

# STATE OF NEW YORK

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595--A

2017-2018 Regular Sessions

## IN SENATE

January 4, 2017

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Introduced by Sen. BOYLE -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation -- recommitted to the Committee on Transportation in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the transportation law and the tax law, in relation to enacting the "integrated employment, economic development and safety net system for individuals with intellectual and developmental disabilities act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as  
2 the "integrated employment, economic development and safety net system  
3 for individuals with intellectual and developmental disabilities act".

4 § 2. Legislative findings and intent. The legislature hereby finds and  
5 declares that many citizens with intellectual and developmental disabili-  
6 ties can be productive members of the general workforce in the state's  
7 counties and that with planning, funding realignment, employer tax cred-  
8 its, additional resources where necessary, and better coordination of  
9 existing state, federal and rural resources, employment for such indi-  
10 viduals will increase significantly.

11 The legislature further finds and declares that because of age, sever-  
12 ity of disability or other factors, many individuals offered the oppor-  
13 tunity will be unable to participate in the general workforce. Therefore  
14 there must continue to be a safety net employment system to provide  
15 opportunities for such individuals to work alongside their peers with  
16 and without disabilities.

17 Finally, the legislature recognizes that economy and efficiency are  
18 best served by utilizing the existing and extensive infrastructure for  
19 purposes of providing appropriate integrated employment and spurring  
20 economic development.

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

LBD03865-02-8

§ 3. Section 14 of the transportation law is amended by adding a new subdivision 36 to read as follows:

36. The commissioner shall, in cooperation with the commissioner of developmental disabilities, establish a rural integrated transportation demonstration program, similar to such program as described in section seventy-three-e of this chapter, in six counties, each having a population of not more than two hundred thousand according to the two thousand ten federal census. The commissioner shall direct a transportation provider in each such county to study how the coordination of local human service agencies providing transportation in a rural county can increase transportation opportunities for integrated supported environment employment to individuals with intellectual and developmental disabilities in accordance with section 13.41 of the mental hygiene law. Such pilot shall provide that where a participating human service agency operates transportation services for transportation-disabled persons, the agency shall be authorized to provide coordinated transportation to other enrolled human service agency riders while remaining exempt from the provisions of article seven of this chapter, unless such transportation services are open to the public. The commissioner, in establishing and operating the program, shall consider the availability of public transportation, public safety concerns and the duplication of services. Each transportation provider participating in the program shall study the cost benefits of coordinating transportation, the quality of transportation, access for client populations and the outcomes of individuals receiving the services. Every transportation provider shall report its findings to the commissioner and the commissioner of developmental disabilities who shall jointly evaluate the findings of the study, and report thereon to the governor, the temporary president of the senate and the speaker of the assembly.

§ 4. The tax law is amended by adding a new section 44 to read as follows:

§ 44. Credit for integrated business enterprise investments. (a) Allowance of credit. A taxpayer, that is an integrated business enterprise, subject to tax under article nine, nine-A, twenty-two or thirty-three of this chapter shall be allowed a credit against such tax, pursuant to the provisions referenced in subdivision (c) of this section. The credit shall be allowed during the tax year an integrated work environment, in which a qualified investment is made by the taxpayer, is placed in service. The credit shall be equal to five percent of the taxpayer's qualified investment.

(b) Definitions. As used in this section, the following terms shall have the following meanings:

(1) Integrated business enterprise. The term "integrated business enterprise" means a business which is owned, operated or controlled by a home and community based services waiver provider that employs individuals with developmental disabilities and non-disabled individuals, and which is determined by the commissioner of developmental disabilities to provide competitive employment to persons with developmental disabilities.

(2) Qualified investment. The term "qualified investment" means moneys spent for the purchase of buildings and tangible personal property with a useful life of four or more years, which are used in the production of an integrated work environment.

(c) Cross-references. For application of the credit provided for in this section, see the following provisions of this chapter:

(1) Article 9: Section 187-t,

1 (2) Article 9-A: Section 210-B: subdivision 53,

2 (3) Article 22: Section 606: subsections (i) and (ccc),

3 (4) Article 33: section 1511: subdivision (dd).

4 § 5. Subdivision 2 of section 187-a of the tax law, as added by chap-  
5 ter 142 of the laws of 1997, is amended to read as follows:

6 2. Qualified employee. A qualified employee is an individual:

7 (a) who is certified by the education department or the office for  
8 people with developmental disabilities, or in the case of an individual  
9 who is blind or visually handicapped, by the state agency responsible  
10 for provision of vocational rehabilitation services to the blind and  
11 visually handicapped: (i) as a person with a disability which consti-  
12 tutes or results in a substantial handicap to employment and (ii) as  
13 having completed or as receiving services under either an individualized  
14 written rehabilitation plan approved by the education department or an  
15 individualized service plan approved pursuant to the regulations of the  
16 commissioner of developmental disabilities, or other state agency  
17 responsible for providing vocational rehabilitation services to such  
18 individual; and

19 (b) who has worked on a full-time basis for the employer who is claim-  
20 ing the credit for at least one hundred eighty days or four hundred  
21 hours, or, for an individual certified by the office for people with  
22 developmental disabilities, has worked on a full-time or part-time basis  
23 for the employer who is claiming the credit for at least one hundred  
24 days or four hundred hours.

25 § 6. The tax law is amended by adding a new section 187-t to read as  
26 follows:

27 § 187-t. Credit for integrated business enterprise investments. 1.  
28 Allowance of credit. A taxpayer shall be allowed a credit, to be  
29 computed as provided in section forty-four of this chapter, against the  
30 taxes imposed by this article. Provided, however that the amount of such  
31 credit allowable against the tax imposed by section one hundred eight-  
32 four of this article shall be the excess of the amount of such credit  
33 over the amount of any credit allowed by this section against the tax  
34 imposed by section one hundred eighty-three of this article.

35 2. Carryover. In no event shall the credit under this section be  
36 allowed in an amount which will reduce the tax payable to less than the  
37 applicable minimum tax fixed by section one hundred eighty-three of this  
38 article. If, however, the amount of credit allowable under this section  
39 for any taxable year reduces the tax to such amount, any amount of cred-  
40 it not deductible in such taxable year may be carried over to the  
41 following year or years, for up to fifteen years, and may be deducted  
42 from the taxpayer's tax for such year or years.

43 § 7. Paragraph (b) of subdivision 12 of section 210-B of the tax law,  
44 as added by section 17 of part A of chapter 59 of the laws of 2014, is  
45 amended to read as follows:

46 (b) Qualified employee. A qualified employee is an individual:

47 (1) who is certified by the education department or the office for  
48 people with developmental disabilities, or in the case of an individual  
49 who is blind or visually handicapped, by the state agency responsible  
50 for provision of vocational rehabilitation services to the blind and  
51 visually handicapped: (i) as a person with a disability which consti-  
52 tutes or results in a substantial handicap to employment and (ii) as  
53 having completed or as receiving services under either an individualized  
54 written rehabilitation plan approved by the education department or an  
55 individualized service plan approved pursuant to the regulations of the  
56 commissioner of developmental disabilities, or other state agency

1 responsible for providing vocational rehabilitation services to such  
2 individual; and

3 (2) who has worked on a full-time basis for the employer who is claim-  
4 ing the credit for at least one hundred eighty days or four hundred  
5 hours, or, for an individual certified by the office for people with  
6 developmental disabilities, has worked on a full-time or part-time basis  
7 for the employer who is claiming the credit for at least one hundred  
8 days or four hundred hours.

9 § 8. Section 210-B of the tax law is amended by adding a new subdivi-  
10 sion 53 to read as follows:

11 53. Credit for integrated business enterprise investments. (a) Allow-  
12 ance of credit. A taxpayer shall be allowed a credit, to be computed as  
13 provided in section forty-four of this chapter, against the tax imposed  
14 by this article.

15 (b) Carryover. The credit allowed under this subdivision for any taxa-  
16 ble year shall not reduce the tax due for such year to less than the  
17 amount prescribed in paragraph (d) of subdivision one of section two  
18 hundred ten of this article. However, if the amount of credit allowable  
19 under this subdivision for any taxable year reduces the tax to such  
20 amount, any amount of credit not deductible in such taxable year may be  
21 carried over to the following year or years, for up to fifteen years,  
22 and may be deducted from the taxpayer's tax for such year or years.

23 § 9. Subparagraph (B) of paragraph 1 of subsection (i) of section 606  
24 of the tax law is amended by adding a new clause (xliv) to read as  
25 follows:

26 <u>(xliv) Credit for</u>	<u>Amount of credit</u>
27 <u>integrated business enterprise</u>	<u>under subdivision</u>
28 <u>investments under</u>	<u>fifty-three of section</u>
29 <u>subsection (ccc)</u>	<u>two hundred ten-B</u>

30 § 10. Paragraph 2 of subsection (o) of section 606 of the tax law, as  
31 added by chapter 142 of the laws of 1997, is amended to read as follows:

32 (2) Qualified employee. A qualified employee is an individual:

33 (A) who is certified by the education department or the office for  
34 people with developmental disabilities, or in the case of an individual  
35 who is blind or visually handicapped, by the state agency responsible  
36 for provision of vocation rehabilitation services to the blind and visu-  
37 ally handicapped: (i) as a person with a disability which constitutes or  
38 results in a substantial handicap to employment and (ii) as having  
39 completed or as receiving services under either an individualized writ-  
40 ten rehabilitation plan approved by the education department or an indi-  
41 vidualized service plan approved pursuant to the regulations of the  
42 commissioner of developmental disabilities, or other state agency  
43 responsible for providing vocational rehabilitation services to such  
44 individual; and

45 (B) who has worked on a full-time basis for the employer who is claim-  
46 ing the credit for at least one hundred eighty days or four hundred  
47 hours, or, for an individual certified by the office for people with  
48 developmental disabilities, has worked on a full-time or part-time basis  
49 for the employer who is claiming the credit for at least one hundred  
50 days or four hundred hours.

51 § 11. Section 606 of the tax law is amended by adding a new subsection  
52 (ccc) to read as follows:

53 (ccc) Credit for integrated business enterprise investments. (1)  
54 Allowance of credit. A taxpayer shall be allowed a credit, to be  
55 computed as provided in section forty-four of this chapter, against the  
56 tax imposed by this article.

1 (2) Carryover. If the amount of credit allowable under this subsection  
2 for any taxable year shall exceed the taxpayer's tax for such year, the  
3 excess may be carried over to the following year or years, for up to  
4 fifteen years, and may be deducted from the taxpayer's tax for such year  
5 or years.

6 § 12. Paragraph 2 of subdivision (j) of section 1511 of the tax law,  
7 as added by chapter 142 of the laws of 1997, is amended to read as  
8 follows:

9 (2) Qualified employee. A qualified employee is an individual:

10 (A) who is certified by the education department or the office for  
11 people with developmental disabilities, or in the case of an individual  
12 who is blind or visually handicapped, by the state agency responsible  
13 for provision of vocational rehabilitation services to the blind and  
14 visually handicapped: (i) as a person with a disability which consti-  
15 tutes or results in a substantial handicap to employment and (ii) as  
16 having completed or as receiving services under either an individualized  
17 written rehabilitation plan approved by the education department or an  
18 individualized service plan approved pursuant to the regulations of the  
19 commissioner of developmental disabilities, or other state agency  
20 responsible for providing vocational rehabilitation services to such  
21 individual; and

22 (B) who has worked on a full-time basis for the employer who is claim-  
23 ing the credit for at least one hundred eighty days or four hundred  
24 hours, or, for an individual certified by the office for people with  
25 developmental disabilities, has worked on a full-time or part-time basis  
26 for the employer who is claiming the credit for at least one hundred  
27 days or four hundred hours.

28 § 13. Section 1511 of the tax law is amended by adding a new subdivi-  
29 sion (dd) to read as follows:

30 (dd) Credit for integrated business enterprise investments. (1) Allow-  
31 ance of credit. A taxpayer shall be allowed a credit, to be computed as  
32 provided in section forty-four of this chapter, against the taxes  
33 imposed by this article.

34 (2) Carryover. The credit and carryovers of such credit allowed under  
35 this subdivision for any taxable year shall not, in the aggregate,  
36 reduce the tax due for such year to less than the minimum tax fixed by  
37 paragraph four of subdivision (a) of section fifteen hundred two of this  
38 article or by section fifteen hundred two-a of this article, whichever  
39 is applicable. However, if the amount of credit or carryovers of such  
40 credit, or both, allowed under this subdivision for any taxable year  
41 reduces the tax to such amount, then any amount of credit or carryovers  
42 of such credit thus not deductible in such taxable year may be carried  
43 over to the following year or years, for up to fifteen years, and may be  
44 deducted from the taxpayer's tax for such year or years.

45 § 14. This act shall take effect immediately, except that sections  
46 four, five, six, seven, eight, nine, ten and eleven of this act shall  
47 take effect on the first of January next succeeding the date on which it  
48 shall have become a law.