STATE OF NEW YORK

11074

IN ASSEMBLY

October 7, 2020

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Benedetto) -- read once and referred to the Committee on Ways and Means

AN ACT to amend the state finance law, in relation to establishing the New York baby opportunity fund

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

Section 1. The state finance law is amended by adding a new section 78-c to read as follows:

§ 78-c. New York baby opportunity fund. 1. There is hereby established in the joint custody of the state comptroller, the commissioner of taxation and finance and the commissioner of health the New York baby opportunity fund.

2. The New York baby opportunity fund shall consist of moneys transferred to the fund by the state comptroller from the general fund and all other moneys appropriated, credited, or transferred thereto from any other fund or source pursuant to law. Nothing contained herein shall prevent the state from receiving grants, gifts or bequests for the purposes of the fund as defined in this section and depositing them into the fund according to law.

3. The department of health shall promulgate application forms to be submitted to the comptroller upon the birth of an eligible child. The fund shall provide for the deposit of one thousand dollars into an individual account for each eligible child within six months of receipt of an application to the fund for such child. Monies within each account shall be invested in a manner that generates a rate of return at least equal to the rate of return earned on a thirty-year treasury bond.

4. Monies in each account shall be identified by a unique identification number and may only be accessed by the eligible child for which the account was originally created. In order to access such funds, the eligible child shall be at least eighteen years old and a current resident of the state at the time of withdrawal. Such monies shall only be utilized for qualified expenses.

5. Monies of the fund shall be expended by the state comptroller solely for the purpose of administering the provisions of this section.

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

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6. For the purposes of this section, the following terms shall have the following meanings:

(a) "eligible child" shall mean any child born after the effective date of this section to parents who are residents of the state and who have an annual household income of less than five hundred percent of the federal poverty level;

(b) "household income" shall mean the sum of the adjusted gross incomes of the eligible child's birth parents. Such gross income amounts shall be calculated based on information from the most recent taxable year available as provided and certified by the department of taxation and finance;

(c) "qualified expenses" shall mean expenses for the education of the account holder, ownership of a home by the account holder, and costs associated with establishing or otherwise building a business.

§ 2. This act shall take effect on the one hundred twentieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.