S T A T E O F N E W Y O R K

3695

2009-2010 Regular Sessions

I N S E N A T E

March 27, 2009

Introduced by Sen. PERKINS -- (at request of the Dormitory Authority of the State of New York) -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to the powers and duties of the dormitory authority of the state of New York relative to the financing and construction for certain not-for-profit corporations and other not-for-profit entities

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

Section 1. Paragraph (b) of subdivision 2 of section 1676 of the public authorities law is amended by adding three new undesignated paragraphs to read as follows:

ANY ENTITY THAT IS: (I) QUALIFIED AS AN ORGANIZATION DESCRIBED IN SECTION 501 (C)(3) OF THE UNITED STATES INTERNAL REVENUE CODE AS EXEMPT FROM INCOME TAX; AND (II) AUTHORIZED TO CONDUCT ACTIVITIES IN THIS STATE FOR ANY OF THE PURPOSES FOR WHICH A NOT-FOR-PROFIT CORPORATION IS AUTHORIZED TO BE ESTABLISHED PURSUANT TO THE NOT-FOR-PROFIT CORPORATION LAW; PROVIDED HOWEVER, ANY DORMITORY FINANCED OR OTHERWISE PROVIDED BY THE AUTHORITY PURSUANT TO THIS PARAGRAPH SHALL BE LOCATED IN THE STATE OF NEW YORK.

ANY NOT-FOR-PROFIT CORPORATION, PUBLIC CORPORATION OR EDUCATION CORPORATION HAVING A CHARTER FROM THE BOARD OF REGENTS OF THE UNIVERSITY OF THE STATE OF NEW YORK AS A LIBRARY OR MUSEUM OR OTHER NON-INSTRUCTIONAL ENTITY.

ANY CORPORATION OR OTHER ENTITY CREATED UNDER THE LAWS OF THIS STATE ELIGIBLE FOR TAX-EXEMPT FINANCING UNDER THE UNITED STATES INTERNAL REVENUE CODE AND ORGANIZED FOR THE PRIMARY PURPOSE OF PROVIDING FACILITIES, EQUIPMENT, OR OTHER SUPPORT TO A NOT-FOR-PROFIT CORPORATION SUBJECT TO THE JURISDICTION OF, REGULATED BY, OR HAVING AN AGREEMENT

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

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WITH, AN OFFICE OF THE DEPARTMENT OF MENTAL HYGIENE RELATING TO SUCH FACILITIES.

S 2. Subdivision 2 of section 1676 of the public authorities law is amended by adding a new paragraph (h) to read as follows:

(H) IT SHALL ALSO INCLUDE EQUIPMENT OR INTELLECTUAL PROPERTY OR OTHER INTANGIBLE PROPERTY, ALL OR SUBSTANTIALLY ALL OF WHICH IS ELIGIBLE FOR TAX-EXEMPT FINANCING UNDER THE UNITED STATES INTERNAL REVENUE CODE.

S 3. Subdivision 1 of section 1680 of the public authorities law is amended by adding four new undesignated paragraphs to read as follows:

ANY ENTITY THAT IS: (1) QUALIFIED AS AN ORGANIZATION DESCRIBED IN SECTION 501 (C)(3) OF THE UNITED STATES INTERNAL REVENUE CODE AS EXEMPT FROM INCOME TAX; AND (2) AUTHORIZED TO CONDUCT ACTIVITIES IN THIS STATE FOR ANY OF THE PURPOSES FOR WHICH A NOT-FOR-PROFIT CORPORATION IS AUTHORIZED TO BE ESTABLISHED PURSUANT TO THE NOT-FOR-PROFIT CORPORATION LAW; PROVIDED HOWEVER, ANY DORMITORY FINANCED OR OTHERWISE PROVIDED BY THE AUTHORITY PURSUANT TO THIS PARAGRAPH SHALL BE LOCATED IN THE STATE OF NEW YORK; PROVIDED FURTHER, THAT IF THE PROCEEDS OF ANY LOAN SHALL BE USED FOR THE BENEFIT OF AN INSTITUTION ESTABLISHED UNDER ARTICLE TWENTY-EIGHT OF THE PUBLIC HEALTH LAW, NO LOAN SHALL BE MADE TO SUCH NOT-FOR-PROFIT CORPORATION UNTIL THE INSTITUTION SHALL HAVE COMPLIED WITH SUCH LAW AND REGULATIONS AS IF THE LOAN WERE BEING MADE DIRECTLY TO SUCH INSTITUTION; PROVIDED FURTHER, THAT:

(I) WITH RESPECT TO ANY FACILITY OR FACILITIES TO BE FINANCED, REFINANCED, ACQUIRED, DESIGNED, CONSTRUCTED, RECONSTRUCTED, REHABILITATED, IMPROVED, FURNISHED, OR EQUIPPED FOR ANY ENTITY REFERENCED IN SUBDIVISION (D) OF SECTION FOUR HUNDRED FOUR OF THE NOT-FOR-PROFIT CORPORATION LAW, THE FACILITY OR FACILITIES SHALL HAVE BEEN FIRST APPROVED BY THE COMMISSIONER OF EDUCATION;

(II) WITH RESPECT TO ANY FACILITY OR FACILITIES TO BE FINANCED, REFINANCED, ACQUIRED, DESIGNED, CONSTRUCTED, RECONSTRUCTED, REHABILITATED, IMPROVED, FURNISHED, OR EQUIPPED FOR ANY ENTITY REFERENCED IN SUBDIVISIONS (O) AND (P) OF SECTION FOUR HUNDRED FOUR OF THE NOT-FOR-PROFIT CORPORATION LAW, FACILITY OR FACILITIES SHALL HAVE BEEN FIRST APPROVED BY THE COMMISSIONER OF HEALTH;

(III) WITH RESPECT TO ANY FACILITY OR FACILITIES TO BE FINANCED, REFINANCED, ACQUIRED, DESIGNED, CONSTRUCTED, RECONSTRUCTED, REHABILITATED, IMPROVED, FURNISHED, OR EQUIPPED FOR ANY ENTITY REFERENCED IN SUBDIVISIONS (Q) AND (U) OF SECTION FOUR HUNDRED FOUR OF THE NOT-FOR-PROFIT CORPORATION LAW, THE FACILITY OR FACILITIES SHALL HAVE BEEN FIRST APPROVED BY THE DEPARTMENT OF MENTAL HYGIENE THAT WAS REQUIRED TO APPROVE THE ESTABLISHMENT OF SUCH CORPORATION;

(IV) WITH RESPECT TO ANY FACILITY OR FACILITIES TO BE FINANCED, REFINANCED, ACQUIRED, DESIGNED, CONSTRUCTED, RECONSTRUCTED, REHABILITATED, IMPROVED, FURNISHED, OR EQUIPPED FOR ANY ENTITY REFERENCED IN SUBDIVISION (B) OF SECTION FOUR HUNDRED FOUR OF THE NOT-FOR-PROFIT CORPORATION LAW, THE FACILITY OR FACILITIES SHALL HAVE BEEN FIRST APPROVED BY THE COMMISSIONER OF THE STATE AGENCY OR OFFICE THAT ASSUMED THE RESPONSIBILITIES OF THE COMMISSIONER OF SOCIAL SERVICES UNDER SECTION ONE HUNDRED TWENTY-TWO OF PART B OF CHAPTER FOUR HUNDRED THIRTY-SIX OF THE LAWS OF NINETEEN HUNDRED NINETY-SEVEN, AS THE SAME MAY BE AMENDED FROM TIME TO TIME, WITH RESPECT TO SUCH NOT-FOR-PROFIT CORPORATION.

ANY NOT-FOR-PROFIT CORPORATION, PUBLIC CORPORATION OR EDUCATION CORPORATION HAVING A CHARTER FROM THE BOARD OF REGENTS OF THE UNIVERSITY OF THE STATE OF NEW YORK AS A LIBRARY OR MUSEUM OR OTHER NON-INSTRUCTIONAL ENTITY. ANY FACILITY OR FACILITIES TO BE FINANCED, REFINANCED, ACQUIRED, DESIGNED, CONSTRUCTED, RECONSTRUCTED, REHABILITATED, IMPROVED, FURNISHED

OR EQUIPPED PURSUANT TO THIS PARAGRAPH SHALL HAVE BEEN FIRST APPROVED BY THE COMMISSIONER OF EDUCATION.

ANY CORPORATION OR OTHER ENTITY CREATED UNDER THE LAWS OF THIS STATE ELIGIBLE FOR TAX-EXEMPT FINANCING UNDER THE UNITED STATES INTERNAL REVENUE CODE AND ORGANIZED FOR THE PRIMARY PURPOSE OF PROVIDING FACILITIES, EQUIPMENT, OR OTHER SUPPORT TO A NOT-FOR-PROFIT CORPORATION SUBJECT TO THE JURISDICTION OF, REGULATED BY, OR HAVING AN AGREEMENT WITH, AN OFFICE OF THE DEPARTMENT OF MENTAL HYGIENE RELATING TO SUCH FACILITIES. ANY FACILITY OR FACILITIES TO BE FINANCED, REFINANCED, ACQUIRED, DESIGNED, CONSTRUCTED, RECONSTRUCTED, REHABILITATED, IMPROVED, FURNISHED, OR EQUIPPED PURSUANT TO THIS PARAGRAPH SHALL HAVE BEEN FIRST APPROVED BY THE DEPARTMENT OF MENTAL HYGIENE WHICH HAS JURISDICTION OF, REGULATES, OR HAS AN AGREEMENT WITH THE NOT-FOR-PROFIT CORPORATION FOR WHICH THE FACILITIES, EQUIPMENT OR OTHER SUPPORT IS BEING PROVIDED.

NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ANY CORPORATION OR OTHER ENTITY DEFINED AS AN "EDUCATIONAL INSTITUTION" PURSUANT TO ANY OF THE THREE PARAGRAPHS IMMEDIATELY PRECEDING THIS PARAGRAPH SHALL HAVE FULL POWER AND AUTHORITY TO ASSIGN AND PLEDGE TO THE DORMITORY AUTHORITY ANY AND ALL PUBLIC FUNDS TO BE APPORTIONED OR OTHERWISE MADE PAYABLE BY THE UNITED STATES, ANY AGENCY THEREOF, THE STATE, ANY AGENCY THEREOF, A POLITICAL SUBDIVISION, AS DEFINED IN SECTION ONE HUNDRED OF THE GENERAL MUNICIPAL LAW, ANY SOCIAL SERVICES DISTRICT IN THE STATE, OR ANY OTHER GOVERNMENTAL ENTITY IN AN AMOUNT SUFFICIENT TO MAKE ALL PAYMENTS REQUIRED TO BE MADE BY SUCH EDUCATIONAL INSTITUTION PURSUANT TO ANY LEASE, SUBLEASE, OR OTHER AGREEMENT ENTERED INTO BETWEEN SUCH EDUCATIONAL INSTITUTION AND THE DORMITORY AUTHORITY. ALL STATE AND LOCAL OFFICERS ARE HEREBY AUTHORIZED AND REQUIRED TO PAY ALL SUCH FUNDS SO ASSIGNED AND PLEDGED TO THE DORMITORY AUTHORITY OR, UPON THE DIRECTION OF THE DORMITORY AUTHORITY, TO ANY TRUSTEE OF ANY DORMITORY AUTHORITY BOND OR NOTE ISSUED, PURSUANT TO A CERTIFICATE FILED WITH ANY SUCH STATE OR LOCAL OFFICER BY THE DORMITORY AUTHORITY PURSUANT TO THE PROVISIONS OF THIS PARAGRAPH.

S 4. This act shall take effect on the ninetieth day after it shall have become a law.