STATE OF NEW YORK

8459

IN SENATE

June 3, 2020

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business

AN ACT to amend the economic development law, in relation to establishing the COVID-19 Recovery Commission

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

Section 1. The economic development law is amended by adding a new article 23 to read as follows:

ARTICLE 23
COVID-19 RECOVERY COMMISSION

Section 460. COVID-19 recovery commission.
461. Powers and duties of the commission.
462. Reporting.
463. Assistance of other agencies.

§ 460. COVID-19 recovery commission. 1. There is hereby established in the department a commission, to be known as the COVID-19 recovery commission.

2. Such commission shall consist of the director of the budget, the president of the empire state development corporation, the superintendent of the department of financial services, the president of the metropolitan transportation authority, the president of the port authority, the president of the dormitory authority, the commissioner of the department of health and all other state commissioners in charge of financing as determined by the governor. The commission shall also include representatives of the state's principal subdivisions and appropriate public finance personnel appointed as follows: three members shall be appointed by the governor, two members shall be appointed by the temporary president of the senate, two members shall be appointed by the speaker of the assembly, one member shall be appointed by the minority leader of the senate, and one member shall be appointed by the minority leader of the assembly.

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

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3. The commission members shall be appointed immediately upon the effective date of this article and shall meet publicly at least every week thereafter.

§ 461. Powers and duties of the commission. The commission shall have the following powers and duties:

1. to determine how much funding to seek and whom to authorize to begin preparations for the new issuances that the state and its subdivisions will sell to the Federal Reserve Municipal Liquidity Facility.

2. to consult with representatives of the Federal Reserve Bank of New York (acting in an ex officio capacity if necessary).

3. to determine appropriate state and local personnel to handle note-issuing and Federal Reserve-liaising tasks.

4. to gather information, testimony, advice and all other deliberative inputs necessary to make sensible allocation decisions in respect of the new funding and recovery efforts related to novel coronavirus, COVID-19, that will be incoming from the Federal Reserve Municipal Liquidity Facility.

5. to determine whether to approach the Federal Reserve for further easing of the terms of the Federal Reserve Municipal Liquidity Facility Term Sheet.

6. The commission shall also, once the municipal liquidity facility application and associated note-issuance process is underway, determine:

(a) whether the state might benefit by establishing a public bank to manage, and perhaps "lever-up" through lending of its own on the basis of such deposits and/or capitalization as it receives, municipal liquidity facility funds and such other funds as the state might receive (for example, federal paycheck protection program or federal small business administration economic injury disaster loan moneys) or make available for purposes of COVID-19 relief;

(b) whether a public bank such as that contemplated in paragraph (a) of this subdivision, or some other state instrumentality from among the authorities named in this article, might benefit the state by funding a comprehensive "gold standard" system of testing and contact-tracing persons residing or doing business in the state for COVID-19 infection;

(c) whether a public bank such as that contemplated in paragraph (a) of this subdivision, or some other state instrumentality from among the authorities named in this article, might benefit the state by compulsorily purchasing, through use of the eminent domain authority, all nursing homes in the state owned by for-profit private sector entities, private equity funds in particular;

(d) whether a public bank such as that contemplated in paragraph (a) of this subdivision, or some other state instrumentality from among the authorities named in this article, might benefit the state by affording lower-income residents of the state any form of temporary rent relief or mortgage debt relief;

(e) whether a public bank such as that contemplated in paragraph (a) of this subdivision, or some other state instrumentality from among the authorities named in this article, might benefit the state of New York by using federal paycheck protection program moneys, federal small business administration economic injury disaster loan moneys, or other moneys either to keep workers employed by their present employers or, barring that, to assist workers in purchasing equity stakes in or full ownership of the firms that employ them; and

(f) whether a public bank such as that contemplated in paragraph (a) of this subdivision, or some other state instrumentality from among the authorities named in this article, might benefit the state in some other

manner or manners through direct or indirect use of newly acquired federal municipal liquidity facility, federal paycheck protection program, or federal small business administration economic injury disaster loan funds.

§ 462. Reporting. The commission shall report its findings to the governor and the legislature within one month of the effective date of this article and monthly thereafter. Upon the transmission of the report to the governor and the legislature, the commissioner shall within thirty days determine whether the commission shall continue in operation, or whether it shall be changed in some manner, or whether it shall be dissolved, and shall report his or her findings and recommendations to the governor and the legislature.

§ 463. Assistance of other agencies. To effectuate the purposes of this article, the commission may request and shall receive from any department, division, board, bureau, commission or other agency or authority of the state such assistance, information and data as will enable the commission to properly carry out its powers and duties as described in section four hundred sixty-one of this article. Such assistance shall not waive or impair the terms of an existing agreement negotiated between the relevant employer and employee organization nor limit any obligation to bargain terms and conditions of employment pursuant to article fourteen of the civil service law.

§ 2. This act shall take effect immediately.