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

7530

2015-2016 Regular Sessions

I N A S S E M B L Y

May 15, 2015

Introduced by M. of A. MAGNARELLI -- read once and referred to the Committee on Local Governments

AN ACT to amend the not-for-profit corporation law, in relation to granting additional powers to a land bank

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

Section 1. Clauses 20 and 21 of paragraph (a) of section 1607 of the not-for-profit corporation law, as added by chapter 257 of the laws of 2011, are amended to read as follows:

(20) to enter in agreements with a foreclosing governmental unit for the distribution of revenues to the foreclosing governmental unit and school district; [and]

(21) TO LEND MONEY, TO MAKE GRANTS AND TAKE AND HOLD REAL AND PERSONAL PROPERTY AS SECURITY FOR THE PAYMENT OF FUNDS SO LOANED OR FOR THE PERFORMANCE AND ENFORCEMENT OF GRANT AGREEMENTS;

(22) TO ORGANIZE A SUBSIDIARY FOR A PROJECT OR PROJECTS WHICH THE LAND BANK HAS THE POWER TO PURSUE HEREUNDER WHEN THE PRIMARY REASON FOR WHICH THE SUBSIDIARY SHALL BE ORGANIZED SHALL BE TO LIMIT THE POTENTIAL LIABILITY IMPACT OF THE SUBSIDIARY'S PROJECT OR PROJECTS ON THE LAND BANK OR BECAUSE STATE OR FEDERAL LAW REQUIRES THAT THE PURPOSE OF A SUBSIDIARY BE UNDERTAKEN THROUGH A SPECIFIC CORPORATE OR BUSINESS STRUCTURE AND AS LONG AS THE SUBSIDIARY CORPORATION SHALL MAKE THE REPORTS AND OTHER DISCLOSURES AS ARE REQUIRED OF LOCAL PUBLIC AUTHORITIES, UNLESS THE SUBSIDIARY'S OPERATIONS AND FINANCES ARE CONSOLIDATED WITH THOSE OF THE LAND BANK OF WHICH IT IS A SUBSIDIARY. SUBSIDIARIES SHALL NOT HAVE THE AUTHORITY TO ISSUE BONDS, NOTES OR OTHER DEBTS, PROVIDED, HOWEVER, THAT SUCH SUBSIDIARIES MAY ISSUE NOTES OR OTHER DEBT TO THE LAND BANK OF WHICH IT IS A SUBSIDIARY. THE ORGANIZATIONAL DOCUMENTS FILED TO ORGANIZE A SUBSIDIARY HEREUNDER SHALL STATE THAT THE LAND BANK IS ORGANIZING THE SUBSIDIARY; AND

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

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(23) to do all other things necessary to achieve the objectives and purposes of the land bank or other laws that relate to the purposes and responsibility of the land bank.

S 2. This act shall take effect immediately.