rather than as provided under this article, other than the benefits
21 provided in section two hundred seven, and provided the employer or
22 carrier has agreed to pay the assessments described in sections two
23 hundred fourteen and two hundred twenty-eight.

24 Any such plan or agreement may be extended with or without modifica-
25 tion, provided the benefits under such plan or agreement, as extended or
26 modified, shall be found by the chairman to be at least as favorable as
27 the benefits provided by this article.

28 5. by a new plan or agreement. After the effective date of this arti-
29 cle, a new plan or agreement with a carrier may be accepted by the
30 chairman as satisfying the obligation to provide for the payment of
31 benefits under this article if such plan or agreement shall provide
32 benefits at least as favorable as the disability and family leave bene-
33 fits provided by this article and does not require contributions of any
34 employee or of any class or classes of employees in excess of the statu-
35 tory amount provided in section two hundred nine, subdivision three,
36 except by agreement and provided the contribution is reasonably related
37 to the value of the benefits as determined by the chairman. Any such
38 plan or agreement shall continue until written notice filed with the
39 chairman of intention to terminate such plan or agreement, and any
40 modification of such plan or agreement shall be subject to the written
41 approval of the chairman.

42 During any period in which any plan or agreement or extension thereof
43 authorized under this subdivision provides for payment of benefits under
44 this article, the responsibility of the employer and the obligations and
45 benefits of the employees shall be as provided in said plan or agreement
46 rather than as provided under this article, other than the benefits
47 provided in section two hundred seven, and provided the employer or
48 carrier has agreed to pay the assessments described in sections two
49 hundred fourteen and two hundred twenty-eight.

50 7. Premiums for policies providing disability or family leave benefits
51 in accordance with this article shall be calculated in accordance with
52 applicable provisions of the insurance law, including subsection (n) of
53 section four thousand two hundred and thirty-five of such law.

54 § 13. Subdivisions 1, 4 and 5 of section 212 of the workers' compen-
55 sation law, subdivision 1 as amended by chapter 740 of the laws of 1960,
56 subdivision 4 as amended by chapter 205 of the laws of 1993, and subdi-



1 vision 5 as added by chapter 593 of the laws of 1992, are amended to
2 read as follows:

3 1. Any employer not required by this article to provide for the
4 payment of disability or family leave benefits to his employees, or to
5 any class or classes thereof, may become a covered employer or bring
6 within the provisions of this article such employees or class or classes
7 thereof by voluntarily electing to provide for payment of such benefits
8 in one or more of the ways set forth in section two hundred eleven of
9 this article; but such election shall be subject to the approval of the
10 [chairman] chair, and if the employees are required to contribute to the
11 cost of such benefits the assent within thirty days before such approval
12 is granted, of more than one-half of such employees shall be evidenced
13 to the satisfaction of the [chairman] chair. On approval by the [chair-
14 man] chair of such election to provide benefits, all the provisions of
15 this article shall become and continue applicable as if the employer
16 were a covered employer as defined in this article. The obligation to
17 continue as a covered employer with respect to employees for whom
18 provision of benefits is not required under this article, may be discon-
19 tinued by such employer on ninety days notice to the [chairman] chair in
20 writing and to his or her employees, after he or she [chairman] has
21 provided for payment of benefits for not less than one year and with
22 such provision for payment of obligations incurred on and prior to the
23 termination date as the chair may approve.

24 4. An executive officer of a corporation who at all times during the
25 period involved owns all of the issued and outstanding stock of the
26 corporation and holds all of the offices pursuant to paragraph (e) of
27 section seven hundred fifteen of the business corporation law or two
28 executive officers of a corporation who at all times during the period
29 involved between them own all of the issued and outstanding stock of
30 such corporation and hold all such offices provided, however, that each
31 officer must own at least one share of stock and who is the executive
32 officer or who are the executive officers of a corporation having other
33 persons who are employees required to be covered under this article,
34 shall be deemed to be included in the corporation's disability and fami-
35 ly leave benefits insurance contract or covered by a certificate of
36 self-insurance or a plan under section two hundred eleven of this arti-
37 cle, unless the officer or officers elect to be excluded from the cover-
38 age of this article. Such election shall be made by any such corporation
39 filing with the insurance carrier, or the chair of the workers' compen-
40 sation board in the case of self-insurance, upon a form prescribed by
41 the [chairman] chair, a notice that the corporation elects to exclude
42 the executive officer or officers of such corporation named in the
43 notice from the coverage of this article. Such election shall be effec-
44 tive with respect to all policies issued to such corporation by such
45 insurance carrier as long as it shall continuously insure the corpo-
46 ration. Such election shall be final and binding upon the executive
47 officer or officers named in the notice until revoked by the corpo-
48 ration.

49 5. A spouse who is an employee of a covered employer shall be deemed
50 to be included in the employer's disability and family leave benefits
51 insurance contract or covered by a certificate of self-insurance or a
52 plan under section two hundred eleven of this article, unless the
53 employer elects to exclude such spouse from the coverage of this arti-
54 cle. Such election shall be made by any such employer filing with the
55 insurance carrier, or the chair of the workers' compensation board in
56 the case of self-insurance, upon a form prescribed by the chair, a

1 notice that the employer elects to exclude such spouse named in the
2 notice from the coverage of this article. Such election shall be effec-
3 tive with respect to all policies issued to such employer by such insur-
4 ance carrier as long as it shall continuously insure the employer. Such
5 election shall be final and binding upon the spouse named in the notice
6 until revoked by the employer.

7 § 14. Subdivision 1 of section 213 of the workers' compensation law,
8 as amended by chapter 784 of the laws of 1980, is amended and a new
9 subdivision 3 is added to read as follows:

10 1. Whenever a covered employer does not comply with this article by
11 providing for the payment of disability and family leave benefits to his
12 or her employees in one or more of the ways provided in section two
13 hundred eleven of this article or whenever a carrier fails to pay the
14 benefits required by this article to employees of a covered employer,
15 then such employer shall be fully and directly liable to each of his or
16 her employees for the payment of benefits provided by this article. The
17 amount of the benefits to which employees of such employers are entitled
18 under this article and attendance fees of [their] any attending [physi-
19 cians or attending podiatrists] health care provider fixed pursuant to
20 subdivision two of section two hundred thirty-two of this article shall,
21 on order of the [chairman] chair, be paid out of the fund established
22 under section two hundred fourteen of this article. In case of non-com-
23 pliance of the employer, such employer shall forthwith pay to the
24 [chairman] chair, for credit to the fund, the sum so expended or one
25 [per cent] percent of his or her payroll for his or her employees in
26 employment during the period of non-compliance, whichever is greater;
27 provided, however, that if it shall appear to the satisfaction of the
28 [chairman] chair that the default in payment of benefits or the non-com-
29 pliance of the employer otherwise with his or her obligation under this
30 article was inadvertent, the [chairman] chair may fix the sum payable in
31 such case for non-compliance or default at the amount paid out of the
32 fund and a sum less than one [per cent] percent of such payroll, and in
33 addition the penalties for non-compliance imposed under this article. In
34 case of failure of the carrier to pay benefits, the employer shall
35 forthwith pay to the [chairman] chair, for credit to the fund, the sum
36 so expended.

37 3. The provisions of section one hundred forty-one-b of this chapter
38 shall not apply to violations of this section after January first, two
39 thousand eighteen and before January first, two thousand twenty. There-
40 after, in the event an employer is subject to debarment solely due to a
41 penalty for violation of this section, the chair may, in the interests
42 of justice, restore the employer's eligibility to submit a bid on or be
43 awarded any public work contract or subcontract. The chair may exercise
44 this authority only if it is the employer's first time violation of
45 section one hundred forty-one-b of this chapter; the employer is not
46 liable for any outstanding workers' compensation, disability or family
47 leave claims as a result of the lack of coverage; and the employer has
48 paid all fines, assessments, and penalties associated with the lack of
49 coverage.

50 § 15. Section 217 of the workers' compensation law, as added by chap-
51 ter 600 of the laws of 1949, subdivision 1 as amended by chapter 167 of
52 the laws of 1999, subdivisions 2 and 3 as amended by chapter 270 of the
53 laws of 1990, and subdivision 6 as amended by chapter 344 of the laws of
54 1994, is amended to read as follows:

55 § 217. Notice and proof of claim. 1. Written notice and proof of
56 disability or proof of need for family leave shall be furnished to the



1 employer by or on behalf of the employee claiming benefits or, in the
2 case of a claimant under section two hundred seven of this article, to
3 the chair, within thirty days after commencement of the period of disa-
4 bility. Additional proof shall be furnished thereafter from time to time
5 as the employer or carrier or chair may require but not more often than
6 once each week. Such proof shall include a statement of disability by
7 the employee's [attending physician or attending podiatrist or attending
8 chiropractor or attending dentist or attending psychologist or attending
9 certified nurse midwife] or family leave care recipient's health care
10 provider, or in the case of an employee who adheres to the faith or
11 teachings of any church or denomination, and who in accordance with its
12 creed, tenets or principles depends for healing upon prayer through
13 spiritual means alone in the practice of religion, by an accredited
14 practitioner, containing facts and opinions as to such disability in
15 compliance with regulations of the chair. Failure to furnish notice or
16 proof within the time and in the manner above provided shall not invali-
17 date the claim but no benefits shall be required to be paid for any
18 period more than two weeks prior to the date on which the required proof
19 is furnished unless it shall be shown to the satisfaction of the chair
20 not to have been reasonably possible to furnish such notice or proof and
21 that such notice or proof was furnished as soon as possible; provided,
22 however, that no benefits shall be paid unless the required proof of
23 disability is furnished within [twenty-six weeks after commencement of
24 the period of disability] the period of actual disability or family
25 leave that does not exceed the statutory maximum period permitted under
26 section two hundred five of this article. No limitation of time
27 provided in this section shall run as against any [person] disabled
28 employee who is mentally incompetent, or physically incapable of provid-
29 ing such notice as a result of a serious medical condition, or a minor
30 so long as such person has no guardian of the person and/or property.

31 2. An employee claiming disability benefits shall, as requested by the
32 employer or carrier, submit himself or herself at intervals, but not
33 more than once a week, for examination by [a physician or podiatrist or
34 chiropractor or dentist or psychologist or certified nurse midwife] an
35 accredited health care provider designated by the employer or carrier.
36 All such examinations shall be without cost to the employee and shall be
37 held at a reasonable time and place.

38 3. The chair or chair's designee may direct the claimant or family
39 leave care recipient to submit to examination by a [physician or podia-
40 trist or chiropractor or dentist or psychologist] health care provider
41 designated by him or her in any case in which the claim to disability or
42 family leave benefits is contested and in claims arising under section
43 two hundred seven of this article, and in other cases as the chair or
44 board may require.

45 4. Refusal of the claimant or family leave care recipient without good
46 cause to submit to any such examination shall disqualify [him] the
47 claimant or employee from all benefits hereunder for the period of such
48 refusal, except as to benefits already paid.

49 5. If benefits required to be paid by this article have been paid to
50 an employee, further payments for the same disability or family leave
51 shall not be barred solely because of failure to give notice or to file
52 proof of disability for the period or periods for which such benefits
53 have been paid.

54 6. In the event that a claim for benefits is rejected, the carrier or
55 employer shall send by first class mail written notice of rejection to
56 the [claimant] employee within forty-five days of receipt of proof of



1 disability. Failure to mail such written notice of rejection within the
2 time provided, shall bar the employer or carrier from contesting enti-
3 tlement to benefits for any period of disability prior to such notice
4 but such failure may be excused by the [chairman] chair if it can be
5 shown to the satisfaction of the [chairman] chair not to have been
6 reasonably possible to mail such notice and that such notice was mailed
7 as soon as possible. Such notice shall include a statement, in a form
8 prescribed by the [chairman] chair, to the effect that the [claimant]
9 employee may, for the purpose of review [by the board], file [with the
10 chairman] notice that his or her claim has not been paid as set forth in
11 section two hundred twenty-one of this article.

12 § 16. Section 219 of the workers' compensation law, as amended by
13 chapter 688 of the laws of 1953, is amended to read as follows:

14 § 219. Enforcement of payment in default. In case of a default in the
15 payment of any benefits, assessments or penalties payable under this
16 article by an employer who has failed to comply with the provisions of
17 section two hundred eleven of this [chapter] article or refusal of such
18 employer to reimburse the fund under section two hundred fourteen of
19 this article for the expenditures made therefrom pursuant to section two
20 hundred thirteen of this article or to deposit within ten days after
21 demand the estimated value of benefits not presently payable, the
22 [chairman] chair may file with the county clerk for the county in which
23 the employer has his principal place of business (1) a certified copy of
24 the decision of the board, or alternative dispute resolution association
25 designated by the chair pursuant to section two hundred twenty-one of
26 this article, or order of the [chairman] chair, or (2) a certified copy
27 of the demand for deposit of security, and thereupon judgment must be
28 entered in the supreme court by the clerk of such county in conformity
29 therewith immediately upon such filing.

30 § 17. Section 220 of the workers' compensation law, as added by chap-
31 ter 600 of the laws of 1949, subdivision 1 as amended by chapter 387 of
32 the laws of 1984, subdivision 2 as amended by chapter 626 of the laws of
33 1979, subdivision 3 as amended by chapter 415 of the laws of 1983,
34 subdivision 4 as amended by chapter 645 of the laws of 1981, subdivision
35 5 as amended by chapter 940 of the laws of 1973, subdivision 7 as
36 amended by chapter 61 of the laws of 1989 and subdivision 8 as amended
37 by chapter 213 of the laws of 1993, is amended to read as follows:

38 § 220. Penalties. 1. Any employer who fails to make provision for
39 payment of disability or family leave benefits as required by section
40 two hundred eleven of this article within ten days following the date on
41 which such employer becomes a covered employer as defined in section two
42 hundred two of this article shall be guilty of a misdemeanor and upon
43 conviction be punishable by a fine of not less than one hundred nor more
44 than five hundred dollars or imprisonment for not more than one year or
45 both, except that where any person has previously been convicted of a
46 failure to make provisions for payment of disability or family leave
47 benefits within the preceding five years, upon conviction for a second
48 violation such person shall be fined not less than two hundred fifty nor
49 more than one thousand two hundred fifty dollars in addition to any
50 other penalties including fines otherwise provided by law, and upon
51 conviction for a third or subsequent violation such person may be fined
52 up to two thousand five hundred dollars in addition to any other penal-
53 ties including fines otherwise provided by law. Where the employer is a
54 corporation, the president, secretary, treasurer, or officers exercising
55 corresponding functions, shall each be liable under this section.

1 2. The [chairman] chair or any officer of the board designated by him
2 or her, upon finding that an employer has failed to make provision for
3 the payment of disability or family leave benefits, shall impose upon
4 such employer a penalty not in excess of a sum equal to one-half of one
5 per centum of his or her weekly payroll for the period of such failure
6 and a further sum not in excess of five hundred dollars, which sums
7 shall be paid into the fund created under section two hundred fourteen
8 of this article.

9 3. If for the purpose of obtaining any benefit or payment under the
10 provisions of this article, or for the purpose of influencing any deter-
11 mination regarding any benefit payment, either for himself or herself or
12 any other person, any person, employee, employer or carrier wilfully
13 makes a false statement or representation or fails to disclose a materi-
14 al fact, he or she shall be guilty of a misdemeanor.

15 4. Whenever a carrier shall fail to make prompt payment of disability
16 or family leave benefits payable under this article and after [hearing
17 before an officer designated by the chairman] a determination by the
18 chair's designee for that purpose, the [chairman] chair or designee
19 shall determine that failure to make such prompt payment was without
20 just cause, the [chairman] chair or designee shall collect from the
21 carrier a sum not in excess of twenty-five per centum of the amount of
22 the benefits as to which the carrier failed to make payment, which sum
23 shall be credited to the special fund for disability benefits. In addi-
24 tion, the [chairman] chair or designee may collect and pay over to the
25 employee the sum of ten dollars in respect to each week, or fraction
26 thereof, for which benefits have not been promptly paid.

27 5. In addition to other penalties herein provided, the [chairman]
28 chair or designee shall remove from the list of [physicians] health care
29 providers authorized to render medical care under the provisions [of
30 articles one to eight, inclusive,] of this chapter [and from the list of
31 podiatrists authorized to render podiatric care under section thirteen-k
32 of this chapter, and from the list of chiropractors authorized to render
33 chiropractic care under section thirteen-l of this chapter the name of
34 any physician or podiatrist or chiropractor] whom [he] the chair or
35 designee shall find, after reasonable investigation, has submitted to
36 the employer or carrier or [chairman] chair in connection with any claim
37 for disability benefits under this article, a statement of disability
38 that is not truthful and complete.

39 6. In addition to other penalties herein provided, any person who for
40 the purpose of obtaining any benefit or payment under this article or
41 for the purpose of influencing any determination regarding any benefit
42 payment, knowingly makes a false statement with regard to a material
43 fact, shall not be entitled to receive benefits with respect to the
44 disability claimed or any disability benefits during the period of
45 twelve calendar months thereafter; but this penalty shall not be applied
46 more than once with respect to each such offense.

47 7. All fines imposed under subdivisions one and three of this section,
48 except as herein otherwise provided, shall be paid directly and imme-
49 diately by the officer collecting the same to the chair, and be paid
50 into the state treasury, provided, however, that all such fines
51 collected by justices of the peace of towns and police justices of
52 villages shall be paid to the state comptroller in accordance with the
53 provisions of section twenty-seven of the town law [and section one
54 hundred eighty-five of the village law, respectively].

55 8. (a) The head of a state or municipal department, board, commission
56 or office authorized or required by law to issue any permit for or in

1 connection with any work involving the employment of employees in
2 employment as defined in this article, and notwithstanding any general
3 or special statute requiring or authorizing the issue of such permits,
4 shall not issue such permit unless proof duly subscribed by an insurance
5 carrier is produced in a form satisfactory to the chair, that the
6 payment of disability benefits and after January first, two thousand
7 twenty-one, the payment of family leave benefits for all employees has
8 been secured as provided by this article. Nothing herein, however,
9 shall be construed as creating any liability on the part of such state
10 or municipal department, board, commission or office to pay any disabili-
11 ty benefits to any such employee if so employed.

12 (b) The head of a state or municipal department, board, commission or
13 office authorized or required by law to enter into any contract for or
14 in connection with any work involving the employment of employees in
15 employment as defined in this article, and notwithstanding any general
16 or special statute requiring or authorizing any such contract, shall not
17 enter into any such contract unless proof duly subscribed by an insur-
18 ance carrier is produced in a form satisfactory to the chair, that the
19 payment of disability benefits and after January first, two thousand
20 eighteen, the payment of family leave benefits for all employees has
21 been secured as provided by this article.

22 § 18. Section 221 of the workers' compensation law, as separately
23 amended by chapters 425 and 500 of the laws of 1985, is amended to read
24 as follows:

25 § 221. Determination of contested claims for disability and family
26 leave benefits. [Within twenty-six weeks] In accordance with regu-
27 lations adopted by the chair, within sixty days of written notice of
28 rejection of claim, the employee may file with the [chairman] chair a
29 notice that his or her claim for disability or family leave benefits has
30 not been paid, and the employee shall submit proof of disability or
31 entitlement to family leave and of his or her employment, wages and
32 other facts reasonably necessary for determination of the employee's
33 right to such benefits. Failure to file such notice within the time
34 provided, may be excused [by the chairman] if it can be shown [to the
35 satisfaction of the chairman] not to have been reasonably possible to
36 furnish such notice and that such notice was furnished as soon as possi-
37 ble. On demand [of the chairman] the employer or carrier shall forth-
38 with deliver to the [chairman] board the original or a true copy of the
39 [attending physician's or attending podiatrist's or accredited practi-
40 tioner's statement] health care provider's report, wage and employment
41 data and all other papers in the possession of the employer or carrier
42 with respect to such claim.

43 The [board] chair or designee shall have full power and authority to
44 determine all issues in relation to every such claim for disability or
45 family leave benefits required or provided under this article[, and
46 shall file its decision in the office of the chairman. Upon such filing,
47 the chairman shall send to the parties a copy of the decision. Either
48 party may present evidence and be represented by counsel at any hearing
49 on such claim. The decision of the board shall be final as to all ques-
50 tions of fact and, except as provided in section twenty-three of this
51 chapter, as to all questions of law]. Every decision [of the board]
52 shall be complied with in accordance with its terms within ten days
53 thereafter except [in case of appeal] as permitted by law upon the
54 filing of a request for review, and any payments due under such decision
55 shall draw simple interest from thirty days after the making thereof at
56 the rate provided in section five thousand four of the civil practice

1 law and rules. The chair shall adopt rules and regulations to carry out
2 the provisions of this article including but not limited to resolution
3 of contested claims and requests for review thereof, and payment of
4 costs for resolution of disputed claims by carriers. The chair shall
5 have authority to provide for alternative dispute resolution procedures
6 for claims arising under this article including but not limited to
7 referral and submission of disputed claims to mandatory arbitration with
8 private arbitration associations, and any determination made by alterna-
9 tive dispute resolution shall not be reviewable by the board and the
10 venue for any appeal shall be to a court of competent jurisdiction.

11 § 19. Section 222 of the workers' compensation law, as added by chap-
12 ter 600 of the laws of 1949, is amended to read as follows:

13 § 222. Technical rules of evidence or procedure not required. The
14 [chairman or] chair, the board or the chair's designee, in making an
15 investigation or inquiry or conducting a hearing shall not be bound by
16 common law or statutory rules of evidence or by technical or formal
17 rules of procedure, except as provided by this chapter; but may make
18 such investigation or inquiry or conduct such hearing in such manner as
19 to ascertain the substantial rights of the parties.

20 § 20. Sections 223 and 224 of the workers' compensation law are
21 REPEALED.

22 § 21. Section 225 of the workers' compensation law, as added by chap-
23 ter 600 of the laws of 1949, is amended to read as follows:

24 § 225. Fees for representing employees. Claims of attorneys and coun-
25 sellors-at-law for services in connection with any contested claim aris-
26 ing under this article shall not be enforceable unless approved by the
27 board. If so approved, such fee or fees shall become a lien upon the
28 benefits ordered, but shall be paid therefrom only in the manner fixed
29 by the board or the alternative dispute resolution association. Any
30 other person, firm, corporation, organization, or other association who
31 shall exact or receive any fee or gratuity for any services rendered on
32 behalf of an employee except in an amount so determined [by the board]
33 shall be guilty of a misdemeanor. Any person, firm, corporation, organ-
34 ization, or association who shall solicit the business [of appearing
35 before the board on behalf] of an employee claiming benefits under this
36 article, or who shall make it a business to solicit employment for a
37 lawyer in connection with any claim for disability or family leave bene-
38 fits under this article, or who shall exact or receive any fee or gratu-
39 ity or other charge with respect to the collection of any uncontested
40 claim for disability or family leave benefits, shall be guilty of a
41 misdemeanor.

42 § 22. Subdivision 5 of section 226 of the workers' compensation law,
43 as amended by chapter 211 of the laws of 1983, is amended and three new
44 subdivisions 7, 8 and 9 are added to read as follows:

45 5. No contract of insurance issued by an insurance carrier providing
46 the benefits to be paid under this article shall be cancelled within the
47 time limited in such contract for its expiration unless notice is given
48 as required by this section. When cancellation is due to non-payment of
49 premiums such cancellation shall not be effective until at least ten
50 days after a notice of cancellation of such contract, on a date speci-
51 fied in such notice, shall be filed in the office of the [chairman]
52 chair and also served on the employer. When cancellation is due to any
53 reason other than non-payment of premiums such cancellation shall not be
54 effective until at least thirty days after a notice of cancellation of
55 such contract, on a date specified in such notice, shall be filed in the
56 office of the [chairman] chair and also served on the employer;



1 provided, however, in either case that if insurance with another insur-
2 ance carrier has been obtained which becomes effective prior to the
3 expiration of the time stated in such notice, the cancellation shall be
4 effective as of the date of such other coverage. Such notice shall be
5 served on the employer [by] as prescribed by the chair, including deliv-
6 ering it to him [or by sending it by certified or registered mail,
7 return receipt requested, addressed to the employer at his or its last
8 known place of business] or her by electronic means; provided that, if
9 the employer be a partnership, then such notice may be given to any one
10 of the partners, and if the employer be a corporation then the notice
11 may be given to any agent or officer of the corporation upon whom legal
12 process may be served, provided, however, the right to cancellation of a
13 policy of insurance in the state fund shall be exercised only for
14 nonpayment of premiums or as provided in section ninety-four of this
15 chapter.

16 7. The chair may require by regulation that every policy of insurance
17 contain a provision requiring that all disputes be resolved by mandatory
18 arbitration, in accordance with such regulations.

19 8. Premiums for policies providing disability or family leave benefits
20 in accordance with this article shall be calculated in accordance with
21 applicable provisions of the insurance law, including subsection (n) of
22 section four thousand two hundred thirty-five of such law.

23 9. Every policy of insurance issued pursuant to this article must
24 offer coverage for both disability and family leave benefits.

25 § 23. The section heading of section 227 of the workers' compensation
26 law, as amended by chapter 805 of the laws of 1984, is amended to read
27 as follows:

28 Actionable injuries in claims for disability benefits; subrogation.

29 § 24. Subdivision 1 of section 228 of the workers' compensation law,
30 as added by section 27 of part GG of chapter 57 of the laws of 2013, is
31 amended to read as follows:

32 1. The estimated annual expenses necessary for the workers' compen-
33 sation board or department of financial services to administer the
34 provisions of the disability and family leave benefits law shall be
35 borne by all affected employers and included as part of the assessment
36 rate generated pursuant to subdivision two of section one hundred
37 fifty-one of this chapter.

38 § 25. Section 229 of the workers' compensation law, as amended by
39 chapter 271 of the laws of 1985, is amended to read as follows:

40 § 229. Posting of notice and providing of notice of rights. 1. Each
41 covered employer shall post and maintain in a conspicuous place or plac-
42 es in and about the employer's place or places of business typewritten
43 or printed notices in form prescribed by the [chairman] chair, stating
44 that the employer has provided for the payment of disability and family
45 leave benefits as required by this article. The [chairman] chair may
46 require any covered employer to furnish a written statement at any time
47 showing the carrier insuring the payment of benefits under this article
48 or the manner in which such employer has complied with section two
49 hundred eleven of this article or any other provision of this article.
50 Failure for a period of ten days to furnish such written statement shall
51 constitute presumptive evidence that such employer has neglected or
52 failed in respect of any of the matters so required.

53 2. Whenever an employee of a covered employer who is eligible for
54 benefits under section two hundred four of this article shall be absent
55 from work due to a disability or to provide family care as defined in
56 subdivision nine and subdivision twenty-five respectively, of section



1 two hundred one of this article for more than seven consecutive days,
2 the employer shall provide the employee with a written statement of the
3 employee's rights under this article in a form prescribed by the [chair-
4 man] chair. The statement shall be provided to the employee within five
5 business days after the employee's seventh consecutive day of absence
6 due to disability or family leave or within five business days after the
7 employer [knows or should know] has received notice that the employee's
8 absence is due to disability or family leave, whichever is later.

9 § 26. Section 232 of the workers' compensation law, as amended by
10 chapter 270 of the laws of 1990, is amended to read as follows:

11 § 232. Fees for testimony of [physicians, podiatrists, chiropractors,
12 dentists and psychologists] health care providers. Whenever his or her
13 attendance at a hearing, deposition or arbitration before the board or
14 [its referees] the chair's designee is required, the attending [physi-
15 cian or attending podiatrist or attending chiropractor or attending
16 dentist or attending psychologist or attending certified nurse midwife
17 of the disabled employee, except such physicians as are disqualified
18 from testifying pursuant to subdivision one of section thirteen-b, or
19 section nineteen-a of this chapter, and except such podiatrists as are
20 disqualified from testifying under the provisions of section thirteen-k,
21 and except such chiropractors as are disqualified from testifying under
22 the provisions of section thirteen-l, and except such psychologists as
23 are disqualified from testifying under the provisions of section thir-
24 teen-m,] health care provider shall be entitled to receive a fee [from
25 the carrier or the fund established under section two hundred fourteen,
26 in an amount as directed and fixed by the board, or its referees, and
27 such fee shall be in addition to any witness fee] in accordance with
28 regulations of the chair.

29 § 27. Section 237 of the workers' compensation law, as added by chap-
30 ter 600 of the laws of 1949, is amended to read as follows:

31 § 237. Reimbursement for advance payments by employers. If an employer
32 has made advance payments of benefits or has made payments to an employ-
33 ee in like manner as wages during any period of disability or family
34 leave for which such employee is entitled to the benefits provided by
35 this article, he or she shall be entitled to be reimbursed by the carri-
36 er out of any benefits due or to become due for the existing disability
37 or family leave, if the claim for reimbursement is filed with the carri-
38 er prior to payment of the benefits by the carrier.

39 § 28. Section 238 of the workers' compensation law, as added by chap-
40 ter 600 of the laws of 1949, is amended to read as follows:

41 § 238. Payments to minors. Minors shall be deemed to be sui juris for
42 the purpose of [receiving] payment of benefits under this article.

43 § 29. Section 239 of the workers' compensation law, as added by chap-
44 ter 600 of the laws of 1949, is amended to read as follows:

45 § 239. Representation before the board. Any person, firm, or corpo-
46 ration licensed by the board under section twenty-four-a of this article
47 or subdivision three-b of section fifty of this chapter shall be deemed
48 to be authorized to appear in behalf of claimants or self insured
49 employers, as the case may be, in contested disability or family leave
50 claims under this article.

51 § 30. The section heading and the opening paragraph of section 120 of
52 the workers' compensation law, as amended by chapter 61 of the laws of
53 1989, are amended to read as follows:

54 Discrimination against employees [who bring proceedings]. It shall be
55 unlawful for any employer or his or her duly authorized agent to
56 discharge or in any other manner discriminate against an employee as to

1 his or her employment because such employee has claimed or attempted to
2 claim compensation from such employer, or claimed or attempted to claim
3 any benefits provided under this chapter or because he or she has testi-
4 fied or is about to testify in a proceeding under this chapter and no
5 other valid reason is shown to exist for such action by the employer.

6 § 31. Subdivision 2 of section 76 of the workers' compensation law, as
7 added by chapter 600 of the laws of 1949, is amended to read as follows:

8 2. The purposes of the state insurance fund herein created are hereby
9 enlarged to provide [for the] insurance [by the state insurance fund of]
10 for the payment of the benefits required by section two hundred four of
11 this chapter including benefits for family care. A separate fund is
12 hereby created within the state insurance fund, which shall be known as
13 the "disability benefits fund", and which shall consist of all premiums
14 received and paid into said fund on account of such insurance, all secu-
15 rities acquired by and through the use of moneys belonging to said fund
16 and of interest earned upon moneys belonging to said fund and deposited
17 or invested as herein provided. Said disability benefits fund shall be
18 applicable to the payment of benefits, expenses and assessments on
19 account of insurance written pursuant to article nine of this chapter.
20 Premiums for policies providing disability and family leave benefits in
21 accordance with this article shall be calculated in accordance with
22 applicable provisions of the insurance law, including subsection (n) of
23 section four thousand two hundred thirty-five of such law. The state
24 insurance fund shall have authority to discount or surcharge on estab-
25 lished premium rates based on sound actuarial principles.

26 § 32. Subdivision 1 of section 141-a of the workers' compensation law,
27 as added by chapter 6 of the laws of 2007, is amended to read as
28 follows:

29 1. To investigate violations of sections fifty-two [and], one hundred
30 thirty-one and two hundred thirteen of this chapter, the chair or his or
31 her designees shall have the power to:

32 (a) Enter and inspect any place of business at any reasonable time for
33 the purpose of investigating employer compliance.

34 (b) Examine and copy business records.

35 (c) Administer oaths and affirmations.

36 (d) Issue and serve subpoenas for attendance of witnesses or
37 production of business records, books, papers, correspondence, memoran-
38 da, and other records. Such subpoenas may be served without the state on
39 any defendant over whom a New York court would have personal jurisdic-
40 tion under the civil practice law and rules as to the subject matter
41 under investigation, provided the information or testimony sought bears
42 a reasonable relationship to the subject matter under investigation.

43 § 32-a. Section 318 of the workers' compensation law, as added by
44 chapter 788 of the laws of 1951, is amended to read as follows:

45 § 318. Rules of evidence; modification of board decisions or orders;
46 appeals. The provisions of [sections] section two hundred twenty-two [,
47 two hundred twenty-three and two hundred twenty-four] of this chapter
48 are made applicable to claims for compensation under this article.

49 § 33. Paragraph 3 of subsection (a) of section 1113 of the insurance
50 law is amended to read as follows:

51 (3) "Accident and health insurance," means (i) insurance against death
52 or personal injury by accident or by any specified kind or kinds of
53 accident and insurance against sickness, ailment or bodily injury,
54 including insurance providing disability and family leave benefits
55 pursuant to article nine of the workers' compensation law, except as
56 specified in item (ii) hereof; and (ii) non-cancellable disability

1 insurance, meaning insurance against disability resulting from sickness,
2 ailment or bodily injury (but excluding insurance solely against acci-
3 dental injury) under any contract which does not give the insurer the
4 option to cancel or otherwise terminate the contract at or after one
5 year from its effective date or renewal date.

6 § 34. Paragraphs 1 and 4 of subsection (h) of section 4235 of the
7 insurance law are amended and a new subsection (n) is to added read as
8 follows:

9 (1) Each domestic insurer and each foreign or alien insurer doing
10 business in this state shall file with the superintendent its schedules
11 of premium rates, rules and classification of risks for use in
12 connection with the issuance of its policies of group accident, group
13 health or group accident and health insurance, and of its rates of
14 commissions, compensation or other fees or allowances to agents and
15 brokers pertaining to the solicitation or sale of such insurance and of
16 such fees or allowances, exclusive of amounts payable to persons who are
17 in the regular employ of the insurer, other than as agent or broker to
18 any individuals, firms or corporations pertaining to such class of busi-
19 ness, whether transacted within or without the state. A group accident
20 and health insurance policy providing disability and family leave bene-
21 fits pursuant to article nine of the workers' compensation law shall be
22 subject to the requirements of subsection (n) of this section.

23 (4) Nothing herein shall prohibit the state insurance fund from taking
24 into account peculiar hazards of individual risks in establishing higher
25 premium rates to be charged for insurance providing for the payment of
26 disability [or] and family leave benefits in accordance with article
27 nine of the workers' compensation law.

28 (n)(1) On or before June first, two thousand seventeen, the super-
29 intendent of financial services by regulation, in consultation with the
30 chair of the workers' compensation board of this state, shall determine
31 whether a group accident and health insurance policy, including policies
32 issued by the state insurance fund, providing disability and family
33 leave benefits pursuant to article nine of the workers' compensation
34 law, requires the policy to be experience rated or community rated,
35 which may include subjecting the policy to a risk adjustment mechanism.

36 (2) If the policy is subjected to a risk adjustment mechanism, the
37 superintendent of financial services shall promulgate regulations neces-
38 sary for the implementation of this subsection in consultation with the
39 chair of the workers' compensation board of this state. Any such risk
40 adjustment mechanism shall be administered directly by the superinten-
41 dent of financial services of this state, in consultation with the chair
42 of the workers' compensation board of this state, or by a third party
43 vendor selected by the superintendent of financial services in consulta-
44 tion with the chair of the workers' compensation board.

45 (3) "Risk adjustment mechanism" as used in this subsection means the
46 process used to equalize the per member per month claim amounts among
47 insurers in order to protect insurers from disproportionate adverse
48 risks.

49 § 35. Subdivision (c) of section 1108 of the insurance law, as amended
50 by chapter 838 of the laws of 1985, is amended to read as follows:

51 (c) The state insurance fund of this state, except as to the
52 provisions of subsection (d) of section two thousand three hundred thir-
53 ty-nine, section three thousand one hundred ten, subsection (a), para-
54 graph one of subsection (b), paragraph three of subsection (c) and
55 subsection (d) of section three thousand two hundred one, sections three
56 thousand two hundred two, three thousand two hundred four, subsections

(a) through (d) of section three thousand two hundred twenty-one, subsections (b) and (c) of section four thousand two hundred twenty-four, section four thousand two hundred twenty-six and subsections (a) and (b) [and], (g) through (j), and (n) of section four thousand two hundred thirty-five of this chapter and except as otherwise specifically provided by the laws of this state.

§ 36. This act shall take effect on the April 1, 2016 and shall apply to all policies or contracts issued, renewed, modified, altered or amended on or after such effective date; provided, however, that 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 and directed to be made and completed on or before such effective date.

PART I

Section 1. The public authorities law is amended by adding a new section 1678-a to read as follows:

§ 1678-a. New York state design and construction corporation act. 1. Purposes of act. The purposes of the New York state design and construction corporation act are to: (a) establish the New York state design and construction corporation in order to provide additional project management expertise and oversight on significant public works projects undertaken by state agencies, departments, public authorities and public benefit corporations; (b) set forth the responsibility and obligation of all state agencies, departments, public authorities and public benefit corporations to cooperate with the corporation and accomplish the purposes of this section; (c) make provisions for contractual requirements concerning the incorporation of this section for public works projects having a total or aggregate construction value in excess of fifty million dollars and for any and all contracts relating to such projects which are advertised for bid or proposal or otherwise procured and/or entered into on or after January first, two thousand sixteen; and (d) provide a means to implement improvements and other project changes on all proposed public works projects in excess of fifty million dollars in total or aggregate value, in a more timely fashion, so that such projects can be accomplished, to the extent practicable, on time, within budget and at an acceptable overall quality and cost to the state of New York.

2. New York state design and construction corporation. (a) There is hereby established the New York state design and construction corporation as a subsidiary corporation of the dormitory authority.

(b) The dormitory authority may transfer or assign to such subsidiary corporation any real, personal or mixed property as shall be required in order to carry out the purposes of this act. The authority may assign any such employees to work for the corporation as shall be required in order to carry out the purposes of this section. Notwithstanding any provision of law to the contrary, the term "employee" as set forth in this section shall mean a dormitory authority employee assigned, in whole, or in part, to work for the corporation.

(c) Such corporation shall be a body corporate and politic constituting a public benefit corporation, and shall have all of the privileges, immunities, tax exemptions and other exemptions of the dormitory authority to the extent the same are not inconsistent with this section.

(d) The board of the corporation shall consist of three members as designated by the governor, and the governor shall designate the chair



1 from among the members of the corporation's board. The members of the
2 corporation's board shall serve until such time as his or her successor
3 is appointed by the governor.

4 (e) A quorum shall consist of a majority of the members of the board.
5 A quorum shall be required for the board to conduct business, and
6 approval of any matter properly before the board shall require the
7 affirmative vote of the majority of the board. Meetings of the corpo-
8 ration shall be called by the chair, or by a majority of the members
9 appointed. Meetings shall be held at least bi-annually.

10 (f) Nothing in this subdivision shall be construed to impose any
11 liabilities, obligations or responsibilities of such corporation upon
12 the dormitory authority, and the authority shall have no liability or
13 responsibility therefor unless the authority expressly agrees by resol-
14 ution of the authority board to assume the same.

15 (g) The provisions of section sixteen hundred ninety-one of this title
16 shall in all respects apply to members of the corporation and any offi-
17 cer, employee or agent of the dormitory authority transferred or
18 assigned to the corporation, while acting within the scope of his, her
19 or its authority.

20 (h) All of the provisions of sections seventeen and nineteen of the
21 public officers law shall apply to the members, directors, officers and
22 employees of the corporation.

23 (i) The corporation created pursuant to this section shall be subject
24 to any other provisions of this chapter pertaining to subsidiaries of
25 public authorities to the extent that such provisions are not inconsis-
26 ent with the provisions of this section.

27 3. Corporation review and oversight of public works contracts. For all
28 public works projects having a total or aggregate construction value in
29 excess of fifty million dollars and for any and all contracts relating
30 to such projects which are advertised for bid or proposal or otherwise
31 procured and/or entered into on or after January first, two thousand
32 sixteen:

33 (a) Any state agency, department, public authority or public benefit
34 corporation proposing a public works project having a total or aggregate
35 construction value in excess of fifty million dollars shall provide
36 written notice to the corporation of such proposal, to include without
37 limitation, the estimated value of the project and a summary of the
38 scope and duration of the project. Projects shall not be divided or
39 segmented for the purposes of avoiding compliance with the provisions of
40 this act.

41 (b) The corporation shall have the authority to, and may, in its sole
42 discretion, require review and oversight, in whole or in part, of any
43 project, and make recommendations regarding required corrective or other
44 action to any state agency, department, public authority or public bene-
45 fit corporation in connection with such project.

46 (c) For the purposes of this section, the term "project" shall mean
47 any work associated with the planning, acquisition, design, engineering,
48 environmental analysis, construction, reconstruction, restoration, reha-
49 bilitation, establishment, improvement, renovation, extension, repair,
50 revitalization, management and development of a capital asset as defined
51 in section two of the state finance law.

52 (d) The state agency, department, public authority or public benefit
53 corporation undertaking such project shall fully cooperate with any
54 determination of the corporation, and provide access to all personnel,
55 books, records, plans, specifications, data and other information as may
56 be necessary for the corporation to perform its duties.



1 (e) In the event the corporation determines that corrective or other
2 action is necessary for such a project, then the corporation shall have
3 the authority to direct that the state agency, department, public
4 authority or public benefit corporation undertaking the project shall
5 implement all corrective or other action as shall be required to accom-
6 plish the project, to the extent practicable, on time, within budget and
7 at an acceptable overall cost to the state of New York. Such corrective
8 or other action shall include, but not be limited to:

9 (i) Modification of such plans, specifications, designs and estimates
10 of costs for the construction of the project and equipment of facili-
11 ties;

12 (ii) Detailed analysis of the project schedule;

13 (iii) Detailed analysis of project budget;

14 (iv) Detailed analysis of change orders and/or payments to prime
15 contractors, subcontractors and other parties;

16 (v) Detailed analysis of records of construction observations,
17 inspections and deficiencies;

18 (vi) Termination of contracts, contractors, subcontractors or other
19 consultants;

20 (vii) Procurement of independent auditors, project managers, legal
21 counsel, or other professionals for the benefit of the project;

22 (viii) Regular reporting of project status and milestones to the
23 public;

24 (ix) Active project management review and oversight utilizing addi-
25 tional resources provided by the corporation; and

26 (x) Periodic project review and audit by the corporation on a suitable
27 time interval determined by the corporation.

28 (f) Any state agency, department, public authority or public benefit
29 corporation proposing a public works project having a total or aggregate
30 construction value in excess of fifty million dollars shall include a
31 summary of the provisions of this subdivision in all such proposal
32 and/or bid documents for such projects.

33 (g) All contract documents shall expressly incorporate the provisions
34 of this section and include compliance with the provisions hereof as a
35 condition of performance.

36 4. General powers and duties of the corporation. (a) The corporation
37 shall have the power to:

38 (i) Sue and be sued;

39 (ii) Have a seal and alter the same at pleasure;

40 (iii) Make and alter by-laws for its organization and internal manage-
41 ment and make rules and regulations governing same;

42 (iv) Appoint such officers and employees from the officers and employ-
43 ees of the authority, as it may require for the performance of its
44 duties and fix and determine their qualifications, duties, and compen-
45 sation, and retain or employ counsel, auditors, private financial
46 consultants, professional engineers or other technical consultants and
47 other services on a contract basis or otherwise, for the rendering of
48 professional, business or technical services and advice, and be reim-
49 bursed for such services as a cost of the project;

50 (v) Make and execute contracts and all other instruments necessary or
51 convenient for the exercise of its powers and functions under this
52 section;

53 (vi) To fix and collect fees and other charges for services the corpo-
54 ration renders in connection with this section;

1 (vii) Acquire, hold and dispose of real or personal property for its
2 corporate purposes, including without limitation the power to exercise
3 eminent domain;

4 (viii) Engage the services of private consultants on a contract basis
5 for rendering professional and technical assistance advice;

6 (ix) Procure insurance against any loss in connection with its activ-
7 ities, properties and other assets, in such amount and from such insur-
8 ance as it deems desirable; and

9 (x) Invest any funds of the corporation, or any other monies under its
10 custody and control not required for immediate use or disbursement, at
11 the discretion of the corporation, in obligations of the state or the
12 United States government or obligations the principal and interest of
13 which are obligations in which the comptroller of the state is author-
14 ized to invest pursuant to section ninety-eight of the state finance
15 law.

16 (b) The corporation may do any and all things necessary or convenient
17 to carry out and exercise the powers given and granted by this section.

18 (c) Notwithstanding any other provision of law, to the contrary, all
19 state officers, departments, boards, divisions, commissions, public
20 authorities and public benefit corporations shall cooperate with the
21 corporation in every way and shall implement any and all recommendations
22 of the corporation in any manner without the approval or authorization
23 of any state officer or agency.

24 5. Termination of corporation. The corporation and its corporate
25 existence shall continue until terminated by law, provided, however,
26 that no such law shall take effect so long as the corporation shall have
27 obligations outstanding, unless adequate provision has been made for the
28 payment or exercise thereof.

29 § 2. This act shall take effect immediately.

30 PART J

31 Section 1. Section 167 of the civil service law is amended by adding a
32 new subdivision 10 to read as follows:

33 10. Notwithstanding any inconsistent provision of law, the state's
34 contribution for the cost of premium or subscription charges for the
35 coverage of retired state employees who are enrolled in the statewide
36 and the supplementary health benefit plans established pursuant to this
37 article and who retired on or after October first, two thousand sixteen
38 shall be as set forth in this subdivision.

39 (a) For state employees who retire from a position at or equated to
40 grade ten or higher with at least ten but less than twenty years of
41 service, the state shall pay fifty percent of the cost of premium or
42 subscription charges for the individual coverage of such retired state
43 employees. Such contributions shall increase by two percent of the cost
44 of premium or subscription charges for each year of service in excess of
45 ten years, to a maximum of sixty-eight percent of the cost of premium or
46 subscription charges. For state employees who retire from a position at
47 or equated to grade ten or higher with twenty or more years of service,
48 the state shall pay seventy-four percent of the cost of premium or
49 subscription charges for the individual coverage of such retired state
50 employees. Such contributions shall increase by one percent of the cost
51 of premium or subscription charges for each year of service in excess of
52 twenty years, to a maximum of eighty-four percent of the cost of premium
53 or subscription charges.



1 (b) For state employees who retire from a position at or equated to
2 grade nine or lower with at least ten but less than twenty years of
3 service, the state shall pay fifty-four percent of the cost of premium
4 or subscription charges for the individual coverage of such retired
5 state employees. Such contributions shall increase by two percent of
6 the cost of premium or subscription charges for each year of service in
7 excess of ten years, to a maximum of seventy-two percent of the cost of
8 premium or subscription charges. For state employees who retire from a
9 position at or equated to grade nine or lower with twenty or more years
10 of service, the state shall pay seventy-eight percent of the cost of
11 premium subscription charges for the individual coverage of such retired
12 state employees. Such contributions shall increase by one percent of the
13 cost of premium or subscription charges for each year of service in
14 excess of twenty years, to a maximum of eighty-eight percent of the cost
15 of premium or subscription charges.

16 (c) For state employees who retire from a position at or equated to
17 grade ten or higher with at least ten but less than twenty years of
18 service, the state shall pay thirty-five percent of the cost of premium
19 or subscription charges for the coverage of dependents of such retired
20 state employees; such contribution shall increase by two percent of the
21 cost of premium or subscription charges for each year of service in
22 excess of ten years, to a maximum of fifty-three percent of the cost of
23 premium or subscription charges for such dependents. For state employees
24 who retire from a position at or equated to grade ten or higher with
25 twenty or more years of service, the state shall pay fifty-nine percent
26 of the cost of premium or subscription charges for the coverage of
27 dependents of such retired state employees; such contribution shall
28 increase by one percent of the cost of premium or subscription charges
29 for each year of service in excess of twenty years, to a maximum of
30 sixty-nine percent of the cost of premium or subscription charges for
31 such dependents.

32 (d) For state employees who retire from a position at or equated to
33 grade nine or lower with at least ten but less than twenty years of
34 service, the state shall pay thirty-nine percent of the cost of premium
35 or subscription charges for the coverage of dependents of such retired
36 state employees; such contribution shall increase by two percent of the
37 cost of premium or subscription charges for each year of service in
38 excess of ten years, to a maximum of fifty-seven percent of the cost of
39 premium or subscription charges for such dependents. For state employees
40 who retire from a position at or equated to grade nine or lower with
41 twenty or more years of service, the state shall pay sixty-three percent
42 of the cost of premium or subscription charges for the coverage of
43 dependents of such retired state employees; such contribution shall
44 increase by one percent of the cost of premium or subscription charges
45 for each year of service in excess of twenty years, to a maximum of
46 seventy-three percent of the cost of premium or subscription charges for
47 such dependents.

48 (e) With respect to all such retired state employees, each increment
49 of one or two percent of the cost of premium or subscription charges for
50 each year of service shall be applicable for whole years of service to
51 the state and shall not be applied on a pro-rata basis for partial years
52 of service.

53 (f) The provisions of this subdivision shall not be applicable to:

54 (I) members of the New York state and local police and fire retirement
55 system;



1 (II) members in the uniformed personnel in institutions under the
2 jurisdiction of the state department of corrections and community super-
3 vision or who are security hospital treatment assistants, as defined in
4 section eighty-nine of the retirement and social security law; and

5 (III) any state employee determined to have retired with an ordinary,
6 accidental, or performance of duty disability retirement benefit.

7 (g) For the purposes of determining the premium or subscription charg-
8 es to be paid by the state on behalf of retired state employees enrolled
9 in the New York state health insurance program who retire on or after
10 October first, two thousand sixteen, the state shall consider all years
11 of service that a retired state employee has accrued in a public retire-
12 ment system of the state or an optional retirement program established
13 pursuant to article three, eight-B, or one hundred twenty-five-A of the
14 education law. The provisions of this paragraph may not be used to grant
15 eligibility for retiree state health insurance coverage to a retiree who
16 is not otherwise eligible to enroll in the New York state health insur-
17 ance program as a retiree.

18 § 2. This act shall take effect October 1, 2016.

19 PART K

20 Section 1. Section 167-a of the civil service law, as amended by
21 section 1 of part I of chapter 55 of the laws of 2012, is amended to
22 read as follows:

23 § 167-a. Reimbursement for medicare premium charges. Upon exclusion
24 from the coverage of the health benefit plan of supplementary medical
25 insurance benefits for which an active or retired employee or a depend-
26 ent covered by the health benefit plan is or would be eligible under the
27 federal old-age, survivors and disability insurance program, effective
28 October first, two thousand sixteen, an amount [equal to] not to exceed
29 one hundred four dollars and ninety cents per month for the standard
30 medicare premium charge for such supplementary medical insurance bene-
31 fits for such active or retired employee and his or her dependents, if
32 any, shall be paid monthly or at other intervals to such active or
33 retired employee from the health insurance fund; provided, however,
34 effective January first, two thousand sixteen, there shall be no payment
35 whatsoever for the income related monthly adjustment amount for any
36 amounts or premiums incurred on or after January first, two thousand
37 sixteen, to any active or retired employee and his or her dependents, if
38 any. Where appropriate, such standard medicare premium amount may be
39 deducted from contributions payable by the employee or retired employee;
40 or where appropriate in the case of a retired employee receiving a
41 retirement allowance, such standard medicare premium amount may be
42 included with payments of his or her retirement allowance. All state
43 employer, employee, retired employee and dependent contributions to the
44 health insurance fund, including contributions from public authorities,
45 public benefit corporations or other quasi-public organizations of the
46 state eligible for participation in the health benefit plan as author-
47 ized by subdivision two of section one hundred sixty-three of this arti-
48 cle, shall be adjusted as necessary to cover the cost of reimbursing
49 federal old-age, survivors and disability insurance program premium
50 charges under this section. This cost shall be included in the calcu-
51 lation of premium or subscription charges for health coverage provided
52 to employees and retired employees of the state, public authorities,
53 public benefit corporations or other quasi-public organizations of the
54 state; provided, however, the state, public authorities, public benefit



1 corporations or other quasi-public organizations of the state shall
2 remain obligated to pay no less than its share of such increased cost
3 consistent with its share of premium or subscription charges provided
4 for by this article. All other employer contributions to the health
5 insurance fund shall be adjusted as necessary to provide for such
6 payments.

7 § 2. This act shall take effect immediately and shall be deemed to
8 have been in full force and effect on and after October 1, 2016 for the
9 standard medicare premium amount and January 1, 2016 for the income
10 related monthly adjustment amount for any amounts or premiums incurred
11 on or after January 1, 2016.

12 PART L

13 Section 1. Paragraph (d) of subdivision 4 of section 209 of the civil
14 service law, as amended by chapter 67 of the laws of 2013, is amended to
15 read as follows:

16 (d) The provisions of this subdivision shall expire [thirty-nine years
17 from July first, nineteen hundred seventy-seven, and hereafter may be
18 renewed every four years] July first, two thousand nineteen.

19 § 2. Paragraph (f) of subdivision 6 of section 209 of the civil
20 service law, as added by chapter 67 of the laws of 2013, is amended to
21 read as follows:

22 (f) The provisions of this subdivision shall expire [three years from]
23 July first, two thousand [thirteen] nineteen.

24 § 3. This act shall take effect immediately.

25 PART M

26 Section 1. The opening paragraph of subdivision 3 of section 93-b of
27 the state finance law, as added by section 1 of part H of chapter 60 of
28 the laws of 2015, is amended to read as follows:

29 Notwithstanding any other provisions of law to the contrary, for the
30 state fiscal year commencing on April first, two thousand fifteen, and
31 each state fiscal year thereafter, the comptroller is hereby authorized
32 to transfer monies from the dedicated infrastructure investment fund to
33 the general fund, and from the general fund to the dedicated infrastruc-
34 ture investment fund, in an amount determined by the director of the
35 budget to the extent moneys are available in the fund; provided, howev-
36 er, that the comptroller is only authorized to transfer monies from the
37 dedicated infrastructure investment fund to the general fund in the
38 event of an economic downturn as described in paragraph (a) of this
39 subdivision; and/or to fulfill disallowances and/or settlements related
40 to over-payments of federal medicare and medicaid revenues in excess of
41 one hundred million dollars from anticipated levels, as determined by
42 the director of the budget and described in paragraph (b) of this subdi-
43 vision.

44 § 2. This act shall take effect immediately.

45 PART N

46 Section 1. The state comptroller is hereby authorized and directed to
47 loan money in accordance with the provisions set forth in subdivision 5
48 of section 4 of the state finance law to the following funds and/or
49 accounts:

50 1. Proprietary vocational school supervision account (20452).

- 1 2. Local government records management account (20501).
- 2 3. Child health plus program account (20810).
- 3 4. EPIC premium account (20818).
- 4 5. Education - New (20901).
- 5 6. VLT - Sound basic education fund (20904).
- 6 7. Sewage treatment program management and administration fund
- 7 (21000).
- 8 8. Hazardous bulk storage account (21061).
- 9 9. Federal grants indirect cost recovery account (21065).
- 10 10. Low level radioactive waste account (21066).
- 11 11. Recreation account (21067).
- 12 12. Public safety recovery account (21077).
- 13 13. Environmental regulatory account (21081).
- 14 14. Natural resource account (21082).
- 15 15. Mined land reclamation program account (21084).
- 16 16. Great lakes restoration initiative account (21087).
- 17 17. Environmental protection and oil spill compensation fund (21200).
- 18 18. Public transportation systems account (21401).
- 19 19. Metropolitan mass transportation (21402).
- 20 20. Operating permit program account (21451).
- 21 21. Mobile source account (21452).
- 22 22. Statewide planning and research cooperative system account
- 23 (21902).
- 24 23. Mental hygiene program fund account (21907).
- 25 24. Mental hygiene patient income account (21909).
- 26 25. Financial control board account (21911).
- 27 26. Regulation of racing account (21912).
- 28 27. New York Metropolitan Transportation Council account (21913).
- 29 28. State university dormitory income reimbursable account (21937).
- 30 29. Criminal justice improvement account (21945).
- 31 30. Environmental laboratory reference fee account (21959).
- 32 31. Clinical laboratory reference system assessment account (21962).
- 33 32. Indirect cost recovery account (21978).
- 34 33. High school equivalency program account (21979).
- 35 34. Multi-agency training account (21989).
- 36 35. Interstate reciprocity for post-secondary distance education
- 37 account.
- 38 36. Bell jar collection account (22003).
- 39 37. Industry and utility service account (22004).
- 40 38. Real property disposition account (22006).
- 41 39. Parking account (22007).
- 42 40. Asbestos safety training program account (22009).
- 43 41. Batavia school for the blind account (22032).
- 44 42. Investment services account (22034).
- 45 43. Surplus property account (22036).
- 46 44. Financial oversight account (22039).
- 47 45. Regulation of Indian gaming account (22046).
- 48 46. Rome school for the deaf account (22053).
- 49 47. Seized assets account (22054).
- 50 48. Administrative adjudication account (22055).
- 51 49. Federal salary sharing account (22056).
- 52 50. New York City assessment account (22062).
- 53 51. Cultural education account (22063).
- 54 52. Local services account (22078).
- 55 53. DHCR mortgage servicing account (22085).
- 56 54. Department of motor vehicles compulsory insurance account (22087).



- 1 55. Housing indirect cost recovery account (22090).
- 2 56. DHCR-HCA application fee account (22100).
- 3 57. Low income housing monitoring account (22130).
- 4 58. Corporation administration account (22135).
- 5 59. Montrose veteran's home account (22144).
- 6 60. Deferred compensation administration account (22151).
- 7 61. Rent revenue other New York City account (22156).
- 8 62. Rent revenue account (22158).
- 9 63. Tax revenue arrearage account (22168).
- 10 64. State university general income offset account (22654).
- 11 65. Lake George park trust fund account (22751).
- 12 66. State police motor vehicle law enforcement account (22802).
- 13 67. Highway safety program account (23001).
- 14 68. EFC drinking water program account (23101).
- 15 69. DOH drinking water program account (23102).
- 16 70. NYCCC operating offset account (23151).
- 17 71. Commercial gaming revenue account (23701).
- 18 72. Commercial gaming regulation account (23702).
- 19 73. Highway and bridge capital account (30051).
- 20 74. State university residence hall rehabilitation fund (30100).
- 21 75. State parks infrastructure account (30351).
- 22 76. Clean water/clean air implementation fund (30500).
- 23 77. Hazardous waste remedial cleanup account (31506).
- 24 78. Youth facilities improvement account (31701).
- 25 79. Housing assistance fund (31800).
- 26 80. Housing program fund (31850).
- 27 81. Highway facility purpose account (31951).
- 28 82. Information technology capital financing account (32215).
- 29 83. New York racing account (32213).
- 30 84. Mental hygiene facilities capital improvement fund (32300).
- 31 85. Correctional facilities capital improvement fund (32350).
- 32 86. New York State Storm Recovery Capital Fund (33000).
- 33 87. OGS convention center account (50318).
- 34 88. Empire Plaza Gift Shop (50327).
- 35 89. Centralized services fund (55000).
- 36 90. Archives records management account (55052).
- 37 91. Federal single audit account (55053).
- 38 92. Civil service EHS occupational health program account (55056).
- 39 93. Banking services account (55057).
- 40 94. Cultural resources survey account (55058).
- 41 95. Automation & printing chargeback account (55060).
- 42 96. OFT NYT account (55061).
- 43 97. Data center account (55062).
- 44 98. Intrusion detection account (55066).
- 45 99. Domestic violence grant account (55067).
- 46 100. Centralized technology services account (55069).
- 47 101. Labor contact center account (55071).
- 48 102. Human services contact center account (55072).
- 49 103. Policing the NYS thruway account.
- 50 104. Executive direction internal audit account (55251).
- 51 105. CIO Information technology centralized services account (55252).
- 52 106. Health insurance internal service account (55300).
- 53 107. Civil service employee benefits division administrative account
- 54 (55301).
- 55 108. Correctional industries revolving fund (55350).
- 56 109. Employees health insurance account (60201).



1 110. Medicaid management information system escrow fund (60900).

2 § 1-a. The state comptroller is hereby authorized and directed to loan

3 money in accordance with the provisions set forth in subdivision 5 of

4 section 4 of the state finance law to any account within the following

5 federal funds, provided the comptroller has made a determination that

6 sufficient federal grant award authority is available to reimburse such

7 loans:

8 1. Federal USDA-food and nutrition services fund (25000).

9 2. Federal health and human services fund (25100).

10 3. Federal education fund (25200).

11 4. Federal block grant fund (25250).

12 5. Federal miscellaneous operating grants fund (25300).

13 6. Federal unemployment insurance administration fund (25900).

14 7. Federal unemployment insurance occupational training fund (25950).

15 8. Federal emergency employment act fund (26000).

16 9. Federal capital projects fund (31350).

17 § 2. Notwithstanding any law to the contrary, and in accordance with

18 section 4 of the state finance law, the comptroller is hereby authorized

19 and directed to transfer, upon request of the director of the budget, on

20 or before March 31, 2017, and with respect to item 5 under the miscella-

21 neous category set forth in this section, up to and after March 31,

22 2017, up to the unencumbered balance or the following amounts:

23 Economic Development and Public Authorities:

24 1. \$175,000 from the miscellaneous special revenue fund, underground

25 facilities safety training account (22172), to the general fund.

26 2. An amount up to the unencumbered balance from the miscellaneous

27 special revenue fund, business and licensing services account (21977),

28 to the general fund.

29 3. \$14,810,000 from the miscellaneous special revenue fund, code

30 enforcement account (21904), to the general fund.

31 4. \$3,000,000 from the general fund to the miscellaneous special

32 revenue fund, tax revenue arrearage account (22168).

33 Education:

34 1. \$2,260,000,000 from the general fund to the state lottery fund,

35 education account (20901), as reimbursement for disbursements made from

36 such fund for supplemental aid to education pursuant to section 92-c of

37 the state finance law that are in excess of the amounts deposited in

38 such fund for such purposes pursuant to section 1612 of the tax law.

39 2. \$986,000,000 from the general fund to the state lottery fund, VLT

40 education account (20904), as reimbursement for disbursements made from

41 such fund for supplemental aid to education pursuant to section 92-c of

42 the state finance law that are in excess of the amounts deposited in

43 such fund for such purposes pursuant to section 1612 of the tax law.

44 3. Moneys from the state lottery fund up to an amount deposited in

45 such fund pursuant to section 1612 of the tax law in excess of the

46 current year appropriation for supplemental aid to education pursuant to

47 section 92-c of the state finance law.

48 4. Up to \$137,700,000 from the moneys deposited in commercial gaming

49 revenue account (23701) to the general fund as reimbursement for

50 disbursements made from the general fund for supplemental aid to educa-

51 tion during the prior fiscal year due to the unencumbered balance of the

52 commercial gaming revenue account during the prior fiscal year being

53 less than required to fully fund payments of general support for public

54 schools, pursuant to Chapter 61 of the laws of 2015.

55 5. \$300,000 from the local government records management improvement

56 fund (20500) to the archives partnership trust fund (20350).



1 6. \$900,000 from the general fund to the miscellaneous special revenue
2 fund, Batavia school for the blind account (22032).

3 7. \$900,000 from the general fund to the miscellaneous special revenue
4 fund, Rome school for the deaf account (22053).

5 8. \$343,400,000 from the state university dormitory income fund
6 (40350) to the miscellaneous special revenue fund, state university
7 dormitory income reimbursable account (21937).

8 9. \$24,000,000 from any of the state education department special
9 revenue and internal service funds to the miscellaneous special revenue
10 fund, indirect cost recovery account (21978).

11 10. \$8,318,000 from the general fund to the state university income
12 fund, state university income offset account (22654), for the state's
13 share of repayment of the STIP loan.

14 11. \$40,000,000 from the state university income fund, state universi-
15 ty hospitals income reimbursable account (22656) to the general fund for
16 hospital debt service for the period April 1, 2015 through March 31,
17 2016.

18 12. An amount up to \$14,251,000 from the general fund to the state
19 university income fund, state university general revenue account
20 (22653).

21 Environmental Affairs:

22 1. \$16,000,000 from any of the department of environmental conserva-
23 tion's special revenue federal funds to the environmental conservation
24 special revenue fund, federal indirect recovery account (21065).

25 2. \$2,000,000 from any of the department of environmental conserva-
26 tion's special revenue federal funds to the conservation fund as neces-
27 sary to avoid diversion of conservation funds.

28 3. \$3,000,000 from any of the office of parks, recreation and historic
29 preservation capital projects federal funds and special revenue federal
30 funds to the miscellaneous special revenue fund, federal grant indirect
31 cost recovery account (22188).

32 4. \$1,000,000 from any of the office of parks, recreation and historic
33 preservation special revenue federal funds to the miscellaneous special
34 revenue fund, I love NY water account (21930).

35 5. \$146,000,000 from the general fund to the environmental protection
36 fund, environmental protection fund transfer account (30451).

37 6. \$9,700,000 from the general fund to the hazardous waste remedial
38 fund, hazardous waste oversight and assistance account (31505).

39 Family Assistance:

40 1. \$10,000,000 from any of the office of children and family services,
41 office of temporary and disability assistance, or department of health
42 special revenue federal funds and the general fund, in accordance with
43 agreements with social services districts, to the miscellaneous special
44 revenue fund, office of human resources development state match account
45 (21967).

46 2. \$4,000,000 from any of the office of children and family services
47 or office of temporary and disability assistance special revenue federal
48 funds to the miscellaneous special revenue fund, family preservation and
49 support services and family violence services account (22082).

50 3. \$18,670,000 from any of the office of children and family services,
51 office of temporary and disability assistance, or department of health
52 special revenue federal funds and any other miscellaneous revenues
53 generated from the operation of office of children and family services
54 programs to the general fund.



1 4. \$140,000,000 from any of the office of temporary and disability
2 assistance or department of health special revenue funds to the general
3 fund.

4 5. \$2,500,000 from any of the office of temporary and disability
5 assistance special revenue federal funds to the miscellaneous special
6 revenue fund, office of temporary and disability assistance program
7 account (21980).

8 6. \$21,000,000 from any of the office of children and family services,
9 office of temporary and disability assistance, department of labor, and
10 department of health special revenue federal funds to the office of
11 children and family services miscellaneous special revenue fund, multi-
12 agency training contract account (21989).

13 7. \$65,000,000 from the miscellaneous special revenue fund, youth
14 facility per diem account (22186), to the general fund.

15 8. \$621,850 from the general fund to the combined gifts, grants, and
16 bequests fund, WB Hoyt Memorial account (20128).

17 9. \$3,100,000 from the miscellaneous special revenue fund, state
18 central registry (22028), to the general fund.

19 10. \$1,000,000 from the general fund to the housing program fund
20 (31850).

21 General Government:

22 1. \$1,566,000 from the miscellaneous special revenue fund, examination
23 and miscellaneous revenue account (22065) to the general fund.

24 2. \$12,500,000 from the general fund to the health insurance revolving
25 fund (55300).

26 3. \$192,400,000 from the health insurance reserve receipts fund
27 (60550) to the general fund.

28 4. \$150,000 from the general fund to the not-for-profit revolving loan
29 fund (20650).

30 5. \$150,000 from the not-for-profit revolving loan fund (20650) to the
31 general fund.

32 6. \$3,000,000 from the miscellaneous special revenue fund, surplus
33 property account (22036), to the general fund.

34 7. \$19,000,000 from the miscellaneous special revenue fund, revenue
35 arrearage account (22024), to the general fund.

36 8. \$1,826,000 from the miscellaneous special revenue fund, revenue
37 arrearage account (22024), to the miscellaneous special revenue fund,
38 authority budget office account (22138).

39 9. \$1,000,000 from the miscellaneous special revenue fund, parking
40 services account (22007), to the general fund, for the purpose of reim-
41 bursing the costs of debt service related to state parking facilities.

42 10. \$21,789,000 from the general fund to the centralized services
43 fund, COPS account (55013).

44 11. \$2,360,000 from the general fund to the agencies internal service
45 fund, central technology services account (55069), for the purpose of
46 enterprise technology projects.

47 12. \$15,000,000 from the miscellaneous special revenue fund, workers'
48 compensation account (21995), to the miscellaneous capital projects
49 fund, workers' compensation board IT business process design fund.

50 Health:

51 1. \$33,710,000 from the miscellaneous special revenue fund, quality of
52 care account (21915), to the general fund.

53 2. A transfer from the general fund to the combined gifts, grants and
54 bequests fund, breast cancer research and education account (20155), up
55 to an amount equal to the monies collected and deposited into that
56 account in the previous fiscal year.



1 3. A transfer from the general fund to the combined gifts, grants and
2 bequests fund, prostate cancer research, detection, and education
3 account (20183), up to an amount equal to the moneys collected and
4 deposited into that account in the previous fiscal year.

5 4. A transfer from the general fund to the combined gifts, grants and
6 bequests fund, Alzheimer's disease research and assistance account
7 (20143), up to an amount equal to the moneys collected and deposited
8 into that account in the previous fiscal year.

9 5. \$30,295,000 from the HCRA resources fund (20800) to the miscella-
10 neous special revenue fund, empire state stem cell trust fund account
11 (22161).

12 6. \$7,000,000 from the miscellaneous special revenue fund, certificate
13 of need account (21920), to the miscellaneous capital projects fund,
14 healthcare IT capital subfund (32216).

15 7. \$1,000,000 from the miscellaneous special revenue fund, adminis-
16 tration program account (21982), to the miscellaneous capital projects
17 fund, healthcare IT capital account (32216).

18 8. \$1,000,000 from the miscellaneous special revenue fund, vital
19 records account (22103), to the miscellaneous capital projects fund,
20 healthcare IT capital account (32216).

21 9. \$55,500,000 from the HCRA resources fund (20800) to the capital
22 projects fund (30000).

23 10. \$3,700,000 from the miscellaneous New York state agency fund,
24 medical assistance account to the general fund.

25 11. \$4,886,000 from the general fund to the medical marihuana trust
26 fund, health operation and oversight account (23755).

27 12. \$1,086,000 from the miscellaneous special revenue fund, certif-
28 icate of need account (21920), to the general fund.

29 13. \$1,000,000 from the miscellaneous special revenue fund, profes-
30 sional medical conduct account (22088), to the miscellaneous capital
31 projects fund, healthcare IT capital account (32216).

32 Labor:

33 1. \$400,000 from the miscellaneous special revenue fund, DOL fee and
34 penalty account (21923), to the child performer's protection fund, child
35 performer protection account (20401).

36 2. \$8,400,000 from the miscellaneous special revenue fund, DOL fee and
37 penalty account (21923), to the general fund.

38 3. \$3,300,000 from the unemployment insurance interest and penalty
39 fund, unemployment insurance special interest and penalty account
40 (23601), to the general fund.

41 Mental Hygiene:

42 1. \$10,000,000 from the miscellaneous special revenue fund, mental
43 hygiene patient income account (21909), to the miscellaneous special
44 revenue fund, federal salary sharing account (22056).

45 2. \$1,950,000,000 from the general fund to the miscellaneous special
46 revenue fund, mental hygiene patient income account (21909).

47 3. \$1,550,000,000 from the general fund to the miscellaneous special
48 revenue fund, mental hygiene program fund account (21907).

49 4. \$100,000,000 from the miscellaneous special revenue fund, mental
50 hygiene program fund account (21907), to the general fund.

51 5. \$100,000,000 from the miscellaneous special revenue fund, mental
52 hygiene patient income account (21909), to the general fund.

53 6. \$3,800,000 from the miscellaneous special revenue fund, mental
54 hygiene patient income account (21909), to the agencies internal service
55 fund, civil service EHS occupational health program account (55056).



1 7. \$5,000,000 from the chemical dependance service fund, substance
2 abuse services fund account (22700), to the miscellaneous capital
3 projects fund, chemical dependance service capital account.

4 Public Protection:

5 1. \$1,350,000 from the miscellaneous special revenue fund, emergency
6 management account (21944), to the general fund.

7 2. \$3,300,000 from the general fund to the miscellaneous special
8 revenue fund, recruitment incentive account (22171).

9 3. \$10,500,000 from the general fund to the correctional industries
10 revolving fund, correctional industries internal service account
11 (55350).

12 4. \$3,000,000 from the federal miscellaneous operating grants fund,
13 DMNA damage account (25324), to the general fund.

14 5. \$6,300,000 from the general fund to the miscellaneous special
15 revenue fund, crimes against revenue program account (22015).

16 6. \$8,600,000 from the miscellaneous special revenue fund, criminal
17 justice improvement account (21945), to the general fund.

18 7. \$106,000,000 from the state police motor vehicle law enforcement
19 and motor vehicle theft and insurance fraud prevention fund, state
20 police motor vehicle enforcement account (22802), to the general fund
21 for state operation expenses of the division of state police.

22 8. \$53,500,000 from the general fund to the correctional facilities
23 capital improvement fund (32350).

24 9. \$5,000,000 from the general fund to the dedicated highway and
25 bridge trust fund (30050) for the purpose of work zone safety activities
26 provided by the division of state police for the department of transpor-
27 tation.

28 10. \$10,000,000 from the miscellaneous special revenue fund, statewide
29 public safety communications account (22123), to the capital projects
30 fund (30000).

31 11. \$2,900,000 from the miscellaneous special revenue fund, legal
32 services assistance account (22096), to the general fund.

33 12. \$300,000 from the state police motor vehicle law enforcement and
34 motor vehicle theft and insurance fraud prevention fund, motor vehicle
35 theft and insurance fraud account (22801), to the general fund.

36 13. \$1,000,000 from the general fund to the agencies internal service
37 fund, center for employment opportunities NWP account.

38 Transportation:

39 1. \$17,672,000 from the federal miscellaneous operating grants fund to
40 the miscellaneous special revenue fund, New York Metropolitan Transpor-
41 tation Council account (21913).

42 2. \$20,147,000 from the federal capital projects fund to the miscella-
43 neous special revenue fund, New York Metropolitan Transportation Council
44 account (21913).

45 3. \$1,240,000 from the miscellaneous special revenue fund, compulsory
46 insurance account (22087), to the dedicated highway and bridge trust
47 fund (30050).

48 4. \$14,878,096 from the general fund to the mass transportation oper-
49 ating assistance fund, public transportation systems operating assist-
50 ance account (21401), of which \$12,000,000 constitutes the base need for
51 operations.

52 5. \$750,000,000 from the general fund to the dedicated highway and
53 bridge trust fund (30050).

54 6. \$936,000 from the miscellaneous special revenue fund, accident
55 prevention course program account (22094), to the dedicated highway and
56 bridge trust fund (30050).



1 7. \$1,234,000 from the miscellaneous special revenue fund, motorcycle
2 safety account (21976), to the dedicated highway and bridge trust fund
3 (30050).

4 8. \$309,250,000 from the general fund to the MTA financial assistance
5 fund, mobility tax trust account (23651).

6 9. \$5,000,000 from the miscellaneous special revenue fund, transporta-
7 tion regulation account (22067) to the dedicated highway and bridge
8 trust fund (30050), for disbursements made from such fund for motor
9 carrier safety that are in excess of the amounts deposited in the dedi-
10 cated highway and bridge trust fund (30050) for such purpose pursuant to
11 section 94 of the transportation law.

12 10. \$34,000 from the miscellaneous special revenue fund, seized assets
13 account (21906), to the dedicated highway and bridge trust fund (30050).

14 Miscellaneous:

15 1. \$250,000,000 from the general fund to any funds or accounts for the
16 purpose of reimbursing certain outstanding accounts receivable balances.

17 2. \$500,000,000 from the general fund to the debt reduction reserve
18 fund (40000).

19 3. \$450,000,000 from the New York state storm recovery capital fund
20 (33000) to the revenue bond tax fund (40152).

21 4. \$15,500,000 from the general fund, community projects account GG
22 (10256), to the general fund, state purposes account (10050).

23 5. \$1,840,000,000 from the general fund to the dedicated infrastruc-
24 ture investment fund.

25 § 3. Notwithstanding any law to the contrary, and in accordance with
26 section 4 of the state finance law, the comptroller is hereby authorized
27 and directed to transfer, on or before March 31, 2017:

28 1. Upon request of the commissioner of environmental conservation, up
29 to \$11,410,000 from revenues credited to any of the department of envi-
30 ronmental conservation special revenue funds, including \$3,293,400 from
31 the environmental protection and oil spill compensation fund (21200),
32 and \$1,783,600 from the conservation fund (21150), to the environmental
33 conservation special revenue fund, indirect charges account (21060).

34 2. Upon request of the commissioner of agriculture and markets, up to
35 \$3,000,000 from any special revenue fund or enterprise fund within the
36 department of agriculture and markets to the general fund, to pay appro-
37 priate administrative expenses.

38 3. Upon request of the commissioner of agriculture and markets, up to
39 \$2,000,000 from the state exposition special fund, state fair receipts
40 account (50051) to the miscellaneous capital projects fund, state fair
41 capital improvement account (32208).

42 4. Upon request of the commissioner of the division of housing and
43 community renewal, up to \$6,221,000 from revenues credited to any divi-
44 sion of housing and community renewal federal or miscellaneous special
45 revenue fund to the miscellaneous special revenue fund, housing indirect
46 cost recovery account (22090).

47 5. Upon request of the commissioner of the division of housing and
48 community renewal, up to \$5,500,000 may be transferred from any miscel-
49 laneous special revenue fund account, to any miscellaneous special
50 revenue fund.

51 6. Upon request of the commissioner of health up to \$5,000,000 from
52 revenues credited to any of the department of health's special revenue
53 funds, to the miscellaneous special revenue fund, administration account
54 (21982).

55 § 4. On or before March 31, 2017, the comptroller is hereby authorized
56 and directed to deposit earnings that would otherwise accrue to the

1 general fund that are attributable to the operation of section 98-a of
2 the state finance law, to the agencies internal service fund, banking
3 services account (55057), for the purpose of meeting direct payments
4 from such account.

5 § 5. Notwithstanding any law to the contrary, upon the direction of
6 the director of the budget and upon requisition by the state university
7 of New York, the dormitory authority of the state of New York is
8 directed to transfer, up to \$22,000,000 in revenues generated from the
9 sale of notes or bonds, to the state university of New York for
10 reimbursement of bondable equipment for further transfer to the state's
11 general fund.

12 § 6. Notwithstanding any law to the contrary, and in accordance with
13 section 4 of the state finance law, the comptroller is hereby authorized
14 and directed to transfer, upon request of the director of the budget and
15 upon consultation with the state university chancellor or his or her
16 designee, on or before March 31, 2017, up to \$16,000,000 from the state
17 university income fund general revenue account (22653) to the state
18 general fund for debt service costs related to campus supported capital
19 project costs for the NY-SUNY 2020 challenge grant program at the
20 University at Buffalo.

21 § 7. Notwithstanding any law to the contrary, and in accordance with
22 section 4 of the state finance law, the comptroller is hereby authorized
23 and directed to transfer, upon request of the director of the budget and
24 upon consultation with the state university chancellor or his or her
25 designee, on or before March 31, 2017, up to \$6,500,000 from the state
26 university income fund general revenue account (22653) to the state
27 general fund for debt service costs related to campus supported capital
28 project costs for the NY-SUNY 2020 challenge grant program at the
29 University at Albany.

30 § 8. Notwithstanding any law to the contrary, the state university
31 chancellor or his or her designee is authorized and directed to transfer
32 estimated tuition revenue balances from the state university collection
33 fund (61000) to the state university income fund, state university
34 general revenue offset account (22655) on or before March 31, 2017.

35 § 9. Notwithstanding any law to the contrary, and in accordance with
36 section 4 of the state finance law, the comptroller is hereby authorized
37 and directed to transfer, upon request of the director of the budget, up
38 to \$69,264,000 from the general fund to the state university income
39 fund, state university hospitals income reimbursable account (22656)
40 during the period July 1, 2016 through June 30, 2017 to reflect ongoing
41 state subsidy of SUNY hospitals and to pay costs attributable to the
42 SUNY hospitals' state agency status.

43 § 10. Notwithstanding any law to the contrary, and in accordance with
44 section 4 of the state finance law, the comptroller is hereby authorized
45 and directed to transfer, upon request of the director of the budget, up
46 to \$996,778,300 from the general fund to the state university income
47 fund, state university general revenue offset account (22655) during the
48 period of July 1, 2016 through June 30, 2017 to support operations at
49 the state university.

50 § 11. Notwithstanding any law to the contrary, and in accordance with
51 section 4 of the state finance law, the comptroller is hereby authorized
52 and directed to transfer, upon request of the state university chancel-
53 lor or his or her designee, up to \$55,000,000 from the state university
54 income fund, state university hospitals income reimbursable account
55 (22656), for services and expenses of hospital operations and capital
56 expenditures at the state university hospitals; and the state university

1 income fund, Long Island veterans' home account (22652) to the state
2 university capital projects fund (32400) on or before June 30, 2017.

3 § 12. Notwithstanding any law to the contrary, and in accordance with
4 section 4 of the state finance law, the comptroller, after consultation
5 with the state university chancellor or his or her designee, is hereby
6 authorized and directed to transfer moneys, in the first instance, from
7 the state university collection fund, Stony Brook hospital collection
8 account (61006), Brooklyn hospital collection account (61007), and Syra-
9 cuse hospital collection account (61008) to the state university income
10 fund, state university hospitals income reimbursable account (22656) in
11 the event insufficient funds are available in the state university
12 income fund, state university hospitals income reimbursable account
13 (22656) to permit the full transfer of moneys authorized for transfer,
14 to the general fund for payment of debt service related to the SUNY
15 hospitals. Notwithstanding any law to the contrary, the comptroller is
16 also hereby authorized and directed, after consultation with the state
17 university chancellor or his or her designee, to transfer moneys from
18 the state university income fund to the state university income fund,
19 state university hospitals income reimbursable account (22656) in the
20 event insufficient funds are available in the state university income
21 fund, state university hospitals income reimbursable account (22656) to
22 pay hospital operating costs or to permit the full transfer of moneys
23 authorized for transfer, to the general fund for payment of debt service
24 related to the SUNY hospitals on or before March 31, 2017.

25 § 13. Notwithstanding any law to the contrary, upon the direction of
26 the director of the budget and the chancellor of the state university of
27 New York or his or her designee, and in accordance with section 4 of the
28 state finance law, the comptroller is hereby authorized and directed to
29 transfer monies from the state university dormitory income fund (40350)
30 to the state university residence hall rehabilitation fund (30100), and
31 from the state university residence hall rehabilitation fund (30100) to
32 the state university dormitory income fund (40350), in a net amount not
33 to exceed \$80 million.

34 § 14. Notwithstanding any law to the contrary, and in accordance with
35 section 4 of the state finance law, the comptroller is hereby authorized
36 and directed to transfer monies, upon request of the director of the
37 budget, on or before March 31, 2017, from and to any of the following
38 accounts: the miscellaneous special revenue fund, patient income account
39 (21909), the miscellaneous special revenue fund, mental hygiene program
40 fund account (21907), the miscellaneous special revenue fund, federal
41 salary sharing account (22056), or the general fund in any combination,
42 the aggregate of which shall not exceed \$350 million.

43 § 15. Notwithstanding any law to the contrary, and in accordance with
44 section 4 of the state finance law, the comptroller is hereby authorized
45 and directed to transfer, at the request of the director of the budget,
46 up to \$750 million from the unencumbered balance of any special revenue
47 fund or account, agency fund or account, internal service fund or
48 account, enterprise fund or account, or any combination of such funds
49 and accounts, to the general fund. The amounts transferred pursuant to
50 this authorization shall be in addition to any other transfers expressly
51 authorized in the 2016-17 budget. Transfers from federal funds, debt
52 service funds, capital projects funds, the community projects fund, or
53 funds that would result in the loss of eligibility for federal benefits
54 or federal funds pursuant to federal law, rule, or regulation as assent-
55 ed to in chapter 683 of the laws of 1938 and chapter 700 of the laws of
56 1951 are not permitted pursuant to this authorization.

1 § 16. Notwithstanding any law to the contrary, and in accordance with
2 section 4 of the state finance law, the comptroller is hereby authorized
3 and directed to transfer, at the request of the director of the budget,
4 up to \$100 million from any non-general fund or account, or combination
5 of funds and accounts, to the miscellaneous special revenue fund, tech-
6 nology financing account (22207) or the miscellaneous capital projects
7 fund, information technology capital financing account (32215), for the
8 purpose of consolidating technology procurement and services. The
9 amounts transferred to the miscellaneous special revenue fund, technolo-
10 gy financing account (22207) pursuant to this authorization shall be
11 equal to or less than the amount of such monies intended to support
12 information technology costs which are attributable, according to a
13 plan, to such account made in pursuance to an appropriation by law.
14 Transfers to the technology financing account shall be completed from
15 amounts collected by non-general funds or accounts pursuant to a fund
16 deposit schedule or permanent statute, and shall be transferred to the
17 technology financing account pursuant to a schedule agreed upon by the
18 affected agency commissioner. Transfers from funds that would result in
19 the loss of eligibility for federal benefits or federal funds pursuant
20 to federal law, rule, or regulation as assented to in chapter 683 of the
21 laws of 1938 and chapter 700 of the laws of 1951 are not permitted
22 pursuant to this authorization.

23 § 17. Notwithstanding any law to the contrary, and in accordance with
24 section 4 of the state finance law, the comptroller is hereby authorized
25 and directed to transfer, at the request of the director of the budget,
26 up to \$350 million from any non-general fund or account, or combination
27 of funds and accounts, to the general fund for the purpose of consol-
28 idating technology procurement and services. The amounts transferred
29 pursuant to this authorization shall be equal to or less than the amount
30 of such monies intended to support information technology costs which
31 are attributable, according to a plan, to such account made in pursuance
32 to an appropriation by law. Transfers to the general fund shall be
33 completed from amounts collected by non-general funds or accounts pursu-
34 ant to a fund deposit schedule. Transfers from funds that would result
35 in the loss of eligibility for federal benefits or federal funds pursu-
36 ant to federal law, rule, or regulation as assented to in chapter 683 of
37 the laws of 1938 and chapter 700 of the laws of 1951 are not permitted
38 pursuant to this authorization.

39 § 18. Notwithstanding any provision of law to the contrary, as deemed
40 feasible and advisable by its trustees, the power authority of the state
41 of New York is authorized and directed to transfer to the state treasury
42 to the credit of the general fund \$20,000,000 for the state fiscal year
43 commencing April 1, 2016, the proceeds of which will be utilized to
44 support energy-related state activities.

45 § 19. Notwithstanding any provision of law, rule or regulation to the
46 contrary, the New York State energy research and development authority
47 is authorized and directed to make a contribution to the state treasury
48 to the credit of the general fund in the amount of \$23,000,000 from
49 proceeds collected by the authority from the auction or sale of carbon
50 dioxide emission allowances allocated by the department of environmental
51 conservation on or before March 31, 2017.

52 § 20. Notwithstanding any provision of law, rule or regulation to the
53 contrary, the New York state energy research and development authority
54 is authorized and directed to transfer to the state university income
55 fund general revenue account (22653), in an amount not to exceed
56 \$15,000,000 for the state fiscal year commencing April 1, 2016 from the

1 proceeds collected by the authority from the auction or sale of carbon
2 dioxide emission allowances allocated by the department of environmental
3 conservation, which amount shall be utilized to support the Clean Energy
4 Workforce Opportunity Program, to expand and develop clean energy educa-
5 tion and workforce training programs; provided further, that up to
6 \$5,000,000 of such amount shall be available to support Clean Energy
7 Workforce Opportunity Program initiatives at state university of New
8 York community colleges.

9 § 21. Subdivision 5 of section 97-rrr of the state finance law, as
10 amended by section 21 of part I of chapter 60 of the laws of 2015, is
11 amended to read as follows:

12 5. Notwithstanding the provisions of section one hundred seventy-one-a
13 of the tax law, as separately amended by chapters four hundred eighty-
14 one and four hundred eighty-four of the laws of nineteen hundred eight-
15 y-one, and notwithstanding the provisions of chapter ninety-four of the
16 laws of two thousand eleven, or any other provisions of law to the
17 contrary, during the fiscal year beginning April first, two thousand
18 [fifteen] sixteen, the state comptroller is hereby authorized and
19 directed to deposit to the fund created pursuant to this section from
20 amounts collected pursuant to article twenty-two of the tax law and
21 pursuant to a schedule submitted by the director of the budget, up to
22 [\$3,382,279,000] \$3,227,844,000, as may be certified in such schedule as
23 necessary to meet the purposes of such fund for the fiscal year begin-
24 ning April first, two thousand [fifteen] sixteen.

25 § 22. The comptroller is authorized and directed to deposit to the
26 general fund-state purposes account reimbursements from moneys appropri-
27 ated or reappropriated to the correctional facilities capital improve-
28 ment fund by a chapter of the laws of 2016. Reimbursements shall be
29 available for spending from appropriations made to the department of
30 corrections and community supervision in the general fund-state purposes
31 accounts by a chapter of the laws of 2016 for costs associated with the
32 administration and security of capital projects and for other costs
33 which are attributable, according to a plan, to such capital projects.

34 § 23. The opening paragraph of section 2 and section 47 of part I of
35 chapter 60 of the laws of 2015, providing for the administration of
36 certain funds and accounts related to the 2015-16 budget, are amended to
37 read as follows:

38 Notwithstanding any law to the contrary, and in accordance with
39 section 4 of the state finance law, the comptroller is hereby authorized
40 and directed to transfer, upon request of the director of the budget, on
41 or before March 31, 2016, and with respect to item 5 under the miscella-
42 neous category set forth in this section, up to and after March 31,
43 2016, up to the unencumbered balance or the following amounts:

44 § 47. This act shall take effect immediately and shall be deemed to
45 have been in full force and effect on and after April 1, 2015; provided,
46 however, [that] with the exception of item 5 of the miscellaneous cate-
47 gory set forth within section two of this act, the provisions of
48 sections one through eight and sections thirteen through twenty of this
49 act shall expire March 31, 2016, when upon such date the provisions of
50 such sections shall be deemed repealed.

51 § 24. Subdivision 6 of section 4 of the state finance law, as amended
52 by section 22 of part I of chapter 55 of the laws of 2014, is amended to
53 read as follows:

54 6. Notwithstanding any law to the contrary, at the beginning of the
55 state fiscal year, the state comptroller is hereby authorized and
56 directed to receive for deposit to the credit of a fund and/or an



1 account such monies as are identified by the director of the budget as
2 having been intended for such deposit to support disbursements from such
3 fund and/or account made in pursuance of an appropriation by law. As
4 soon as practicable upon enactment of the budget, the director of the
5 budget shall, but not less than three days following preliminary
6 submission to the chairs of the senate finance committee and the assem-
7 bly ways and means committee, file with the state comptroller an iden-
8 tification of specific monies to be so deposited. Any subsequent change
9 regarding the monies to be so deposited shall be filed by the director
10 of the budget, as soon as practicable, but not less than three days
11 following preliminary submission to the chairs of the senate finance
12 committee and the assembly ways and means committee.

13 All monies identified by the director of the budget to be deposited to
14 the credit of a fund and/or account shall be consistent with the intent
15 of the budget for the then current state fiscal year as enacted by the
16 legislature.

17 [The provisions of this subdivision shall expire on March thirty-
18 first, two thousand sixteen.]

19 § 25. Subdivision 4 of section 40 of the state finance law, as amended
20 by section 23 of part I of chapter 55 of the laws of 2014, is amended to
21 read as follows:

22 4. Every appropriation made from a fund or account to a department or
23 agency shall be available for the payment of prior years' liabilities in
24 such fund or account for fringe benefits, indirect costs, and telecommu-
25 nications expenses and expenses for other centralized services fund
26 programs without limit. Every appropriation shall also be available for
27 the payment of prior years' liabilities other than those indicated
28 above, but only to the extent of one-half of one percent of the total
29 amount appropriated to a department or agency in such fund or account.

30 [The provisions of this subdivision shall expire March thirty-first,
31 two thousand sixteen.]

32 § 26. Subparagraph (i) of paragraph (a) of subdivision 3 of section
33 92-cc of the state finance law, as added by chapter 1 of the laws of
34 2007, is amended to read as follows:

35 (i) Economic downturn. The commissioner of labor shall calculate and
36 publish, on or before the fifteenth day of each month, a composite index
37 of business cycle indicators. Such index shall be calculated using
38 monthly data on New York state private sector employment, [total] aver-
39 age weekly hours of manufacturing [hours worked] workers, and the unem-
40 ployment rate prepared by the department of labor or its successor agen-
41 cy, and total sales tax [collected net of law changes] collections
42 adjusted for inflation, prepared by the department of taxation and
43 finance or its successor agency. Such index shall be [constructed in
44 accordance with the procedures for calculating composite indexes issued
45 by the conference board or its successor organization, and] adjusted for
46 seasonal variations in accordance with the procedures issued by the
47 [census bureau of the] United States [department of commerce] Census
48 Bureau or its successor agency. If the composite index declines for five
49 consecutive months, the commissioner of labor shall notify the governor,
50 the speaker of the assembly, the temporary president of the senate, and
51 the minority leaders of the assembly and the senate. Upon such notifica-
52 tion, the director of the budget may authorize and direct the comp-
53 troller to transfer from the rainy day reserve fund to the general fund
54 such amounts as the director of the budget deems necessary to meet the
55 requirements of the state financial plan. The authority to transfer
56 funds under the provisions of this subdivision shall lapse when the



1 composite index shall have increased for five consecutive months or
2 twelve months from the original notification of the commissioner of
3 labor, whichever occurs earlier. Provided, however, that for every addi-
4 tional and consecutive monthly decline succeeding the five month decline
5 so noted by the commissioner of labor, the twelve month lapse date shall
6 be extended by one additional month; or

7 § 27. Paragraph (a) of subdivision 3 of section 93-b of the state
8 finance law, as added by section 1 of part H of chapter 60 of the laws
9 of 2015, is amended to read as follows:

10 (a) Economic downturn. Notwithstanding any law to the contrary, for
11 the purpose of this section, the commissioner of labor shall calculate
12 and publish, on or before the fifteenth day of each month, a composite
13 index of business cycle indicators. Such index shall be calculated using
14 monthly data on New York state private sector employment, [total] aver-
15 age weekly hours of manufacturing [hours worked] workers, and the unem-
16 ployment rate prepared by the department of labor or its successor agen-
17 cy, and total sales tax [collected net of law changes] collections
18 adjusted for inflation, prepared by the department of taxation and
19 finance or its successor agency. Such index shall be [constructed in
20 accordance with the procedures for calculating composite indexes issued
21 by the conference board or its successor organization, and] adjusted for
22 seasonal variations in accordance with the procedures issued by the
23 [census bureau of the] United States [department of commerce] Census
24 Bureau or its successor agency. If the composite index declines for five
25 consecutive months, the commissioner of labor shall notify the governor,
26 the speaker of the assembly, the temporary president of the senate, and
27 the minority leaders of the assembly and the senate. Upon such notifica-
28 tion, the director of the budget may authorize and direct the comp-
29 troller to transfer from the dedicated infrastructure investment fund to
30 the general fund such amounts as the director of the budget deems neces-
31 sary to meet the requirements of the state financial plan. The authority
32 to transfer funds under the provisions of this paragraph shall lapse
33 when the composite index shall have increased for five consecutive
34 months or twelve months from the original notification of the commis-
35 sioner of labor, whichever occurs earlier. Provided, however, that for
36 every additional and consecutive monthly decline succeeding the five
37 month decline so noted by the commissioner of labor, the twelve month
38 lapse date shall be extended by one additional month.

39 § 28. Notwithstanding any other law, rule, or regulation to the
40 contrary, the state comptroller is hereby authorized and directed to use
41 any balance remaining in the mental health services fund debt service
42 appropriation, after payment by the state comptroller of all obligations
43 required pursuant to any lease, sublease, or other financing arrangement
44 between the dormitory authority of the state of New York as successor to
45 the New York state medical care facilities finance agency, and the
46 facilities development corporation pursuant to chapter 83 of the laws of
47 1995 and the department of mental hygiene for the purpose of making
48 payments to the dormitory authority of the state of New York for the
49 amount of the earnings for the investment of monies deposited in the
50 mental health services fund that such agency determines will or may have
51 to be rebated to the federal government pursuant to the provisions of
52 the internal revenue code of 1986, as amended, in order to enable such
53 agency to maintain the exemption from federal income taxation on the
54 interest paid to the holders of such agency's mental services facilities
55 improvement revenue bonds. Annually on or before each June 30th, such
56 agency shall certify to the state comptroller its determination of the

1 amounts received in the mental health services fund as a result of the
2 investment of monies deposited therein that will or may have to be
3 rebated to the federal government pursuant to the provisions of the
4 internal revenue code of 1986, as amended.

5 § 29. Subdivision 1 of section 47 of section 1 of chapter 174 of the
6 laws of 1968, constituting the New York state urban development corpo-
7 ration act, as amended by section 25 of part I of chapter 60 of the laws
8 of 2015, is amended to read as follows:

9 1. Notwithstanding the provisions of any other law to the contrary,
10 the dormitory authority and the corporation are hereby authorized to
11 issue bonds or notes in one or more series for the purpose of funding
12 project costs for the office of information technology services, depart-
13 ment of law, and other state costs associated with such capital
14 projects. The aggregate principal amount of bonds authorized to be
15 issued pursuant to this section shall not exceed [two] three hundred
16 [sixty-nine] sixty-four million [one] eight hundred forty thousand
17 dollars, excluding bonds issued to fund one or more debt service reserve
18 funds, to pay costs of issuance of such bonds, and bonds or notes issued
19 to refund or otherwise repay such bonds or notes previously issued. Such
20 bonds and notes of the dormitory authority and the corporation shall not
21 be a debt of the state, and the state shall not be liable thereon, nor
22 shall they be payable out of any funds other than those appropriated by
23 the state to the dormitory authority and the corporation for principal,
24 interest, and related expenses pursuant to a service contract and such
25 bonds and notes shall contain on the face thereof a statement to such
26 effect. Except for purposes of complying with the internal revenue code,
27 any interest income earned on bond proceeds shall only be used to pay
28 debt service on such bonds.

29 § 30. Subdivision 1 of section 16 of part D of chapter 389 of the laws
30 of 1997, relating to the financing of the correctional facilities
31 improvement fund and the youth facility improvement fund, as amended by
32 section 27 of part I of chapter 60 of the laws of 2015, is amended to
33 read as follows:

34 1. Subject to the provisions of chapter 59 of the laws of 2000, but
35 notwithstanding the provisions of section 18 of section 1 of chapter 174
36 of the laws of 1968, the New York state urban development corporation is
37 hereby authorized to issue bonds, notes and other obligations in an
38 aggregate principal amount not to exceed seven billion [one] four
39 hundred [sixty-three] twenty-four million [three] nine hundred [sixty-
40 nine] ninety-nine thousand dollars [\$7,163,369,000] \$7,424,999,000, and
41 shall include all bonds, notes and other obligations issued pursuant to
42 chapter 56 of the laws of 1983, as amended or supplemented. The proceeds
43 of such bonds, notes or other obligations shall be paid to the state,
44 for deposit in the correctional facilities capital improvement fund to
45 pay for all or any portion of the amount or amounts paid by the state
46 from appropriations or reappropriations made to the department of
47 corrections and community supervision from the correctional facilities
48 capital improvement fund for capital projects. The aggregate amount of
49 bonds, notes or other obligations authorized to be issued pursuant to
50 this section shall exclude bonds, notes or other obligations issued to
51 refund or otherwise repay bonds, notes or other obligations theretofore
52 issued, the proceeds of which were paid to the state for all or a
53 portion of the amounts expended by the state from appropriations or
54 reappropriations made to the department of corrections and community
55 supervision; provided, however, that upon any such refunding or repay-
56 ment the total aggregate principal amount of outstanding bonds, notes or



1 other obligations may be greater than seven billion [one] four hundred
2 [sixty-three] twenty-four million [three] nine hundred [sixty-nine]
3 ninety-nine thousand dollars [\$7,163,369,000] \$7,424,999,000, only if
4 the present value of the aggregate debt service of the refunding or
5 repayment bonds, notes or other obligations to be issued shall not
6 exceed the present value of the aggregate debt service of the bonds,
7 notes or other obligations so to be refunded or repaid. For the purposes
8 hereof, the present value of the aggregate debt service of the refunding
9 or repayment bonds, notes or other obligations and of the aggregate debt
10 service of the bonds, notes or other obligations so refunded or repaid,
11 shall be calculated by utilizing the effective interest rate of the
12 refunding or repayment bonds, notes or other obligations, which shall be
13 that rate arrived at by doubling the semi-annual interest rate
14 (compounded semi-annually) necessary to discount the debt service
15 payments on the refunding or repayment bonds, notes or other obligations
16 from the payment dates thereof to the date of issue of the refunding or
17 repayment bonds, notes or other obligations and to the price bid includ-
18 ing estimated accrued interest or proceeds received by the corporation
19 including estimated accrued interest from the sale thereof.

20 § 31. Paragraph (a) of subdivision 2 of section 47-e of the private
21 housing finance law, as amended by section 28 of part I of chapter 60 of
22 the laws of 2015, is amended to read as follows:

23 (a) Subject to the provisions of chapter fifty-nine of the laws of two
24 thousand, in order to enhance and encourage the promotion of housing
25 programs and thereby achieve the stated purposes and objectives of such
26 housing programs, the agency shall have the power and is hereby author-
27 ized from time to time to issue negotiable housing program bonds and
28 notes in such principal amount as shall be necessary to provide suffi-
29 cient funds for the repayment of amounts disbursed (and not previously
30 reimbursed) pursuant to law or any prior year making capital appropri-
31 ations or reappropriations for the purposes of the housing program;
32 provided, however, that the agency may issue such bonds and notes in an
33 aggregate principal amount not exceeding [three] four billion [one] six
34 hundred [fifty-three] ninety-seven million [seven] four hundred [nine-
35 ty-nine] seventy-four thousand dollars, plus a principal amount of bonds
36 issued to fund the debt service reserve fund in accordance with the debt
37 service reserve fund requirement established by the agency and to fund
38 any other reserves that the agency reasonably deems necessary for the
39 security or marketability of such bonds and to provide for the payment
40 of fees and other charges and expenses, including underwriters'
41 discount, trustee and rating agency fees, bond insurance, credit
42 enhancement and liquidity enhancement related to the issuance of such
43 bonds and notes. No reserve fund securing the housing program bonds
44 shall be entitled or eligible to receive state funds apportioned or
45 appropriated to maintain or restore such reserve fund at or to a partic-
46 ular level, except to the extent of any deficiency resulting directly or
47 indirectly from a failure of the state to appropriate or pay the agreed
48 amount under any of the contracts provided for in subdivision four of
49 this section.

50 § 32. Subdivision (b) of section 11 of chapter 329 of the laws of
51 1991, amending the state finance law and other laws relating to the
52 establishment of the dedicated highway and bridge trust fund, as amended
53 by section 29 of part I of chapter 60 of the laws of 2015, is amended to
54 read as follows:

55 (b) Any service contract or contracts for projects authorized pursuant
56 to sections 10-c, 10-f, 10-g and 80-b of the highway law and section

1 14-k of the transportation law, and entered into pursuant to subdivision
2 (a) of this section, shall provide for state commitments to provide
3 annually to the thruway authority a sum or sums, upon such terms and
4 conditions as shall be deemed appropriate by the director of the budget,
5 to fund, or fund the debt service requirements of any bonds or any obli-
6 gations of the thruway authority issued to fund or to reimburse the
7 state for funding such projects having a cost not in excess of
8 [\$8,658,881,000] \$9,147,234,000 cumulatively by the end of fiscal year
9 [2015-16] 2016-17.

10 § 33. Subdivision 1 of section 1689-i of the public authorities law,
11 as amended by section 30 of part I of chapter 60 of the laws of 2015, is
12 amended to read as follows:

13 1. The dormitory authority is authorized to issue bonds, at the
14 request of the commissioner of education, to finance eligible library
15 construction projects pursuant to section two hundred seventy-three-a of
16 the education law, in amounts certified by such commissioner not to
17 exceed a total principal amount of one hundred [forty] fifty-four
18 million dollars.

19 § 34. Subdivision (a) of section 27 of part Y of chapter 61 of the
20 laws of 2005, providing for the administration of certain funds and
21 accounts related to the 2005-2006 budget, as amended by section 31 of
22 part I of chapter 60 of the laws of 2015, is amended to read as follows:

23 (a) Subject to the provisions of chapter 59 of the laws of 2000, but
24 notwithstanding any provisions of law to the contrary, the urban devel-
25 opment corporation is hereby authorized to issue bonds or notes in one
26 or more series in an aggregate principal amount not to exceed
27 [\$155,600,000] \$167,600,000, excluding bonds issued to finance one or
28 more debt service reserve funds, to pay costs of issuance of such bonds,
29 and bonds or notes issued to refund or otherwise repay such bonds or
30 notes previously issued, for the purpose of financing capital projects
31 including IT initiatives for the division of state police, debt service
32 and leases; and to reimburse the state general fund for disbursements
33 made therefor. Such bonds and notes of such authorized issuer shall not
34 be a debt of the state, and the state shall not be liable thereon, nor
35 shall they be payable out of any funds other than those appropriated by
36 the state to such authorized issuer for debt service and related
37 expenses pursuant to any service contract executed pursuant to subdivi-
38 sion (b) of this section and such bonds and notes shall contain on the
39 face thereof a statement to such effect. Except for purposes of comply-
40 ing with the internal revenue code, any interest income earned on bond
41 proceeds shall only be used to pay debt service on such bonds.

42 § 35. Section 44 of section 1 of chapter 174 of the laws of 1968,
43 constituting the New York state urban development corporation act, as
44 amended by section 32 of part I of chapter 60 of the laws of 2015, is
45 amended to read as follows:

46 § 44. Issuance of certain bonds or notes. 1. Notwithstanding the
47 provisions of any other law to the contrary, the dormitory authority and
48 the corporation are hereby authorized to issue bonds or notes in one or
49 more series for the purpose of funding project costs for the regional
50 economic development council initiative, the economic transformation
51 program, state university of New York college for nanoscale and science
52 engineering, projects within the city of Buffalo or surrounding envi-
53 rons, the New York works economic development fund, projects for the
54 retention of professional football in western New York, the empire state
55 economic development fund, the clarkson-trudeau partnership, the New
56 York genome center, the cornell university college of veterinary medi-

1 cine, the olympic regional development authority, a project at nano
2 Utica, onondaga county revitalization projects, Binghamton university
3 school of pharmacy, New York power electronics manufacturing consortium,
4 regional infrastructure projects, a commercialization center in Chautau-
5 qua county, an industrial scale research and development facility in
6 Clinton county, upstate revitalization initiative projects, market New
7 York projects, and other state costs associated with such projects. The
8 aggregate principal amount of bonds authorized to be issued pursuant to
9 this section shall not exceed [two] three billion [eight] six hundred
10 [eighty-eight] fifty-three million two hundred fifty-seven thousand
11 dollars, excluding bonds issued to fund one or more debt service reserve
12 funds, to pay costs of issuance of such bonds, and bonds or notes issued
13 to refund or otherwise repay such bonds or notes previously issued. Such
14 bonds and notes of the dormitory authority and the corporation shall not
15 be a debt of the state, and the state shall not be liable thereon, nor
16 shall they be payable out of any funds other than those appropriated by
17 the state to the dormitory authority and the corporation for principal,
18 interest, and related expenses pursuant to a service contract and such
19 bonds and notes shall contain on the face thereof a statement to such
20 effect. Except for purposes of complying with the internal revenue code,
21 any interest income earned on bond proceeds shall only be used to pay
22 debt service on such bonds.

23 2. Notwithstanding any other provision of law to the contrary, in
24 order to assist the dormitory authority and the corporation in undertak-
25 ing the financing for project costs for the regional economic develop-
26 ment council initiative, the economic transformation program, state
27 university of New York college for nanoscale and science engineering,
28 projects within the city of Buffalo or surrounding environs, the New
29 York works economic development fund, projects for the retention of
30 professional football in western New York, the empire state economic
31 development fund, the clarkson-trudeau partnership, the New York genome
32 center, the cornell university college of veterinary medicine, the olym-
33 pic regional development authority, a project at nano Utica, onondaga
34 county revitalization projects, Binghamton university school of pharma-
35 cy, New York power electronics manufacturing consortium, regional
36 infrastructure projects, a commercialization center in Chautauqua coun-
37 ty, an industrial scale research and development facility in Clinton
38 county, upstate revitalization initiative projects, market New York
39 projects, and other state costs associated with such projects, the
40 director of the budget is hereby authorized to enter into one or more
41 service contracts with the dormitory authority and the corporation, none
42 of which shall exceed thirty years in duration, upon such terms and
43 conditions as the director of the budget and the dormitory authority and
44 the corporation agree, so as to annually provide to the dormitory
45 authority and the corporation, in the aggregate, a sum not to exceed the
46 principal, interest, and related expenses required for such bonds and
47 notes. Any service contract entered into pursuant to this section shall
48 provide that the obligation of the state to pay the amount therein
49 provided shall not constitute a debt of the state within the meaning of
50 any constitutional or statutory provision and shall be deemed executory
51 only to the extent of monies available and that no liability shall be
52 incurred by the state beyond the monies available for such purpose,
53 subject to annual appropriation by the legislature. Any such contract or
54 any payments made or to be made thereunder may be assigned and pledged
55 by the dormitory authority and the corporation as security for its bonds
56 and notes, as authorized by this section.



1 § 36. Subdivision 3 of section 1285-p of the public authorities law,
2 as amended by section 33 of part I of chapter 60 of the laws of 2015, is
3 amended to read as follows:

4 3. The maximum amount of bonds that may be issued for the purpose of
5 financing environmental infrastructure projects authorized by this
6 section shall be [one] two billion [seven hundred seventy-five] eight
7 million [seven] two hundred sixty thousand dollars, exclusive of bonds
8 issued to fund any debt service reserve funds, pay costs of issuance of
9 such bonds, and bonds or notes issued to refund or otherwise repay bonds
10 or notes previously issued. Such bonds and notes of the corporation
11 shall not be a debt of the state, and the state shall not be liable
12 thereon, nor shall they be payable out of any funds other than those
13 appropriated by the state to the corporation for debt service and
14 related expenses pursuant to any service contracts executed pursuant to
15 subdivision one of this section, and such bonds and notes shall contain
16 on the face thereof a statement to such effect.

17 § 37. Subdivision 1 of section 45 of section 1 of chapter 174 of the
18 laws of 1968, constituting the New York state urban development corpo-
19 ration act, as amended by section 34 of part I of chapter 60 of the laws
20 of 2015, is amended to read as follows:

21 1. Notwithstanding the provisions of any other law to the contrary,
22 the urban development corporation of the state of New York is hereby
23 authorized to issue bonds or notes in one or more series for the purpose
24 of funding project costs for the implementation of a NY-SUNY and NY-CUNY
25 2020 challenge grant program subject to the approval of a NY-SUNY and
26 NY-CUNY 2020 plan or plans by the governor and either the chancellor of
27 the state university of New York or the chancellor of the city universi-
28 ty of New York, as applicable. The aggregate principal amount of bonds
29 authorized to be issued pursuant to this section shall not exceed
30 [\$440,000,000] \$550,000,000, excluding bonds issued to fund one or more
31 debt service reserve funds, to pay costs of issuance of such bonds, and
32 bonds or notes issued to refund or otherwise repay such bonds or notes
33 previously issued. Such bonds and notes of the corporation shall not be
34 a debt of the state, and the state shall not be liable thereon, nor
35 shall they be payable out of any funds other than those appropriated by
36 the state to the corporation for principal, interest, and related
37 expenses pursuant to a service contract and such bonds and notes shall
38 contain on the face thereof a statement to such effect. Except for
39 purposes of complying with the internal revenue code, any interest
40 income earned on bond proceeds shall only be used to pay debt service on
41 such bonds.

42 § 38. Subdivision (a) of section 48 of part K of chapter 81 of the
43 laws of 2002, providing for the administration of certain funds and
44 accounts related to the 2002-2003 budget, as amended by section 35 of
45 part I of chapter 60 of the laws of 2015, is amended to read as follows:

46 (a) Subject to the provisions of chapter 59 of the laws of 2000 but
47 notwithstanding the provisions of section 18 of the urban development
48 corporation act, the corporation is hereby authorized to issue bonds or
49 notes in one or more series in an aggregate principal amount not to
50 exceed \$197,000,000 excluding bonds issued to fund one or more debt
51 service reserve funds, to pay costs of issuance of such bonds, and bonds
52 or notes issued to refund or otherwise repay such bonds or notes previ-
53 ously issued, for the purpose of financing capital costs related to
54 homeland security and training facilities for the division of state
55 police, the division of military and naval affairs, and any other state
56 agency, including the reimbursement of any disbursements made from the

1 state capital projects fund, and is hereby authorized to issue bonds or
2 notes in one or more series in an aggregate principal amount not to
3 exceed [\$469,800,000] \$509,600,000, excluding bonds issued to fund one
4 or more debt service reserve funds, to pay costs of issuance of such
5 bonds, and bonds or notes issued to refund or otherwise repay such bonds
6 or notes previously issued, for the purpose of financing improvements to
7 State office buildings and other facilities located statewide, including
8 the reimbursement of any disbursements made from the state capital
9 projects fund. Such bonds and notes of the corporation shall not be a
10 debt of the state, and the state shall not be liable thereon, nor shall
11 they be payable out of any funds other than those appropriated by the
12 state to the corporation for debt service and related expenses pursuant
13 to any service contracts executed pursuant to subdivision (b) of this
14 section, and such bonds and notes shall contain on the face thereof a
15 statement to such effect.

16 § 39. Subdivision 1 of section 386-b of the public authorities law, as
17 amended by section 36 of part I of chapter 60 of the laws of 2015, is
18 amended to read as follows:

19 1. Notwithstanding any other provision of law to the contrary, the
20 authority, the dormitory authority and the urban development corporation
21 are hereby authorized to issue bonds or notes in one or more series for
22 the purpose of financing peace bridge projects and capital costs of
23 state and local highways, parkways, bridges, the New York state thruway,
24 Indian reservation roads, and facilities, and transportation infrastruc-
25 ture projects including aviation projects, non-MTA mass transit
26 projects, and rail service preservation projects, including work appur-
27 tenant and ancillary thereto. The aggregate principal amount of bonds
28 authorized to be issued pursuant to this section shall not exceed [one]
29 two billion [six hundred ninety] seven hundred twenty-five million
30 dollars [\$1,690,000,000] \$2,725,000,000, excluding bonds issued to fund
31 one or more debt service reserve funds, to pay costs of issuance of such
32 bonds, and to refund or otherwise repay such bonds or notes previously
33 issued. Such bonds and notes of the authority, the dormitory authority
34 and the urban development corporation shall not be a debt of the state,
35 and the state shall not be liable thereon, nor shall they be payable out
36 of any funds other than those appropriated by the state to the authori-
37 ty, the dormitory authority and the urban development corporation for
38 principal, interest, and related expenses pursuant to a service contract
39 and such bonds and notes shall contain on the face thereof a statement
40 to such effect. Except for purposes of complying with the internal
41 revenue code, any interest income earned on bond proceeds shall only be
42 used to pay debt service on such bonds.

43 § 40. Paragraph (c) of subdivision 19 of section 1680 of the public
44 authorities law, as amended by section 37 of part I of chapter 60 of the
45 laws of 2015, is amended to read as follows:

46 (c) Subject to the provisions of chapter fifty-nine of the laws of two
47 thousand, the dormitory authority shall not issue any bonds for state
48 university educational facilities purposes if the principal amount of
49 bonds to be issued when added to the aggregate principal amount of bonds
50 issued by the dormitory authority on and after July first, nineteen
51 hundred eighty-eight for state university educational facilities will
52 exceed eleven billion [two] six hundred [twenty-eight] three million
53 dollars; provided, however, that bonds issued or to be issued shall be
54 excluded from such limitation if: (1) such bonds are issued to refund
55 state university construction bonds and state university construction
56 notes previously issued by the housing finance agency; or (2) such bonds

1 are issued to refund bonds of the authority or other obligations issued
2 for state university educational facilities purposes and the present
3 value of the aggregate debt service on the refunding bonds does not
4 exceed the present value of the aggregate debt service on the bonds
5 refunded thereby; provided, further that upon certification by the
6 director of the budget that the issuance of refunding bonds or other
7 obligations issued between April first, nineteen hundred ninety-two and
8 March thirty-first, nineteen hundred ninety-three will generate long
9 term economic benefits to the state, as assessed on a present value
10 basis, such issuance will be deemed to have met the present value test
11 noted above. For purposes of this subdivision, the present value of the
12 aggregate debt service of the refunding bonds and the aggregate debt
13 service of the bonds refunded, shall be calculated by utilizing the true
14 interest cost of the refunding bonds, which shall be that rate arrived
15 at by doubling the semi-annual interest rate (compounded semi-annually)
16 necessary to discount the debt service payments on the refunding bonds
17 from the payment dates thereof to the date of issue of the refunding
18 bonds to the purchase price of the refunding bonds, including interest
19 accrued thereon prior to the issuance thereof. The maturity of such
20 bonds, other than bonds issued to refund outstanding bonds, shall not
21 exceed the weighted average economic life, as certified by the state
22 university construction fund, of the facilities in connection with which
23 the bonds are issued, and in any case not later than the earlier of
24 thirty years or the expiration of the term of any lease, sublease or
25 other agreement relating thereto; provided that no note, including
26 renewals thereof, shall mature later than five years after the date of
27 issuance of such note. The legislature reserves the right to amend or
28 repeal such limit, and the state of New York, the dormitory authority,
29 the state university of New York, and the state university construction
30 fund are prohibited from covenanting or making any other agreements with
31 or for the benefit of bondholders which might in any way affect such
32 right.

33 § 41. Paragraph (c) of subdivision 14 of section 1680 of the public
34 authorities law, as amended by section 38 of part I of chapter 60 of the
35 laws of 2015, is amended to read as follows:

36 (c) Subject to the provisions of chapter fifty-nine of the laws of two
37 thousand, (i) the dormitory authority shall not deliver a series of
38 bonds for city university community college facilities, except to refund
39 or to be substituted for or in lieu of other bonds in relation to city
40 university community college facilities pursuant to a resolution of the
41 dormitory authority adopted before July first, nineteen hundred eighty-
42 five or any resolution supplemental thereto, if the principal amount of
43 bonds so to be issued when added to all principal amounts of bonds
44 previously issued by the dormitory authority for city university commu-
45 nity college facilities, except to refund or to be substituted in lieu
46 of other bonds in relation to city university community college facili-
47 ties will exceed the sum of four hundred twenty-five million dollars and
48 (ii) the dormitory authority shall not deliver a series of bonds issued
49 for city university facilities, including community college facilities,
50 pursuant to a resolution of the dormitory authority adopted on or after
51 July first, nineteen hundred eighty-five, except to refund or to be
52 substituted for or in lieu of other bonds in relation to city university
53 facilities and except for bonds issued pursuant to a resolution supple-
54 mental to a resolution of the dormitory authority adopted prior to July
55 first, nineteen hundred eighty-five, if the principal amount of bonds so
56 to be issued when added to the principal amount of bonds previously

1 issued pursuant to any such resolution, except bonds issued to refund or
2 to be substituted for or in lieu of other bonds in relation to city
3 university facilities, will exceed seven billion [three] five hundred
4 [ninety-two] forty-eight million [seven] four hundred [fifty-three]
5 eleven thousand dollars. The legislature reserves the right to amend or
6 repeal such limit, and the state of New York, the dormitory authority,
7 the city university, and the fund are prohibited from covenanting or
8 making any other agreements with or for the benefit of bondholders which
9 might in any way affect such right.

10 § 42. Subdivision 10-a of section 1680 of the public authorities law,
11 as amended by section 39 of part I of chapter 60 of the laws of 2015, is
12 amended to read as follows:

13 10-a. Subject to the provisions of chapter fifty-nine of the laws of
14 two thousand, but notwithstanding any other provision of the law to the
15 contrary, the maximum amount of bonds and notes to be issued after March
16 thirty-first, two thousand two, on behalf of the state, in relation to
17 any locally sponsored community college, shall be eight hundred [thir-
18 ty-eight] sixty-one million four hundred [fifty-eight] fifty-four thou-
19 sand dollars. Such amount shall be exclusive of bonds and notes issued
20 to fund any reserve fund or funds, costs of issuance and to refund any
21 outstanding bonds and notes, issued on behalf of the state, relating to
22 a locally sponsored community college.

23 § 43. Subdivision 1 of section 17 of part D of chapter 389 of the laws
24 of 1997, relating to the financing of the correctional facilities
25 improvement fund and the youth facility improvement fund, as amended by
26 section 41 of part I of chapter 60 of the laws of 2015, is amended to
27 read as follows:

28 1. Subject to the provisions of chapter 59 of the laws of 2000, but
29 notwithstanding the provisions of section 18 of section 1 of chapter 174
30 of the laws of 1968, the New York state urban development corporation is
31 hereby authorized to issue bonds, notes and other obligations in an
32 aggregate principal amount not to exceed six hundred [eleven] forty-sev-
33 en million [two hundred fifteen] sixty-five thousand dollars
34 [(\$611,215,000)] (\$647,065,000), which authorization increases the
35 aggregate principal amount of bonds, notes and other obligations author-
36 ized by section 40 of chapter 309 of the laws of 1996, and shall include
37 all bonds, notes and other obligations issued pursuant to chapter 211 of
38 the laws of 1990, as amended or supplemented. The proceeds of such
39 bonds, notes or other obligations shall be paid to the state, for depos-
40 it in the youth facilities improvement fund, to pay for all or any
41 portion of the amount or amounts paid by the state from appropriations
42 or reappropriations made to the office of children and family services
43 from the youth facilities improvement fund for capital projects. The
44 aggregate amount of bonds, notes and other obligations authorized to be
45 issued pursuant to this section shall exclude bonds, notes or other
46 obligations issued to refund or otherwise repay bonds, notes or other
47 obligations theretofore issued, the proceeds of which were paid to the
48 state for all or a portion of the amounts expended by the state from
49 appropriations or reappropriations made to the office of children and
50 family services; provided, however, that upon any such refunding or
51 repayment the total aggregate principal amount of outstanding bonds,
52 notes or other obligations may be greater than six hundred [eleven]
53 forty-seven million [two hundred fifteen] sixty-five thousand dollars
54 [(\$611,215,000)] (\$647,065,000), only if the present value of the aggre-
55 gate debt service of the refunding or repayment bonds, notes or other
56 obligations to be issued shall not exceed the present value of the

1 aggregate debt service of the bonds, notes or other obligations so to be
2 refunded or repaid. For the purposes hereof, the present value of the
3 aggregate debt service of the refunding or repayment bonds, notes or
4 other obligations and of the aggregate debt service of the bonds, notes
5 or other obligations so refunded or repaid, shall be calculated by
6 utilizing the effective interest rate of the refunding or repayment
7 bonds, notes or other obligations, which shall be that rate arrived at
8 by doubling the semi-annual interest rate (compounded semi-annually)
9 necessary to discount the debt service payments on the refunding or
10 repayment bonds, notes or other obligations from the payment dates ther-
11 eof to the date of issue of the refunding or repayment bonds, notes or
12 other obligations and to the price bid including estimated accrued
13 interest or proceeds received by the corporation including estimated
14 accrued interest from the sale thereof.

15 § 44. Paragraph b of subdivision 2 of section 9-a of section 1 of
16 chapter 392 of the laws of 1973, constituting the New York state medical
17 care facilities finance agency act, as amended by section 42 of part I
18 of chapter 60 of the laws of 2015, is amended to read as follows:

19 b. The agency shall have power and is hereby authorized from time to
20 time to issue negotiable bonds and notes in conformity with applicable
21 provisions of the uniform commercial code in such principal amount as,
22 in the opinion of the agency, shall be necessary, after taking into
23 account other moneys which may be available for the purpose, to provide
24 sufficient funds to the facilities development corporation, or any
25 successor agency, for the financing or refinancing of or for the design,
26 construction, acquisition, reconstruction, rehabilitation or improvement
27 of mental health services facilities pursuant to paragraph a of this
28 subdivision, the payment of interest on mental health services improve-
29 ment bonds and mental health services improvement notes issued for such
30 purposes, the establishment of reserves to secure such bonds and notes,
31 the cost or premium of bond insurance or the costs of any financial
32 mechanisms which may be used to reduce the debt service that would be
33 payable by the agency on its mental health services facilities improve-
34 ment bonds and notes and all other expenditures of the agency incident
35 to and necessary or convenient to providing the facilities development
36 corporation, or any successor agency, with funds for the financing or
37 refinancing of or for any such design, construction, acquisition, recon-
38 struction, rehabilitation or improvement and for the refunding of mental
39 hygiene improvement bonds issued pursuant to section 47-b of the private
40 housing finance law; provided, however, that the agency shall not issue
41 mental health services facilities improvement bonds and mental health
42 services facilities improvement notes in an aggregate principal amount
43 exceeding [seven] eight billion [seven hundred twenty-two] twenty-one
44 million eight hundred fifteen thousand dollars, excluding mental health
45 services facilities improvement bonds and mental health services facili-
46 ties improvement notes issued to refund outstanding mental health
47 services facilities improvement bonds and mental health services facili-
48 ties improvement notes; provided, however, that upon any such refunding
49 or repayment of mental health services facilities improvement bonds
50 and/or mental health services facilities improvement notes the total
51 aggregate principal amount of outstanding mental health services facili-
52 ties improvement bonds and mental health facilities improvement notes
53 may be greater than [seven] eight billion [seven hundred twenty-two]
54 twenty-one million eight hundred fifteen thousand dollars only if,
55 except as hereinafter provided with respect to mental health services
56 facilities bonds and mental health services facilities notes issued to



1 refund mental hygiene improvement bonds authorized to be issued pursuant
2 to the provisions of section 47-b of the private housing finance law,
3 the present value of the aggregate debt service of the refunding or
4 repayment bonds to be issued shall not exceed the present value of the
5 aggregate debt service of the bonds to be refunded or repaid. For
6 purposes hereof, the present values of the aggregate debt service of the
7 refunding or repayment bonds, notes or other obligations and of the
8 aggregate debt service of the bonds, notes or other obligations so
9 refunded or repaid, shall be calculated by utilizing the effective
10 interest rate of the refunding or repayment bonds, notes or other obli-
11 gations, which shall be that rate arrived at by doubling the semi-annual
12 interest rate (compounded semi-annually) necessary to discount the debt
13 service payments on the refunding or repayment bonds, notes or other
14 obligations from the payment dates thereof to the date of issue of the
15 refunding or repayment bonds, notes or other obligations and to the
16 price bid including estimated accrued interest or proceeds received by
17 the authority including estimated accrued interest from the sale there-
18 of. Such bonds, other than bonds issued to refund outstanding bonds,
19 shall be scheduled to mature over a term not to exceed the average
20 useful life, as certified by the facilities development corporation, of
21 the projects for which the bonds are issued, and in any case shall not
22 exceed thirty years and the maximum maturity of notes or any renewals
23 thereof shall not exceed five years from the date of the original issue
24 of such notes. Notwithstanding the provisions of this section, the agen-
25 cy shall have the power and is hereby authorized to issue mental health
26 services facilities improvement bonds and/or mental health services
27 facilities improvement notes to refund outstanding mental hygiene
28 improvement bonds authorized to be issued pursuant to the provisions of
29 section 47-b of the private housing finance law and the amount of bonds
30 issued or outstanding for such purposes shall not be included for
31 purposes of determining the amount of bonds issued pursuant to this
32 section. The director of the budget shall allocate the aggregate princi-
33 pal authorized to be issued by the agency among the office of mental
34 health, office for people with developmental disabilities, and the
35 office of alcoholism and substance abuse services, in consultation with
36 their respective commissioners to finance bondable appropriations previ-
37 ously approved by the legislature.

38 § 45. Paragraph (b) of subdivision 3 of section 1 and clause (B) of
39 subparagraph (iii) of paragraph (j) of subdivision 4 of section 1 of
40 part D of chapter 63 of the laws of 2005 relating to the composition and
41 responsibilities of the New York state higher education capital matching
42 grant board, as amended by section 43 of part I of chapter 60 of the
43 laws of 2015, is amended to read as follows:

44 (b) Within amounts appropriated therefor, the board is hereby author-
45 ized and directed to award matching capital grants totaling [210] 240
46 million dollars. Each college shall be eligible for a grant award amount
47 as determined by the calculations pursuant to subdivision five of this
48 section. In addition, such colleges shall be eligible to compete for
49 additional funds pursuant to paragraph (h) of subdivision four of this
50 section.

51 (B) The dormitory authority shall not issue any bonds or notes in an
52 amount in excess of [210] 240 million dollars for the purposes of this
53 section; excluding bonds or notes issued to fund one or more debt
54 service reserve funds, to pay costs of issuance of such bonds, and bonds
55 or notes issued to refund or otherwise repay such bonds or notes previ-
56 ously issued. Except for purposes of complying with the internal revenue



1 code, any interest on bond proceeds shall only be used to pay debt
2 service on such bonds.

3 § 46. Notwithstanding any other provision of law to the contrary, from
4 the taxes, interest and penalties collected or received by the commis-
5 sioner of taxation and finance in respect of the tax imposed by the city
6 of New York pursuant to the authority of section 1210, 1211, 1212 or
7 1212-A of the tax law, the comptroller shall pay, as directed in writing
8 by the director of the budget, the sum of \$16,666,667 on or before the
9 twelfth day of each month from such taxes, penalties and interest
10 collected or received by such commissioner during the previous month to
11 (i) any issuers of state-related debt for the purposes of paying princi-
12 pal, interest, and related expenses, or for retiring or defeasing bonds
13 previously issued, including any accrued interest or other expenses
14 related thereto, for any state-related bonding program or programs, or
15 to (ii) a governmental fund or funds of the state treasury. The comp-
16 troller shall make the first payment to issuers of state-related debt or
17 the government funds on the twelfth day of May, 2016 from the taxes,
18 penalties and interest collected or received during April 2016 and the
19 last payment on or before the twelfth day of April, 2019 from the taxes,
20 penalties and interest collected or received during March 2019.
21 Provided, however, that in no event shall such payments exceed
22 \$200,000,000 in any state fiscal year; and provided further that such
23 payments shall not reduce the reasonable costs of such commissioner
24 under paragraph (b) of section 1261 of the tax law.

25 § 47. This act shall take effect immediately and shall be deemed to
26 have been in full force and effect on and after April 1, 2016; provided,
27 however, with the exception of item 5 of the miscellaneous category set
28 forth within section two of this act: (a) the provisions of sections
29 one through eight, and sections twelve through twenty of this act shall
30 expire March 31, 2017, when upon such date the provisions of such
31 sections shall be deemed repealed; and (b) the provisions of section
32 forty-six of this act shall expire upon the last payment made by the
33 comptroller pursuant to section forty-six of this act when upon such
34 date the provisions of such section shall be deemed repealed; provided
35 that the state comptroller shall notify the legislative bill drafting
36 commission upon the occurrence of the last payment provided for in
37 section forty-six of this act in order that the commission may maintain
38 an accurate and timely effective database of the official text of the
39 laws of the state of New York in furtherance of effectuating the
40 provisions of section 44 of the legislative law and section 70-b of the
41 public officers law.

42 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
43 sion, section or part of this act shall be adjudged by any court of
44 competent jurisdiction to be invalid, such judgment shall not affect,
45 impair, or invalidate the remainder thereof, but shall be confined in
46 its operation to the clause, sentence, paragraph, subdivision, section
47 or part thereof directly involved in the controversy in which such judg-
48 ment shall have been rendered. It is hereby declared to be the intent of
49 the legislature that this act would have been enacted even if such
50 invalid provisions had not been included herein.

51 § 3. This act shall take effect immediately provided, however, that
52 the applicable effective date of Parts A through N of this act shall be
53 as specifically set forth in the last section of such Parts.