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

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I N S E N A T E

May 21, 2014

Introduced by Sen. O'BRIEN -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business

AN ACT to amend the economic development law and the state finance law, in relation to economic development grant recipients

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

Section 1. Subdivision 19 of section 100 of the economic development law is amended by adding a new paragraph (c) to read as follows:

(C) TO ADOPT REGULATIONS IN ACCORDANCE WITH SECTION ELEVEN-A OF THE STATE FINANCE LAW, TO ESTABLISH THE TERMS AND CONDITIONS OF REPAYMENT, INCLUDING SPECIFYING THE CONDITIONS UNDER WHICH REPAYMENT MAY BE DEFERRED, FOLLOWING A DETERMINATION BY THE COMMISSION OF A LEGITIMATE HARDSHIP.

S 2. The state finance law is amended by adding a new section 11-a to read as follows:

S 11-A. REQUIREMENTS FOR ECONOMIC DEVELOPMENT GRANT RECIPIENTS. ANY PERSON OR BUSINESS ORGANIZATION WHO RECEIVES AN AWARD OR GRANT THROUGH AN ECONOMIC DEVELOPMENT PROGRAM, WHERE SUCH AWARD OR GRANT ALSO REQUIRES THE CREATION OF JOBS, SHALL NOT REDUCE THE NUMBER OF EMPLOYEES WHO WERE EMPLOYED WITHIN THE STATE AT THE TIME SUCH PERSON OR BUSINESS ORGANIZATION ACCEPTED THE FINANCIAL ASSISTANCE FOR FIVE YEARS AFTER RECEIVING SUCH ASSISTANCE OR DURING THE TERM OF THE AWARD OR GRANT, WHICHEVER IS LONGER, UNLESS THE FULL AMOUNT OF ASSISTANCE IS REPAID TO THE STATE AND A PENALTY EQUAL TO FIVE PERCENT OF THE TOTAL ASSISTANCE RECEIVED IS PAID TO THE STATE. AS USED IN THIS SECTION, THE TERM "BUSINESS" SHALL INCLUDE ANY DIVISION OF A BUSINESS OR SUBSIDIARY INSTITUTION CONTROLLED, DIRECTLY OR INDIRECTLY, BY ANOTHER INSTITUTION.

S 3. This act shall take effect immediately.

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

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