STATE OF NEW YORK

6230--A

2017-2018 Regular Sessions

IN SENATE

May 11, 2017

Introduced by Sens. GALLIVAN, AKSHAR, BOYLE, BRESLIN, CROCI, GRIFFO, O'MARA, SEWARD -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- recommitted to the Committee on Local Government 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 general municipal law, in relation to the powers of the New York state industrial development agency

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

Section 1. Subdivision 14 of section 854 of the general municipal law, as added by chapter 356 of the laws of 1993, is amended to read as follows:

(14) "Financial assistance" - shall mean the proceeds of bonds issued by an agency, **the proceeds of a loan made by an agency, the proceeds of a grant made by an agency however excluding such proceeds of a grant made by an agency for services or support rendered consistent with an agency's corporate purposes, equity funding,** straight-leases, or exemptions from taxation claimed by a project occupant as a result of an agency taking title, possession or control (by lease, license or otherwise) to the property or equipment of such project occupant or of such project occupant acting as an agent of an agency.

§ 2. Subdivisions 16 and 17 of section 858 of the general municipal law, as renumbered by chapter 356 of the laws of 1993, are renumbered subdivisions 19 and 20 and three new subdivisions 16, 17 and 18 are added to read as follows:

(16) To make loans to any private or public corporation, any legal entity or person provided said loan is memorialized in an appropriate loan agreement and further provided that the loan proceeds are used in furtherance of the agency's corporate purposes;

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

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(17) To make grants to any private or public corporation, any legal entity or person provided said grant is memorialized in an appropriate grant agreement and further provided that the grant proceeds are used in furtherance of the agency's corporate purposes;

(18) To provide seed and early-stage equity funding to any private corporation or any legal entity, in accordance with a plan to be developed by the agency, located within, or to be located within, the municipality for whose benefit the agency was created and that is in the seed, early stage or venture stage of development and that has the potential to generate additional economic activity in New York state provided, however, that equity funding is used in furtherance of the agency's corporate purposes and further provided that funds received by the beneficiary private corporation or legal entity shall be returned if the beneficiary private corporation or legal entity leaves the municipality for whose benefit the agency was created within a period of time to be established by the agency;

§ 3. This act shall take effect on the ninetieth day after it shall have become a law.