

4075--A

2013-2014 Regular Sessions

I N   S E N A T E

March 7, 2013

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Introduced by Sen. MARCELLINO -- (at request of the State Comptroller)  
-- read twice and ordered printed, and when printed to be committed to  
the Committee on Corporations, Authorities and Commissions -- recom-  
mitted to the Committee on Corporations, Authorities and Commissions  
in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill  
amended, ordered reprinted as amended and recommitted to said commit-  
tee

AN ACT to amend the public authorities law and the general municipal  
law, in relation to clarifying and making certain technical  
corrections to the public authorities reform act of 2009; and to  
repeal certain provisions of the public authorities law relating ther-  
eto

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1     Section 1. Paragraphs (a) and (b) of subdivision 1 and subdivision 2  
2     of section 2800 of the public authorities law, as amended by chapter 506  
3     of the laws of 2009, are amended to read as follows:  
4     (a) For the purpose of furnishing the state with systematic informa-  
5     tion regarding the status and the activities of public authorities,  
6     every state authority continued or created by this chapter or any other  
7     chapter of the laws of the state of New York shall submit to the gover-  
8     nor, the chairman and ranking minority member of the senate finance  
9     committee, the chairman and ranking minority member of the assembly ways  
10    and means committee, the state comptroller, and the authorities budget  
11    office, within ninety days after the end of its fiscal year, a complete  
12    and detailed report or reports setting forth: (1) its operations and  
13    accomplishments; (2) its financial reports, including (i) audited finan-  
14    cials in accordance with all applicable regulations and following gener-  
15    ally accepted accounting principles as defined in subdivision ten of  
16    section two of the state finance law, (ii) grant and subsidy programs,  
17    (iii) operating and financial risks, (iv) current ratings, if any, of

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

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1 its bonds issued by recognized municipal bond rating agencies and notice  
2 of changes in such ratings, and (v) long-term liabilities, including  
3 leases and employee benefit plans; (3) its mission statement and meas-  
4 urements including its most recent measurement report; (4) a schedule of  
5 its bonds and notes outstanding at the end of its fiscal year, together  
6 with a statement of the amounts redeemed and incurred during such fiscal  
7 year as part of a schedule of debt issuance that includes the date of  
8 issuance, term, amount, interest rate and means of repayment. Addi-  
9 tionally, the debt schedule shall also include all refinancings, calls,  
10 refundings, defeasements and interest rate exchange or other such agree-  
11 ments, and for any debt issued during the reporting year, the schedule  
12 shall also include a detailed list of costs of issuance for such debt;  
13 (5) a compensation schedule, in addition to the report described in  
14 section twenty-eight hundred six of this title, that shall include, by  
15 position, title and name of the person holding such position or title,  
16 the salary, compensation, allowance and/or benefits provided to any  
17 officer, director or employee in a decision making or managerial posi-  
18 tion of such authority whose salary is in excess of one hundred thousand  
19 dollars; [(5-a) biographical information, not including confidential  
20 personal information, for all directors and officers and employees for  
21 whom salary reporting is required under subparagraph five of this para-  
22 graph;] (6) the projects undertaken by such authority during the past  
23 year; (7) a listing and description[, in addition to the report required  
24 by paragraph a of subdivision three of section twenty-eight hundred  
25 ninety-six of this article] of all real property of such authority  
26 having an estimated fair market value in excess of fifteen thousand  
27 dollars that the authority acquires or disposes of during such period.  
28 The report shall contain the price received or paid by the authority and  
29 the name of the purchaser, LESSEE, LESSOR or seller for all such proper-  
30 ty sold, LEASED or bought by the authority during such period; (8) such  
31 authority's code of ethics; (9) an assessment of the effectiveness of  
32 its internal control structure and procedures; (10) [a copy of the  
33 legislation that forms the statutory basis of the authority; (11) a  
34 description of the authority and its board structure, including (i)  
35 names of committees and committee members, (ii) lists of board meetings  
36 and attendance, (iii) descriptions of major authority units, subsid-  
37 iaries, and (iv) number of employees; (12) its charter, if any, and  
38 by-laws; (13) a listing of material changes in operations and programs  
39 during the reporting year; (14) at a minimum a four-year financial plan,  
40 including (i) a current and projected capital budget, and (ii) an oper-  
41 ating budget report, including an actual versus estimated budget, with  
42 an analysis and measurement of financial and operating performance;  
43 (15)] its board performance evaluations; provided, however, that such  
44 evaluations shall not be subject to disclosure under article six of the  
45 public officers law; [(16)] (11) a description of the total amounts of  
46 assets, services or both assets and services bought or sold without  
47 competitive bidding, including (i) the nature of those assets and  
48 services, (ii) the names of the counterparties, and (iii) where the  
49 contract price for assets purchased exceeds fair market value, or where  
50 the contract price for assets sold is less than fair market value, a  
51 detailed explanation of the justification for making the purchase or  
52 sale without competitive bidding, and a certification by the chief exec-  
53 utive officer and chief financial officer of the public authority that  
54 they have reviewed the terms of such purchase or sale and determined  
55 that it complies with applicable law and procurement guidelines; and  
56 [(17)] (12) a description of any material pending litigation in which

1 the authority is involved as a party during the reporting year, except  
2 that no hospital need disclose information about pending malpractice  
3 claims beyond the existence of such claims.

4 (b) Each state authority shall make accessible to the public, via its  
5 official or shared internet web site, (1) documentation pertaining to  
6 its mission[,] AND current activities[,]; (2) ITS most recent annual  
7 REPORT AND financial [reports] STATEMENTS, AND current [year] budget  
8 [and] REPORTS; (3) its most recent independent audit report AND ANY  
9 OTHER REPORT PROVIDED TO THE AUTHORITIES BUDGET OFFICE unless such  
10 information is covered by subdivision two of section eighty-seven of the  
11 public officers law; (4) BIOGRAPHICAL INFORMATION, NOT INCLUDING CONFIDENTIAL  
12 PERSONAL INFORMATION, PERTAINING TO THE PROFESSIONAL QUALIFICATIONS  
13 AND EXPERTISE FOR ALL DIRECTORS AND OFFICERS; (5) A COPY OF THE  
14 LEGISLATION THAT FORMS THE STATUTORY BASIS OF THE AUTHORITY; (6) A  
15 DESCRIPTION OF THE AUTHORITY AND ITS BOARD STRUCTURE, INCLUDING (I)  
16 NAMES OF COMMITTEES AND COMMITTEE MEMBERS, (II) MINUTES OF BOARD MEETINGS,  
17 (III) DESCRIPTIONS OF MAJOR AUTHORITY UNITS AND SUBSIDIARIES, (IV)  
18 NUMBER OF EMPLOYEES AND STAFF; (7) AN ORGANIZATION CHART; (8) ITS CHARACTER,  
19 IF ANY, AND A COPY OF ITS CURRENT BY-LAWS; AND (9) A LISTING OF  
20 MATERIAL CHANGES IN OPERATIONS AND PROGRAMS DURING THE REPORTING YEAR.

21 2. Local authorities. (a) Every local authority, continued or created  
22 by this chapter or any other chapter of the laws of the state of New  
23 York shall submit to the chief executive officer, the chief fiscal officer,  
24 the chairperson of the legislative body of the local government or  
25 local governments, THE STATE COMPTROLLER and the authorities budget  
26 office, within ninety days after the end of its fiscal year, a complete  
27 and detailed report or reports setting forth: (1) its operations and  
28 accomplishments; (2) its financial reports, including (i) audited financials  
29 in accordance with all applicable regulations and following generally  
30 accepted accounting principles as defined in subdivision ten of  
31 section two of the state finance law, (ii) grants and subsidy programs,  
32 (iii) operating and financial risks, (iv) current ratings if any, of its  
33 bonds issued by recognized municipal bond rating agencies and notice of  
34 changes in such ratings, and (v) long-term liabilities, including leases  
35 and employee benefit plans; (3) its mission statement and measurements  
36 including its most recent measurement report; (4) a schedule of its  
37 bonds and notes outstanding at the end of its fiscal year, together with  
38 a statement of the amounts redeemed and incurred during such fiscal year  
39 as part of a schedule of debt issuance that includes the date of issuance,  
40 term, amount, interest rate and means of repayment. Additionally,  
41 the debt schedule shall also include all refinancings, calls,  
42 refundings, defeasements and interest rate exchange or other such agreements,  
43 and for any debt issued during the reporting year, the schedule  
44 shall also include a detailed list of costs of issuance for such debt;  
45 (5) a compensation schedule in addition to the report described in  
46 section twenty-eight hundred six of this title that shall include, by  
47 position, title and name of the person holding such position or title,  
48 the salary, compensation, allowance and/or benefits provided to any  
49 officer, director or employee in a decision making or managerial position  
50 of such authority whose salary is in excess of one hundred thousand  
51 dollars; [(5-a) biographical information, not including confidential  
52 personal information, for all directors and officers and employees for  
53 whom salary reporting is required under subparagraph five of this paragraph;]  
54 (6) the projects undertaken by such authority during the past  
55 year; (7) a listing and description[, in addition to the report required  
56 by paragraph a of subdivision three of section twenty-eight hundred

1 ninety-six of this article] of all real property of such authority  
2 having an estimated fair market value in excess of fifteen thousand  
3 dollars that the authority acquires or disposes of during such period.  
4 The report shall contain the price received or paid by the authority and  
5 the name of the purchaser, LESSEE, LESSOR or seller for all such proper-  
6 ty sold, LEASED or bought by the authority during such period; (8) such  
7 authority's code of ethics; (9) an assessment of the effectiveness of  
8 its internal control structure and procedures; (10) [a copy of the  
9 legislation that forms the statutory basis of the authority; (11) a  
10 description of the authority and its board structure, including (i)  
11 names of committees and committee members, (ii) lists of board meetings  
12 and attendance, (iii) descriptions of major authority units, subsid-  
13 iaries, (iv) number of employees, and (v) organizational chart; (12) its  
14 charter, if any, and by-laws; (13) a listing of material changes in  
15 operations and programs during the reporting year; (14) at a minimum a  
16 four-year financial plan, including (i) a current and projected capital  
17 budget, and (ii) an operating budget report, including an actual versus  
18 estimated budget, with an analysis and measurement of financial and  
19 operating performance; (15)] its board performance evaluations provided,  
20 however, that such evaluations shall not be subject to disclosure under  
21 article six of the public officers law; [(16)] (11) a description of the  
22 total amounts of assets, services or both assets and services bought or  
23 sold without competitive bidding, including (i) the nature of those  
24 assets and services, (ii) the names of the counterparties, and (iii)  
25 where the contract price for assets purchased exceeds fair market value,  
26 or where the contract price for assets sold is less than fair market  
27 value, a detailed explanation of the justification for making the  
28 purchase or sale without competitive bidding, and a certification by the  
29 chief executive officer and chief financial officer of the public  
30 authority that they have reviewed the terms of such purchase or sale and  
31 determined that it complies with applicable law and procurement guide-  
32 lines; and [(17)] (12) a description of any material pending litigation  
33 in which the authority is involved as a party during the reporting year,  
34 except that no provider of medical services need disclose information  
35 about pending malpractice claims beyond the existence of such claims.

36 (b) Each local authority shall make accessible to the public, via its  
37 official or shared internet web site, (1) documentation pertaining to  
38 its mission[,] AND current activities[,]; (2) ITS most recent annual  
39 REPORT AND financial [reports] STATEMENTS, AND current [year] budget  
40 [and] REPORTS; (3) its most recent independent audit report AND ANY  
41 OTHER REPORT PROVIDED TO THE AUTHORITIES BUDGET OFFICE unless such  
42 information is covered by subdivision two of section eighty-seven of the  
43 public officers law; (4) BIOGRAPHICAL INFORMATION, NOT INCLUDING CONFID-  
44 ENTIAL PERSONAL INFORMATION, PERTAINING TO THE PROFESSIONAL QUALIFICA-  
45 TIONS AND EXPERTISE FOR ALL DIRECTORS AND OFFICERS; (5) A COPY OF THE  
46 LEGISLATION THAT FORMS THE STATUTORY BASIS OF THE AUTHORITY; (6) A  
47 DESCRIPTION OF THE AUTHORITY AND ITS BOARD STRUCTURE, INCLUDING (I)  
48 NAMES OF COMMITTEES AND COMMITTEE MEMBERS, (II) MINUTES OF BOARD MEET-  
49 INGS, (III) DESCRIPTIONS OF MAJOR AUTHORITY UNITS AND SUBSIDIARIES, (IV)  
50 NUMBER OF EMPLOYEES AND STAFF; (7) AN ORGANIZATION CHART; (8) ITS CHAR-  
51 TER, IF ANY, AND A COPY OF ITS CURRENT BY-LAWS; AND (9) A LISTING OF  
52 MATERIAL CHANGES IN OPERATIONS AND PROGRAMS DURING THE REPORTING YEAR.

53 S. 2. Subdivision 4 of section 2800 of the public authorities law, as  
54 added by chapter 506 of the laws of 2009, is amended to read as follows:

55 4. The authorities budget office may, upon application of any authori-  
56 ty, waive any requirements of this section upon a showing that the

1 authority meets the criteria for such a waiver established by regu-  
2 lations of the authorities budget office. Such regulations shall provide  
3 for consideration of: (a) the number of employees of the authority; (b)  
4 the annual budget of the authority; (c) the ability of the authority to  
5 prepare the required reports using existing staff; and (d) such other  
6 factors as the authorities budget office deems to reflect the relevance  
7 of the required disclosures to evaluation of an authority's effective  
8 operation, and the burden such disclosures place on an authority. A  
9 WAIVER GRANTED PURSUANT TO THIS SUBDIVISION SHALL NOT APPLY TO THE  
10 FILING REQUIREMENT IMPOSED ON AN INDUSTRIAL DEVELOPMENT AGENCY BY  
11 SECTION EIGHT HUNDRED FIFTY-NINE OF THE GENERAL MUNICIPAL LAW OR TO ANY  
12 OTHER REQUIREMENT THAT A STATE OR LOCAL AUTHORITY FILE OR SUBMIT DOCU-  
13 MENTS OR INFORMATION TO THE STATE COMPTROLLER. Each waiver granted  
14 pursuant to this subdivision shall be disclosed in the reports of such  
15 office issued pursuant to section seven of this chapter.

16 S 3. Subdivision 3 of section 2801 of the public authorities law is  
17 REPEALED and subdivisions 1 and 2, as amended by chapter 506 of the laws  
18 of 2009, are amended to read as follows:

19 1. State authorities. Every state authority or commission heretofore  
20 or hereafter continued or created by this chapter or any other chapter  
21 of the laws of the state of New York shall submit to the governor, the  
22 chair and ranking minority member of the senate finance committee, the  
23 chair and ranking minority member of the assembly ways and means commit-  
24 tee, THE STATE COMPTROLLER and the authorities budget office, for their  
25 information, annually [not more than one hundred twenty days and] not  
26 less than [ninety] THIRTY days before the commencement of its fiscal  
27 year, in the form submitted to its members or trustees, budget informa-  
28 tion on operations and capital construction setting forth the estimated  
29 receipts and expenditures for the next fiscal year and the current  
30 fiscal year, and the actual receipts and expenditures for the last  
31 completed fiscal year.

32 2. Local authorities. For the local authority fiscal year ending on or  
33 after December thirty-first, two thousand seven and annually thereafter,  
34 every local authority heretofore or hereafter continued or created by  
35 this chapter or any other chapter of the laws of the state of New York  
36 shall submit to the chief executive officer, the chief fiscal officer,  
37 the chairperson of the legislative body of the local government or  
38 governments, THE STATE COMPTROLLER and the authorities budget office for  
39 their information, annually [not more than ninety days and not less than  
40 sixty] THIRTY days before the commencement of its fiscal year, in the  
41 form submitted to its members or trustees, budget information on oper-  
42 ations and capital construction setting forth the estimated receipts and  
43 expenditures for the next fiscal year and the current fiscal year, and  
44 the actual receipts and expenditures for the last completed fiscal year.

45 S 4. Intentionally omitted.

46 S 5. The opening paragraph of subdivision 2 of section 2825 of the  
47 public authorities law, as amended by chapter 174 of the laws of 2010,  
48 is amended to read as follows:

49 Except for members who serve as members by virtue of holding a civil  
50 office of the state OR LOCAL GOVERNMENT, the majority of the remaining  
51 members of the governing body of every state or local authority shall be  
52 independent members; provided, however, that this provision shall apply  
53 to appointments made on or after the effective date of chapter seven  
54 hundred sixty-six of the laws of two thousand five which added this  
55 subdivision. The official or officials having the authority to appoint  
56 or remove such remaining members shall take such actions as may be

1 necessary to satisfy this requirement and further, shall consider the  
2 prospective diversity of the members of a state authority when making  
3 their determinations to appoint any member. For the purposes of this  
4 section, an independent member is one who:

5 S 6. The opening paragraph of subdivision 6 of section 2827-a of the  
6 public authorities law, as added by chapter 506 of the laws of 2009, is  
7 amended to read as follows:

8 On or before the first day of January, two thousand eleven, and annu-  
9 ally on such day thereafter, any subsidiary public benefit corporation,  
10 in cooperation with its parent public benefit corporation, shall provide  
11 to THE STATE COMPTROLLER, the chair and ranking minority member of the  
12 senate finance committee, the chair and ranking minority member of the  
13 assembly ways and means committee, and each chair and ranking member of  
14 the assembly and senate committees on corporations, authorities and  
15 commissions a report on the subsidiary public benefit corporation. Such  
16 report shall include for each subsidiary:

17 S 7. Paragraph (a) of subdivision 8 of section 2879 of the public  
18 authorities law, as amended by chapter 844 of the laws of 1992, is  
19 amended to read as follows:

20 (a) Each corporation shall [annually] submit WITHIN NINETY DAYS OF THE  
21 END OF ITS FISCAL YEAR its report on procurement contracts to the divi-  
22 sion of the budget and copies thereof to the department of audit and  
23 control, the department of economic development, the senate finance  
24 committee and the assembly ways and means committee.

25 S 8. Subdivision 3 of section 2896 of the public authorities law, as  
26 amended by chapter 506 of the laws of 2009, is amended to read as  
27 follows:

28 3. a. Each public authority shall [publish, not less frequently than  
29 annually] PREPARE WITHIN NINETY DAYS OF THE END OF ITS FISCAL YEAR AS  
30 PART OF THE ANNUAL REPORT PURSUANT TO SECTION TWENTY-EIGHT HUNDRED OF  
31 THIS ARTICLE, a report listing all real property of the public authori-  
32 ty. Such report shall include a list and full description of all real  
33 and personal property disposed of during such period. The report shall  
34 contain the price received by the public authority and the name of the  
35 purchaser for all such property sold by the public authority during such  
36 period.

37 b. The public authority shall deliver copies of such report to the  
38 comptroller, the director of the budget, the commissioner of general  
39 services, the legislature and the authorities budget office.

40 S 9. Paragraphs (a) and (b) of subdivision 7 of section 2925 of the  
41 public authorities law, as added by chapter 838 of the laws of 1983, are  
42 amended to read as follows:

43 (a) Each corporation, a majority of the members of which consist of  
44 persons appointed by the governor or who serve as members by virtue of  
45 holding a civil office of the state, or a combination thereof, shall  
46 [annually] submit WITHIN NINETY DAYS OF THE END OF ITS FISCAL YEAR its  
47 investment report to the division of the budget and copies thereof to  
48 the department of audit and control, the senate finance committee and  
49 the assembly ways and means committee.

50 (b) Each corporation, other than a corporation included under para-  
51 graph (a) of this subdivision, shall [annually] submit WITHIN NINETY  
52 DAYS OF THE END OF ITS FISCAL YEAR its investment report to the chief  
53 executive officer and chief fiscal officer of each municipality for the  
54 benefit of which it was created and to the department of audit and  
55 control.

1 S 10. Subdivision 2 of section 561-a of the general municipal law, as  
2 added by chapter 681 of the laws of 1963, is amended to read as follows:

3 2. Within [sixty] NINETY days after the close of the fiscal year, an  
4 agency shall submit an annual report of its financial condition to the  
5 commissioner and to the state comptroller. The report shall be in such  
6 form as the comptroller shall require. The commissioner or the comp-  
7 troller may require additional information from the agency or any offi-  
8 cer thereof at any time.

9 S 11. Section 859 of the general municipal law, as added by chapter  
10 692 of the laws of 1989, paragraph (b) and the opening paragraph and  
11 subparagraph (v) of paragraph (e) of subdivision 1 as amended by chapter  
12 357 of the laws of 1993, paragraph (e) of subdivision 1 and subdivision  
13 3 as added and subdivision 2 as amended by chapter 356 of the laws of  
14 1993 and paragraph (f) of subdivision 1 as added by section 28 of part  
15 A3 of chapter 62 of the laws of 2003, is amended to read as follows:

16 S 859. Financial records. 1. (a) Each agency shall maintain books and  
17 records in such form as may be prescribed by the state comptroller.

18 (b) Within ninety days following the close of its fiscal year, each  
19 agency or authority shall prepare a financial statement for that fiscal  
20 year in such form as may be prescribed by the state comptroller. Such  
21 statement shall be audited within such ninety day period by an independ-  
22 ent certified public accountant in accordance with government accounting  
23 standards established by the United States general accounting office.  
24 The audited financial statement shall include supplemental schedules  
25 listing all straight-lease transactions and bonds and notes issued,  
26 outstanding or retired during the applicable accounting period whether  
27 or not such bonds, notes or transactions are considered obligations of  
28 the agency. For each issue of bonds or notes such schedules shall  
29 provide the name of each project financed with proceeds of each issue,  
30 and whether the project occupant is a not-for-profit corporation, the  
31 name and address of each owner of each project, the estimated amount of  
32 tax exemptions authorized for each project, the purpose for which each  
33 bond or note was issued, date of issue, interest rate at issuance and if  
34 variable the range of interest rates applicable, maturity date, federal  
35 tax status of each issue, and an estimate of the number of jobs created  
36 and retained by each project. For each straight-lease transaction, such  
37 schedules shall provide the name of each project, and whether the  
38 project occupant is a not-for-profit corporation, the name and address  
39 of each owner of each project, the estimated amount of tax exemptions  
40 authorized for each project, the purpose for which each transaction was  
41 made, the method of financial assistance utilized by the project, other  
42 than the tax exemptions claimed by the project and an estimate of the  
43 number of jobs created and retained by each project.

44 (c) Within [thirty] NINETY days after [completion] THE END OF THE  
45 FISCAL YEAR, a copy of the audited financial statement shall be trans-  
46 mitted to the commissioner of the department of economic development,  
47 the state comptroller and the governing body of the municipality for  
48 whose benefit the agency was created.

49 (d) An agency, OTHER THAN AN AGENCY THAT CEASES TO EXIST PURSUANT TO  
50 SECTION EIGHT HUNDRED EIGHTY-TWO OF THIS TITLE, with no bonds or notes  
51 issued or outstanding and no projects during the applicable accounting  
52 period may apply to the state comptroller for a waiver of the required  
53 audited financial statement. Application shall be made on such form as  
54 the comptroller may prescribe. A WAIVER GRANTED PURSUANT TO THIS PARA-  
55 GRAPH SHALL NOT APPLY TO ANY FILING REQUIREMENT IMPOSED ON AN AGENCY BY

1 OR PURSUANT TO SECTION TWENTY-EIGHT HUNDRED OF THE PUBLIC AUTHORITIES  
2 LAW.

3 (e) If an agency or authority shall fail to file or substantially  
4 complete, as determined by the state comptroller, the financial state-  
5 ment required by this section, the state comptroller shall provide  
6 notice to the agency or authority. The notice shall state the following:

7 (i) that the failure to file a financial statement as required is a  
8 violation of this section, or in the case of an insufficient financial  
9 statement, the manner in which the financial statement submitted is  
10 deficient;

11 (ii) that the agency or authority has thirty days to comply with this  
12 section or provide an adequate written explanation to the comptroller of  
13 the agency's or authority's reasons for the inability to comply; and

14 (iii) that the agency's or authority's failure to provide either the  
15 required financial statement or an adequate explanation will result in  
16 the notification of the chief executive officer of the municipality for  
17 whose benefit the agency or authority was created of the agency's  
18 noncompliance with this section. Where such agency or authority has  
19 failed to file the required statement, the comptroller shall addi-  
20 tionally notify the agency or authority that continued failure to file  
21 the required statement may result in loss of the agency's or authority's  
22 authority to provide exemptions from state taxes.

23 (iv) If an agency or authority after thirty days has failed to file  
24 the required statement or the explanation in the manner required by  
25 subparagraph (i) of this paragraph, or provides an insufficient explana-  
26 tion, the comptroller shall notify the chief executive officer of the  
27 municipality for whose benefit the agency or authority was created and  
28 the agency of the agency's or authority's noncompliance with this  
29 section. Such notice from the state comptroller shall further delineate  
30 in what respect the agency or authority has failed to comply with this  
31 section. If the agency or authority has failed to file the required  
32 statement, the notice shall additionally state that continued failure to  
33 file the required statement may result in loss of the agency's or  
34 authority's authority to provide exemptions from state taxes.

35 (v) If, thirty days after notification of the chief executive officer  
36 of the municipality for whose benefit the agency or authority was  
37 created of the agency's or authority's noncompliance, the agency or  
38 authority fails to file the required statement, the comptroller shall  
39 notify the chief executive officer of the municipality for whose benefit  
40 that agency or authority was created and the agency or authority that if  
41 such report is not provided within sixty days, that the agency or  
42 authority will no longer be authorized to provide exemptions from state  
43 taxes.

44 (vi) If, sixty days after the notification required by subparagraph  
45 (v) of this paragraph, the comptroller has not received the required  
46 statement, the agency or authority shall not offer financial assistance  
47 which provides exemptions from state taxes until such financial state-  
48 ment is filed and the comptroller shall so notify the agency or authori-  
49 ty and the chief executive officer of the municipality for whose benefit  
50 the agency was created. Provided, however, that nothing contained in  
51 this paragraph shall be deemed to modify the terms of any existing  
52 agreements.

53 (f) Within thirty days after completion, a copy of an audited finan-  
54 cial statement which contains transactions of or bonds or notes of civic  
55 facilities as defined in paragraph (b) of THE FORMER subdivision thir-  
56 teen of section eight hundred fifty-four of this article, shall be tran-



1 submitted by the agency to the commissioner of health, the chair of the  
2 senate finance committee, the chair of the assembly ways and means  
3 committee, the chair of the senate health committee and the chair of the  
4 assembly health committee.

5 2. On or before September first of each year, the commissioner of the  
6 department of economic development shall prepare and submit to the  
7 governor, speaker of the assembly, majority leader of the senate, and  
8 the state comptroller, a report setting forth a summary of the signif-  
9 icant trends in operations and financing by agencies and authorities;  
10 departures from acceptable practices by agencies and authorities; a  
11 compilation by type of the bonds and notes outstanding; a compilation of  
12 all outstanding straight-lease transactions; an estimate of the total  
13 number of jobs created and retained by agency or authority projects; and  
14 any other information which in the opinion of the commissioner bears  
15 upon the discharge of the statutory functions of agencies and authori-  
16 ties.

17 3. On or before April first, nineteen hundred ninety-six, the commis-  
18 sioner shall submit to the director of the division of the budget, the  
19 temporary president of the senate, the speaker of the assembly, the  
20 chairman of the senate finance committee, the chairman of the assembly  
21 ways and means committee, the chairman of the senate local government  
22 committee, the chairman of the senate committee on commerce, economic  
23 development and small business, the chairman of the assembly committee  
24 on commerce, industry and economic development, the chairman of the  
25 assembly local governments committee [and], the chairman of the assembly  
26 real property taxation committee, THE CHAIR OF THE SENATE COMMITTEE ON  
27 CORPORATIONS, AUTHORITIES AND COMMISSIONS, AND THE CHAIR OF THE ASSEMBLY  
28 COMMITTEE ON CORPORATIONS, AUTHORITIES AND COMMISSIONS an evaluation of  
29 the activities of industrial development agencies and authorities in the  
30 state prepared by an entity independent of the department. Such evalu-  
31 ation shall identify the effect of agencies and authorities on: (a) job  
32 creation and retention in the state, including the types of jobs created  
33 and retained; (b) the value of tax exemptions provided by such agencies  
34 and authorities; (c) the value of payments received in lieu of taxes  
35 received by municipalities and school districts as a result of projects  
36 sponsored by such entities; (d) a summary of the types of projects that  
37 received financial assistance; (e) a summary of the types of financial  
38 assistance provided by the agencies and authorities; (f) a summary of  
39 criteria for evaluation of projects used by agencies and authorities;  
40 (g) a summary of tax exemption policies of agencies and authorities; and  
41 (h) such other factors as may be relevant to an assessment of the  
42 performance of such agencies and authorities in creating and retaining  
43 job opportunities for residents of the state. Such evaluation shall also  
44 assess the process by which agencies and authorities grant exemptions  
45 from state taxes and make recommendations for the most efficient and  
46 effective procedures for the use of such exemptions. Such evaluation  
47 shall further include any recommendations for changes in laws governing  
48 the operations of industrial development agencies and authorities which  
49 would enhance the creation and retention of jobs in the state.

50 S 12. This act shall take effect immediately.