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

6312

2011-2012 Regular Sessions

I N A S S E M B L Y

March 14, 2011

Introduced by M. of A. BRENNAN, P. RIVERA -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, the not-for-profit corporation law and the general municipal law, in relation to borrowing by public authorities, not-for-profit corporations, and industrial development agencies

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

Section 1. The public authorities law is amended by adding a new section 2960-a to read as follows:

S 2960-A. LIMITATIONS ON BORROWING. NO PUBLIC AUTHORITY OR OFFICER THEREOF MAY TAKE ANY ACTION TO AUTHORIZE, APPROVE, ISSUE OR OTHERWISE FACILITATE THE ISSUANCE, MARKETING, SALE OR APPROVAL OF ANY BOND OR BORROWING WHOSE AGGREGATE AMOUNT EXCEEDS FIFTY MILLION DOLLARS UNLESS 1. THE PROJECTS PROJECTED JOB CREATION AND/OR INVESTMENT IN THE PROPOSED LOCATION OR LOCATIONS VERSUS THE TOTAL AMOUNT OF BENEFITS THE BUSINESS ENTERPRISE WILL POTENTIALLY RECEIVE SHALL BE A RATIO OF AT LEAST 20:1, THE NUMERATOR OF WHICH IS THE SUM OF (A) THE ESTIMATED VALUE OF ALL WAGES AND BENEFITS PAID TO ALL EXISTING AND PROJECTED EMPLOYEES OF THE BUSINESS ENTERPRISE AT THE LOCATION OR LOCATIONS AND (B) THE ESTIMATED VALUE OF CAPITAL INVESTMENTS FOR THE LOCATION OR LOCATIONS, AND THE DENOMINATOR OF WHICH IS THE ESTIMATED AMOUNT OF TOTAL BENEFITS THAT MAY BE USED BY THE BUSINESS ENTERPRISE; AND 2. THE COST OF CREATION OF PERMANENT NEW JOBS IS LESS THAN FIFTY THOUSAND DOLLARS.

S 2. Section 506 of the not-for-profit corporation law is amended by adding a new paragraph (e) to read as follows:

(E) LIMITATIONS ON BORROWING. NO NOT-FOR-PROFIT CORPORATION OR OFFICER THEREOF MAY TAKE ANY ACTION TO AUTHORIZE, APPROVE, ISSUE OR OTHERWISE FACILITATE THE ISSUANCE, MARKETING, SALE OR APPROVAL OF ANY BOND OR BORROWING WHOSE AGGREGATE AMOUNT EXCEEDS FIFTY MILLION DOLLARS UNLESS (1) THE PROJECTS PROJECTED JOB CREATION AND/OR INVESTMENT IN THE

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

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PROPOSED LOCATION OR LOCATIONS VERSUS THE TOTAL AMOUNT OF BENEFITS THE BUSINESS ENTERPRISE WILL POTENTIALLY RECEIVE SHALL BE A RATIO OF AT LEAST 20:1, THE NUMERATOR OF WHICH IS THE SUM OF (I) THE ESTIMATED VALUE OF ALL WAGES AND BENEFITS PAID TO ALL EXISTING AND PROJECTED EMPLOYEES OF THE BUSINESS ENTERPRISE AT THE LOCATION OR LOCATIONS AND (II) THE ESTIMATED VALUE OF CAPITAL INVESTMENTS FOR THE LOCATION OR LOCATIONS, AND THE DENOMINATOR OF WHICH IS THE ESTIMATED AMOUNT OF TOTAL BENEFITS THAT MAY BE USED BY THE BUSINESS ENTERPRISE; AND (2) THE COST OF CREATION OF PERMANENT NEW JOBS IS LESS THAN FIFTY THOUSAND DOLLARS.

S 3. The general municipal law is amended by adding a new section 858-c to read as follows:

S 858-C. LIMITATIONS ON BORROWING. NO INDUSTRIAL DEVELOPMENT AGENCY OR OFFICER THEREOF MAY TAKE ANY ACTION TO AUTHORIZE, APPROVE, ISSUE OR OTHERWISE FACILITATE THE ISSUANCE, MARKETING, SALE OR APPROVAL OF ANY BOND OR BORROWING WHOSE AGGREGATE AMOUNT EXCEEDS FIFTY MILLION DOLLARS UNLESS (1) THE PROJECTS PROJECTED JOB CREATION AND/OR INVESTMENT IN THE PROPOSED LOCATION OR LOCATIONS VERSUS THE TOTAL AMOUNT OF BENEFITS THE BUSINESS ENTERPRISE WILL POTENTIALLY RECEIVE SHALL BE A RATIO OF AT LEAST 20:1, THE NUMERATOR OF WHICH IS THE SUM OF (I) THE ESTIMATED VALUE OF ALL WAGES AND BENEFITS PAID TO ALL EXISTING AND PROJECTED EMPLOYEES OF THE BUSINESS ENTERPRISE AT THE LOCATION OR LOCATIONS AND (II) THE ESTIMATED VALUE OF CAPITAL INVESTMENTS FOR THE LOCATION OR LOCATIONS, AND THE DENOMINATOR OF WHICH IS THE ESTIMATED AMOUNT OF TOTAL BENEFITS THAT MAY BE USED BY THE BUSINESS ENTERPRISE; AND (2) THE COST OF CREATION OF PERMANENT NEW JOBS IS LESS THAN FIFTY THOUSAND DOLLARS.

S 4. This act shall take effect immediately.