

8575

2009-2010 Regular Sessions

I N A S S E M B L Y

May 28, 2009

Introduced by M. of A. BRODSKY -- (at request of the Dormitory Authority) -- read once and referred 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
21 WITH, AN OFFICE OF THE DEPARTMENT OF MENTAL HYGIENE RELATING TO SUCH
22 FACILITIES.

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

LBD09045-02-9

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

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

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

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

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

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

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

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

50 ANY NOT-FOR-PROFIT CORPORATION, PUBLIC CORPORATION OR EDUCATION CORPO-
51 RATION HAVING A CHARTER FROM THE BOARD OF REGENTS OF THE UNIVERSITY OF
52 THE STATE OF NEW YORK AS A LIBRARY OR MUSEUM OR OTHER NON-INSTRUCTIONAL
53 ENTITY. ANY FACILITY OR FACILITIES TO BE FINANCED, REFINANCED, ACQUIRED,
54 DESIGNED, CONSTRUCTED, RECONSTRUCTED, REHABILITATED, IMPROVED, FURNISHED
55 OR EQUIPPED PURSUANT TO THIS PARAGRAPH SHALL HAVE BEEN FIRST APPROVED BY
56 THE COMMISSIONER OF EDUCATION.

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

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

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