STATE OF NEW YORK

5842

2025-2026 Regular Sessions

IN ASSEMBLY

February 24, 2025

Introduced by M. of A. TAPIA -- read once and referred to the Committee on Ways and Means

AN ACT to amend the state finance law, in relation to establishing the New York state infrastructure bank

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

Section 1. The state finance law is amended by adding a new article 17 to read as follows:

ARTICLE 17

NEW YORK STATE INFRASTRUCTURE BANK

Section 300. Short title.
301. Definitions.
302. New York state infrastructure bank created.
303. Board and executive committee.
304. Powers and duties.
305. Infrastructure projects; eligibility and assistance.
306. Exemption from taxation.
307. Compliance.
308. Effect of bonds.
309. Reports.
310. Appropriation.
311. Severability.

§ 300. Short title. This article shall be known and may be cited as the "New York state infrastructure bank act".

§ 301. Definitions. For the purposes of this article, the following terms shall have the following meanings:

1. "Applicant" means any person, corporation, partnership, state or local governmental entity, or other entity applying to the bank for financial assistance authorized under this article.

2. "Bank" means the New York state infrastructure bank created pursuant to section three hundred two of this article.

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

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3. "Board" means the board of directors established pursuant to section three hundred three of this article.

4. "Director" or "member" means a member of the board of directors.

5. "Infrastructure project" means a project to construct or improve any of the following systems: wastewater treatment; storm water management; solid waste disposal; drinking water treatment; flood control levees; energy efficiency enhancements; roads, streets, and bridges; transportation infrastructure, including freight and passenger rail and public transit; broadband and telecommunications infrastructure; outdoor recreation and habitat protection facilities; community, social service, or public safety facilities; schools and educational facilities; or affordable housing.

§ 302. New York state infrastructure bank created. There is hereby created the New York state infrastructure bank. The bank shall be a corporate governmental agency constituting a public benefit corporation and an instrumentality of the state.

§ 303. Board and executive committee. 1. The bank shall be governed by a board of directors consisting of five members representing different regions of the state. The members of the board shall be appointed by the governor from a list agreed to by the senate and assembly. Of such members, two shall have public sector experience, and three shall have private sector experience. The head of the board shall be a chairperson of the board, who shall be appointed by a majority vote of the members. The chairperson shall be the chief executive officer of the bank, with such executive functions, powers and duties as may be prescribed by this article, the bylaws of the bank or the board.

2. Members of the board shall serve staggered six-year terms, provided, however, that the governor shall have the authority to determine separate durations of initial terms for members initially appointed to the board to ensure that such terms are staggered in accordance with this subdivision. Such initial appointments shall be made on or before the effective date of this article.

3. No director shall participate in any review or decision affecting a project under consideration for assistance under this article if such director has, or is affiliated with any person who has, an interest in such project.

4. The board shall initially meet no later than ninety days after the effective date of this section, and thereafter shall meet at the call of the chairperson of the board.

5. The chairperson of the board, shall appoint, remove, fix the compensation of and define the duties of qualified personnel to serve under the board, including a chief risk officer, chief compliance officer, executive committee, risk management committee or audit committee.

6. (a) The board shall appoint an executive committee consisting of nine members, headed by the chairperson of the board, and shall have the powers appointed to such executive committee by the board, consistent with this article. The executive director and each of the other officers appointed to the executive committee shall have demonstrated experience and expertise in one or more of the following:

(i) transportation infrastructure;

(ii) environmental infrastructure;

(iii) energy infrastructure;

(iv) telecommunications infrastructure;

(v) economic development;

(vi) workforce development;

(vii) public health; or

(viii) private or public finance.

(b) The executive officers appointed pursuant to paragraph (a) of this subdivision shall not: (i) hold any other public office; (ii) have any interest in an infrastructure project considered by the board; (iii) have any interest in an investment institution, commercial bank or other entity seeking financial assistance for any infrastructure project from the bank; or (iv) have any such interest during the two year period beginning on the date such executive officer ceases to serve in such capacity.

§ 304. Powers and duties. The bank shall be responsible for monitoring and overseeing infrastructure projects in the state, and shall establish criteria for determining project eligibility for financial assistance under this article and shall have the following powers:

1. to issue public bonds and provide direct subsidies to infrastructure projects;

2. to borrow on the global capital market and lend to entities and commercial banks for funding infrastructure projects;

3. to purchase, pool and sell infrastructure-related loans and securities on such market; and

4. to request the assistance, on a reimbursable basis, of personnel from any state agencies with specific expertise not available from within the bank or elsewhere. The head of any state agency may assign, on a reimbursable basis, any personnel of such agency requested by the board and shall not unreasonably refuse the assistance of any personnel requested by the board.

§ 305. Infrastructure projects; eligibility and assistance. 1. Financial assistance shall be available from the bank to applicants that have demonstrated to the satisfaction of the board that the project for which such assistance is being sought meets:

(a) the requirements of this article; and

(b) any criteria established in accordance with this article by the board.

2. The bank shall conduct an analysis that takes into account the economic, environmental, social benefits and costs of each project under consideration for financial assistance, prioritizing projects that contribute to economic growth, lead to job creation and are of regional or local significance.

3. The criteria established by the board shall provide for the consideration of the following factors in considering eligibility for financial assistance:

(a) the means by which development of the infrastructure project under consideration is being financed, including the terms and conditions and financial structure of the proposed financing, and the financial assumptions and projections on which the project is based;

(b) the likelihood that the provision of assistance by the bank will cause such development to proceed more promptly and with lower costs for financing than would be the case without such assistance;

(c) job creation, including workforce development for women and minorities, responsible employment practices, and quality job training opportunities;

(d) potential reduction in carbon emissions;

(e) potential reduction in surface and air traffic congestion;

(f) smart growth in urban areas;

(g) poverty and inequality reduction through targeted training and employment opportunities for low-income workers;

(h) use of smart tolling, such as vehicle miles traveled, for highway, road, and bridge projects;
(i) public health benefit;
(j) pollution reductions;
(k) environmental justice;
(l) expanded use of renewable energy, including, but not limited to hydroelectric, solar, wind and waste-to-energy;
(m) smart grid development;
(n) energy efficient building, housing, school modernization and weatherization;
(o) improvement of public housing or other public space;
(p) mobility improvements for residents; and
(q) expansion or improvement of broadband and wireless services in underserved communities.

4. The board shall conduct assessments of the criteria under subdivision three of this section with qualified personnel including from relevant state agencies.

5. A fee may be charged for the review of any project proposal in such amount as may be considered appropriate by the executive committee to cover the cost of such review.

6. Any determination of the board to provide assistance to any project, and the manner in which such assistance is provided, including the terms, conditions, fees and charges shall be at the sole discretion of the board.

7. The provision of assistance by the board in accordance with this article shall not be deemed to relieve any recipient of assistance or the related project of any obligation to obtain required, state, local and federal permit and approvals.

8. An entity receiving assistance from the board shall make annual reports to the board on the use of any such assistance, criteria set forth in this section and a disclosure of all entities with a development, ownership or operational interest in a project assisted or proposed to be assisted by the bank.

9. To carry out the purposes of the bank, the bank shall establish disclosure and application procedures for applicants; accept, for consideration, project proposals relating to the development of infrastructure projects, which meet the basic criteria established by the board, and which are submitted by an applicant; provide recommendations to the board and place accepted project proposals on the list for consideration for financial assistance from the board; provide technical assistance to entities receiving financing from the bank and otherwise implement decisions of the board.

§ 306. Exemption from taxation. All notes, debentures, bonds or other such obligations issued by the bank, and the interest on or credits with respect to such bonds or other obligations, shall not be subject to taxation by any state, county, municipality or local taxing authority.

§ 307. Compliance. The bank shall comply with all federal and state laws regulating budgetary and auditing and ethics practices of a government corporation.

§ 308. Effect of bonds. Bonds issued by the bank shall not constitute a debt or a pledge of the full faith and credit of the state, or any of its political subdivisions other than the bank, but shall be payable solely from the revenue, money, or property of the bank as provided in this chapter. The bonds issued shall not constitute an indebtedness of the state within the meaning of any constitutional or statutory limitation. No member of the bank or any person executing bonds of the bank

shall be liable personally on the bonds by reason of their issuance or execution. Each bond issued under this article shall contain on its face a statement to the effect that: "neither the state, nor any of its political subdivisions, nor the bank is obligated to pay the principal of or interest on the bond or other costs incident to the bond except from the revenue, money, or property of the bank pledged; neither the full faith and credit nor the taxing power of the state, or any of its political subdivisions, is pledged to the payment of the principal of or interest on the bond; the bank does not have taxing power".

§ 309. Reports. The board shall submit to the governor, the temporary president of the senate and the speaker of the assembly, within ninety days after the last day of each fiscal year, a complete and detailed report with respect to the preceding fiscal year.

§ 310. Appropriation. No bond or other instrument shall be issued by the bank until sufficient appropriation has been made therefor by the legislature.

§ 311. Severability. If any clause, sentence, paragraph, subdivision, section or part of this article shall be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part of this article directly involved in the controversy in which such judgment shall have been rendered.

§ 2. This act shall take effect one year after it shall have become a law. 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 to be made and completed on or before such effective date.