

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 ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. Clauses 20 and 21 of paragraph (a) of section 1607 of the
2 not-for-profit corporation law, as added by chapter 257 of the laws of
3 2011, are amended to read as follows:

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

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

10 (22) TO ORGANIZE A SUBSIDIARY FOR A PROJECT OR PROJECTS WHICH THE LAND
11 BANK HAS THE POWER TO PURSUE HEREUNDER WHEN THE PRIMARY REASON FOR WHICH
12 THE SUBSIDIARY SHALL BE ORGANIZED SHALL BE TO LIMIT THE POTENTIAL
13 LIABILITY IMPACT OF THE SUBSIDIARY'S PROJECT OR PROJECTS ON THE LAND
14 BANK OR BECAUSE STATE OR FEDERAL LAW REQUIRES THAT THE PURPOSE OF A
15 SUBSIDIARY BE UNDERTAKEN THROUGH A SPECIFIC CORPORATE OR BUSINESS STRUC-
16 TURE AND AS LONG AS THE SUBSIDIARY CORPORATION SHALL MAKE THE REPORTS
17 AND OTHER DISCLOSURES AS ARE REQUIRED OF LOCAL PUBLIC AUTHORITIES,
18 UNLESS THE SUBSIDIARY'S OPERATIONS AND FINANCES ARE CONSOLIDATED WITH
19 THOSE OF THE LAND BANK OF WHICH IT IS A SUBSIDIARY. SUBSIDIARIES SHALL
20 NOT HAVE THE AUTHORITY TO ISSUE BONDS, NOTES OR OTHER DEBTS, PROVIDED,
21 HOWEVER, THAT SUCH SUBSIDIARIES MAY ISSUE NOTES OR OTHER DEBT TO THE
22 LAND BANK OF WHICH IT IS A SUBSIDIARY. THE ORGANIZATIONAL DOCUMENTS
23 FILED TO ORGANIZE A SUBSIDIARY HEREUNDER SHALL STATE THAT THE LAND BANK
24 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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1 (23) to do all other things necessary to achieve the objectives and
2 purposes of the land bank or other laws that relate to the purposes and
3 responsibility of the land bank.
4 S 2. This act shall take effect immediately.