

2819

2009-2010 Regular Sessions

I N A S S E M B L Y

January 21, 2009

Introduced by M. of A. SCHIMMINGER, V. LOPEZ, HOOPER, MORELLE, GREENE, MILLMAN, CANESTRARI, DelMONTE, SCHROEDER, COLTON -- Multi-Sponsored by -- M. of A. CAHILL, DESTITO, FARRELL, JOHN, KOON, MARKEY, PAULIN, PERRY, PHEFFER -- read once and referred to the Committee on Ways and Means

AN ACT to amend the state finance law, in relation to including eligible businesses located in certain areas designated pursuant to the federal Community Renewal Tax Relief Act of 2000 in the state's Excelsior Linked Deposit Act loan program

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

1 Section 1. Section 213 of the state finance law is amended by adding
2 four new subdivisions 12-a, 12-b, 22 and 23 to read as follows:
3 12-A. "EMPOWERMENT ZONE" MEANS AN AREA WITHIN THE STATE THAT HAS BEEN
4 DESIGNATED BY SUCH TERM PURSUANT TO SECTION 1391 OF THE FEDERAL INTERNAL
5 REVENUE CODE (26 UNITED STATES CODE S 1391) UNDER THE FEDERAL COMMUNITY
6 RENEWAL TAX RELIEF ACT OF 2000.
7 12-B. "ENTERPRISE COMMUNITY" MEANS AN AREA WITHIN THE STATE THAT HAS
8 BEEN DESIGNATED BY SUCH TERM PURSUANT TO SECTION 1391 OF THE FEDERAL
9 INTERNAL REVENUE CODE (26 UNITED STATES CODE S 1391) UNDER THE FEDERAL
10 COMMUNITY RENEWAL TAX RELIEF ACT OF 2000.
11 22. "RENEWAL COMMUNITY" MEANS AN AREA WITHIN THE STATE THAT HAS BEEN
12 DESIGNATED BY SUCH TERM IN ACCORDANCE WITH SECTION 1400E OF THE FEDERAL
13 INTERNAL REVENUE CODE (26 UNITED STATES CODE S 1400E) UNDER THE FEDERAL
14 COMMUNITY RENEWAL TAX RELIEF ACT OF 2000.
15 23. "RENEWAL COMMUNITY BUSINESS" MEANS A BUSINESS THAT IS DESIGNATED
16 BY SUCH TERM PURSUANT TO SECTION 1400G OF THE FEDERAL INTERNAL REVENUE
17 CODE (26 UNITED STATES CODE S 1400G) UNDER THE FEDERAL COMMUNITY RENEWAL
18 TAX RELIEF ACT OF 2000.

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

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1 S 2. Subdivision 11 of section 213 of the state finance law is amended
2 by adding three new paragraphs (b-1), (b-2) and (b-3) to read as
3 follows:

4 (B-1) DURING THE WHOLE OR ANY PORTION OF A PERIOD IN WHICH AN AREA
5 CONTINUES TO BE DESIGNATED AS A RENEWAL COMMUNITY, ANY RENEWAL COMMUNITY
6 BUSINESS LOCATED IN SUCH AREA THAT EMPLOYS ONE HUNDRED OR FEWER EMPLOY-
7 EES WITHIN THE STATE ON A FULL-TIME BASIS; OR

8 (B-2) DURING THE WHOLE OR ANY PORTION OF A PERIOD IN WHICH AN AREA
9 CONTINUES TO BE DESIGNATED AS AN EMPOWERMENT ZONE, ANY BUSINESS LOCATED
10 IN SUCH AREA THAT EMPLOYS ONE HUNDRED OR FEWER EMPLOYEES WITHIN THE
11 STATE ON A FULL-TIME BASIS; OR

12 (B-3) DURING THE WHOLE OR ANY PORTION OF A PERIOD IN WHICH AN AREA
13 CONTINUES TO BE DESIGNATED AS AN ENTERPRISE COMMUNITY, ANY BUSINESS
14 LOCATED IN SUCH AREA THAT EMPLOYS ONE HUNDRED OR FEWER EMPLOYEES WITHIN
15 THE STATE ON A FULL-TIME BASIS; OR

16 S 3. Paragraph (c) of subdivision 12 of section 213 of the state
17 finance law, as added by chapter 705 of the laws of 1993 and as further
18 amended pursuant to section 15 of part GG of chapter 63 of the laws of
19 2000, is amended to read as follows:

20 (c) for certified businesses located in empire zones, [and] for retail
21 businesses located in highly distressed areas, FOR ELIGIBLE BUSINESSES
22 THAT ARE DEFINED IN PARAGRAPH (B-1) OF SUBDIVISION ELEVEN OF THIS
23 SECTION THAT ARE LOCATED IN A RENEWAL COMMUNITY, FOR ELIGIBLE BUSINESSES
24 THAT ARE DEFINED IN PARAGRAPH (B-2) OF SUBDIVISION ELEVEN OF THIS
25 SECTION THAT ARE LOCATED IN AN EMPOWERMENT ZONE, AND FOR ELIGIBLE BUSI-
26 NESSES THAT ARE DEFINED IN PARAGRAPH (B-3) OF SUBDIVISION ELEVEN OF THIS
27 SECTION THAT ARE LOCATED IN AN ENTERPRISE COMMUNITY, projects that will
28 create or retain full-time, permanent jobs within the empire zone OR
29 EMPOWERMENT ZONE OR ENTERPRISE COMMUNITY or highly distressed area OR
30 RENEWAL COMMUNITY, as the case may be; or

31 S 4. Paragraph (a) of subdivision 16 of section 213 of the state
32 finance law, as amended by chapter 291 of the laws of 2004, is amended
33 to read as follows:

34 (a) for a linked deposit made in connection with a linked loan to a
35 certified business in an empire zone or to an eligible business located
36 in a highly distressed area OR TO AN ELIGIBLE BUSINESS THAT IS DEFINED
37 IN PARAGRAPH (B-1) OF SUBDIVISION ELEVEN OF THIS SECTION THAT IS LOCATED
38 IN A RENEWAL COMMUNITY OR DEFINED IN PARAGRAPH (B-2) OF SUCH SUBDIVISION
39 THAT IS LOCATED IN AN EMPOWERMENT ZONE OR DEFINED IN PARAGRAPH (B-3) OF
40 SUCH SUBDIVISION THAT IS LOCATED IN AN ENTERPRISE COMMUNITY, RESPECTIVE-
41 LY FOR ELIGIBLE PROJECTS DEFINED IN PARAGRAPH (C) OF SUBDIVISION TWELVE
42 OF THIS SECTION or a certified minority- or women-owned business enter-
43 prise for an eligible project defined in paragraph (e) of subdivision
44 twelve of this section or to a defense industry manufacturer for a
45 project defined in paragraph (d) of subdivision twelve of this section,
46 a fixed rate of interest which is three hundred basis points below the
47 lender's posted four year certificate of deposit rate or, if the lender
48 does not offer a four year certificate of deposit, is three hundred
49 basis points below the average statewide rate for four year certificates
50 of deposit as determined by the commissioner of economic development;

51 S 5. Subdivision 1 of section 218 of the state finance law, as added
52 by chapter 705 of the laws of 1993 and as further amended pursuant to
53 section 15 of part GG of chapter 63 of the laws of 2000, is amended to
54 read as follows:

55 1. Linked loans made to certified businesses in empire zones or to
56 eligible businesses in highly distressed areas OR TO ELIGIBLE BUSINESSES

1 THAT ARE DEFINED IN PARAGRAPH (B-1) OF SUBDIVISION ELEVEN OF SECTION TWO
2 HUNDRED THIRTEEN OF THIS ARTICLE THAT ARE LOCATED IN A RENEWAL COMMUNITY
3 OR DEFINED IN PARAGRAPH (B-2) OF SUCH SUBDIVISION THAT ARE LOCATED IN AN
4 EMPOWERMENT ZONE OR DEFINED IN PARAGRAPH (B-3) OF SUCH SUBDIVISION THAT
5 ARE LOCATED IN AN ENTERPRISE COMMUNITY, RESPECTIVELY FOR ELIGIBLE
6 PROJECTS DEFINED IN PARAGRAPH (C) OF SUBDIVISION TWELVE OF SECTION TWO
7 HUNDRED THIRTEEN OF THIS ARTICLE or to [minority] MINORITY- or women-
8 owned business enterprises for an eligible project defined in paragraph
9 (e) of subdivision twelve of section two hundred thirteen of this arti-
10 cle or to a defense industry manufacturer for a project defined in para-
11 graph (d) of subdivision twelve of section two hundred thirteen of this
12 article shall bear interest at a fixed rate equal to three percentage
13 points below the fixed interest rate the lender would have charged for
14 the loan in the absence of a linked deposit based on its usual credit
15 considerations. All other linked loans shall bear interest at a fixed
16 rate equal to two percentage points below the fixed interest rate the
17 lender would have charged for the loan in the absence of a linked depos-
18 it based on its usual credit considerations. Lenders shall certify to
19 the commissioner of economic development that the rate to be charged on
20 a linked loan is two percentage points or three percentage points, as
21 the case may be, below the interest rate the lender would have charged
22 for the loan in the absence of a linked deposit.
23 S 6. This act shall take effect immediately.