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I N   S E N A T E

January 29, 2014

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Introduced by Sen. DeFRANCISCO -- read twice and ordered printed, and  
when printed to be committed to the Committee on Finance

AN ACT to amend the state finance law, in relation to the payment of  
interest due to not-for-profit organizations and public benefit corpo-  
rations

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

1     Section 1. Subdivision 2 of section 179-v of the state finance law, as  
2     added by chapter 166 of the laws of 1991, is amended to read as follows:  
3     2. Such organizations shall receive such interest payments WITHIN  
4     THIRTY DAYS OF THE DATE THE PAYMENT OR PAYMENTS REQUIRED UNDER THE  
5     CONTRACT ARE MADE TO ANY SUCH ORGANIZATION; PROVIDED, HOWEVER, IF MONIES  
6     FROM ANY APPROPRIATION OR APPROPRIATIONS AS DESCRIBED IN SUBDIVISION  
7     THREE OF THIS SECTION ARE NOT AVAILABLE FOR THE PAYMENT OF SUCH INTER-  
8     EST, SUCH PAYMENT SHALL BE MADE IMMEDIATELY AFTER SUCH MONIES BECOME  
9     AVAILABLE. SUCH INTEREST PAYMENTS SHALL BE MADE at a rate equal to the  
10    rate set by the commissioner of taxation and finance for corporate taxes  
11    pursuant to paragraph one of subsection (e) of section one thousand  
12    ninety-six of the tax law. In order for a state agency to approve  
13    reimbursement of a not-for-profit organization OR PUBLIC BENEFIT CORPO-  
14    RATION at a rate other than the interest rate stated in this section the  
15    not-for-profit organization shall submit documentation indicating the  
16    rate at which such funds were borrowed, the lender of such funds and any  
17    other information requested by the state agency, attorney general or the  
18    comptroller. The comptroller may disallow such portions of the interest  
19    that the comptroller deems unreasonable.  
20    S 2. This act shall take effect immediately.

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

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