

# STATE OF NEW YORK

686

2017-2018 Regular Sessions

## IN SENATE

January 4, 2017

Introduced by Sen. KENNEDY -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the executive law, in relation to directing agencies that provide grants and tax expenditures for the purpose of economic development to make comprehensive information on such grants and tax expenditures accessible to the public on a searchable website

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 "online economic development grants and tax expenditures transparen-  
3 cy act".

4 § 2. The executive law is amended by adding a new section 184 to read  
5 as follows:

6 § 184. Online economic development grants and tax expenditures trans-  
7 parency. 1. As used in this section:

8 (a) "Searchable economic development grants and tax expenditures data-  
9 base website" shall mean a website that allows the public at no cost to  
10 search for, obtain, and aggregate the information identified in this  
11 section, which includes grants and tax expenditures for the purpose of  
12 economic development.

13 (b) "Entity and/or recipients" shall mean any corporation, associ-  
14 ation, limited liability company, limited liability partnership, or any  
15 other legal business entity who receives an economic development grant  
16 or tax expenditure for the purpose of economic development from the  
17 empire state development corporation, the department of economic devel-  
18 opment or any other state entity. It shall also include any economic  
19 development grantee or sub-grantee, tax expenditure beneficiary or tax  
20 expenditure sub-beneficiary, contractor or subcontractor, county, city  
21 or other local government entity.

22 (c) "Agency" shall mean any state department, office, board, commis-  
23 sion, bureau, division, institution, or institution of higher education.

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

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1 "Agency" specifically includes any authority created by an act of the  
2 state legislature, including those authorities not receiving state tax  
3 revenue. This includes individual state agencies and programs, as well  
4 as those programs and activities that cross agency lines, and also  
5 includes all elective offices in the executive branch of government and  
6 the legislature.

7 (d) "Funding source" shall mean the state account from which the  
8 expenditure is appropriated.

9 (e) "Funding action or expenditure" shall include details on the type  
10 of spending, both appropriated expenditures, such as grants, contracts,  
11 and appropriations, and tax expenditures, as defined by section one  
12 hundred eighty-one of this article as it relates to economic develop-  
13 ment. Where possible, a hyperlink to the actual grants or contracts  
14 shall be provided.

15 (f) "Expected outcome" shall include, in relation to corporate subsi-  
16 dies for the purpose of economic development, including tax exemptions,  
17 credits, direct grants, or infrastructure assistance, the number and  
18 quality of jobs to be created or retained, including wages and benefits,  
19 the date the job goals will be reached, the estimated increase to the  
20 state tax base, and whether the funded project involves the relocation  
21 of jobs and if so how many and from where.

22 (g) "Final outcome" shall include, in relation to corporate subsidies  
23 for the purpose of economic development, including tax exemptions, cred-  
24 its, direct grants, or infrastructure assistance, the number and quality  
25 of jobs actually created or retained, including wages and benefits, and  
26 the actual increase to the state tax base for the fiscal year in which  
27 benefit was given. The outcomes achieved shall also include any money  
28 recaptured from corporate subsidy recipients for failure to meet  
29 expected performance outcomes.

30 (h) "State audit or report" shall include any audit or report issued  
31 by the comptroller, attorney general, agency, legislative auditor,  
32 legislative committee, or executive body relating to the past or current  
33 performance of the entity or recipient of funds or the budget  
34 program/activity or agency for the purpose of economic development which  
35 the director of the budget deems as relevant.

36 2. No later than January first, two thousand eighteen, the director of  
37 the office for technology, in collaboration with the director of the  
38 budget, shall develop a single, searchable economic development grants  
39 and tax expenditures database website accessible by the public at no  
40 cost, that includes:

41 (a) Annual state expenditures or funding actions for the purposes of  
42 economic development provided to any entity, recipient or agency, as  
43 determined by the director of the budget including the name and location  
44 of any such entity, recipient or agency, the funding source, the amount  
45 of funds appropriated including tax expenditures or other subsidies, the  
46 funding agency or authority, and a description of the purpose of the  
47 funding action or expenditure. If the funding action or expenditure is a  
48 tax expenditure, information about the expected outcome of such tax  
49 expenditure shall be included and information concerning the final  
50 outcome shall be provided within thirty days from when it is reported to  
51 the appropriate state agency;

52 (b) Bond debt payments and debt service for the purpose of economic  
53 development including, but not limited to, amounts of bond interest paid  
54 and sources of funds paid for individual bond issues;

1 (c) Local economic development aid to cities and towns including, but  
2 not limited to, amounts paid to individual units of government for indi-  
3 vidually identifiable aid programs;

4 (d) Annual bonded indebtedness for the purpose of economic development  
5 which shall include, but not be limited to, the amount of the total  
6 original obligation stated in terms of principal and interest, the term  
7 of the obligation, the source of funding for repayment of the obli-  
8 gation, the amounts of principal and interest previously paid to reduce  
9 the obligation, the balance remaining of the obligation, any refinancing  
10 of the obligation, and the cited statutory authority to issue such  
11 bonds;

12 (e) A link to any state audit or report; and

13 (f) Any other relevant information specified by the director of the  
14 budget.

15 3. No later than February first, two thousand eighteen, the director  
16 of the budget shall put into operation the searchable economic develop-  
17 ment grants and tax expenditures database website.

18 4. The searchable economic development grants and tax expenditures  
19 database website shall retain information for each fiscal year on the  
20 single website for not less than ten years and shall include data for at  
21 least the most recent fifteen fiscal years.

22 5. The director of the budget shall update the searchable economic  
23 development grants and tax expenditures database website as new data  
24 becomes available to him or her. All agencies shall provide to the  
25 director of the budget all data that is required to be included in the  
26 searchable economic development grants and tax expenditures database  
27 website not later than thirty days after the data becomes available to  
28 the agency. The director of the budget shall provide guidance to agency  
29 heads to ensure compliance with this section.

30 6. Nothing in this section shall permit or require the listing of  
31 individual businesses' tax liability, profits, sales or losses.

32 7. The director of the budget and the director of the office for tech-  
33 nology shall not be considered in compliance with this section if the  
34 data required for the searchable economic development grants and tax  
35 expenditures database website is not available in a searchable and  
36 aggregate manner or if the public is redirected by the searchable  
37 economic development grants and tax expenditures database website to  
38 other government websites, unless each of those websites complies with  
39 the requirements of this section.

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