

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:

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

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

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

16 ANY CORPORATION OR OTHER ENTITY CREATED UNDER THE LAWS OF THIS STATE  
17 ELIGIBLE FOR TAX-EXEMPT FINANCING UNDER THE UNITED STATES INTERNAL  
18 REVENUE CODE AND ORGANIZED FOR THE PRIMARY PURPOSE OF PROVIDING FACILI-  
19 TIES, EQUIPMENT, OR OTHER SUPPORT TO A NOT-FOR-PROFIT CORPORATION  
20 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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1 WITH, AN OFFICE OF THE DEPARTMENT OF MENTAL HYGIENE RELATING TO SUCH  
2 FACILITIES.

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

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

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

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

23 (I) WITH RESPECT TO ANY FACILITY OR FACILITIES TO BE FINANCED, REFI-  
24 NANCED, ACQUIRED, DESIGNED, CONSTRUCTED, RECONSTRUCTED, REHABILITATED,  
25 IMPROVED, FURNISHED, OR EQUIPPED FOR ANY ENTITY REFERENCED IN SUBDIVI-  
26 SION (D) OF SECTION FOUR HUNDRED FOUR OF THE NOT-FOR-PROFIT CORPORATION  
27 LAW, THE FACILITY OR FACILITIES SHALL HAVE BEEN FIRST APPROVED BY THE  
28 COMMISSIONER OF EDUCATION;

29 (II) WITH RESPECT TO ANY FACILITY OR FACILITIES TO BE FINANCED, REFI-  
30 NANCED, ACQUIRED, DESIGNED, CONSTRUCTED, RECONSTRUCTED, REHABILITATED,  
31 IMPROVED, FURNISHED, OR EQUIPPED FOR ANY ENTITY REFERENCED IN SUBDIVI-  
32 SIONS (O) AND (P) OF SECTION FOUR HUNDRED FOUR OF THE NOT-FOR-PROFIT  
33 CORPORATION LAW, FACILITY OR FACILITIES SHALL HAVE BEEN FIRST APPROVED  
34 BY THE COMMISSIONER OF HEALTH;

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

42 (IV) WITH RESPECT TO ANY FACILITY OR FACILITIES TO BE FINANCED, REFI-  
43 NANCED, ACQUIRED, DESIGNED, CONSTRUCTED, RECONSTRUCTED, REHABILITATED,  
44 IMPROVED, FURNISHED, OR EQUIPPED FOR ANY ENTITY REFERENCED IN SUBDIVI-  
45 SION (B) OF SECTION FOUR HUNDRED FOUR OF THE NOT-FOR-PROFIT CORPORATION  
46 LAW, THE FACILITY OR FACILITIES SHALL HAVE BEEN FIRST APPROVED BY THE  
47 COMMISSIONER OF THE STATE AGENCY OR OFFICE THAT ASSUMED THE RESPONSIBIL-  
48 ITIES OF THE COMMISSIONER OF SOCIAL SERVICES UNDER SECTION ONE HUNDRED  
49 TWENTY-TWO OF PART B OF CHAPTER FOUR HUNDRED THIRTY-SIX OF THE LAWS OF  
50 NINETEEN HUNDRED NINETY-SEVEN, AS THE SAME MAY BE AMENDED FROM TIME TO  
51 TIME, WITH RESPECT TO SUCH NOT-FOR-PROFIT CORPORATION.

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

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

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

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

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