



NEW YORK STATE SENATOR

George Onorato

Legislation Signed Into Law By The Governor

GEORGE ONORATO August 31, 2009

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"Legislation To Allow Injured Workers To Receive A Lump Sum Payment For Permanent Partial Disability Benefits." SB2776-B ([Chapter 351](#))

NEWS FROM

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NEW LAW SPONSORED BY SENATOR ONORATO ALLOWS WORKERS'
COMPENSATION AWARDS TO BE PAID IN LUMP SUM

State Senator George Onorato (D-Queens), the chairman of the Senate Labor Committee, today announced that legislation he sponsored (S.2776-B) to permit injured employees to

receive lump sum workers' compensation awards, rather than payments over time, has been signed into law (Chapter 351) by Governor David A. Paterson.

"This new law will provide injured workers who have been identified as having permanent partial disabilities with the opportunity to receive their workers' compensation awards all at once, rather than waiting for periodic payments," said Senator Onorato. "This option will enable injured workers, if they choose, to invest their lump sum payments to better serve as a buffer against their diminished earning capacity. In the end, this measure should help provide a welcome source of economic security and peace of mind for disabled employees who might otherwise find themselves living day to day in serious financial straits."

The legislation, which goes into effect immediately, serves as a remedy to state workers' compensation law issues that were raised in a 2006 court decision (*LaCroix v. Syracuse Executive Air Service* 25 A.D. 3d 967) . At the time, the New York State Workers' Compensation Board had already begun the practice of providing optional lump sum payments – an action which was upheld by an appellate court – but the New York State Court of Appeals found that the policy was not permitted under the state's existing Workers' Compensation Law. This new law resolves the issue by specifically authorizing lump sum payments.

"I am pleased that this payment option will now be made available to New Yorkers whose ability to make a living has been compromised by injuries suffered on the job," said Senator Onorato. "In addition to financial worries, many of these workers are confronting both physical pain and emotional trauma associated with their disabilities. I hope this new law will make their lives a little easier and more secure."