

6482

I N S E N A T E

January 29, 2014

Introduced by Sen. DeFRANCISCO -- read twice and ordered printed, and
when printed to be committed to the Committee on Finance

AN ACT to amend the state finance law, in relation to the payment of
interest due to not-for-profit organizations and public benefit corpo-
rations

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

1 Section 1. Subdivision 2 of section 179-v of the state finance law, as
2 added by chapter 166 of the laws of 1991, is amended to read as follows:
3 2. Such organizations shall receive such interest payments WITHIN
4 THIRTY DAYS OF THE DATE THE PAYMENT OR PAYMENTS REQUIRED UNDER THE
5 CONTRACT ARE MADE TO ANY SUCH ORGANIZATION; PROVIDED, HOWEVER, IF MONIES
6 FROM ANY APPROPRIATION OR APPROPRIATIONS AS DESCRIBED IN SUBDIVISION
7 THREE OF THIS SECTION ARE NOT AVAILABLE FOR THE PAYMENT OF SUCH INTER-
8 EST, SUCH PAYMENT SHALL BE MADE IMMEDIATELY AFTER SUCH MONIES BECOME
9 AVAILABLE. SUCH INTEREST PAYMENTS SHALL BE MADE at a rate equal to the
10 rate set by the commissioner of taxation and finance for corporate taxes
11 pursuant to paragraph one of subsection (e) of section one thousand
12 ninety-six of the tax law. In order for a state agency to approve
13 reimbursement of a not-for-profit organization OR PUBLIC BENEFIT CORPO-
14 RATION at a rate other than the interest rate stated in this section the
15 not-for-profit organization shall submit documentation indicating the
16 rate at which such funds were borrowed, the lender of such funds and any
17 other information requested by the state agency, attorney general or the
18 comptroller. The comptroller may disallow such portions of the interest
19 that the comptroller deems unreasonable.
20 S 2. This act shall take effect immediately.

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

LBD13727-01-4