STATE OF NEW YORK

3009--B

IN ASSEMBLY

February 1, 2023

A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to providing the authority to abate interest for taxpayers impacted by declared disasters (Part A); to amend the tax law, in relation to clarifying the definition of limited partner for the purposes of the metropolitan commuter transportation mobility tax (Part B); to amend the tax law, in relation to making the investment tax credit refundable for eligible farmers for five years (Part C); to amend the tax law, in relation to the empire state film production credit and the empire state film post-production credit (Part D); to amend the tax law, in relation to the abatement of penalties for underpayment of estimated tax by a corporation (Part E); to amend the economic development law, in relation to the COVID-19 capital costs tax credit program (Part F); to amend the social services law and the tax law, in relation to creating a tax credit for the creation and expansion of child care (Part G); to amend the tax law, in relation to extending the authorization of any city having a population of one million or more to provide a biotechnology credit against the general corporation tax, unincorporated business tax, and banking corporation tax of such city (Part H); to amend the tax law, in relation to extending the current corporate tax rates; to amend the tax law, in relation to deposit and disposition of revenue; to amend the public authorities law, in relation to the metropolitan transportation authority special assistance fund; and to amend the state finance law, in relation to the mass transportation operating assistance fund (Subpart A); to amend the tax law and the parks, recreation and historic preservation law, in relation to establishing the large projects historic rehabilitation tax credit and the "white elephant" housing historic rehabilitation projects tax credit program (Subpart B); to amend the tax law, in relation to extending the empire state commercial production tax credit for five years (Subpart C); to amend the tax law, in relation to extending provisions of law relating to the grade No. 6 heating oil conversion tax credit (Subpart D); to

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

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amend subpart B of part PP of chapter 59 of the laws of 2021 amending the tax law and the state finance law relating to establishing the New York city musical and theatrical production tax credit and establishing the New York state council on the arts cultural program fund, in relation to the effectiveness thereof; and to amend the tax law, in relation to the New York city musical and theatrical production tax credit (Subpart E)(Part I); to amend the tax law, in relation to making technical corrections to the credit for companies who provide transportation to individuals with disabilities (Subpart A); to amend the tax law, in relation to eligibility for the brownfield redevelopment tax credit (Subpart B); to amend the tax law, in relation to the pass-through entity tax and city pass-through entity tax and making technical corrections thereto (Subpart C) (Part J); to amend the real property tax law, in relation to simplifying the senior citizens real property tax exemption and the exemption for persons with disabilities and limited income (Part K); to amend chapter 540 of the laws of 1992, amending the real property tax law relating to oil and gas charges, in relation to the effectiveness thereof (Part L); intentionally omitted (Part M); to amend the real property tax law and the state administrative procedure act, in relation to clarifying the solar or wind energy system appraisal model (Part N); intentionally omitted (Part O); to repeal certain provisions of the tax law, relating to eliminating congestion surcharge registration requirements (Part P); to amend the tax law, in relation to the payment of tax on increased quantities of motor fuel and Diesel motor fuel on which the taxes pursuant to articles 12-A, 13-A and 28 were not previously paid (Part Q); to amend the tax law, in relation to extending the sales tax exemption for certain sales made through vending machines (Part R); to amend the tax law, in relation to an increase in the rate of tax on cigarettes (Part S); intentionally omitted (Part T); to amend the tax law and the administrative code of the city of New York, in relation to extending the tax rate reduction under the New York state real estate transfer tax and the New York city real property transfer tax for conveyances of real property to existing real estate investment funds (Part U); intentionally omitted (Part V); to amend the state finance law, in relation to clarifying the deposit timeframe for moneys deposited by the commissioner of taxation and finance (Part W); to amend the tax law, in relation to requiring the New York Racing Association, Inc. to enter into a repayment agreement with the state of New York for the repayment of funds provided by the state for the renovation of Belmont Park (Part X); intentionally omitted (Part Y); intentionally omitted (Part Z); to amend the racing, pari-mutuel wagering and breeding law, in relation to the utilization of funds in the Capital region and Catskill off-track betting corporations' capital acquisition funds (Part AA); to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast, simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 281 of the laws of 1994 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting; to amend chapter 346 of the laws of 1990 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provisions thereof; and to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part BB); intentionally omitted (Part CC); to

amend the tax law, in relation to adjusting certain income tax rates (Part DD); to amend the tax law, in relation to extending supplemental earned income tax credit and empire state child credit payments and expanding existing programs (Part EE); to amend the tax law, the public authorities law and the state finance law, in relation to sales tax on digital products (Part FF); to amend the tax law, in relation to establishing small business savings accounts (Part GG); to amend the tax law, in relation to pass-through manufacturers zero percent tax rate (Part HH); to amend the tax law, in relation to the amount of credit for cider, wine, and liquor under the alcoholic beverage production credit (Part II); to amend the tax law, the public authorities law and the state finance law, in relation to adding a fee on delivery transactions (Part JJ); to amend the state finance law, in relation to the liability of a person who presents false claims for money or property to the state or a local government (Part KK); providing for the administration of certain funds and accounts related to the 2023-2024 budget, authorizing certain payments and transfers; to amend the state finance law, in relation to the administration of certain funds and accounts; to amend the military law, in relation to the deposit of funds for the use of armories; to amend the state finance law, in relation to the rainy day reserve fund; to amend part D of chapter 389 of the laws of 1997 relating to the financing of the correctional facilities improvement fund and the youth facility improvement fund, in relation to the issuance of certain bonds or notes; to amend chapter 81 of the laws of 2002 relating to providing for the administration of certain funds and accounts related to the 2002-2003 budget, in relation to the issuance of certain bonds & notes; to amend part Y of chapter 61 of the laws of 2005, relating to providing for the administration of certain funds and accounts related to the 2005-2006 budget, in relation to the issuance of certain bonds or notes; to amend the public authorities law, in relation to the issuance of certain bonds or notes; to amend the New York state medical care facilities finance agency act, in relation to the issuance of certain bonds or notes; to amend the New York state urban development corporation act, in relation to the issuance of certain bonds or notes; to amend chapter 329 of the laws of 1991, amending the state finance law and other laws relating to the establishment of the dedicated highway and bridge trust fund, in relation to the issuance of certain bonds or notes; to amend the public authorities law, in relation to the issuance of certain bonds or notes; to amend the private housing finance law, in relation to housing program bonds and notes; to amend the New York state urban development corporation act, in relation to the nonprofit infrastructure capital investment program; to amend the New York state urban development corporation act, in relation to state-supported debt issued during the 2024 fiscal year; to amend the New York state urban development corporation act, in relation to permitting the dormitory authority, the New York state urban development corporation, and the thruway authority to issue bonds for the purpose of refunding obligations of the power authority of the state of New York to fund energy efficiency projects at state agencies; to amend the public authorities law, in relation to financing of metropolitan transportation authority (MTA) transportation facilities; to amend the state finance law, in relation to payments of bonds; to amend the state finance law, in relation to the mental health services fund; to amend the state finance law, in relation to the issuance of revenue bonds; to amend part D of chapter 63 of the

laws of 2005, relating to the composition and responsibilities of the New York state higher education capital matching grant board, in relation to increasing the amount of authorized matching capital grants; authorizing the dormitory authority and the urban development corporation to issue certain bonds or notes; and providing for the repeal of certain provisions upon expiration thereof (Part LL); to amend the public authorities law and the labor law, in relation to unemployment insurance fund bond financing (Part MM); and to amend the county law, in relation to enacting the "Suffolk county water quality restoration act", authorizing the county of Suffolk to establish a water quality restoration fund, and authorizing the county of Suffolk to form a county sewer and wastewater management district and extend the existing one-quarter of one percent sales tax utilized to finance the county drinking water protection program until 2060; to amend the tax law, in relation to the Suffolk county water quality restoration fund; and to amend the local finance law, in relation to the period of probable usefulness of septic systems funded by programs established by the county of Suffolk (Part NN)

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

Section 1. This act enacts into law major components of legislation which are necessary to implement the state fiscal plan for the 2023-2024 state fiscal year. Each component is wholly contained within a Part identified as Parts A through NN. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.

PART A

Section 1. The opening paragraph of paragraph a of subdivision twenty-eighth of section 171 of the tax law, as amended by chapter 451 of the laws of 2022, is amended to read as follows:

[~~In the case of a taxpayer who is determined for federal tax purposes under the provisions of~~] **Have the authority to postpone certain deadlines for a period of up to ninety days, or longer when necessary to align with relief provided by the Internal Revenue Service pursuant to** section seven thousand five hundred eight-A of the internal revenue code [~~to be affected by a presidentially declared disaster, or who~~]**, for a taxpayer who** is determined [~~under regulations promulgated by the commissioner~~] to be affected by a presidentially declared disaster or by a disaster emergency declared by the governor[~~, have authority to provide that a period of up to ninety days, or a longer period when necessary to align with relief that has already been provided by the Internal Revenue Service under the authority to postpone certain deadlines in section seven thousand five hundred eight-A of the internal revenue code, may~~]**. Any extension period provided pursuant to the authority in this subdivision shall** be disregarded in determining under the tax law, or under a law enacted pursuant to the authority of the tax law or former article

2-E of the general city law where administered by the commissioner, in respect of any tax liability (including any interest, penalty, additional amount, or addition to the tax) of such taxpayer:

§ 2. Paragraph c of subdivision twenty-eighth of section 171 of the tax law, as added by chapter 8 of the laws of 1998, is amended to read as follows:

c. **Definitions. 1.** Presidentially declared disaster. For purposes of this subdivision, the term "presidentially declared disaster" means any disaster which, with respect to an area, resulted in a subsequent determination by the president of the United States that such area warrants assistance by the federal government under the disaster relief and emergency assistance act.

2. Taxpayer. For purposes of this subdivision, the term "taxpayer" means any person or entity required to file a return or remit any tax to the commissioner pursuant to this chapter.

§ 3. Subdivision twenty-eighth of section 171 of the tax law is amended by adding a new paragraph d to read as follows:

d. Where a taxpayer who, pursuant to section seven thousand five hundred eight-a of the internal revenue code, is determined for federal tax purposes to be affected by a presidentially declared disaster, or who is determined to be affected by a disaster emergency declared by the governor, but the commissioner has not postponed a tax deadline pursuant to the authority in paragraph a of this subdivision due to such disaster, the commissioner may abate any amount of interest from the underpayment of any tax administered by the commissioner under this chapter that accrued for the period during which the taxpayer was unable to meet such deadline due to direct impacts of the disaster.

§ 4. This act shall take effect immediately.

PART B

Section 1. Subsection (e) of section 800 of the tax law, as added by section 1 of part C of chapter 25 of the laws of 2009, is amended to read as follows:

(e) Net earnings from self-employment. Net earnings from self-employment has the same meaning as in section 1402 of the internal revenue code**, provided, however, that for purposes of determining whether the exclusion pursuant to paragraph 13 of subsection (a) of section 1402 of the internal revenue code applies, an individual shall not be considered a limited partner if the individual, directly or indirectly, takes part in the control, or participates in the management or operations of the partnership such that the individual is not a passive investor, regardless of the individual's title or characterization in a partnership or operating agreement**.

§ 2. This act shall take effect immediately.

PART C

Section 1. Paragraph (d) of subdivision 1 of section 210-B of the tax law, as amended by section 31 of part T of chapter 59 of the laws of 2015, is amended to read as follows:

(d) Except as otherwise provided in this paragraph, the credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less than the fixed dollar minimum amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of credit allowable under this subdivi-

sion for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit allowed for a taxable year commencing prior to January first, nineteen hundred eighty-seven and not deductible in such taxable year may be carried over to the following year or years and may be deducted from the taxpayer's tax for such year or years but in no event shall such credit be carried over to taxable years commencing on or after January first, two thousand two, and any amount of credit allowed for a taxable year commencing on or after January first, nineteen hundred eighty-seven and not deductible in such year may be carried over to the fifteen taxable years next following such taxable year and may be deducted from the taxpayer's tax for such year or years. In lieu of such carryover, **(i)** any such taxpayer which qualifies as a new business under paragraph (f) of this subdivision may elect to treat the amount of such carryover as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter, **and (ii) any such taxpayer that is an eligible farmer, as defined in subdivision eleven of this section, may for taxable years beginning before January first, two thousand twenty-eight, elect to treat the amount of such carryover as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter,** provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

§ 2. Paragraph 5 of subsection (a) of section 606 of the tax law, as amended by chapter 170 of the laws of 1994, is amended to read as follows:

(5) If the amount of credit allowable under this subsection for any taxable year shall exceed the taxpayer's tax for such year, the excess allowed for a taxable year commencing prior to January first, nineteen hundred eighty-seven may be carried over to the following year or years and may be deducted from the taxpayer's tax for such year or years, but in no event shall such credit be carried over to taxable years commencing on or after January first, nineteen hundred ninety-seven, and any amount of credit allowed for a taxable year commencing on or after January first, nineteen hundred eighty-seven and not deductible in such year may be carried over to the ten taxable years next following such taxable year and may be deducted from the taxpayer's tax for such year or years. In lieu of carrying over any such excess, **(A)** a taxpayer who qualifies as an owner of a new business for purposes of paragraph ten of this subsection may, at [~~his~~] **the taxpayer's** option, receive such excess as a refund**, and (B) a taxpayer that is an eligible farmer as defined in subsection (n) of this section may, at the taxpayer's option, for taxable years beginning before January first, two thousand twenty-eight receive such excess as a refund**. Any refund paid pursuant to this paragraph shall be deemed to be a refund of an overpayment of tax as provided in section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon.

§ 3. This act shall take effect immediately, and apply to taxable years beginning on or after January 1, 2023.

PART D

Section 1. Paragraph 2 of subdivision (a) of section 24 of the tax law, as separately amended by sections 1 and 2 of part M of chapter 59 of the laws of 2020, is amended to read as follows:

(2) The amount of the credit shall be the product (or pro rata share of the product, in the case of a member of a partnership) of [~~twenty-five~~] thirty percent, or thirty-five percent in the case of an eligible relocated television series, and the qualified production costs paid or incurred in the production of a qualified film, provided that: (i) the qualified production costs (excluding post production costs) paid or incurred which are attributable to the use of tangible property or the performance of services at a qualified film production facility in the production of such qualified film equal or exceed seventy-five percent of the production costs (excluding post production costs) paid or incurred which are attributable to the use of tangible property or the performance of services at any film production facility within and without the state in the production of such qualified film, and (ii) except with respect to a qualified independent film production company or pilot, at least ten percent of the total principal photography shooting days spent in the production of such qualified film must be spent at a qualified film production facility. However, if the qualified production costs (excluding post production costs) which are attributable to the use of tangible property or the performance of services at a qualified film production facility in the production of such qualified film is less than three million dollars, then the portion of the qualified production costs attributable to the use of tangible property or the performance of services in the production of such qualified film outside of a qualified film production facility shall be allowed only if the shooting days spent in New York outside of a film production facility in the production of such qualified film equal or exceed seventy-five percent of the total shooting days spent within and without New York outside of a film production facility in the production of such qualified film. The credit shall be allowed for the taxable year in which the production of such qualified film is completed. However, in the case of a qualified film that receives funds from additional pool 2, no credit shall be claimed before the later of (1) the taxable year the production of the qualified film is complete, or (2) the [~~first~~] taxable year [~~beginning immediately after the~~] that includes the last day of the allocation year for which the film has been allocated credit by the [~~governor's office for motion picture and television~~] department of economic development. If the amount of the credit is at least one million dollars but less than five million dollars, the credit shall be claimed over a two year period beginning in the first taxable year in which the credit may be claimed and in the next succeeding taxable year, with one-half of the amount of credit allowed being claimed in each year. If the amount of the credit is at least five million dollars, the credit shall be claimed over a three year period beginning in the first taxable year in which the credit may be claimed and in the next two succeeding taxable years, with one-third of the amount of the credit allowed being claimed in each year.

§ 2. Paragraph 5 of subdivision (a) of section 24 of the tax law, as amended by section 2 of part M of chapter 59 of the laws of 2022, is amended to read as follows:

(5) For the period two thousand fifteen through two thousand [~~twenty-nine~~] thirty-four, in addition to the amount of credit established in paragraph two of this subdivision, a taxpayer shall be allowed a credit equal to the product (or pro rata share of the product, in the case of a member of a partnership) of ten percent and the amount of wages or salaries paid to individuals directly employed (excluding those employed as writers, directors, [~~music directors~~] composers, producers and perform-

ers, [~~including~~] other than background actors with no scripted lines to the extent those wages or salaries or other compensation exceed five hundred thousand dollars per individual) by a qualified film production company or a qualified independent film production company for services performed by those individuals in one of the counties specified in this paragraph in connection with a qualified film with a minimum budget of five hundred thousand dollars. Provided, however, the aggregate total eligible qualified production costs for producers, writers, directors, performers (other than background actors with no scripted lines), and composers shall not exceed forty percent of the aggregate sum total of all other qualified production costs. For purposes of this additional credit, the services must be performed in one or more of the following counties: Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Sullivan, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Wyoming, or Yates. The aggregate amount of tax credits allowed pursuant to the authority of this paragraph shall be five million dollars each year during the period two thousand fifteen through two thousand [~~twenty-nine~~] twenty-three and fifteen million dollars each year during the period two thousand twenty-four through two thousand thirty-four of the annual allocation made available to the program pursuant to paragraph four of subdivision (e) of this section. Such aggregate amount of credits shall be allocated by the [~~governor's office for motion picture and television~~] department of economic development among taxpayers in order of priority based upon the date of filing an application for allocation of film production credit [~~with such office~~]. If the total amount of allocated credits applied for under this paragraph in any year exceeds the aggregate amount of tax credits allowed for such year under this paragraph, such excess shall be treated as having been applied for on the first day of the next year. If the total amount of allocated tax credits applied for under this paragraph at the conclusion of any year is less than five million dollars each year during the period two thousand fifteen through two thousand twenty-three and fifteen million dollars each year during the period two thousand twenty-four through two thousand thirty-four, the remainder shall be treated as part of the annual allocation made available to the program pursuant to paragraph four of subdivision (e) of this section. However, in no event may the total of the credits allocated under this paragraph and the credits allocated under paragraph five of subdivision (a) of section thirty-one of this article exceed five million dollars [~~in any year during the period two thousand fifteen through two thousand twenty-nine~~]; provided further, however, that during the period two thousand twenty-four through two thousand thirty-four, in no event may the total of the credits allocated under this paragraph exceed fifteen million dollars or the credits allocated under paragraph five of subdivision (a) of section thirty-one of this article exceed five million dollars.

§ 2-a. Paragraph 1 of subdivision (b) of section 24 of the tax law, as amended by section 4 of part B of chapter 59 of the laws of 2013, is amended to read as follows:

(1) "Qualified production costs" means production costs only to the extent such costs are attributable to the use of tangible property or the performance of services within the state directly and predominantly

in the production (including pre-production and post production) of a qualified film. **The aggregate total eligible qualified production costs for producers, writers, directors, performers (other than background actors with no scripted lines), and composers shall not exceed forty percent of the aggregate sum total of all other qualified production costs.**

§ 3. Paragraph 2 of subdivision (b) of section 24 of the tax law, as added by section 1 of part P of chapter 60 of the laws of 2004, is amended to read as follows:

(2) "Production costs" means any costs for tangible property used and services performed directly and predominantly in the production (including pre-production and post production) of a qualified film. "Production costs" shall not include (i) costs for a story, script or scenario to be used for a qualified film and (ii) wages or salaries or other compensation for writers, directors, [~~**including music directors**~~] **composers**, producers and performers (other than background actors with no scripted lines) **to the extent those wages or salaries or other compensation exceed five hundred thousand dollars per individual**. "Production costs" generally include technical and crew production costs, such as expenditures for film production facilities, or any part thereof, props, makeup, wardrobe, film processing, camera, sound recording, set construction, lighting, shooting, editing and meals.

§ 4. Paragraph 8 of subdivision (b) of section 24 of the tax law, as added by section 2 of part B of chapter 59 of the laws of 2013, is amended to read as follows:

(8) "Relocated television production" shall mean, notwithstanding the limitations in subparagraph (i) of paragraph three of this subdivision, a television production that is a talk or variety program that filmed at least [~~**five**~~] **two** seasons outside the state prior to its first relocated season in New York, the episodes are filmed before a studio audience of two hundred or more, and the relocated television production incurs (i) at least thirty million dollars in annual production costs in the state, or (ii) at least ten million dollars in capital expenditures at a qualified production facility in the state.

§ 5. Subdivision (b) of section 24 of the tax law is amended by adding a new paragraph 9 to read as follows:

(9) "Eligible relocated television series" shall mean the first two years of a regularly occurring production intended to run in its initial broadcast, regardless of the medium or mode of its distribution, in a series of narrative and/or thematically related episodes, each of which has a running time of at least thirty minutes in length (inclusive of commercial advertisement and interstitial programming, if any). For the purposes of this definition only, a television series produced by and for media services providers described as streaming services and/or digital platforms (and excluding network/cable) shall mean a regularly occurring production intended to run in its initial release in a series of narrative and/or thematically related episodes, the aggregate length of which is at least seventy-five minutes, although the episodes themselves may vary in duration from the thirty minutes specified for network/cable production, which had filmed a minimum of six episodes of the television series outside the state immediately prior to relocating to the state, where the television series had a total minimum budget of at least one million dollars per episode.

§ 6. Paragraph 4 of subdivision (e) of section 24 of the tax law, as amended by section 3 of part M of chapter 59 of the laws of 2022, is amended to read as follows:

(4) Additional pool 2 - The aggregate amount of tax credits allowed in subdivision (a) of this section shall be increased by an additional four hundred twenty million dollars in each year starting in two thousand ten through two thousand [~~twenty-nine~~] **twenty-three and seven hundred million dollars each year starting in two thousand twenty-four through two thousand thirty-four,** provided however, seven million dollars of the annual allocation shall be available for the empire state film post production credit pursuant to section thirty-one of this article in two thousand thirteen and two thousand fourteen, twenty-five million dollars of the annual allocation shall be available for the empire state film post production credit pursuant to section thirty-one of this article in each year starting in two thousand fifteen through two thousand [~~twenty-nine and~~] **twenty-three, and forty-five millions dollars of the annual allocation shall be available for the empire state film post production credit pursuant to section thirty-one of this article in each year starting in two thousand twenty-four through two thousand thirty-four. Provided further,** five million dollars of the annual allocation shall be made available for the television writers' and directors' fees and salaries credit pursuant to section twenty-four-b of this article in each year starting in two thousand twenty through two thousand [~~twenty-nine~~] **thirty-four**. This amount shall be allocated by the [~~governor's office for motion picture and television~~] **department of economic** development among taxpayers in accordance with subdivision (a) of this section. If the commissioner of economic development determines that the aggregate amount of tax credits available from additional pool 2 for the empire state film production tax credit have been previously allocated, and determines that the pending applications from eligible applicants for the empire state film post production tax credit pursuant to section thirty-one of this article is insufficient to utilize the balance of unallocated empire state film post production tax credits from such pool, the remainder, after such pending applications are considered, shall be made available for allocation in the empire state film tax credit pursuant to this section, subdivision twenty of section two hundred ten-B and subsection (gg) of section six hundred six of this chapter. Also, if the commissioner of economic development determines that the aggregate amount of tax credits available from additional pool 2 for the empire state film post production tax credit have been previously allocated, and determines that the pending applications from eligible applicants for the empire state film production tax credit pursuant to this section is insufficient to utilize the balance of unallocated film production tax credits from such pool, then all or part of the remainder, after such pending applications are considered, shall be made available for allocation for the empire state film post production credit pursuant to this section, subdivision thirty-two of section two hundred ten-B and subsection (qq) of section six hundred six of this chapter. The [~~governor's office for motion picture and television~~] **department of economic** development must notify taxpayers of their allocation year and include the allocation year on the certificate of tax credit. Taxpayers eligible to claim a credit must report the allocation year directly on their empire state film production credit tax form for each year a credit is claimed and include a copy of the certificate with their tax return. In the case of a qualified film that receives funds from additional pool 2, no empire state film production credit shall be claimed before the later of **(1)** the taxable year the production of the qualified film is complete, or **(2)** the taxable year [~~immediately following~~] **that includes the last day of** the allocation year for which the

film has been allocated credit by the [~~governor's office for motion picture and television~~] department of economic development.

§ 7. Paragraph 4 of subdivision (e) of section 24 of the tax law, as amended by section 4 of part M of chapter 59 of the laws of 2022, is amended to read as follows:

(4) Additional pool 2 - The aggregate amount of tax credits allowed in subdivision (a) of this section shall be increased by an additional four hundred twenty million dollars in each year starting in two thousand ten through two thousand [~~twenty-nine~~] twenty-three and seven hundred million dollars in each year starting in two thousand twenty-four through two thousand thirty-four, provided however, seven million dollars of the annual allocation shall be available for the empire state film post production credit pursuant to section thirty-one of this article in two thousand thirteen and two thousand fourteen [~~and~~], twenty-five million dollars of the annual allocation shall be available for the empire state film post production credit pursuant to section thirty-one of this article in each year starting in two thousand fifteen through two thousand [~~twenty-nine~~] twenty-three, and forty-five million dollars of the annual allocation shall be available for the empire state film post production credit pursuant to section thirty-one of this article in each year starting in two thousand twenty-four through two thousand thirty-four. This amount shall be allocated by the [~~governor's office for motion picture and television~~] department of economic development among taxpayers in accordance with subdivision (a) of this section. If the commissioner of economic development determines that the aggregate amount of tax credits available from additional pool 2 for the empire state film production tax credit have been previously allocated, and determines that the pending applications from eligible applicants for the empire state film post production tax credit pursuant to section thirty-one of this article is insufficient to utilize the balance of unallocated empire state film post production tax credits from such pool, the remainder, after such pending applications are considered, shall be made available for allocation in the empire state film tax credit pursuant to this section, subdivision twenty of section two hundred ten-B and subsection (gg) of section six hundred six of this chapter. Also, if the commissioner of economic development determines that the aggregate amount of tax credits available from additional pool 2 for the empire state film post production tax credit have been previously allocated, and determines that the pending applications from eligible applicants for the empire state film production tax credit pursuant to this section is insufficient to utilize the balance of unallocated film production tax credits from such pool, then all or part of the remainder, after such pending applications are considered, shall be made available for allocation for the empire state film post production credit pursuant to this section, subdivision thirty-two of section two hundred ten-B and subsection (qq) of section six hundred six of this chapter. The [~~governor's office for motion picture and television~~] department of economic development must notify taxpayers of their allocation year and include the allocation year on the certificate of tax credit. Taxpayers eligible to claim a credit must report the allocation year directly on their empire state film production credit tax form for each year a credit is claimed and include a copy of the certificate with their tax return. In the case of a qualified film that receives funds from additional pool 2, no empire state film production credit shall be claimed before the later of (1) the taxable year the production of the qualified film is complete, or (2) the taxable year [~~immediately follow-~~

~~ing~~] that includes the last day of the allocation year for which the film has been allocated credit by the [~~governor's office for motion picture and television~~] department of economic development.

§ 8. Paragraph 2 of subdivision (a) of section 31 of the tax law, as amended by section 5 of part M of chapter 59 of the laws of 2020, is amended to read as follows:

(2) The amount of the credit shall be the product (or pro rata share of the product, in the case of a member of a partnership) of [~~twenty-five~~] thirty percent and the qualified post production costs paid in the production of a qualified film at a qualified post production facility located within the metropolitan commuter transportation district as defined in section twelve hundred sixty-two of the public authorities law or [~~thirty~~] thirty-five percent and the qualified post production costs paid in the production of a qualified film at a qualified post production facility located elsewhere in the state.

§ 9. Paragraph 6 of subdivision (a) of section 31 of the tax law, as amended by section 6 of part M of chapter 59 of the laws of 2022, is amended to read as follows:

(6) For the period two thousand fifteen through two thousand [~~twenty-nine~~] thirty-four, in addition to the amount of credit established in paragraph two of this subdivision, a taxpayer shall be allowed a credit equal to the product (or pro rata share of the product, in the case of a member of a partnership) of ten percent and the amount of wages or salaries paid to individuals directly employed (excluding those employed as writers, directors, [~~music directors~~] composers, producers and performers, [~~including~~] other than background actors with no scripted lines) for services performed by those individuals in one of the counties specified in this paragraph in connection with the post production work on a qualified film with a minimum budget of five hundred thousand dollars at a qualified post production facility in one of the counties listed in this paragraph. For purposes of this additional credit, the services must be performed in one or more of the following counties: Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Sullivan, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Wyoming, or Yates. The aggregate amount of tax credits allowed pursuant to the authority of this paragraph shall be five million dollars each year during the period two thousand fifteen through two thousand [~~twenty-nine~~] thirty-four of the annual allocation made available to the empire state film post production credit pursuant to paragraph four of subdivision (e) of section twenty-four of this article. Such aggregate amount of credits shall be allocated by the [~~governor's office for motion picture and television~~] department of economic development among taxpayers in order of priority based upon the date of filing an application for allocation of post production credit with such office. If the total amount of allocated credits applied for under this paragraph in any year exceeds the aggregate amount of tax credits allowed for such year under this paragraph, such excess shall be treated as having been applied for on the first day of the next year. If the total amount of allocated tax credits applied for under this paragraph at the conclusion of any year is less than five million dollars, the remainder shall be treated as part of the annual allocation for two thousand seventeen made available to the

empire state film post production credit pursuant to paragraph four of subdivision (e) of section twenty-four of this article. However, in no event may the total of the credits allocated under this paragraph and the credits allocated under paragraph five of subdivision (a) of section twenty-four of this article exceed five million dollars in any year during the period two thousand fifteen through two thousand [~~twenty-nine~~] **thirty-four**.

§ 9-a. Paragraph 3 of subdivision (b) of section 24 of the tax law, as amended by section 5 of part F of chapter 59 of the laws of 2021, is amended to read as follows:

(3) "Qualified film" means a feature-length film, television film, relocated television production, television pilot or television series, regardless of the medium by means of which the film, pilot or series is created or conveyed. For the purposes of the credit provided by this section only, a "qualified film" whose majority of principal photography shooting days in the production of the qualified film are shot in Westchester, Rockland, Nassau, or Suffolk county or any of the five New York City boroughs shall have a minimum budget of one million dollars. A "qualified film", whose majority of principal photography shooting days in the production of the qualified film are shot in any other county of the state than those listed in the preceding sentence shall have a minimum budget of two hundred fifty thousand dollars. "Qualified film" shall not include: (i) a documentary film, news or current affairs program, interview or talk program, "how-to" (i.e., instructional) film or program, film or program consisting primarily of stock footage, sporting event or sporting program, game show, award ceremony, film or program intended primarily for industrial, corporate or institutional end-users, fundraising film or program, daytime drama (i.e., daytime "soap opera"), commercials, music videos or "reality" program; (ii) a production for which records are required under section 2257 of title 18, United States code, to be maintained with respect to any performer in such production (reporting of books, films, etc. with respect to sexually explicit conduct); or (iii) other than a relocated television production, a television series commonly known as variety entertainment, variety sketch and variety talk, i.e., a program with components of improvisational or scripted content (monologues, sketches, interviews), either exclusively or in combination with other entertainment elements such as musical performances, dancing, cooking, crafts, pranks, stunts, and games and which may be further defined in regulations of the commissioner of economic development. However, a qualified film shall include a television series as described in subparagraph (iii) of this paragraph only if an application for such series has been deemed conditionally eligible for the tax credit under this section prior to April first, two thousand twenty, such series remains in continuous production for each season, and an annual application for each season of such series is continually submitted for such series after April first, two thousand twenty. **Notwithstanding subparagraph (iii) of this paragraph, an entity receiving a credit pursuant to this section for a television series commonly known as variety entertainment, that would otherwise be prohibited from receiving a tax credit, shall be eligible for a new variety entertainment show credit if the amount of the initial year credit does not exceed the previous year's amount, at least fifty percent of the staff are maintained in the first year of the credit, the same eligible entity applies for the subsequent season's credit, and such application is made prior to March thirty-first, two thousand twenty-four.**

§ 10. This act shall take effect immediately for initial applications received on or after such effective date; provided, however, that the amendments to paragraph 4 of subdivision (e) of section 24 of the tax law made by section six of this act shall take effect on the same date and in the same manner as section 6 of chapter 683 of the laws of 2019, as amended, takes effect.

PART E

Section 1. Section 1085 of the tax law is amended by adding a new subsection (e-1) to read as follows:

(e-1) Waiver of addition for underpayment of estimated tax. No addition to tax shall be imposed under subsection (c) of this section with respect to any underpayment to the extent the commissioner determines that by reason of casualty, disaster or other unusual circumstances the imposition of such addition to tax would be against equity and good conscience.

§ 2. This act shall take effect immediately.

PART F

Section 1. Subdivision 4 of section 484 of the economic development law, as added by section 1 of part E of chapter 59 of the laws of 2022, is amended to read as follows:

4. The business entity must submit its application by [~~March thirty-first~~] **September thirtieth**, two thousand twenty-three.

§ 2. This act shall take effect immediately.

PART G

Section 1. Article 6 of the social services law is amended by adding a new title 1-A to read as follows:

TITLE 1-A

CHILD CARE CREATION AND EXPANSION TAX CREDIT PROGRAM

Section 394. Short title.
394-a. Definitions.
394-b. Eligibility criteria.
394-c. Application and approval process.
394-d. Child care creation and expansion tax credit.
394-e. Allocation of credit.
394-f. Powers and duties of the commissioner.
394-g. Maintenance of records.

§ 394. Short title. This title shall be known and may be cited as the "child care creation and expansion tax credit program act".

§ 394-a. Definitions. For the purposes of this title:

1. "Certificate of tax credit" shall mean the document issued to a business entity by the office after the office has verified that the business entity has met all applicable eligibility criteria in this title. The certificate shall specify the exact amount of the tax credit under this title that a business entity may claim, pursuant to section three hundred ninety-four-d of this title, and the service year.

2. "Child care program" shall mean a child day care for which a license or registration to operate such program has been issued by the office pursuant to section three hundred ninety of this article.

3. "Child care rate" shall mean the weekly child care subsidy market rates, based on the eightieth percentile of the 2021-22 New York state

child care market rate survey, for infant and toddler care provided by a licensed or registered child care program, as reflected in the 2022 child care market rate survey report published by the office in compliance with section 98.45 of title forty-five of the code of federal regulations.

4. "Child care seats" shall mean the maximum number of children to be allowed on the premises of a child care program at any time that such program is in operation as specified on the license or registration issued for such program by the office.

5. "Creates child care" shall mean the making available of child care seats in a child care program by a business entity, directly or through a third-party, for employees of such business entity, where such child care program was not available prior to April first, two thousand twenty-three, provided that the costs imposed on such employees for such child care program do not exceed forty percent of the child care rate.

6. "Commissioner" shall mean commissioner of the office of children and family services.

7. "Expands child care" shall mean the increase in the number of child care seats in a child care program made available by a business entity, directly or through a third party, for employees of such business entity, provided that such increase requires a new or amended license or registration issued by the office pursuant to section three hundred ninety of this article on or after April first, two thousand twenty-three, and, provided further, that the costs imposed on such employees for such child care program do not exceed forty percent of the child care rate.

8. "Occupied" shall mean, for each service year in which a child care program is in operation, the average daily number of children in attendance on the premises of such child care program.

9. "Office" shall mean the office of children and family services.

10. "Service year" shall mean the twelve-month period, or portion thereof, commencing on January first and ending on December thirty-first.

§ 394-b. Eligibility criteria. 1. To be eligible for a tax credit under the child care creation and expansion tax credit program, a business entity must:

(a) be a business entity that is required to file a tax return pursuant to article nine-A, twenty-two or thirty-three of the tax law;

(b) be a child care program, or contract with such child care program, as defined in this title that is licensed or registered pursuant to section three hundred ninety of this article;

(c) create or expand child care seats, directly or through a third party, for the employees of such business entity on or after April first, two thousand twenty-three and before January first, two thousand twenty-five;

(d) operate a business location in New York state;

(e) be in substantial compliance with any child care licensing laws and regulations related to the entity's business sector or other laws and regulations as determined by the commissioner; and

(f) not owe past due state taxes or local property taxes unless the business entity is making payments and complying with an approved binding payment agreement entered into with the taxing authority.

§ 394-c. Application and approval process. 1. A business entity must submit a complete application as prescribed by the commissioner by the thirty-first of January after the end of the service year.

2. The commissioner shall establish procedures for a business entity to submit applications. As part of the application, each business entity must:

(a) provide evidence in a form and manner prescribed by the commissioner of their business eligibility;

(b) provide the license or registration issued to the business entity, directly or through a third party, by the office to operate a child care program indicating the number of child care seats created or, in the case of a child care program that has experienced an expansion of child care seats, the license or registration issued by the office demonstrating such expansion;

(c) provide evidence in a form and manner prescribed by the commissioner establishing:

(i) the total number of child care seats that were occupied during the service year;

(ii) of such total number of child care seats that were occupied, the number of infant child care seats that were occupied and the number of toddler child care seats that were occupied;

(iii) that, to the extent the business entity, directly or through a third party, has expanded child care, the number of child care seats in existence before such expansion and the number of such child care seats that were occupied before such expansion; and

(iv) that the costs imposed on the business entity's employees for such child care program do not exceed forty percent of the child care rate.

(d) agree to allow the department of taxation and finance to share the business entity's tax information relevant to the administration of this title with the office. However, any information shared as a result of this title shall not be available for disclosure or inspection under the state freedom of information law;

(e) allow the office and its agents access to any and all books and records the office may require to monitor compliance; and

(f) agree to provide any additional information required by the office relevant to this title.

3. After reviewing a business entity's completed final application and determining that the business entity meets the eligibility criteria as set forth in this title, the office may issue to that business entity a certificate of tax credit, which shall set forth the amount of the credit that may be claimed and the service year.

§ 394-d. Child care creation and expansion tax credit. Allowance of credit. 1. A business entity in the child care creation and expansion tax credit program that meets the eligibility requirements of section three hundred ninety-four-b of this title may be eligible to claim a credit for the portion of the service year in which the child care program was in operation, equal to the sum of: (a) the product of the number of infant child care seats that have been created or expanded and twenty percent of the child care rate for such infant child care seats and (b) the product of the number of toddler child care seats that have been created or expanded and twenty percent of the child care rate for such toddler child care seats; provided that such infant and toddler child care seats are child care seats that are occupied. Notwithstanding the preceding sentence, a credit shall not be allowed for more than twenty-five child care seats that are occupied, and the amount of such credit may be reduced as a result of an allocation of available funds, as described in section three hundred ninety-four-e of this title.

2. The credit shall be allowed as provided in section forty-eight, subdivision fifty-nine of section two hundred ten-B, subsection (ooo) of section six hundred six and subdivision (ee) of section fifteen hundred eleven of the tax law.

§ 394-e. Allocation of credit. The aggregate amount of tax credits allowed under this title, subdivision fifty-nine of section two hundred ten-B, subsection (ooo) of section six hundred six and subdivision (ee) of section fifteen eleven of the tax law shall be twenty-five million dollars each year during the period two thousand twenty-three and two thousand twenty-four. Such aggregate amount of credits shall be allocated by the office on a pro rata basis to each business entity that demonstrates eligibility pursuant to section three hundred ninety-four-b of this title.

§ 394-f. Powers and duties of the commissioner. 1. The commissioner may promulgate regulations establishing an application process and eligibility criteria, which will be applied consistent with the purposes of this title so as not to exceed the annual cap on tax credits set forth in this title, that, notwithstanding any provisions to the contrary in the state administrative procedure act, may be adopted on an emergency basis.

2. The commissioner shall, in consultation with the department of taxation and finance, develop a certificate of tax credit that shall be issued by the commissioner to eligible businesses. Such certificate shall contain such information as required by the department of taxation and finance.

3. The commissioner shall solely determine the eligibility of any business entity applying for entry into the program and shall remove any business entity from the program for failing to meet any of the requirements set forth in section three hundred ninety-four-b of this title.

§ 394-g. Maintenance of records. Each business entity participating in the program shall keep all relevant records for the duration of their participation in the program for at least three years.

§ 2. The tax law is amended by adding a new section 48 to read as follows:

§ 48. Child care creation and expansion tax credit. (a) Allowance of credit. A taxpayer subject to tax under article 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 (f) of this section. The amount of the credit is equal to the amount determined pursuant to section three hundred ninety-four-d of the social services law and shall be claimed in the taxable year that includes the last day of the service year for which the credit is calculated. No cost or expense paid or incurred by the taxpayer that is included as part of the calculation of this credit shall be the basis of any other tax credit allowed under this chapter.

(b) Eligibility. To be eligible for the child care creation and expansion tax credit, the taxpayer shall have been issued a certificate of tax credit by the office of children and family services pursuant to section three hundred ninety-four-c of the social services law. A taxpayer that is a partner in a partnership, member of a limited liability company or shareholder in a subchapter S corporation that has received a certificate of tax credit shall be allowed its pro rata share of the credit earned by the partnership, limited liability company or subchapter S corporation.

(c) Tax return requirement. The taxpayer shall be required to attach to its tax return in the form prescribed by the commissioner, proof of

receipt of its certificate of tax credit issued by the commissioner of the office of children and family services.

(d) Information sharing. Notwithstanding any provision of this chapter, employees of the office of children and family services and the department shall be allowed and are directed to share and exchange:

(1) information regarding the credit applied for, allowed or claimed pursuant to this section and taxpayers that are applying for the credit or that are claiming the credit; and

(2) information contained in or derived from credit claim forms submitted to the department. Except as provided in paragraph one of this subdivision, all information exchanged between the office of children and family services and the department shall not be subject to disclosure or inspection under the state's freedom of information law.

(e) Credit recapture. If a certificate of tax credit issued by the office of children and family services under title 1-A of article six of the social services law is revoked by such office, the amount of credit described in this section and claimed by the taxpayer prior to that revocation shall be added back to tax in the taxable year in which any such revocation becomes final.

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

(1) article 9-A: section 210-B, subdivision 59;

(2) article 22: section 606, subsection (ooo);

(3) article 33: section 1511, subdivision (ee).

§ 3. Section 210-B of the tax law is amended by adding a new subdivision 59 to read as follows:

59. Child care creation and expansion tax credit. (a) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-eight of this chapter, against the taxes imposed by this article.

(b) Application of credit. The credit allowed under this subdivision for the taxable year shall not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of credit allowed under this subdivision for the taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest will be paid thereon.

§ 4. Section 606 of the tax law is amended by adding a new subsection (ooo) to read as follows:

(ooo) Child care creation and expansion tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-eight of this chapter, against the tax imposed by this article.

(2) Application of credit. If the amount of the credit allowed under this subsection for the taxable year exceeds the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest will be paid thereon.

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

(l) Child care creation and expansion tax credit under subsection (ooo)	**Amount of credit under subdivision 59 of section two hundred ten-B**

§ 6. Section 1511 of the tax law is amended by adding a new subdivision (ee) to read as follows:

(ee) Child care creation and expansion tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-eight of this chapter, against the tax imposed by this article.

(2) Application of credit. The credit allowed under this subdivision shall not reduce the tax due for such year to be less than the minimum fixed by paragraph four of subdivision (a) of section fifteen hundred two or section fifteen hundred two-a of this article, whichever is applicable. However, if the amount of the credit allowed under this subdivision for any taxable year reduces the taxpayer's tax to such amount, any amount of credit thus not deductible will be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

§ 7. This act shall take effect immediately.

PART H

Section 1. Paragraph 5 of subdivision (d) of section 1201-a of the tax law, as amended by chapter 260 of the laws of 2015, is amended to read as follows:

5. Any local law adopted pursuant to this subdivision may provide for a credit as authorized by this subdivision for a maximum of three consecutive calendar years, provided, however, that any such credit may not apply to taxable years beginning before January first, two thousand [~~ten~~] **twenty-three** or beginning on or after January first, two thousand [~~nineteen~~] **twenty-six**.

§ 2. This act shall take effect immediately.

PART I

Section 1. This Part enacts into law major components of legislation relating to extending various taxes and tax credits. Each component is wholly contained within a Subpart identified as Subparts A through E. The effective date for each particular provision contained within such Subpart is set forth in the last section of such Subpart. Any provision in any section contained within a Subpart, including the effective date of the Subpart, which makes reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Subpart in which it is found. Section three of this Part sets forth the general effective date of this Part.

SUBPART A

Section 1. The opening paragraph of paragraph (a) of subdivision 1 of section 210 of the tax law, as amended by section 1 of part HHH of chapter 59 of the laws of 2021, is amended to read as follows:

For taxable years beginning before January first, two thousand sixteen, the amount prescribed by this paragraph shall be computed at the rate of seven and one-tenth percent of the taxpayer's business income base. For taxable years beginning on or after January first, two thousand sixteen, the amount prescribed by this paragraph shall be six and one-half percent of the taxpayer's business income base. For taxable years beginning on or after January first, two thousand twenty-one and before January first, two thousand [~~twenty-four~~] twenty-three for any taxpayer with a business income base for the taxable year of more than five million dollars, the amount prescribed by this paragraph shall be seven and one-quarter percent of the taxpayer's business income base. For taxable years beginning on or after January first two thousand twenty-three and before January first, two thousand twenty-seven for any taxpayer with a business income base for the taxable year of more than five million dollars, the amount prescribed by this paragraph shall be nine and one-quarter percent of the taxpayer's business income base. The taxpayer's business income base shall mean the portion of the taxpayer's business income apportioned within the state as hereinafter provided. However, in the case of a small business taxpayer, as defined in paragraph (f) of this subdivision, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (iv) of this paragraph and in the case of a manufacturer, as defined in subparagraph (vi) of this paragraph, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (vi) of this paragraph, and, in the case of a qualified emerging technology company, as defined in subparagraph (vii) of this paragraph, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (vii) of this paragraph.

§ 2. Subparagraph 1 of paragraph (b) of subdivision 1 of section 210 of the tax law, as amended by section 2 of part HHH of chapter 59 of the laws of 2021, is amended to read as follows:

(1) (i) The amount prescribed by this paragraph shall be computed at .15 percent for each dollar of the taxpayer's total business capital, or the portion thereof apportioned within the state as hereinafter provided for taxable years beginning before January first, two thousand sixteen. However, in the case of a cooperative housing corporation as defined in the internal revenue code, the applicable rate shall be .04 percent until taxable years beginning on or after January first, two thousand twenty and zero percent for taxable years beginning on or after January first, two thousand twenty-one. The rate of tax for subsequent tax years shall be as follows: .125 percent for taxable years beginning on or after January first, two thousand sixteen and before January first, two thousand seventeen; .100 percent for taxable years beginning on or after January first, two thousand seventeen and before January first, two thousand eighteen; .075 percent for taxable years beginning on or after January first, two thousand eighteen and before January first, two thousand nineteen; .050 percent for taxable years beginning on or after January first, two thousand nineteen and before January first, two thousand twenty; .025 percent for taxable years beginning on or after January first, two thousand twenty and before January first, two thousand twenty-one; and .1875 percent for years beginning on or after January first, two thousand twenty-one and before January first, two thousand [~~twenty-four~~] twenty-seven, and zero percent for taxable years beginning on or after January first, two thousand [~~twenty-four~~] twenty-seven. Provided however, for taxable years beginning on or after January first, two thousand twenty-one, the rate of tax for a small business as defined in paragraph (f) of this subdivision shall be zero

percent. The rate of tax for a qualified New York manufacturer shall be .132 percent for taxable years beginning on or after January first, two thousand fifteen and before January first, two thousand sixteen, .106 percent for taxable years beginning on or after January first, two thousand sixteen and before January first, two thousand seventeen, .085 percent for taxable years beginning on or after January first, two thousand seventeen and before January first, two thousand eighteen; .056 percent for taxable years beginning on or after January first, two thousand eighteen and before January first, two thousand nineteen; .038 percent for taxable years beginning on or after January first, two thousand nineteen and before January first, two thousand twenty; .019 percent for taxable years beginning on or after January first, two thousand twenty and before January first, two thousand twenty-one; and zero percent for years beginning on or after January first, two thousand twenty-one. (ii) In no event shall the amount prescribed by this paragraph exceed three hundred fifty thousand dollars for qualified New York manufacturers and for all other taxpayers five million dollars.

§ 3. Section 218 of the tax law, as added by chapter 69 of the laws of 1978, is amended to read as follows:

§ 218. Deposit and disposition of revenue. **1.** All taxes, interest and penalties collected or received by the tax commission under this article shall be deposited and disposed of pursuant to the provisions of section one hundred seventy-one-a of this chapter.

2. Provided, however, after the comptroller retains an amount necessary for refunds and reimbursements to which taxpayers shall be entitled under this article as described in section one hundred seventy-one-a of this chapter, she or he shall deposit into the credit of the corporate transportation account of the metropolitan transportation authority special assistance fund established by section twelve hundred seventy-a of the public authorities law for the costs of the New York city transit authority, to be applied as provided in paragraph (e) of subdivision four of such section in the following amounts: (i) in state fiscal year two thousand twenty-three--two thousand twenty-four, an amount equal to six hundred ninety-two million dollars; and (ii) in state fiscal year two thousand twenty-four--two thousand twenty-five, an amount equal to nine hundred twenty-three million dollars; and (iii) in state fiscal year two thousand twenty-five--two thousand twenty-six, an amount equal to seven hundred fifty-two million dollars; and (iv) in state fiscal year two thousand twenty-six--two thousand twenty-seven, an amount equal to eight hundred seventeen million dollars.

3. Provided further, after such funds are distributed pursuant to subdivision two of this section but before such funds are distributed pursuant to subdivision one of this section, such funds shall be distributed into the credit of the metropolitan mass transportation operating assistance account established by section eighty-eight-a of the state finance law in the following amounts: (i) in state fiscal year two thousand twenty-three--two thousand twenty-four, an amount equal to one hundred thirty million dollars; and (ii) in state fiscal year two thousand twenty-four--two thousand twenty-five, an amount equal to one hundred seventy-three million dollars; and (iii) in state fiscal year two thousand twenty-five--two thousand twenty-six, an amount equal to one hundred forty-one million dollars; and (iv) in state fiscal year two thousand twenty-six--two thousand twenty-seven an amount equal to one hundred fifty-three million dollars.

4. And, provided further, after funds are distributed pursuant to subdivisions two and three of this section, but before such funds are

distributed pursuant to subdivision one of this section, such funds shall be deposited into the credit of the public transportation systems operating assistance account established by section eighty-eight-a of the state finance law in the following amounts: (i) in state fiscal year two thousand twenty-three--two thousand twenty-four, an amount equal to forty-three million dollars; and (ii) in state fiscal year two thousand twenty-four--two thousand twenty-five, an amount equal to fifty-eight million dollars; and (iii) in state fiscal year two thousand twenty-five--two thousand twenty-six, an amount equal to forty-seven million dollars; and (iv) in state fiscal year two thousand twenty-six--two thousand twenty-seven, an amount equal to fifty-one million dollars.

§ 4. The closing paragraph of subdivision 1 of section 1270-a of the public authorities law, as amended by section 7 of part FF of chapter 58 of the laws of 2019, is amended to read as follows:

The authority shall make deposits in the transit account and the commuter railroad account of the moneys received by it pursuant to the provisions of subdivision one of section two hundred sixty-one of the tax law in accordance with the provisions thereof, and shall make deposits in the corporate transportation account of the moneys received by it pursuant to the provisions of subdivision two of section two hundred sixty-one of the tax law and section ninety-two-ff of the state finance law. The comptroller shall deposit, without appropriation, into the corporate transportation account the revenue fees, taxes, interest and penalties collected in accordance with paragraph (b-1) of subdivision two of section five hundred three of the vehicle and traffic law, paragraph (c-3) of subdivision two of section five hundred three of the vehicle and traffic law, article seventeen-C of the vehicle and traffic law, article twenty-nine-A of the tax law [~~and~~], section eleven hundred sixty-six-a of the tax law, and subdivision two of section two hundred eighteen of the tax law.

§ 5. Paragraph (a) of subdivision 7 of section 88-a of the state finance law, as added by chapter 481 of the laws of 1981, is amended to read as follows:

(a) The "metropolitan mass transportation operating assistance account" shall consist of the revenues derived from the taxes for the metropolitan transportation district imposed by section eleven hundred nine of the tax law and that proportion of the receipts received pursuant to the tax imposed by article [~~nine-a~~] nine-A of such law as specified in section one hundred seventy-one-a of such law, [~~and~~] that proportion of the receipts received pursuant to the tax imposed by article nine of such law as specified in section two hundred five of such law, and subdivision three of section two hundred eighteen of the tax law and the receipts required to be deposited pursuant to the provisions of section one hundred eighty-two-a, and all other moneys credited or transferred thereto from any other fund or source pursuant to law.

§ 6. Paragraph (a) of subdivision 5 of section 88-a of the state finance law, as added by chapter 481 of the laws of 1981, is amended to read as follows:

(a) The "public transportation systems operating assistance account" shall consist of revenues required to be deposited therein pursuant to the provisions of section one hundred eighty-two-a of the tax law, subdivision four of section two hundred eighteen of the tax law and all other moneys credited or transferred thereto from any other fund or source pursuant to law.

§ 7. Subdivision 1 of section 171-a of the tax law, as amended by chapter 129 of the laws of 2022, is amended to read as follows:

1. All taxes, interest, penalties and fees collected or received by the commissioner or the commissioner's duly authorized agent under articles nine (except section one hundred eighty-two-a thereof and except as otherwise provided in section two hundred five thereof), nine-A **(except as otherwise provided in section two hundred eighteen therefor)**, twelve-A (except as otherwise provided in section two hundred eighty-four-d thereof), thirteen, thirteen-A (except as otherwise provided in section three hundred twelve thereof), eighteen, nineteen, twenty (except as otherwise provided in section four hundred eighty-two thereof), twenty-B, twenty-C, twenty-D, twenty-one, twenty-two, twenty-four, twenty-four-A, twenty-six, twenty-eight (except as otherwise provided in section eleven hundred two or eleven hundred three thereof), twenty-eight-A, twenty-eight-D (except as otherwise provided in section eleven hundred ninety-seven, twenty-nine-B),[~~,~~] thirty-one (except as otherwise provided in section fourteen hundred twenty-one thereof), thirty-three and thirty-three-A of this chapter shall be deposited daily in one account with such responsible banks, banking houses or trust companies as may be designated by the comptroller, to the credit of the comptroller. Such an account may be established in one or more of such depositories. Such deposits shall be kept separate and apart from all other money in the possession of the comptroller. The comptroller shall require adequate security from all such depositories. Of the total revenue collected or received under such articles of this chapter, the comptroller shall retain in the comptroller's hands such amount as the commissioner may determine to be necessary for refunds or reimbursements under such articles of this chapter out of which amount the comptroller shall pay any refunds or reimbursements to which taxpayers shall be entitled under the provisions of such articles of this chapter. The commissioner and the comptroller shall maintain a system of accounts showing the amount of revenue collected or received from each of the taxes imposed by such articles. The comptroller, after reserving the amount to pay such refunds or reimbursements, shall, on or before the tenth day of each month, pay into the state treasury to the credit of the general fund all revenue deposited under this section during the preceding calendar month and remaining to the comptroller's credit on the last day of such preceding month, (i) except that the comptroller shall pay to the state department of social services that amount of overpayments of tax imposed by article twenty-two of this chapter and the interest on such amount which is certified to the comptroller by the commissioner as the amount to be credited against past-due support pursuant to subdivision six of section one hundred seventy-one-c of this article, (ii) and except that the comptroller shall pay to the New York state higher education services corporation and the state university of New York or the city university of New York respectively that amount of overpayments of tax imposed by article twenty-two of this chapter and the interest on such amount which is certified to the comptroller by the commissioner as the amount to be credited against the amount of defaults in repayment of guaranteed student loans and state university loans or city university loans pursuant to subdivision five of section one hundred seventy-one-d and subdivision six of section one hundred seventy-one-e of this article, (iii) and except further that, notwithstanding any law, the comptroller shall credit to the revenue arrearage account, pursuant to section ninety-one-a of the state finance law, that amount of overpayment of tax imposed by article nine, nine-A, twenty-two, thirty, thirty-A, thirty-B or thirty-three of this chapter, and any interest thereon, which is certified to the comptroller by the commissioner as

the amount to be credited against a past-due legally enforceable debt owed to a state agency pursuant to paragraph (a) of subdivision six of section one hundred seventy-one-f of this article, provided, however, he shall credit to the special offset fiduciary account, pursuant to section ninety-one-c of the state finance law, any such amount creditable as a liability as set forth in paragraph (b) of subdivision six of section one hundred seventy-one-f of this article, (iv) and except further that the comptroller shall pay to the city of New York that amount of overpayment of tax imposed by article nine, nine-A, twenty-two, thirty, thirty-A, thirty-B or thirty-three of this chapter and any interest thereon that is certified to the comptroller by the commissioner as the amount to be credited against city of New York tax warrant judgment debt pursuant to section one hundred seventy-one-l of this article, (v) and except further that the comptroller shall pay to a non-obligated spouse that amount of overpayment of tax imposed by article twenty-two of this chapter and the interest on such amount which has been credited pursuant to section one hundred seventy-one-c, one hundred seventy-one-d, one hundred seventy-one-e, one hundred seventy-one-f or one hundred seventy-one-l of this article and which is certified to the comptroller by the commissioner as the amount due such non-obligated spouse pursuant to paragraph six of subsection (b) of section six hundred fifty-one of this chapter; and (vi) the comptroller shall deduct a like amount which the comptroller shall pay into the treasury to the credit of the general fund from amounts subsequently payable to the department of social services, the state university of New York, the city university of New York, or the higher education services corporation, or the revenue arrearage account or special offset fiduciary account pursuant to section ninety-one-a or ninety-one-c of the state finance law, as the case may be, whichever had been credited the amount originally withheld from such overpayment, and (vii) with respect to amounts originally withheld from such overpayment pursuant to section one hundred seventy-one-l of this article and paid to the city of New York, the comptroller shall collect a like amount from the city of New York.

§ 7. This act shall take effect immediately.

SUBPART B

Section 1. Subsection (oo) of section 606 of the tax law, as amended by chapter 239 of the laws of 2009, paragraph 1 as amended by chapter 472 of the laws of 2010, subparagraph (A) of paragraph 1 as amended and paragraph 6 as added by section 1 of part CCC of chapter 59 of the laws of 2021, paragraph 3 as amended by section 1 of part RR of chapter 59 of the laws of 2018, paragraph 4 as amended by section 1 of part F of chapter 59 of the laws of 2013 and paragraph 5 as amended by section 2 of part U of chapter 59 of the laws of 2019, is amended to read as follows:

(oo) Credit for rehabilitation of historic properties. (1) (A) For taxable years beginning on or after January first, two thousand ten and before January first, two thousand [~~twenty-five~~] **thirty**, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to**:**

(i) one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historic structure, and one hundred fifty percent of the amount of credit allowed the taxpayer with respect to a certified historic structure that is a small project, under internal revenue code section 47(c)(3), determined without regard to ratably

allocating the credit over a five year period as required by subsection (a) of such section 47**; and**

(ii) one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historic structure that is a white elephant project, under internal revenue code section 47(c)(3) (ratably allocating the credit over a five-year period), with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed five million dollars**, unless such credit is allowed with respect to a certified historic structure that is a white elephant project, in which case, the credit shall not exceed fifty million dollars. Provided, further, that whenever the commissioner of parks, recreation and historic preservation receives an application for a white elephant project from an applicant for which such commissioner has previously certified credit for an eligible white elephant project, the commissioner of parks, recreation and historic preservation may deem such subsequent application to be phase II of the original eligible project if such commissioner determines that the two projects are reasonably related, as determined by such commissioner; the previous project qualified as an eligible white elephant project with seventy-five million dollars or less of qualified rehabilitation expenditures; and the phase II application has been submitted within five years of such commissioner's previous certification of credit for the previously eligible white elephant project**.

(B) For taxable years beginning on or after January first, two thousand [~~twenty-five~~] **thirty**, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to thirty percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under internal revenue code section 47(c)(3), determined without regard to ratably allocating the credit over a five year period as required by subsection (a) of such section 47, with respect to a certified historic structure located within the state; provided, however, the credit shall not exceed one hundred thousand dollars**, unless such credit is allowed with respect to a certified historic structure that is a white elephant project, in which case, the credit shall not exceed three hundred thousand dollars**.

[~~**(B)**~~] **(C)** If the taxpayer is a partner in a partnership or a shareholder of a New York S corporation, then the credit cap imposed in [~~**subparagraph**~~] **subparagraphs** (A) **and (B)** of this paragraph shall be applied at the entity level, so that the aggregate credit allowed to all the partners or shareholders of each such entity in the taxable year does not exceed the credit cap that is applicable in that taxable year.

(2) Tax credits allowed pursuant to this subsection shall be allowed in the taxable year that the qualified rehabilitation is placed in service under section 167 of the federal internal revenue code.

(3) If the taxpayer is allowed a credit pursuant to section 47 of the internal revenue code with respect to a qualified rehabilitation that is also the subject of the credit allowed by this subsection and that credit pursuant to such section 47 is recaptured pursuant to subsection (a) of section 50 of the internal revenue code, a portion of the credit allowed under this subsection must be added back in the same taxable year and in the same proportion as the federal recapture.

(4) If the amount of the credit allowed under this subsection for any taxable year shall exceed the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon.

(5) Except in the case of **(A)** a qualified rehabilitation project undertaken within a state park, state historic site, or other land owned by the state, that is under the jurisdiction of the office of parks, recreation and historic preservation, **or (B) a qualified white elephant rehabilitation project that is also a qualified low-income housing project under article two-A of the public housing law,** to be eligible for the credit allowable under this subsection the rehabilitation project shall be in whole or in part located within a census tract which is identified as being at or below one hundred percent of the state median family income as calculated as of April first of each year using the most recent five year estimate from the American community survey published by the United States Census bureau. If there is a change in the most recent five year estimate, a census tract that qualified for eligibility under this program before information about the change was released will remain eligible for a credit under this subsection for an additional two calendar years.

(6) [~~For purposes of this subsection the term~~] **As used in this subsection, the following terms shall have the following meanings:**

[~~"small~~] **(A) "Small** project" means qualified rehabilitation expenditures totaling two million five hundred thousand dollars or less[~~.~~]**;**

(B) "White elephant project" means qualified rehabilitation expenditures totaling fifty million dollars or more with respect to a certified historic structure that has been vacant, as determined by local code enforcement or other reasonable means, for at least ten of fifteen consecutive years preceding the date of the taxpayer's application for the rehabilitation credit; and

(C) "Phase II housing project" means a white elephant housing project which the commissioner determines (i) is reasonably related to a prior eligible white elephant project or eligible white elephant housing project by the same applicant, (ii) such prior project qualified as eligible with seventy-five million dollars or less of qualified rehabilitation expenditures, and (iii) the phase II application has been submitted within five years of the commissioner's previous allowance of credit for the prior eligible white elephant project or eligible white elephant housing project.

(7) The commissioner shall report annually, on or before the first day of November, on the aggregate amount of credits claimed and awarded pursuant to this subdivision on returns filed during the preceding calendar year. Such report shall be provided to the governor, temporary president of the senate, speaker of the assembly, chair of the senate finance committee and chair of the assembly ways and means committee and shall be made publicly available on the department's website.

(8) The aggregate amount of tax credits allocated for white elephant projects pursuant to article fourteen-A of the parks, recreation and historic preservation law shall be fifty million dollars each year. If the total amount of allocated credits applied for in any particular year exceeds the aggregate amount of tax credits allowed for such year under this section, such excess shall be treated as having been applied for on the first day of the subsequent year.

§ 2. Subdivision 26 of section 210-B of the tax law, as added by section 17 of part A of chapter 59 of the laws of 2014, paragraphs (a) and (c) as amended by section 2 of part RR of chapter 59 of the laws of 2018, subparagraph (i) of paragraph (a) as amended and paragraph (f) as added by section 2 of part CCC of chapter 59 of the laws of 2021, and paragraph (e) as amended by section 1 of part U of chapter 59 of the laws of 2019, is amended to read as follows:

26. Credit for rehabilitation of historic properties. (a) Application of credit. (i) For taxable years beginning on or after January first, two thousand ten, and before January first, two thousand [~~twenty-five~~] thirty, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to:

(A) one hundred percent of the amount of credit allowed the taxpayer for the same taxable year with respect to a certified historic structure, and one hundred fifty percent of the amount of credit allowed the taxpayer with respect to a certified historic structure that is a small project, under internal revenue code section 47(c)(3), determined without regard to ratably allocating the credit over a five year period as required by subsection (a) of such section 47; and

(B) one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historic structure that is a "white elephant project", under internal revenue code section 47(c)(3) (ratably allocating the credit over a five-year period), with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed five million dollars, unless such credit is allowed with respect to a certified historic structure that is a white elephant project, in which case, the credit shall not exceed fifty million dollars. Provided, further, that whenever the commissioner of parks, recreation and historic preservation receives an application for a white elephant project from an applicant for which such commissioner has previously certified credit for an eligible white elephant project, the commissioner of parks, recreation and historic preservation may deem such subsequent application to be phase II of the original eligible project if such commissioner determines that the two projects are reasonably related, as determined by such commissioner; the previous project qualified as an eligible white elephant project with seventy-five million dollars or less of qualified rehabilitation expenditures; and the phase II application has been submitted within five years of such commissioner's previous certification of credit for the previously eligible white elephant project.

(ii) For taxable years beginning on or after January first, two thousand [~~twenty-five~~] thirty, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to thirty percent of the amount of credit allowed the taxpayer for the same taxable year determined without regard to ratably allocating the credit over a five year period as required by subsection (a) of section 47 of the internal revenue code, with respect to a certified historic structure under subsection (c)(3) of section 47 of the internal revenue code with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed one hundred thousand dollars, unless such credit is allowed with respect to a certified historic structure that is a white elephant project, in which case, the credit shall not exceed three hundred thousand dollars.

[~~(B)~~] (iii) If the taxpayer is a partner in a partnership or a shareholder in a New York S corporation, then the credit caps imposed in [~~subparagraph (A)~~] subparagraphs (i) and (ii) of this paragraph shall be applied at the entity level, so that the aggregate credit allowed to all the partners or shareholders of each such entity in the taxable year does not exceed the credit cap that is applicable in that taxable year.

(b) Tax credits allowed pursuant to this subdivision shall be allowed in the taxable year that the qualified rehabilitation is placed in service under section 167 of the federal internal revenue code.

(c) If the taxpayer is allowed a credit pursuant to section 47 of the internal revenue code with respect to a qualified rehabilitation that is also the subject of the credit allowed by this subdivision and that credit pursuant to such section 47 is recaptured pursuant to subsection (a) of section 50 of the internal revenue code, a portion of the credit allowed under this subdivision must be added back in the same taxable year and in the same proportion as the federal credit.

(d) The credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of the credit allowed under this subdivision for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year shall be treated as an overpayment of tax to be recredited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

(e) Except in the case of **(A)** a qualified rehabilitation project undertaken within a state park, state historic site, or other land owned by the state, that is under the jurisdiction of the office of parks, recreation and historic preservation, **or (B) a qualified white elephant rehabilitation project that is also a qualified low-income housing project under article two-A of the public housing law,** to be eligible for the credit allowable under this subdivision, the rehabilitation project shall be in whole or in part located within a census tract which is identified as being at or below one hundred percent of the state median family income as calculated as of April first of each year using the most recent five year estimate from the American community survey published by the United States Census bureau. If there is a change in the most recent five year estimate, a census tract that qualified for eligibility under this program before information about the change was released will remain eligible for a credit under this subdivision for an additional two calendar years.

(f) [~~For purposes of this subdivision~~] **Definitions. As used in this subdivision, the following terms shall have the following meanings:**

[~~"small~~] **(A) "Small** project" means qualified rehabilitation expenditures totaling two million five hundred thousand dollars or less[~~.~~]**;**

(B) "White elephant project" means qualified rehabilitation expenditures totaling fifty million dollars or more with respect to a certified historic structure that has been vacant, as determined by local code enforcement or other reasonable means, for at least ten of fifteen consecutive years preceding the date of the taxpayer's application for the rehabilitation credit; and

(C) "Phase II housing project" means a white elephant housing project which the commissioner determines (i) is reasonably related to a prior eligible white elephant project or eligible white elephant housing project by the same applicant, (ii) such prior project qualified as eligible with seventy-five million dollars or less of qualified rehabilitation expenditures, and (iii) the phase II application has been submitted within five years of the commissioner's previous allowance of credit for the prior eligible white elephant project or eligible white elephant housing project.

(g) The commissioner shall report annually, on or before the first day of November, on the aggregate amount of credits claimed and awarded

pursuant to this subdivision on returns filed during the preceding calendar year. Such report shall be provided to the governor, temporary president of the senate, speaker of the assembly, chair of the senate finance committee and chair of the assembly ways and means committee and shall be made publicly available on the department's website.

(h) The aggregate amount of tax credits allocated for white elephant projects pursuant to article 14-A of the parks, recreation and historic preservation law shall be fifty million dollars each year. If the total amount of allocated credits applied for in any particular year exceeds the aggregate amount of tax credits allowed for such year under this section, such excess shall be treated as having been applied for on the first day of the subsequent year.

§ 3. Subdivision (y) of section 1511 of the tax law, as added by chapter 472 of the laws of 2010, subparagraph (A) of paragraph 1 as amended and paragraph 6 as added by section 3 of part CCC of chapter 59 of the laws of 2021, paragraph 3 as amended by section 3 of part RR of chapter 59 of the laws of 2018, paragraph 4 as amended by section 4 of part F of chapter 59 of the laws of 2013 and paragraph 5 as amended by section 3 of part U of chapter 59 of the laws of 2019, is amended to read as follows:

(y) Credit for rehabilitation of historic properties. (1) (A) For taxable years beginning on or after January first, two thousand ten and before January first, two thousand [~~twenty-five~~] thirty, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to:

(i) one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historic structure, and one hundred fifty percent of the amount of credit allowed the taxpayer with respect to a certified historic structure that is a small project, under internal revenue code section 47(c)(3), determined without regard to ratably allocating the credit over a five year period as required by subsection (a) of such section 47;and

(ii) one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historic structure that is a "white elephant project", under internal revenue code section 47(c)(3) (ratably allocating the credit over a five-year period), with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed five million dollars, unless such credit is allowed with respect to a certified historic structure that is a "white elephant project", in which case, the credit shall not exceed fifty million dollars. Provided, further, that whenever the commissioner of parks, recreation and historic preservation receives an application for a white elephant project from an applicant for which such commissioner has previously certified credit for an eligible white elephant project, the commissioner of parks, recreation and historic preservation may deem such subsequent application to be "phase II" of the original eligible project if such commissioner determines that the two projects are reasonably related, as determined by such commissioner; the previous project qualified as an eligible white elephant project with seventy-five million dollars or less of qualified rehabilitation expenditures; and the "phase II" application has been submitted within five years of such commissioner's previous certification of credit for the previously eligible white elephant project.

(B) For taxable years beginning on or after January first, two thousand [~~twenty-five~~] thirty, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount

equal to thirty percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under internal revenue code section 47(c)(3), determined without regard to ratably allocating the credit over a five year period as required by subsection (a) of such section 47 with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed one hundred thousand dollars**, unless such credit is allowed with respect to a certified historic structure that is a white elephant project, in which case, the credit shall not exceed three hundred thousand dollars**.

[~~(B)~~] **(C)** If the taxpayer is a partner in a partnership, then the cap imposed in [~~subparagraph~~] **subparagraphs** (A) **and (B)** of this paragraph shall be applied at the entity level, so that the aggregate credit allowed to all the partners of such partnership in the taxable year does not exceed the credit cap that is applicable in that taxable year.

(2) Tax credits allowed pursuant to this subsection shall be allowed in the taxable year that the qualified rehabilitation is placed in service under section 167 of the federal internal revenue code.

(3) If the taxpayer is allowed a credit pursuant to section 47 of the internal revenue code with respect to a qualified rehabilitation that is also the subject of the credit allowed by this subdivision and that credit pursuant to such section 47 is recaptured pursuant to subsection (a) of section 50 of the internal revenue code, a portion of the credit allowed under this subdivision in the taxable year the credit was claimed must be added back in the same taxable year and in the same proportion as the federal recapture.

(4) The credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less than the minimum fixed by paragraph four of subdivision (a) of section fifteen hundred two or section fifteen hundred two-a of this article, whichever is applicable. However, if the amount of credits allowed under this subdivision for any taxable year reduces the tax to such amount, any amount of credit thus not deductible in such taxable year shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

(5) Except in the case of a **(A)** qualified rehabilitation project undertaken within a state park, state historic site, or other land owned by the state, that is under the jurisdiction of the office of parks, recreation and historic preservation, **or (B) a qualified white elephant rehabilitation project that is also a qualified low-income housing project under article two-A of the public housing law,** to be eligible for the credit allowable under this subdivision, the rehabilitation project shall be in whole or in part located within a census tract which is identified as being at or below one hundred percent of the state median family income as calculated as of April first of each year using the most recent five year estimate from the American community survey published by the United States Census bureau. If there is a change in the most recent five year estimate, a census tract that qualified for eligibility under this program before information about the change was released will remain eligible for a credit under this subdivision for an additional two calendar years.

(6) [~~For purposes of this subdivision~~] **As used in this subdivision, the following terms shall have the following meanings:**

[~~"small~~] (A) "Small project" means qualified rehabilitation expenditures totaling two million five hundred thousand dollars or less[~~.~~];

(B) "White elephant project" means qualified rehabilitation expenditures totaling fifty million dollars or more with respect to a certified historic structure that has been vacant, as determined by local code enforcement or other reasonable means, for at least ten of fifteen consecutive years preceding the date of the taxpayer's application for the rehabilitation credit; and

(C) "Phase II housing project" means a white elephant housing project which the commissioner determines (1) is reasonably related to a prior eligible white elephant project or eligible white elephant housing project by the same applicant, (2) such prior project qualified as eligible with seventy-five million dollars or less of qualified rehabilitation expenditures, and (3) the phase II application has been submitted within five years of the commissioner's previous allowance of credit for the prior eligible white elephant project or eligible white elephant housing project.

(7) The commissioner shall report annually, on or before the first day of November, on the aggregate amount of credits claimed and awarded pursuant to this subdivision on returns filed during the preceding calendar year. Such report shall be provided to the governor, temporary president of the senate, speaker of the assembly, chair of the senate finance committee and chair of the assembly ways and means committee and shall be made publicly available on the department's website.

(8) The aggregate amount of tax credits allocated for white elephant projects pursuant to article 14-A of the parks, recreation and historic preservation law shall be fifty million dollars each year. If the total amount of allocated credits applied for in any particular year exceeds the aggregate amount of tax credits allowed for such year under this section, such excess shall be treated as having been applied for on the first day of the subsequent year.

§ 4. The parks, recreation and historic preservation law is amended by adding a new article 14-A to read as follows:

ARTICLE 14-A

WHITE ELEPHANT HOUSING HISTORIC REHABILITATION PROJECTS TAX CREDIT PROGRAM

Section 14.15 Definitions.

14.16 Allowance of credit, amount and limitations.

14.17 Project monitoring.

14.18 Regulations, coordination with federal rehabilitation credit provisions.

§ 14.15 Definitions. As used in this article, the following terms shall have the following meanings:

1. "Eligibility statement" means a statement issued by the commissioner, in consultation with the commissioner of the division of community housing and renewal, certifying that a white elephant housing project is eligible for white elephant housing project historic rehabilitation credits under this article and low income housing tax credits under article two-A of the public housing law. Such statement shall set forth the taxable year in which the building is placed in service, the dollar amount of rehabilitation credit certified by the commissioner to such building as provided in section 14.16 of this article, the dollar amount of low income housing tax credit allocated by the commissioner of community housing and renewal to such building as provided in section twenty-two of the public housing law, sufficient information to identify each such building and the taxpayer or taxpayers with respect to each

such building, whether the project is a phase II housing project, and such other information as the commissioner, in consultation with the commissioner of taxation and finance and commissioner of community housing and renewal, shall prescribe. Such eligibility statement shall be first issued following the close of the first taxable year, and thereafter, to the extent required by the commissioner of taxation and finance, following the close of each of the following four taxable years.

2. "Eligible white elephant project" means a white elephant project as defined in section two hundred ten-B, six hundred six or one thousand five hundred eleven of the tax law that qualifies for historic rehabilitation tax credit.

3. "Eligible white elephant housing project" means an eligible white elephant project as defined in this section that also qualifies for low income housing tax credit under article two-A of the public housing law.

4. "Phase II housing project" means a white elephant housing project which the commissioner determines (a) is reasonably related to a prior eligible white elephant project or eligible white elephant housing project by the same applicant, (b) such prior project qualified as eligible with less than seventy-five million dollars of qualified rehabilitation expenditures, and (c) the phase II application has been submitted within five years of the commissioner's previous allowance of credit for the prior eligible white elephant project or eligible white elephant housing project.

5. "Qualified rehabilitation expenditures" shall have the same meaning as in section 47 of the internal revenue code.

6. "White elephant project" means a project as defined in section two hundred ten-B, six hundred six or one thousand five hundred eleven of the tax law.

7. "White elephant housing project" means a "white elephant project" as defined in section two hundred ten-B, six hundred six or one thousand five hundred eleven of the tax law that is also a housing project.

8. References in this article to section 47 of the internal revenue code shall mean such section as amended from time to time.

§ 14.16 Allowance of credit, amount and limitations. A taxpayer subject to tax under article nine-A, twenty-two, or thirty-three of the tax law which owns an interest in one or more eligible white elephant housing projects shall be allowed a credit against such tax for the amount of white elephant housing project historic rehabilitation credit certified by the commissioner to each such structure. If the taxpayer is a partner in a partnership or a shareholder of a New York S corporation, then the credit shall be applied at the entity level, so that the aggregate credit allowed to all the partners or shareholders of each such entity in the taxable year does not exceed the credit allowed to the entity. The aggregate amount of tax credits allocated for white elephant projects shall be fifty million dollars each year.

§ 14.17 Project monitoring. The commissioner shall establish such procedures deemed necessary for monitoring compliance of an eligible white elephant housing project with the provisions of this article, and for notifying the commissioner of taxation and finance of any such noncompliance.

§ 14.18 Regulations, coordination with federal rehabilitation credit provisions. 1. The commissioner shall promulgate rules and regulations necessary to administer the provisions of this article.

2. The provisions of section 47 of the internal revenue code shall apply to the credit under this article, provided however, to the extent

such provisions are inconsistent with this article, the provisions of this article shall control.

§ 5. Paragraph 2 of subsection (pp) of section 606 of the tax law, as amended by section 4 of part RR of chapter 59 of the laws of 2018, is amended and a new paragraph 13 is added to read as follows:

(2) (A) With respect to any particular residence of a taxpayer, the credit allowed under paragraph one of this subsection shall not exceed fifty thousand dollars for taxable years beginning on or after January first, two thousand ten and before January first, two thousand [~~twenty-five~~] thirty and twenty-five thousand dollars for taxable years beginning on or after January first, two thousand [~~twenty-five~~] thirty. In the case of a husband and wife, the amount of the credit shall be divided between them equally or in such other manner as they may both elect. If a taxpayer incurs qualified rehabilitation expenditures in relation to more than one residence in the same year, the total amount of credit allowed under paragraph one of this subsection for all such expenditures shall not exceed fifty thousand dollars for taxable years beginning on or after January first, two thousand ten and before January first, two thousand [~~twenty-five~~] thirty and twenty-five thousand dollars for taxable years beginning on or after January first, two thousand [~~twenty-five~~] thirty.

(B) For taxable years beginning on or after January first, two thousand ten and before January first, two thousand [~~twenty-five~~] thirty, if the amount of credit allowable under this subsection shall exceed the taxpayer's tax for such year, and the taxpayer's New York adjusted gross income for such year does not exceed sixty thousand dollars, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon. If the taxpayer's New York adjusted gross income for such year exceeds sixty thousand dollars, the excess credit that may be carried over to the following year or years and may be deducted from the taxpayer's tax for such year or years. For taxable years beginning on or after January first, two thousand [~~twenty-five~~] thirty, if the amount of credit allowable under this subsection shall exceed the taxpayer's tax for such year, the excess may be carried over to the following year or years and may be deducted from the taxpayer's tax for such year or years.

(13) The commissioner shall report annually, on or before the first day of November, on the aggregate amount of credits claimed and awarded pursuant to this subdivision on returns filed during the preceding calendar year. Such report shall be provided to the governor, temporary president of the senate, speaker of the assembly, chair of the senate finance committee and chair of the assembly ways and means committee, shall be made publicly available on the department's website.

§ 6. Section 14.05 of the parks, recreation and historic preservation law is amended by adding a new subdivision 5 to read as follows:

5. (a) The commissioner shall report annually, on or before the first day of November, on the tax credit projects applied for in accordance with subdivision twenty-six of section two hundred ten-B, subsection (oo) of section six hundred six, and subdivision (y) of section fifteen hundred eleven of the tax law on returns filed during the preceding calendar year. Such report shall be provided to the governor, temporary president of the senate, speaker of the assembly, chair of the senate finance committee and chair of the assembly ways and means committee, shall be made publicly available on the department's website and shall include the following information:

(i) the number and value of tax credit projects applied for during the state fiscal year, organized by municipality and county, and project size;

(ii) the number and value of tax credit projects certified by the national park service during the state fiscal year, organized by municipality and county, and project size;

(iii) the total value of credits certified annually for each of the taxable years beginning on or after January first, two thousand seven to the present, by municipality and county;

(iv) the number of housing units before and after rehabilitation;

(v) the number of low-moderate housing units before and after rehabilitation; and

(vi) the number of projects certified for both federal and state credits, and the number of projects certified for federal credits only.

(b) The commissioner shall report annually, on or before the first day of November, on the tax credit projects applied for pursuant to subdivision (pp) of section six hundred six of the tax law on returns filed during the preceding calendar year. Such report shall be provided to the governor, temporary president of the senate, speaker of the assembly, chair of the senate finance committee and chair of the assembly ways and means committee, shall be made publicly available on the office's website and shall include the following information:

(i) the number and value of tax credit projects applied for during the state fiscal year, organized by municipality and county, and project size;

(ii) the number and value of tax credit projects certified by the office during the state fiscal year, organized by municipality and county, and project size;

(iii) the total value of credits certified annually for each of the taxable years beginning on or after January first, two thousand seven to the present, by municipality and county;

(iv) the number of housing units before and after rehabilitation; and

(v) the number of projects certified for state credits by the office.

§ 7. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2024.

SUBPART C

Section 1. Paragraph 1 of subdivision (a) of section 28 of the tax law, as amended by section 1 of part AAA of chapter 59 of the laws of 2019, is amended to read as follows:

(1) A taxpayer which is a qualified commercial production company, or which is a sole proprietor of a qualified commercial production company, and which is subject to tax under article nine-A or twenty-two of this chapter, shall be allowed a credit against such tax, pursuant to the provisions referenced in subdivision (c) of this section, to be computed as provided in this section. Provided, however, to be eligible for such credit, at least seventy-five percent of the production costs (excluding post production costs) paid or incurred directly and predominantly in the actual filming or recording of the qualified commercial must be costs incurred in New York state. The tax credit allowed pursuant to this section shall apply to taxable years beginning before January first, two thousand [~~twenty-four~~] twenty-nine.

§ 2. Paragraph (c) of subdivision 23 of section 210-B of the tax law, as amended by chapter 518 of the laws of 2018, is amended to read as follows:

(c) Expiration of credit. The credit allowed under this subdivision shall not be applicable to taxable years beginning on or after January first, two thousand [~~twenty-four~~] twenty-nine.

§ 3. Paragraph 1 of subsection (jj) of section 606 of the tax law, as amended by chapter 518 of the laws of 2018, is amended to read as follows:

(1) Allowance of credit. A taxpayer that is eligible pursuant to the provisions of section twenty-eight of this chapter shall be allowed a credit to be computed as provided in such section against the tax imposed by this article. The tax credit allowed pursuant to this section shall apply to taxable years beginning before January first, two thousand [~~twenty-four~~] twenty-nine.

§ 4. This act shall take effect immediately.

SUBPART D

Section 1. Paragraph 1 of subdivision (a) of section 47 of the tax law, as added by section 1 of part I of chapter 59 of the laws of 2022, is amended to read as follows:

(1) Allowance of credit. A taxpayer that meets the eligibility requirements of subdivision (b) of this section and is subject to tax under article nine-A or twenty-two of this chapter may be eligible to claim a grade no. 6 heating oil conversion tax credit in the taxable year the conversion is complete. The credit shall be equal to fifty percent of the conversion costs for all of the taxpayer's buildings located at a facility regulated pursuant to section 19-0302 or title ten of article seventeen of the environmental conservation law, paid by such taxpayer on or after January first, two thousand twenty-two and before [~~July~~] January first, two thousand [~~twenty-three~~] twenty-four. The credit cannot exceed five hundred thousand dollars per facility.

§ 2. This act shall take effect immediately.

SUBPART E

Section 1. Section 6 of subpart B of part PP of chapter 59 of the laws of 2021 amending the tax law and the state finance law relating to establishing the New York city musical and theatrical production tax credit and establishing the New York state council on the arts cultural program fund, as amended by section 7 of part F of chapter 59 of the laws of 2022, is amended to read as follows:

§ 6. This act shall take effect immediately; provided however, that [~~section~~] sections one, two, three and four of this act shall apply to taxable years beginning on or after January 1, 2021, and before January 1, [~~2024~~] 2026 and shall expire and be deemed repealed January 1, [~~2024~~] 2026; provided further, however that the obligations under paragraph 3 of subdivision (g) of section 24-c of the tax law, as added by section one of this act, shall remain in effect until December 31, [~~2025~~] 2027.

§ 2. Paragraph 2 of subdivision (a) of section 24-c of the tax law, as amended by section 1 of part F of chapter 59 of the laws of 2022, is amended to read as follows:

(2) The amount of the credit shall be the product (or pro rata share of the product, in the case of a member of a partnership) of twenty-five percent and the sum of the qualified production expenditures paid for during the qualified New York city musical and theatrical production's credit period. Provided however that the amount of the credit cannot exceed three million dollars per qualified New York city musical and

theatrical production for productions whose first performance is prior to January first, two thousand [~~twenty-three~~] twenty-five. [~~For productions whose first performance is on or after January first, two thousand twenty-three, such cap shall decrease to one million five hundred thousand dollars per qualified New York city musical and theatrical production unless the New York city tourism economy has not sufficiently recovered, as determined by the department of economic development in consultation with the division of the budget. In determining whether the New York city tourism economy has sufficiently recovered, the department of economic development will perform an analysis of key New York city economic indicators which shall include, but not be limited to, hotel occupancy rates and travel metrics. The department of economic development's analysis shall also be informed by the status of any remaining COVID-19 restrictions affecting New York city musical and theatrical productions.~~] In no event shall a qualified New York city musical and theatrical production be eligible for more than one credit under this program.

§ 3. Subparagraph (i) of paragraph 5 of subdivision (b) of section 24-c of the tax law, as amended by section 2 of part F of chapter 59 of the laws of 2022, is amended to read as follows:

(i) "The credit period of a qualified New York city musical and theatrical production company" is the period starting on the production start date and ending on the earlier of the date the qualified musical and theatrical production has expended sufficient qualified production expenditures to reach its credit cap, September thirtieth, two thousand [~~twenty-three~~] twenty-five or the date the qualified musical and theatrical production closes.

§ 4. Subdivision (c) of section 24-c of the tax law, as added by section 1 of subpart B of part PP of chapter 59 of the laws of 2021, is amended to read as follows:

(c) The credit shall be allowed for the taxable year beginning on or after January first, two thousand twenty-one but before January first, two thousand [~~twenty-four~~] twenty-six. A qualified New York city musical and theatrical production company shall claim the credit in the year in which its credit period ends.

§ 5. Paragraphs 1 and 2 of subdivision (f) of section 24-c of the tax law, paragraph 1 as amended by section 3 of part F of chapter 59 of the laws of 2022, and paragraph 2 as amended by section 4 of part F of chapter 59 of the laws of 2022, are amended to read as follows:

(1) The aggregate amount of tax credits allowed under this section, subdivision fifty-seven of section two hundred ten-B and subsection (mmm) of section six hundred six of this chapter shall be [~~two~~] three hundred million dollars. Such aggregate amount of credits shall be allocated by the department of economic development among taxpayers based on the date of first performance of the qualified musical and theatrical production.

(2) The commissioner of economic development, after consulting with the commissioner, shall promulgate regulations to establish procedures for the allocation of tax credits as required by this section. Such rules and regulations shall include provisions describing the application process, the due dates for such applications, the standards that will be used to evaluate the applications, the documentation that will be provided by applicants to substantiate to the department the amount of qualified production expenditures of such applicants, and such other provisions as deemed necessary and appropriate. Notwithstanding any other provisions to the contrary in the state administrative procedure

act, such rules and regulations may be adopted on an emergency basis. In no event shall a qualified New York city musical and theatrical production submit an application for this program after June thirtieth, two thousand [~~twenty-three~~] twenty-five.

§ 6. This act shall take effect immediately; provided that the amendments to section 24-c of the tax law made by sections two, three, four and five of this act shall not affect the repeal of such section and shall be deemed repealed therewith.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 3. This act shall take effect immediately provided, however, that the applicable effective dates of Subparts A through E of this act shall be as specifically set forth in the last section of such Subparts.

PART J

Section 1. This act enacts into law major components of legislation relating to taxation. Each component is wholly contained within a Subpart identified as Subparts A through C. The effective date for each particular provision contained within such Subpart is set forth in the last section of such Subpart. Any provision in any section contained within a Subpart, including the effective date of the Subpart, which makes reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Subpart in which it is found. Section three of this act sets forth the general effective date of this act.

SUBPART A

Section 1. Paragraph (b) of subdivision 38 of section 210-B of the tax law, as amended by section 2 of part L of chapter 59 of the laws of 2022, is amended to read as follows:

(b) Definitions. The term "accessible by individuals with disabilities" shall, for the purposes of this subdivision, refer to a vehicle that complies with federal regulations promulgated pursuant to the Americans with Disabilities Act applicable to vans under twenty-two feet in length, by the federal Department of Transportation, in Code of Federal Regulations, title 49, parts 37 and 38[~~, and by the federal Architecture and Transportation Barriers Compliance Board, in Code of Federal Regulations, title 36, section 1192.23,~~] and the Federal Motor Vehicle Safety Standards, Code of Federal Regulations, title 49, part [~~57~~] 571. The term "electric vehicle" shall, for the purposes of this subdivision, have the same meaning as in section sixty-six-s of the public service law.

§ 2. Paragraph 2 of subsection (tt) of section 606 of the tax law, as amended by section 4 of part L of chapter 59 of the laws of 2022, is amended to read as follows:

(2) Definitions. The term "accessible by individuals with disabilities" shall, for the purposes of this subsection, refer to a vehicle

that complies with federal regulations promulgated pursuant to the Americans with Disabilities Act applicable to vans under twenty-two feet in length, by the federal Department of Transportation, in Code of Federal Regulations, title 49, parts 37 and 38[~~, and by the federal Architecture and Transportation Barriers Compliance Board, in Code of Federal Regulations, title 36, section 1192.23,~~] and the Federal Motor Vehicle Safety Standards, Code of Federal Regulations, title [~~29~~] 49, part [~~57~~] 571. The term "electric vehicle" shall, for the purposes of this subsection, have the same meaning as in section sixty-six-s of the public service law.

§ 3. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2023.

SUBPART B

Section 1. Paragraph 2 of subdivision (b) of section 21 of the tax law, as amended by section 7 of part LL of chapter 58 of the laws of 2022, is amended to read as follows:

(2) Site preparation costs. The term "site preparation costs" shall mean all amounts properly chargeable to a capital account, which are paid or incurred which are necessary to implement a site's investigation, remediation, or qualification for a certificate of completion, and shall include costs of: excavation; demolition; activities undertaken under the oversight of the department of labor or in accordance with standards established by the department of health to remediate and dispose of regulated materials including asbestos, lead or polychlorinated biphenyls; environmental consulting; engineering; legal costs; transportation, disposal, treatment or containment of contaminated soil; remediation measures taken to address contaminated soil vapor; cover systems consistent with applicable regulations; physical support of excavation; dewatering and other work to facilitate or enable remediation activities; sheeting, shoring, and other engineering controls required to prevent off-site migration of contamination from the qualified site or migrating onto the qualified site; and the costs of fencing, temporary electric wiring, scaffolding, and security facilities until such time as the certificate of completion has been issued. Site preparation shall include all costs paid or incurred within sixty months after the last day of the tax year in which the certificate of completion is issued that are necessary for compliance with the certificate of completion or subsequent modifications thereof, or the remedial program defined in such certificate of completion including but not limited to institutional controls, engineering controls, an approved site management plan, and an environmental easement with respect to the qualified site; provided, however, with respect to any qualified site for which [~~the department of environmental conservation has issued a notice to the taxpayer on or after July first, two thousand fifteen but on or before June twenty-fourth, two thousand twenty-one that its request for participation has been accepted under subdivision six of section 27-1407 of the environmental conservation law~~] a certificate of completion was issued on or after July first, two thousand fifteen but on or before June twenty-fourth, two thousand twenty-one, site preparation shall include all costs paid or incurred within eighty-four months after the last day of the tax year in which the certificate of completion is issued that are necessary for compliance with the certificate of completion or subsequent modifications thereof, or the remedial program defined in such certificate of completion including but not

limited to institutional controls, engineering controls, an approved site management plan, and an environmental easement with respect to the qualified site. Site preparation cost shall not include the costs of foundation systems that exceed the cover system requirements in the regulations applicable to the qualified site.

§ 2. This act shall take effect immediately and shall be deemed to have been in effect on and after April 9, 2022.

SUBPART C

Section 1. Paragraphs 1, 2 and 3 of subsection (h) of section 860 of the tax law, paragraph 1 as added by section 1 of part C of chapter 59 of the laws of 2021, and paragraph 2 as amended and paragraph 3 as added by section 2 of subpart A of part MM of chapter 59 of the laws of 2022, are amended to read as follows:

(1) In the case of an electing partnership, the sum of (i) all items of income, gain, loss, or deduction derived from or connected with New York sources to the extent they are included in the taxable income of a nonresident partner subject to tax under article twenty-two, under paragraph one of subsection (a) of section six hundred thirty-two of this chapter; [~~and~~] (ii) all items of income, gain, loss, or deduction to the extent they are included in the taxable income of a resident partner subject to tax under article twenty-two of this chapter; and (iii) all pass-through entity taxes including taxes paid under this article to New York, taxes paid under article twenty-four-B of this chapter to the city of New York, and taxes paid to other jurisdictions that are substantially similar to the taxes paid under this article, to the extent that, for federal income tax purposes, the taxes are paid and deducted in the taxable year, and are included in the taxable income of the partners subject to tax under article twenty-two of this chapter for the taxable year.

(2) In the case of an electing standard S corporation, the sum of (i) all items of income, gain, loss, or deduction derived from or connected with New York sources to the extent they would be included under paragraph two of subsection (a) of section six hundred thirty-two of this chapter in the taxable income of a shareholder subject to tax under article twenty-two of this chapter; and (ii) all pass-through entity taxes including taxes paid under this article to New York, taxes paid under article twenty-four-B of this chapter to the city of New York, and taxes paid to other jurisdictions that are substantially similar to the taxes paid under this article, to the extent that, for federal income tax purposes, the taxes are paid and deducted in the taxable year, and are included in the taxable income of the shareholders subject to tax under article twenty-two of this chapter for the taxable year.

(3) In the case of an electing resident S corporation, the sum of (i) all items of income, gain, loss, or deduction to the extent they are included in the taxable income of a shareholder subject to tax under article twenty-two of this chapter; and (ii) all pass-through entity taxes including taxes paid under this article to New York, taxes paid under article twenty-four-B of this chapter to the city of New York, and taxes paid to other jurisdictions that are substantially similar to taxes paid under this article, to the extent that, for federal income tax purposes, the taxes are paid and deducted in the taxable year, and are included in the taxable income of the shareholders subject to tax under article twenty-two of this chapter for the taxable year.

§ 2. Subsection (c) of section 861 of the tax law, as amended by section 3 of subpart A of part MM of chapter 59 of the laws of 2022, is amended to read as follows:

(c) The annual election must be made [~~by~~] on or before the due date of the first estimated payment under section eight hundred sixty-four of this article and will take effect for the current taxable year. Only one election may be made during each calendar year. An election made under this section is irrevocable [~~as of~~] after the due date.

§ 3. Paragraphs 1 and 2 of subsection (b) of section 867 of the tax law, as added by section 1 of subpart B of part MM of chapter 59 of the laws of 2022, are amended to read as follows:

(1) In the case of an electing city partnership, the sum of (i) all items of income, gain, loss, or deduction to the extent they are included in the city taxable income of a partner or member of the electing city partnership who is a city taxpayer; and (ii) all pass-through entity taxes including taxes paid under article twenty-four-A of this chapter to New York, taxes paid under this article to the city of New York, and taxes paid to other jurisdictions that are substantially similar to taxes paid under article twenty-four-A of this chapter, to the extent that, for federal income tax purposes, the taxes were paid and deducted in the taxable year, and they are included in the taxable income of the partners subject to tax under article twenty-two of this chapter for the taxable year.

(2) In the case of an electing city resident S corporation, the sum of (i) all items of income, gain, loss, or deduction to the extent they would be included in the city taxable income of a shareholder of the electing city resident S corporation who is a city taxpayer; and (ii) all pass-through entity taxes including taxes paid under article twenty-four-A of this chapter to New York, taxes paid under this article to the city of New York, and taxes paid to other jurisdictions that are substantially similar to taxes paid under article twenty-four-A of this chapter, to the extent that, for federal income tax purposes, the taxes were paid and deducted in the taxable year, and they are included in the taxable income of the shareholders subject to tax under article twenty-two of this chapter for the taxable year.

§ 4. Subsection (e) of section 867 of the tax law, as added by section 1 of subpart B of part MM of chapter 59 of the laws of 2022, is amended to read as follows:

(e) City taxpayer. A city taxpayer means [~~a city resident individual subject to the tax imposed pursuant to the authority of article thirty of this chapter~~]:

(1) a city resident individual, as defined in subsection (a) of section thirteen hundred five of this chapter; and

(2) a city resident trust or estate, as defined in subsection (c) of section thirteen hundred five of this chapter.

§ 5. Subsection (i) of section 867 of the tax law, as added by section 1 of subpart B of part MM of chapter 59 of the laws of 2022, is amended to read as follows:

(i) Eligible city partnership. Eligible city partnership means any partnership as provided for in section 7701(a)(2) of the Internal Revenue Code that has a filing requirement under paragraph one of subsection (c) of section six hundred fifty-eight of this chapter other than a publicly traded partnership as defined in section 7704 of the Internal Revenue Code, where at least one partner or member is a city [~~resident individual~~] taxpayer. An eligible city partnership includes any entity, including a limited liability company, treated as a partnership for

federal income tax purposes that otherwise meets the requirements of this subsection.

§ 6. Subsection (j) of section 867 of the tax law, as added by section 1 of subpart B of part MM of chapter 59 of the laws of 2022, is amended to read as follows:

(j) Eligible city resident S corporation. Eligible city resident S corporation means any New York S corporation as defined pursuant to subdivision one-A of section two hundred eight of this chapter that is subject to tax under section two hundred nine of this chapter that has only city [~~resident individual~~] **taxpayer** shareholders. An eligible city resident S corporation includes any entity, including a limited liability company, treated as an S corporation for federal income tax purposes that otherwise meets the requirements of this subsection.

§ 7. Subsection (c) of section 868 of the tax law, as added by section 1 of subpart B of part MM of chapter 59 of the laws of 2022, is amended to read as follows:

(c) The annual election to be taxed pursuant to this article must be made [~~by~~] **on or before** the due date of the first estimated payment under section eight hundred sixty-four of this chapter and will take effect for the current taxable year. Only one election to be taxed pursuant to this article may be made during each calendar year. An election made under this section is irrevocable [~~as of~~] **after** such due date. To the extent an election made under section eight hundred sixty-one of this chapter is revoked or otherwise invalidated an election made under this section is automatically invalidated.

§ 8. This act shall take effect immediately, provided, however, that: (i) sections one and two of this act shall be deemed to have been in full force and effect on and after the effective date of part C of chapter 59 of the laws of 2021; (ii) sections three and seven of this act shall be deemed to have been in full force and effect on and after the effective date of section 1 of subpart B of part MM of chapter 59 of the laws of 2022; and (iii) sections four, five and six of this act shall apply to taxable years beginning on or after January 1, 2023.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 3. This act shall take effect immediately; provided, however, that the applicable effective dates of Subparts A through C of this act shall be as specifically set forth in the last section of such Subparts.

PART K

Section 1. Paragraphs (a) and (d) of subdivision 1 of section 467 of the real property tax law, as amended by section 1 of part B of chapter 686 of the laws of 2022, are amended to read as follows:

(a) Real property owned by one or more persons, each of whom is sixty-five years of age or over, or real property owned by [~~husband and wife~~] **a married couple** or by siblings, one of whom is sixty-five years of age or over, or real property owned by one or more persons, some of whom qualify under this section and the others of whom qualify under

section four hundred fifty-nine-c of this title, shall be exempt from payments in lieu of taxes (PILOT) to the battery park city authority or from taxation by any municipal corporation in which located to the extent of fifty per centum of the assessed valuation thereof, provided the governing board of such municipality, after public hearing, adopts a local law, ordinance or resolution providing therefor. For the purposes of this section, [~~sibling shall mean a brother or a sister, whether related~~] **the term "sibling" shall include persons whose relationship as siblings has been established** through **either** half blood, whole blood or adoption.

(d) The real property tax or PILOT exemption on real property owned by [~~husband and wife~~] **a married couple**, one of whom is sixty-five years of age or over, once granted, shall not be rescinded by any municipal corporation solely because of the death of the older spouse so long as the surviving spouse is at least sixty-two years of age.

§ 2. Subdivision 3 of section 467 of the real property tax law, as amended by section 1 of part B of chapter 686 of the laws of 2022, paragraph (a) as separately amended by chapter 488 of the laws of 2022, is amended to read as follows:

3. No exemption shall be granted:

(a) **(i)** if the income of the owner or the combined income of the owners of the property for the **applicable** income tax year [~~immediately preceding the date of making application for exemption~~] exceeds the sum of three thousand dollars, or such other sum not less than three thousand dollars nor more than [~~twenty-six thousand dollars beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, twenty-nine thousand dollars beginning July first, two thousand nine, fifty thousand dollars beginning July first, two thousand twenty-two, and in a city with a population of one million or more fifty thousand dollars beginning July first, two thousand seventeen,~~] **fifty thousand dollars,** as may be provided by the local law, ordinance or resolution adopted pursuant to this section.

(ii) Where the taxable status date is on or before April fourteenth, **the applicable** income tax year shall [~~mean~~] **be** the twelve-month period for which the owner or owners filed a federal personal income tax return for the year before the income tax year immediately preceding the date of application and where the taxable status date is on or after April fifteenth, **the applicable** income tax year shall [~~mean~~] **be** the twelve-month period for which the owner or owners filed a federal personal income tax return for the income tax year immediately preceding the date of application.

(iii) Where title is vested in [~~either the husband or the wife, their~~] **a married person, the** combined income **of such person and such person's spouse** may not exceed such sum, except where [~~the husband or wife, or ex-husband or ex-wife~~] **one-spouse or ex-spouse** is absent from the property as provided in subparagraph (ii) of paragraph (d) of this subdivision, then only the income of the spouse or ex-spouse residing on the property shall be considered and may not exceed such sum. [~~Such income shall include social security and retirement benefits, interest, dividends, total gain from the sale or exchange of a capital asset which may be offset by a loss from the sale or exchange of a capital asset in the same income tax year, net rental income, salary or earnings, and net income from self-employment, but shall not include a return of capital, gifts, inheritances, payments made to individuals because of their status as victims of Nazi persecution, as defined in P.L. 103-286 or~~

~~monies earned through employment in the federal foster grandparent program and any such income shall be offset by all medical and prescription drug expenses actually paid which were not reimbursed or paid for by insurance, if the governing board of a municipality, after a public hearing, adopts a local law, ordinance or resolution providing therefor. In addition, an exchange of an annuity for an annuity contract, which resulted in non-taxable gain, as determined in section one thousand thirty-five of the internal revenue code, shall be excluded from such income. Provided that such exclusion shall be based on satisfactory proof that such an exchange was solely an exchange of an annuity for an annuity contract that resulted in a non-taxable transfer determined by such section of the internal revenue code. Furthermore, such income shall not include the proceeds of a reverse mortgage, as authorized by section six-h of the banking law, and sections two hundred eighty and two hundred eighty-a of the real property law; provided, however, that monies used to repay a reverse mortgage may not be deducted from income, and provided additionally that any interest or dividends realized from the investment of reverse mortgage proceeds shall be considered income. The provisions of this paragraph notwithstanding, such income shall not include veterans disability compensation, as defined in Title 38 of the United States Code provided the governing board of such municipality, after public hearing, adopts a local law, ordinance or resolution providing therefor. In computing net rental income and net income from self-employment no depreciation deduction shall be allowed for the exhaustion, wear and tear of real or personal property held for the production of income;~~]

(iv) The term "income" as used herein shall mean the "adjusted gross income" for federal income tax purposes as reported on the applicant's federal or state income tax return for the applicable income tax year, subject to any subsequent amendments or revisions, plus any social security benefits not included in such adjusted gross income, minus any distributions, to the extent included in federal adjusted gross income, received from an individual retirement account and an individual retirement annuity; provided that if no such return was filed for the applicable income tax year, the applicant's income shall be determined based on the amounts that would have so been reported if such a return had been filed; and provided further, that the governing board of a municipality may adopt a local law, ordinance or resolution providing that any social security benefits that were not included in the applicant's adjusted gross income shall not be considered income for purposes of this section;

(b) unless the owner shall have held an exemption under this section for [~~his~~] **the owner's** previous residence or unless the title of the property shall have been vested in the owner or one of the owners of the property for at least twelve consecutive months prior to the date of making application for exemption, provided, however, that in the event of the death of [~~either a husband or wife~~] **a married person** in whose name title of the property shall have been vested at the time of death and then becomes vested solely in [~~the survivor~~] **such person's surviving spouse** by virtue of devise by or descent from the deceased [~~husband or wife~~] **spouse**, the time of ownership of the property by the deceased [~~husband or wife~~] **spouse** shall be deemed also a time of ownership by the [~~survivor~~] **surviving spouse** and such ownership shall be deemed continuous for the purposes of computing such period of twelve consecutive months. In the event of a transfer by [~~either a husband or wife to the other~~] **a married person to such person's** spouse of all or part of the

title to the property, the time of ownership of the property by the transferor spouse shall be deemed also a time of ownership by the transferee spouse and such ownership shall be deemed continuous for the purposes of computing such period of twelve consecutive months. Where property of the owner or owners has been acquired to replace property formerly owned by such owner or owners and taken by eminent domain or other involuntary proceeding, except a tax sale, the period of ownership of the former property shall be combined with the period of ownership of the property for which application is made for exemption and such periods of ownership shall be deemed to be consecutive for purposes of this section. Where a residence is sold and replaced with another within one year and both residences are within the state, the period of ownership of both properties shall be deemed consecutive for purposes of the exemption from taxation by a municipality within the state granting such exemption. Where the owner or owners transfer title to property which as of the date of transfer was exempt from taxation or PILOT under the provisions of this section, the reacquisition of title by such owner or owners within nine months of the date of transfer shall be deemed to satisfy the requirement of this paragraph that the title of the property shall have been vested in the owner or one of the owners for such period of twelve consecutive months. Where, upon or subsequent to the death of an owner or owners, title to property which as of the date of such death was exempt from taxation or PILOT under such provisions, becomes vested, by virtue of devise or descent from the deceased owner or owners, or by transfer by any other means within nine months after such death, solely in a person or persons who, at the time of such death, maintained such property as a primary residence, the requirement of this paragraph that the title of the property shall have been vested in the owner or one of the owners for such period of twelve consecutive months shall be deemed satisfied;

(c) unless the property is used exclusively for residential purposes, provided, however, that in the event any portion of such property is not so used exclusively for residential purposes but is used for other purposes, such portion shall be subject to taxation or PILOT and the remaining portion only shall be entitled to the exemption provided by this section;

(d) unless the real property is the legal residence of and is occupied in whole or in part by the owner or by all of the owners of the property: except where, (i) an owner is absent from the residence while receiving health-related care as an inpatient of a residential health care facility, as defined in section twenty-eight hundred one of the public health law, provided that any income accruing to that person shall only be income only to the extent that it exceeds the amount paid by such owner, spouse, or co-owner for care in the facility, and provided further, that during such confinement such property is not occupied by other than the spouse or co-owner of such owner; or, (ii) the real property is owned by a [~~husband and/or wife, or an ex-husband and/or an ex-wife, and either~~] **married person or a married couple, or by a formerly married person or a formerly married couple, and one spouse or ex-spouse** is absent from the residence due to divorce, legal separation or abandonment and all other provisions of this section are met provided that where an exemption was previously granted when both resided on the property, then the person remaining on the real property shall be sixty-two years of age or over.

§ 3. Paragraph (a) of subdivision 3-a of section 467 of the real property tax law, as amended by section 1 of part B of chapter 686 of the laws of 2022, is amended to read as follows:

(a) For the purposes of this section, title to that portion of real property owned by a cooperative apartment corporation in which a tenant-stockholder of such corporation resides and which is represented by [~~his~~] **the tenant-stockholder's** share or shares of stock in such corporation as determined by its or their proportional relationship to the total outstanding stock of the corporation, including that owned by the corporation, shall be deemed to be vested in such tenant-stockholder.

§ 4. Subdivisions 5 and 5-a of section 467 of the real property tax law, as amended by section 1 of part B of chapter 686 of the laws of 2022, are amended to read as follows:

5. Application for such exemption must be made by the owner, or all of the owners of the property, on forms prescribed by the commissioner to be furnished by the appropriate assessing authority and shall furnish the information and be executed in the manner required or prescribed in such forms, and shall be filed in such assessor's office on or before the appropriate taxable status date. Notwithstanding any other provision of law, at the option of the municipal corporation, any person otherwise qualifying under this section shall not be denied the exemption under this section if [~~he~~] **such person** becomes sixty-five years of age after the appropriate taxable status date and on or before December thirty-first of the same year.

5-a. Any local law or ordinance adopted pursuant to paragraph (a) of subdivision one of this section may be amended, or a local law or ordinance may be adopted to provide, notwithstanding subdivision five of this section, that an application for such exemption may be filed with the assessor after the appropriate taxable status date but not later than the last date on which a petition with respect to complaints of assessment may be filed, where failure to file a timely application resulted from: (a) a death of the applicant's spouse, child, parent[~~, brother or sister~~] **or sibling**; or (b) an illness of the applicant or of the applicant's spouse, child, parent[~~, brother or sister~~] **or sibling**, which actually prevents the applicant from filing on a timely basis, as certified by a licensed physician. The assessor shall approve or deny such application as if it had been filed on or before the taxable status date.

§ 5. Subdivision 6 of section 467 of the real property tax law, as amended by section 1 of part B of chapter 686 of the laws of 2022, is amended to read as follows:

6. (a) At least sixty days prior to the appropriate taxable status date, the assessing authority shall mail to each person who was granted exemption pursuant to this section on the latest completed assessment roll an application form and a notice that such application must be filed on or before the taxable status date and be approved in order for the exemption to be granted. The assessing authority shall, within three days of the completion and filing of the tentative assessment roll, notify by mail any applicant [~~who has included with his~~] **whose** application **includes** at least one self-addressed, pre-paid envelope, of the approval or denial of the application; provided, however, that the assessing authority shall, upon the receipt and filing of the application, send by mail notification of receipt to any applicant who has included two of such envelopes with the application. Where an applicant is entitled to a notice of denial pursuant to this subdivision, such

notice shall be on a form prescribed by the commissioner and shall state the reasons for such denial and shall further state that the applicant may have such determination reviewed in the manner provided by law. Failure to mail any such application form or notices or the failure of such person to receive any of the same shall not prevent the levy, collection and enforcement of the payment of the taxes or PILOT on property owned by such person.

(b) Except in cities of one million or more, any person who has been granted exemption pursuant to this section on five (5) consecutive completed assessment rolls, including any years when the exemption was granted to a property owned by [~~a husband and/or wife~~] **a married person or a married couple** while both **spouses** resided in such property, shall not be subject to the requirements set forth in paragraph (a) of this subdivision provided the governing board of the municipality in which said property is situated after public hearing adopts a local law, ordinance or resolution providing therefor however said person shall be mailed an application form and a notice [~~informing him of his~~] **setting forth such person's** rights. Such exemption shall be automatically granted on each subsequent assessment roll. Provided, however, that when tax payment is made by such person a sworn affidavit must be included with such payment which shall state that such person continues to be eligible for such exemption. Such affidavit shall be on a form prescribed by the commissioner. If such affidavit is not included with the tax payment, the collecting officer shall proceed pursuant to section five hundred fifty-one-a of this chapter.

(c) In cities of one million or more, any person who has been granted exemption pursuant to this section shall file the completed application with the appropriate assessing authority every twenty-four months from the date such exemption was granted without the necessity of having been granted exemption pursuant to this section on five (5) consecutive completed assessment rolls including any years when the exemption was granted to a property owned by [~~a husband and/or wife~~] **a married person or a married couple** while both **spouses** resided in such property.

§ 6. Subdivision 8-a of section 467 of the real property tax law, as amended by section 1 of part B of chapter 686 of the laws of 2022, is amended to read as follows:

8-a. Notwithstanding any provision of law to the contrary, the local governing body of a municipal corporation that is authorized to adopt a local law pursuant to subdivision eight of this section is further authorized to adopt a local law providing that where a renewal application for the exemption authorized by this section has not been filed on or before the taxable status date, and the owner believes that good cause existed for the failure to file the renewal application by that date, the owner may, no later than the last day for paying taxes or PILOT without incurring interest or penalty, submit a written request to the assessor asking [~~him or her~~] **the assessor** to extend the filing deadline and grant the exemption. Such request shall contain an explanation of why the deadline was missed, and shall be accompanied by a renewal application, reflecting the facts and circumstances as they existed on the taxable status date. The assessor may extend the filing deadline and grant the exemption if [~~he or she~~] **the assessor** is satisfied that (i) good cause existed for the failure to file the renewal application by the taxable status date, and that (ii) the applicant is otherwise entitled to the exemption. The assessor shall **make a determination and** mail notice [~~of his or her determination~~] **thereof** to the owner. If the determination states that the assessor has granted the exemption, [~~he or she~~]

the assessor shall thereupon be authorized and directed to correct the assessment roll accordingly, or, if another person has custody or control of the assessment roll, to direct that person to make the appropriate corrections. If the correction is not made before taxes are levied, the failure to take the exemption into account in the computation of the tax shall be deemed a "clerical error" for purposes of title three of article five of this chapter, and shall be corrected accordingly.

§ 7. Paragraph (a) of subdivision 1 and paragraph (a) of subdivision 2 of section 459-c of the real property tax law, as amended by section 2 of part B of chapter 686 of the laws of 2022, are amended to read as follows:

(a) Real property owned by one or more persons with disabilities, or real property owned by a [husband, wife] married couple, or both, or by siblings, at least one of whom has a disability, or real property owned by one or more persons, some of whom qualify under this section and the others of whom qualify under section four hundred sixty-seven of this title, and whose income, as hereafter defined, is limited by reason of such disability, shall be exempt from payments in lieu of taxes (PILOT) to the battery city park authority or from taxation by any municipal corporation in which located to the extent of fifty per centum of the assessed valuation thereof as hereinafter provided. After a public hearing, the governing board of a county, city, town or village may adopt a local law and a school district, other than a school district subject to article fifty-two of the education law, may adopt a resolution to grant the exemption authorized pursuant to this section.

(a) ["sibling" shall mean a brother or a sister, whether related] the term "sibling" shall include persons whose relationship as siblings has been established through either half blood, whole blood or adoption.

§ 8. Paragraph (a) of subdivision 5 of section 459-c of the real property tax law, as separately amended by section 2 of part B of chapter 686 and chapter 488 of the laws of 2022, is amended to read as follows:

(a) (i) if the income of the owner or the combined income of the owners of the property for the income tax year [immediately preceding the date of making application for exemption] exceeds the sum of three thousand dollars, or such other sum not less than three thousand dollars nor more than [twenty-six thousand dollars beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, twenty-nine thousand dollars beginning July first, two thousand nine, and fifty thousand dollars beginning July first, two thousand twenty-two, and in a city with a population of one million or more fifty thousand dollars beginning July first, two thousand seventeen] fifty thousand dollars, as may be provided by the local law or resolution adopted pursuant to this section. [Income]

(ii) the applicable income tax year shall [mean] be the twelve month period for which the owner or owners filed a federal personal income tax return, or if no such return is filed, the calendar year.

(iii) Where title is vested in [either the husband or the wife, their] a married person, the combined income of such person and such person's spouse may not exceed such sum, except where [the husband or wife, or ex-husband or ex-wife] one-spouse or ex-spouse is absent from the property due to divorce, legal separation or abandonment, then only the income of the spouse or ex-spouse residing on the property shall be considered and may not exceed such sum. [Such income shall include social security and retirement benefits, interest, dividends, total gain

~~from the sale or exchange of a capital asset which may be offset by a loss from the sale or exchange of a capital asset in the same income tax year, net rental income, salary or earnings, and net income from self-employment, but shall not include a return of capital, gifts, inheritances or monies earned through employment in the federal foster grandparent program and any such income shall be offset by all medical and prescription drug expenses actually paid which were not reimbursed or paid for by insurance, if the governing board of a municipality, after a public hearing, adopts a local law or resolution providing therefor. In computing net rental income and net income from self-employment no depreciation deduction shall be allowed for the exhaustion, wear and tear of real or personal property held for the production of income;~~]

(iv) The term "income" as used herein shall mean the "adjusted gross income" for federal income tax purposes as reported on the applicant's federal or state income tax return for the applicable income tax year, subject to any subsequent amendments or revisions, plus any social security benefits not included in such adjusted gross income, minus any distributions, to the extent included in federal adjusted gross income, received from an individual retirement account and an individual retirement annuity; provided that if no such return was filed for the applicable income tax year, the applicant's income shall be determined based on the amounts that would have so been reported if such a return had been filed; and provided further, that the governing board of a municipality may adopt a local law, ordinance or resolution providing that any social security benefits that were not included in the applicant's adjusted gross income shall not be considered income for purposes of this section;

§ 9. Paragraph (a) of subdivision 6 of section 459-c of the real property tax law, as amended by section 2 of part B of chapter 686 of the laws of 2022, is amended to read as follows:

(a) If so provided in the local law or resolution adopted pursuant to this section, title to that portion of real property owned by a cooperative apartment corporation in which a tenant-stockholder of such corporation resides, and which is represented by [~~his~~] **the tenant-stockholder's** share or shares of stock in such corporation as determined by its or their proportional relationship to the total outstanding stock of the corporation, including that owned by the corporation, shall be deemed to be vested in such tenant-stockholder.

§ 10. This act shall take effect immediately and shall apply to all applications for exemptions pursuant to section 467 and section 459-c of the real property tax law on assessment rolls that are based on taxable status dates occurring on and after October 1, 2023.

PART L

Section 1. Section 2 of chapter 540 of the laws of 1992, amending the real property tax law relating to oil and gas charges, as amended by section 1 of part C of chapter 59 of the laws of 2020, is amended to read as follows:

§ 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 1992; provided, however that any charges imposed by section 593 of the real property tax law as added by section one of this act shall first be due for values for assessment rolls with tentative completion dates after July 1, 1992, and provided further, that this act shall remain in full force and effect until March 31, [~~2024~~] **2027**, at which time section 593 of the

real property tax law as added by section one of this act shall be repealed.

§ 2. This act shall take effect immediately.

PART M

Intentionally Omitted

PART N

Section 1. Section 575-b of the real property tax law is amended by adding a new subdivision 1-a to read as follows:

1-a. Notwithstanding any provision of law to the contrary, the solar or wind energy system appraisal model authorized by this section shall be identified, formulated, adopted, published, and updated periodically in the manner provided in this section without regard to the provisions of article two of the state administrative procedure act.

§ 2. Subparagraph (viii) of paragraph (b) of subdivision 2 of section 102 of the state administrative procedure act, as amended by chapter 74 of the laws of 1987, is amended to read as follows:

(viii) **appraisal models, discount rates,** state equalization rates, class ratios, special equalization rates and special equalization ratios established pursuant to the real property tax law;

§ 3. No assessing unit that failed to use the appraisal model pursuant to section 575-b of the real property tax law in 2022 shall be held liable for failing to use such model in 2022. Within fifteen days from the effective date of this act, the commissioner of taxation and finance may readopt the 2022 appraisal model or models and discount rates for use in 2023, without additional consultation with the New York state energy research and development authority or the New York state assessors association, and without soliciting or considering additional public comments.

§ 4. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after the effective date of part X of chapter 59 of the laws of 2021.

PART O

Intentionally Omitted

PART P

Section 1. Section 1299-C of the tax law is REPEALED.

§ 2. Notwithstanding any provision of law to the contrary, there shall be no refund of any registration fees paid prior to the effective date of this act.

§ 3. This act shall take effect immediately.

PART Q

Section 1. Section 285-a of the tax law is amended by adding a new subdivision 4 to read as follow:

4. Upon each sale of motor fuel, other than a sale that is otherwise exempt under this article, the distributor must charge the tax imposed

by this article to the purchaser on each gallon sold. If the taxes imposed by this article have not already been assumed or paid by a distributor on any quantity of such fuel for any reason, including, but not limited to, the expansion of such fuel as a result of temperature fluctuation, the distributor must remit such taxes to the commissioner on the return for the period in which such sale was made.

§ 2. Section 285-b of the tax law is amended by adding a new subdivision 5 to read as follows:

5. Upon each sale of Diesel motor fuel, other than a sale that is otherwise exempt under this article, the distributor must charge the tax imposed by this article to the purchaser on each gallon sold. If the taxes imposed by this article have not already been assumed or paid by a distributor on any quantity of such fuel for any reason, including, but not limited to, the expansion of such fuel as a result of temperature fluctuation, the distributor must remit such taxes to the commissioner on the return for the period in which such sale was made.

§ 3. Section 308 of the tax law is amended by adding a new subdivision (j) to read as follows:

(j) Every petroleum business subject to tax under this article that is also a distributor, as defined in section two hundred eighty-two of this chapter, must charge the tax imposed by this article to the purchaser on each gallon sold, unless otherwise exempt. If the taxes imposed by this article have not already been assumed or paid by such petroleum business on any quantity of such fuel for any reason, including, but not limited to, the expansion of such fuel as a result of temperature fluctuation, such petroleum business must remit such taxes to the commissioner on the return for the period in which such sale was made.

§ 4. Section 1102 of the tax law is amended by adding a new subdivision (g) to read as follows:

(g) The tax imposed by this section must be charged on the sale, other than a retail sale or a sale that is otherwise exempt under this article, of each gallon of motor fuel or Diesel motor fuel. If the taxes imposed by this section have not already been assumed or paid by the distributor on any quantity of such fuel for any reason, including, but not limited to, the expansion of such fuel as a result of temperature fluctuation, the distributor must remit such taxes to the commissioner on the return for the period in which such sale was made.

§ 5. This act shall take effect on September 1, 2023 and shall apply to sales of motor fuel and Diesel motor fuel on or after such date.

PART R

Section 1. Subparagraph (B) of paragraph 1 of subdivision (a) of section 1115 of the tax law, as amended by section 1 of part GG of chapter 59 of the laws of 2022, is amended to read as follows:

(B) Until May [~~thirty-first~~] thirty-first, two thousand [~~twenty-three~~] twenty-four, the food and drink excluded from the exemption provided by clauses (i), (ii) and (iii) of subparagraph (A) of this paragraph, and bottled water, shall be exempt under this subparagraph: (i) when sold for one dollar and fifty cents or less through any vending machine that accepts coin or currency only; or (ii) when sold for two dollars or less through any vending machine that accepts any form of payment other than coin or currency, whether or not it also accepts coin or currency.

§ 2. This act shall take effect June 1, 2023.

PART S

Section 1. Subdivision 1 of section 471 of the tax law, as amended by section 1 of part D of chapter 134 of the laws of 2010, is amended to read as follows:

1. There is hereby imposed and shall be paid a tax on all cigarettes possessed in the state by any person for sale, except that no tax shall be imposed on cigarettes sold under such circumstances that this state is without power to impose such tax, including sales to qualified Indians for their own use and consumption on their nations' or tribes' qualified reservation, or sold to the United States or sold to or by a voluntary unincorporated organization of the armed forces of the United States operating a place for the sale of goods pursuant to regulations promulgated by the appropriate executive agency of the United States, to the extent provided in such regulations and policy statements of such an agency applicable to such sales. The tax imposed by this section is imposed on all cigarettes sold on an Indian reservation to non-members of the Indian nation or tribe and to non-Indians and evidence of such tax shall be by means of an affixed cigarette tax stamp. Indian nations or tribes may elect to participate in the Indian tax exemption coupon system established in section four hundred seventy-one-e of this article which provides a mechanism for the collection of the tax imposed by this section on cigarette sales on qualified reservations to such non-members and non-Indians and for the delivery of quantities of tax-exempt cigarettes to Indian nations or tribes for the personal use and consumption of qualified members of the Indian nation or tribe. If an Indian nation or tribe does not elect to participate in the Indian tax exemption coupon system, the prior approval system shall be the mechanism for the delivery of quantities of tax-exempt cigarettes to Indian nations or tribes for the personal use and consumption of qualified members of the Indian nation or tribe as provided for in paragraph (b) of subdivision five of this section. Such tax on cigarettes shall be at the rate of [~~four~~] **five** dollars and thirty-five cents for each twenty cigarettes or fraction thereof, provided, however, that if a package of cigarettes contains more than twenty cigarettes, the rate of tax on the cigarettes in such package in excess of twenty shall be one dollar and [~~eight~~] **thirty-three** and three-quarters cents for each five cigarettes or fraction thereof. Such tax is intended to be imposed upon only one sale of the same package of cigarettes. It shall be presumed that all cigarettes within the state are subject to tax until the contrary is established, and the burden of proof that any cigarettes are not taxable hereunder shall be upon the person in possession thereof.

§ 2. Section 471-a of the tax law, as amended by section 5 of part D of chapter 134 of the laws of 2010, is amended to read as follows:

§ 471-a. Use tax on cigarettes. There is hereby imposed and shall be paid a tax on all cigarettes used in the state by any person, except that no tax shall be imposed (1) if the tax provided in section four hundred seventy-one of this article is paid, (2) on the use of cigarettes which are exempt from the tax imposed by said section, or (3) on the use of four hundred or less cigarettes, brought into the state on, or in the possession of, any person. Such tax on cigarettes shall be at the rate of [~~four~~] **five** dollars and thirty-five cents for each twenty cigarettes or fraction thereof, provided, however, that if a package of cigarettes contains more than twenty cigarettes, the rate of tax on the cigarettes in such package in excess of twenty shall be one dollar and [~~eight~~] **thirty-three** and three-quarters cents for each five cigarettes or fraction thereof. Within twenty-four hours after liability for the tax accrues, each such person shall file with the commissioner a return

in such form as the commissioner may prescribe together with a remittance of the tax shown to be due thereon. For purposes of this article, the word "use" means the exercise of any right or power actual or constructive and shall include but is not limited to the receipt, storage or any keeping or retention for any length of time, but shall not include possession for sale. All other provisions of this article if not inconsistent shall apply to the administration and enforcement of the tax imposed by this section in the same manner as if the language of said provisions had been incorporated in full into this section.

§ 3. Notwithstanding any other provision of law to the contrary, the tax due on cigarettes possessed in New York state as of the close of business on August 31, 2023, by any person for sale solely attributable to the increase imposed by the amendments to section 471 of the tax law, as amended by section one of this act, shall be paid by November 20, 2023, subject to such terms and conditions as the commissioner of taxation and finance shall prescribe.

§ 4. This act shall take effect on September 1, 2023, and shall apply to all cigarettes possessed in this state by any person for sale and all cigarettes used in this state by any person on or after such date.

PART T

Intentionally Omitted

PART U

Section 1. The opening paragraph of subparagraph (B) of paragraph 2 of subdivision (b) of section 1402 of the tax law, as amended by section 1 of item UUU of subpart B of part XXX of chapter 58 of the laws of 2020, is amended to read as follows:

For purposes of this subdivision, the phrase "real estate investment trust transfer" shall mean any conveyance of real property or an interest therein to a REIT, or to a partnership or corporation in which a REIT owns a controlling interest immediately following the conveyance, which conveyance (I) occurs in connection with the initial formation of the REIT, provided that the conditions set forth in clauses (i) and (ii) of this subparagraph are satisfied, or (II) in the case of any real estate investment trust transfer occurring on or after July thirteenth, nineteen hundred ninety-six and before September first, two thousand [~~twenty-three~~] twenty-six, is described in the last sentence of this subparagraph.

§ 2. Subparagraph 2 of paragraph (xi) of subdivision (b) of section 1201 of the tax law, as amended by section 2 of item UUU of subpart B of part XXX of chapter 58 of the laws of 2020, is amended to read as follows:

(2) any issuance or transfer of an interest in a REIT, or in a partnership or corporation in which a REIT owns a controlling interest immediately following the issuance or transfer, in connection with a transaction described in subparagraph one of this paragraph. Notwithstanding the foregoing, a transaction described in the preceding sentence shall not constitute a real estate investment trust transfer unless (A) it occurs in connection with the initial formation of the REIT and the conditions described in subparagraphs three and four of this paragraph are satisfied, or (B) in the case of any real estate investment trust transfer occurring on or after July thirteenth, nineteen hundred nine-

ty-six and before September first, two thousand [~~twenty-three~~] **twenty-six**, the transaction is described in subparagraph five of this paragraph in which case the provisions of such subparagraph shall apply.

§ 3. Subparagraph (B) of paragraph 2 of subdivision e of section 11-2102 of the administrative code of the city of New York, as amended by section 3 of item UUU of subpart B of part XXX of chapter 58 of the laws of 2020, is amended to read as follows:

(B) any issuance or transfer of an interest in a REIT, or in a partnership or corporation in which a REIT owns a controlling interest immediately following the issuance or transfer in connection with a transaction described in subparagraph (A) of this paragraph. Notwithstanding the foregoing, a transaction described in the preceding sentence shall not constitute a real estate investment trust transfer unless (i) it occurs in connection with the initial formation of the REIT and the conditions described in subparagraphs (C) and (D) of this paragraph are satisfied, or (ii) in the case of any real estate investment trust transfer occurring on or after July thirteenth, nineteen hundred ninety-six and before September first, two thousand [~~twenty-three~~] **twenty-six**, the transaction is described in subparagraph (E) of this paragraph in which case the provision of such subparagraph shall apply.

§ 4. This act shall take effect immediately.

PART V

Intentionally Omitted

PART W

Section 1. Subdivision 1 of section 105 of the state finance law, as amended by chapter 204 of the laws of 2002, is amended to read as follows:

1. All moneys received by the commissioner of taxation and finance on account of the state, excepting such moneys as are required by law to be deposited to the credit of the comptroller, but including such moneys as are thereafter paid into the state treasury by the comptroller, shall be deposited by the commissioner of taxation and finance within three **business** days after the receipt thereof, either as a demand deposit or an interest-bearing time deposit (other than a time certificate of deposit), as [~~he~~] **the commissioner** and the comptroller may determine, in such banks, trust companies and industrial banks as in [~~his~~] **the** opinion **of the commissioner** and the opinion of the comptroller are secure. The moneys so deposited shall be placed to the account of the commissioner of taxation and finance. [~~He~~] **The commissioner** shall keep a bankbook in which shall be entered [~~his~~] **their** account of deposit in and moneys drawn from the banks and trust companies and industrial banks in which deposits are made by [~~him~~] **the commissioner**, which [~~he~~] **they** shall exhibit to the comptroller for [~~his~~] inspection on the first Tuesday of every month and oftener if required. [~~He~~] **The commissioner** shall not draw any moneys from such banks, trust companies or industrial banks unless by checks signed and countersigned in the manner prescribed by section one hundred one, unless otherwise provided by law. No moneys shall be paid by any such bank, trust company or industrial bank out of any such deposit except upon such checks. Moneys may be paid through electronic transfer in accordance with procedures developed by the commissioner of taxation and finance and the comptroller and consistent

with the requirements of this section for recording payments. Such payments through electronic transfer shall be considered, for purposes of this chapter, to be moneys drawn by check. Every such bank, trust company or industrial bank shall transmit to the comptroller monthly statements of all moneys received and paid by it on account of the commissioner of taxation and finance.

§ 2. This act shall take effect immediately.

PART X

Section 1. Legislative findings. The legislature finds that it is in the interests of the state to assist The New York Racing Association, Inc., which is the franchised corporation pursuant to section two hundred six of the racing, pari-mutuel wagering and breeding law, to renovate Belmont Park racetrack. The legislature further finds and determines that the anticipated cost of renovating Belmont Park racetrack is four hundred fifty-five million dollars and that the renovation of Belmont Park racetrack shall initially be financed by the state subject to the provisions of the repayment agreement of the franchised corporation required by section two of this act. The franchised corporation will be responsible for repayment of the state funds in accordance with the terms of such repayment agreement.

§ 2. Prior to, and as a condition to the state initially providing funds for the renovation of Belmont Park racetrack, the franchised corporation shall enter into a repayment agreement with the state authorizing and directing that a portion of the funds of the franchised corporation dedicated for capital expenditures of the franchised corporation pursuant to paragraph 3 of subdivision f and paragraph 3 of subdivision f-1 of section 1612 of the tax law shall be used to repay the state for the funds provided by the state for the renovation of Belmont Park racetrack, in accordance with the repayment agreement between the state and the franchised corporation. Such agreement shall further provide that in the event the franchised corporation receives future statutory payments enacted for the specific purpose of holding the franchised corporation harmless for any loss of payments pursuant to paragraph 3 of subdivision f and paragraph 3 of subdivision f-1 of section 1612 of the tax law, such statutory payments shall also be used to repay the state for the funds provided by the state for the renovation of Belmont Park racetrack. Such agreement may also be amended from time to time as agreed to by the state and the franchised corporation. At any time prior to the repayment of the state funds for the renovation of Belmont Park racetrack, the state may issue state personal income tax revenue bonds or state sales tax revenue bonds. In the event of the issuance of such bonds, the repayment agreement shall be revised to reflect the obligation of the franchised corporation to fully repay the debt service costs associated with such bonds.

§ 3. As a condition of the state initially providing funds for the renovation of Belmont Park racetrack, the franchise oversight board shall include a requirement in any request for proposals for such renovation that any projects in connection with such work shall only be undertaken pursuant to a project labor agreement in accordance with section 222 of the labor law. For the purposes of this section, "project labor agreement" shall have the meaning set forth in subdivision 1 of section 213 of the racing, pari-mutuel wagering and breeding law.

§ 4. The New York State Gaming Commission shall ensure that to the extent that the law allows for a franchise agreement for the operation

of Belmont Park racetrack with a franchisee other than the franchised corporation, the term of any such franchise agreement awarded after funding provided by the state for the renovation of Belmont Park racetrack described by section one of this act shall include a provision obligating such franchisee to assume the payments of the franchised corporation required by section two of this act.

§ 5. The opening paragraph of paragraph 3 of subdivision f of section 1612 of the tax law is designated subparagraph (i) and a new subparagraph (ii) is added to read as follows:

(ii) Notwithstanding subparagraph (i) of this paragraph, in the event the state provides funds to the franchised corporation for the renovation of Belmont Park racetrack, out of the amount payable to the franchised corporation for capital expenditures pursuant to subparagraph (i) of this paragraph during any state fiscal year, an amount pursuant to the repayment agreement between the state and the franchised corporation shall instead be deposited into the miscellaneous capital projects fund, New York racing capital improvement fund as required to repay the state for funds provided for the renovation of Belmont Park racetrack. Any amount payable to the franchised corporation in any state fiscal year for capital expenditures pursuant to subparagraph (i) of this paragraph in excess of the amount pursuant to the repayment agreement between the state and the franchised corporation shall be deposited pursuant to subparagraph (i) of this paragraph. Once the state has been fully reimbursed for the costs related to the renovation of Belmont Park racetrack, this subparagraph shall no longer apply and subparagraph (i) of this paragraph shall apply.

§ 6. The opening paragraph of paragraph 3 of subdivision f-1 of section 1612 of the tax law is designated subparagraph (i) and a new subparagraph (ii) is added to read as follows:

(ii) Notwithstanding subparagraph (i) of this paragraph, in the event the state provides funds to the franchised corporation for the renovation of Belmont Park racetrack, and in the event the amount deposited pursuant to subparagraph (ii) of paragraph three of subdivision f of this section is insufficient to make the required repayment pursuant to such subparagraph during any state fiscal year, an amount payable to the franchised corporation for capital expenditures pursuant to subparagraph (i) of this paragraph shall instead be deposited into the miscellaneous capital projects fund, New York racing capital improvement fund to the extent necessary, when combined with the amount set forth in subparagraph (ii) of paragraph three of subdivision f of this section, to make any required repayment of funds provided by the state related to the renovation of Belmont Park racetrack during such fiscal year. Any amount payable to the franchised corporation in any state fiscal year for capital expenditures pursuant to subparagraph (i) of this paragraph in excess of the amount pursuant to the repayment agreement between the state and the franchised corporation shall be deposited pursuant to subparagraph (i) of this paragraph. Once the state has been fully reimbursed for such costs related to the renovation of Belmont Park racetrack, this subparagraph shall no longer apply and subparagraph (i) of this paragraph shall apply.

§ 7. The state comptroller is hereby authorized and directed to loan money in accordance with the provisions set forth in subdivision 5 of section 4 of the state finance law to the miscellaneous capital projects fund, New York racing capital improvement fund.

§ 8. 1. Notwithstanding any other provisions of law to the contrary, the dormitory authority, the urban development corporation, and the New

York state thruway authority are hereby authorized to issue personal income tax revenue bonds or notes or state sales tax revenue bonds or notes in one or more series in an aggregate principal amount not to exceed four hundred fifty-five million dollars ($455,000,000) excluding bonds or notes issued to pay costs of issuance of such bonds or notes and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued, for the purpose of financing the renovation of Belmont Park racetrack.

2. Notwithstanding any other provision of law to the contrary, in order to assist the dormitory authority, urban development corporation, and the New York state thruway authority in undertaking the financing for the renovation of Belmont Park racetrack, the director of the budget is hereby authorized to enter into one or more financing agreements with the dormitory authority, the urban development corporation, and the New York state thruway authority, upon such terms and conditions as the director of the budget and the dormitory authority, the urban development corporation and the New York state thruway authority agree, so as to annually provide to the dormitory authority, the urban development corporation, and the New York state thruway authority, in the aggregate, a sum not to exceed the principal, interest, and related expenses required for such bonds and notes. Any financing agreement entered into pursuant to this section shall provide that the obligation of the state to pay the amount therein provided shall not constitute a debt of the state within the meaning of any constitutional or statutory provision and shall be deemed executory only to the extent of monies available and that no liability shall be incurred by the state beyond the monies available for such purpose, subject to annual appropriation by the legislature. Any such contract or any payments made or to be made thereunder may be assigned and pledged by the dormitory authority, the urban development corporation, and the New York state thruway authority as security for such bonds and notes, as authorized by this section.

§ 9. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed in each state fiscal year to transfer, upon request of the director of the budget, up to the unencumbered balance or an amount up to twenty-five million eight hundred thousand dollars ($25,800,000) from the miscellaneous capital projects fund, New York racing capital improvement fund to the general fund.

§ 10. This act shall take effect immediately.

PART Y

Intentionally Omitted

PART Z

Intentionally Omitted

PART AA

Section 1. Subdivision 2 of section 509-a of the racing, pari-mutuel wagering and breeding law, as amended by section 1 of part DD of chapter 59 of the laws of 2022, is amended to read as follows:

2. a. Notwithstanding any other provision of law or regulation to the contrary, from April nineteenth, two thousand twenty-one to March thirty-first, two thousand twenty-two, twenty-three percent of the funds, not to exceed two and one-half million dollars, in the Catskill off-track betting corporation's capital acquisition fund and twenty-three percent of the funds, not to exceed four hundred forty thousand dollars, in the Capital off-track betting corporation's capital acquisition fund established pursuant to this section shall also be available to such off-track betting corporation for the purposes of statutory obligations, payroll, and expenditures necessary to accept authorized wagers.

b. Notwithstanding any other provision of law or regulation to the contrary, from April first, two thousand twenty-two to March thirty-first, two thousand twenty-three, twenty-three percent of the funds, not to exceed two and one-half million dollars, in the Catskill off-track betting corporation's capital acquisition fund established pursuant to this section, and twenty-three percent of the funds, not to exceed four hundred forty thousand dollars, in the Capital off-track betting corporation's capital acquisition fund established pursuant to this section, shall be available to such off-track betting corporations for the purposes of statutory obligations, payroll, and expenditures necessary to accept authorized wagers.

c. **Notwithstanding any other provision of law or regulation to the contrary, from April first, two thousand twenty-three to March thirty-first, two thousand twenty-four, twenty-three percent of the funds, not to exceed two and one-half million dollars, in the Catskill off-track betting corporation's capital acquisition fund established pursuant to this section, and twenty-three percent of the funds, not to exceed four hundred forty thousand dollars, in the Capital off-track betting corporation's capital acquisition fund established pursuant to this section, shall be available to such off-track betting corporation for the purposes of statutory obligations, payroll, and expenditures necessary to accept authorized wagers.**

d. Prior to a corporation being able to utilize the funds authorized by [~~paragraph~~] **paragraphs** b **and c** of this subdivision, the corporation must submit an expenditure plan to the gaming commission for review. Such plan shall include the corporation's outstanding liabilities, projected revenue for the upcoming year, a detailed explanation of how the funds will be used, and any other information determined necessary by the commission. Upon review, the commission will make a determination as to whether access to the funds is needed and warranted.

§ 2. This act shall take effect immediately.

PART BB

Section 1. Paragraph (a) of subdivision 1 of section 1003 of the racing, pari-mutuel wagering and breeding law, as amended by section 1 of part EE of chapter 59 of the laws of 2022, is amended to read as follows:

(a) Any racing association or corporation or regional off-track betting corporation, authorized to conduct pari-mutuel wagering under this chapter, desiring to display the simulcast of horse races on which pari-mutuel betting shall be permitted in the manner and subject to the conditions provided for in this article may apply to the commission for a license so to do. Applications for licenses shall be in such form as may be prescribed by the commission and shall contain such information or other material or evidence as the commission may require. No license

shall be issued by the commission authorizing the simulcast transmission of thoroughbred races from a track located in Suffolk county. The fee for such licenses shall be five hundred dollars per simulcast facility and for account wagering licensees that do not operate either a simulcast facility that is open to the public within the state of New York or a licensed racetrack within the state, twenty thousand dollars per year payable by the licensee to the commission for deposit into the general fund. Except as provided in this section, the commission shall not approve any application to conduct simulcasting into individual or group residences, homes or other areas for the purposes of or in connection with pari-mutuel wagering. The commission may approve simulcasting into residences, homes or other areas to be conducted jointly by one or more regional off-track betting corporations and one or more of the following: a franchised corporation, thoroughbred racing corporation or a harness racing corporation or association; provided (i) the simulcasting consists only of those races on which pari-mutuel betting is authorized by this chapter at one or more simulcast facilities for each of the contracting off-track betting corporations which shall include wagers made in accordance with section one thousand fifteen, one thousand sixteen and one thousand seventeen of this article; provided further that the contract provisions or other simulcast arrangements for such simulcast facility shall be no less favorable than those in effect on January first, two thousand five; (ii) that each off-track betting corporation having within its geographic boundaries such residences, homes or other areas technically capable of receiving the simulcast signal shall be a contracting party; (iii) the distribution of revenues shall be subject to contractual agreement of the parties except that statutory payments to non-contracting parties, if any, may not be reduced; provided, however, that nothing herein to the contrary shall prevent a track from televising its races on an irregular basis primarily for promotional or marketing purposes as found by the commission. For purposes of this paragraph, the provisions of section one thousand thirteen of this article shall not apply. Any agreement authorizing an in-home simulcasting experiment commencing prior to May fifteenth, nineteen hundred ninety-five, may, and all its terms, be extended until June thirtieth, two thousand [~~twenty-three~~] twenty-four; provided, however, that any party to such agreement may elect to terminate such agreement upon conveying written notice to all other parties of such agreement at least forty-five days prior to the effective date of the termination, via registered mail. Any party to an agreement receiving such notice of an intent to terminate, may request the commission to mediate between the parties new terms and conditions in a replacement agreement between the parties as will permit continuation of an in-home experiment until June thirtieth, two thousand [~~twenty-three~~] twenty-four; and (iv) no in-home simulcasting in the thoroughbred special betting district shall occur without the approval of the regional thoroughbred track.

§ 2. Subparagraph (iii) of paragraph d of subdivision 3 of section 1007 of the racing, pari-mutuel wagering and breeding law, as amended by section 2 of part EE of chapter 59 of the laws of 2022, is amended to read as follows:

(iii) Of the sums retained by a receiving track located in Westchester county on races received from a franchised corporation, for the period commencing January first, two thousand eight and continuing through June thirtieth, two thousand [~~twenty-three~~] twenty-four, the amount used exclusively for purses to be awarded at races conducted by such receiving track shall be computed as follows: of the sums so retained, two and

one-half percent of the total pools. Such amount shall be increased or decreased in the amount of fifty percent of the difference in total commissions determined by comparing the total commissions available after July twenty-first, nineteen hundred ninety-five to the total commissions that would have been available to such track prior to July twenty-first, nineteen hundred ninety-five.

§ 3. The opening paragraph of subdivision 1 of section 1014 of the racing, pari-mutuel wagering and breeding law, as amended by section 3 of part EE of chapter 59 of the laws of 2022, is amended to read as follows:

The provisions of this section shall govern the simulcasting of races conducted at thoroughbred tracks located in another state or country on any day during which a franchised corporation is conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack until June thirtieth, two thousand [~~twenty-three~~] twenty-four and on any day regardless of whether or not a franchised corporation is conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack after June thirtieth, two thousand [~~twenty-three~~] twenty-four. On any day on which a franchised corporation has not scheduled a racing program but a thoroughbred racing corporation located within the state is conducting racing, each off-track betting corporation branch office and each simulcasting facility licensed in accordance with section one thousand seven (that has entered into a written agreement with such facility's representative horsemen's organization, as approved by the commission), one thousand eight, or one thousand nine of this article shall be authorized to accept wagers and display the live simulcast signal from thoroughbred tracks located in another state or foreign country subject to the following provisions:

§ 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering and breeding law, as amended by section 4 of part EE of chapter 59 of the laws of 2022, is amended to read as follows:

1. The provisions of this section shall govern the simulcasting of races conducted at harness tracks located in another state or country during the period July first, nineteen hundred ninety-four through June thirtieth, two thousand [~~twenty-three~~] twenty-four. This section shall supersede all inconsistent provisions of this chapter.

§ 5. The opening paragraph of subdivision 1 of section 1016 of the racing, pari-mutuel wagering and breeding law, as amended by section 5 of part EE of chapter 59 of the laws of 2022, is amended to read as follows:

The provisions of this section shall govern the simulcasting of races conducted at thoroughbred tracks located in another state or country on any day during which a franchised corporation is not conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack until June thirtieth, two thousand [~~twenty-three~~] twenty-four. Every off-track betting corporation branch office and every simulcasting facility licensed in accordance with section one thousand seven that have entered into a written agreement with such facility's representative horsemen's organization as approved by the commission, one thousand eight or one thousand nine of this article shall be authorized to accept wagers and display the live full-card simulcast signal of thoroughbred tracks (which may include quarter horse or mixed meetings provided that all such wagering on such races shall be construed to be thoroughbred races) located in another state or foreign country, subject to the following provisions; provided, however, no such written agreement shall be

required of a franchised corporation licensed in accordance with section one thousand seven of this article:

§ 6. The opening paragraph of section 1018 of the racing, pari-mutuel wagering and breeding law, as amended by section 6 of part EE of chapter 59 of the laws of 2022, is amended to read as follows:

Notwithstanding any other provision of this chapter, for the period July twenty-fifth, two thousand one through September eighth, two thousand [~~twenty-two~~] **twenty-three**, when a franchised corporation is conducting a race meeting within the state at Saratoga Race Course, every off-track betting corporation branch office and every simulcasting facility licensed in accordance with section one thousand seven (that has entered into a written agreement with such facility's representative horsemen's organization as approved by the commission), one thousand eight or one thousand nine of this article shall be authorized to accept wagers and display the live simulcast signal from thoroughbred tracks located in another state, provided that such facility shall accept wagers on races run at all in-state thoroughbred tracks which are conducting racing programs subject to the following provisions; provided, however, no such written agreement shall be required of a franchised corporation licensed in accordance with section one thousand seven of this article.

§ 7. Section 32 of chapter 281 of the laws of 1994, amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting, as amended by section 7 of part EE of chapter 59 of the laws of 2022, is amended to read as follows:

§ 32. This act shall take effect immediately and the pari-mutuel tax reductions in section six of this act shall expire and be deemed repealed on July 1, [~~2023~~] **2024**; provided, however, that nothing contained herein shall be deemed to affect the application, qualification, expiration, or repeal of any provision of law amended by any section of this act, and such provisions shall be applied or qualified or shall expire or be deemed repealed in the same manner, to the same extent and on the same date as the case may be as otherwise provided by law; provided further, however, that sections twenty-three and twenty-five of this act shall remain in full force and effect only until May 1, 1997 and at such time shall be deemed to be repealed.

§ 8. Section 54 of chapter 346 of the laws of 1990, amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, as amended by section 8 of part EE of chapter 59 of the laws of 2022, is amended to read as follows:

§ 54. This act shall take effect immediately; provided, however, sections three through twelve of this act shall take effect on January 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breeding law, as added by section thirty-eight of this act, shall expire and be deemed repealed on July 1, [~~2023~~] **2024**; and section eighteen of this act shall take effect on July 1, 2008 and sections fifty-one and fifty-two of this act shall take effect as of the same date as chapter 772 of the laws of 1989 took effect.

§ 9. Paragraph (a) of subdivision 1 of section 238 of the racing, pari-mutuel wagering and breeding law, as amended by section 9 of part EE of chapter 59 of the laws of 2022, is amended to read as follows:

(a) The franchised corporation authorized under this chapter to conduct pari-mutuel betting at a race meeting or races run thereat shall distribute all sums deposited in any pari-mutuel pool to the holders of winning tickets therein, provided such tickets are presented for payment

before April first of the year following the year of their purchase, less an amount that shall be established and retained by such franchised corporation of between twelve to seventeen percent of the total deposits in pools resulting from on-track regular bets, and fourteen to twenty-one percent of the total deposits in pools resulting from on-track multiple bets and fifteen to twenty-five percent of the total deposits in pools resulting from on-track exotic bets and fifteen to thirty-six percent of the total deposits in pools resulting from on-track super exotic bets, plus the breaks. The retention rate to be established is subject to the prior approval of the commission.

Such rate may not be changed more than once per calendar quarter to be effective on the first day of the calendar quarter. "Exotic bets" and "multiple bets" shall have the meanings set forth in section five hundred nineteen of this chapter. "Super exotic bets" shall have the meaning set forth in section three hundred one of this chapter. For purposes of this section, a "pick six bet" shall mean a single bet or wager on the outcomes of six races. The breaks are hereby defined as the odd cents over any multiple of five for payoffs greater than one dollar five cents but less than five dollars, over any multiple of ten for payoffs greater than five dollars but less than twenty-five dollars, over any multiple of twenty-five for payoffs greater than twenty-five dollars but less than two hundred fifty dollars, or over any multiple of fifty for payoffs over two hundred fifty dollars. Out of the amount so retained there shall be paid by such franchised corporation to the commissioner of taxation and finance, as a reasonable tax by the state for the privilege of conducting pari-mutuel betting on the races run at the race meetings held by such franchised corporation, the following percentages of the total pool for regular and multiple bets five percent of regular bets and four percent of multiple bets plus twenty percent of the breaks; for exotic wagers seven and one-half percent plus twenty percent of the breaks, and for super exotic bets seven and one-half percent plus fifty percent of the breaks.

For the period April first, two thousand one through December thirty-first, two thousand [~~twenty-three~~] twenty-four, such tax on all wagers shall be one and six-tenths percent, plus, in each such period, twenty percent of the breaks. Payment to the New York state thoroughbred breeding and development fund by such franchised corporation shall be one-half of one percent of total daily on-track pari-mutuel pools resulting from regular, multiple and exotic bets and three percent of super exotic bets and for the period April first, two thousand one through December thirty-first, two thousand [~~twenty-three~~] twenty-four, such payment shall be seven-tenths of one percent of regular, multiple and exotic pools.

§ 10. This act shall take effect immediately.

PART CC

Intentionally Omitted

PART DD

Section 1. Clause (vi) of subparagraph (B) of paragraph 1 of subsection (a) of section 601 of the tax law, as amended by section 1 of subpart A of part A of chapter 59 of the laws of 2022, is amended to read as follows:

(vi) For taxable years beginning in two thousand twenty-three and before two thousand twenty-eight the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $17,150	4% of the New York taxable income
Over $17,150 but not over $23,600	$686 plus 4.5% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $161,550	$1,202 plus 5.5% of excess over $27,900
Over $161,550 but not over $323,200	$8,553 plus 6.00% of excess over $161,550
Over $323,200 but not over $2,155,350	$18,252 plus 6.85% of excess over $323,200
Over $2,155,350 but not over $5,000,000	$143,754 plus 9.65% of excess over $2,155,350
Over $5,000,000 but not over $25,000,000	$418,263 plus [~~10.30~~] **10.80**% of excess over $5,000,000
Over $25,000,000	$[~~2,478,263~~] **2,578,663** plus [~~10.90~~] **11.40**% of excess over $25,000,000

§ 2. Clause (vi) of subparagraph (B) of paragraph 1 of subsection (b) of section 601 of the tax law, as amended by section 2 of subpart A of part A of chapter 59 of the laws of 2022, is amended to read as follows:

(vi) For taxable years beginning in two thousand twenty-three and before two thousand twenty-eight the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $12,800	4% of the New York taxable income
Over $12,800 but not over $17,650	$512 plus 4.5% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $107,650	$901 plus 5.5% of excess over $20,900
Over $107,650 but not over $269,300	$5,672 plus 6.00% of excess over $107,650
Over $269,300 but not over $1,616,450	$15,371 plus 6.85% of excess over $269,300
Over $1,616,450 but not over $5,000,000	$107,651 plus 9.65% of excess over $1,616,450
Over $5,000,000 but not over $25,000,000	$434,163 plus [~~10.30~~] **10.80**% of excess over $5,000,000
Over $25,000,000	$[~~2,494,163~~] **2,594,163** plus [~~10.90~~] **11.40**% of excess over $25,000,000

§ 3. Clause (vi) of subparagraph (B) of paragraph 1 of subsection (c) of section 601 of the tax law, as amended by section 3 of subpart A of part A of chapter 59 of the laws of 2022, is amended to read as follows:

(vi) For taxable years beginning in two thousand twenty-three and before two thousand twenty-eight the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $8,500	4% of the New York taxable income
Over $8,500 but not over $11,700	$340 plus 4.5% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $80,650	$600 plus 5.50% of excess over $13,900
Over $80,650 but not over $215,400	$4,271 plus 6.00% of excess over $80,650
Over $215,400 but not over $1,077,550	$12,356 plus 6.85% of excess over $215,400
Over $1,077,550 but not over $5,000,000	$71,413 plus 9.65% of excess over $1,077,550
Over $5,000,000 but not over $25,000,000	$449,929 plus [~~10.30~~] **10.80**% of excess over $5,000,000
Over $25,000,000	$[~~2,509,929~~] **2,609,929** plus [~~10.90~~] **11.40**% of excess over $25,000,000

§ 4. Subsection (d-4) of section 601 of the tax law, as added by section 3 of subpart B of part A of chapter 59 of the laws of 2022, is amended to read as follows:

(d-4) Alternative tax table benefit recapture. Notwithstanding the provisions of subsection (d), (d-1), (d-2) or (d-3) of this section, for taxable years beginning on or after two thousand twenty-three and before two thousand twenty-eight, there is hereby imposed a supplemental tax in addition to the tax imposed under subsections (a), (b) and (c) of this section for the purpose of recapturing the benefit of the tax tables contained in such subsections. During these taxable years, any reference in this chapter to subsection (d), (d-1), (d-2) or (d-3) of this section shall be read as a reference to this subsection.

(1) For resident married individuals filing joint returns and resident surviving spouses:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

Greater than	Not over	Recapture Base	Incremental Benefit
$27,900	$161,550	$0	$333
$161,550	$323,200	$333	$807
$323,200	$2,155,350	$1,140	$2,747
$2,155,350	$5,000,000	$3,887	$60,350
$5,000,000	$25,000,000	$64,237	[~~$32,500~~] **$57,500**

(ii) the applicable amount shall be determined by New York taxable income as follows:

Greater than	Not over	Applicable Amount
$27,900	$161,550	New York adjusted gross income minus $107,650
$161,550	$323,200	New York adjusted gross income minus $161,550
$323,200	$2,155,350	New York adjusted gross income minus $323,200
$2,155,350	$5,000,000	New York adjusted gross income minus $2,155,350
$5,000,000	$25,000,000	New York adjusted gross income minus $5,000,000

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than twenty-seven thousand nine hundred dollars, the supplemental tax shall equal the difference between the product of 5.50 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of [~~10.90~~] 11.40 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section.

(2) For resident heads of households:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

Greater than	Not over	Recapture Base	Incremental Benefit
$107,650	$269,300	$0	$787
$269,300	$1,616,450	$787	$2,289
$1,616,450	$5,000,000	$3,076	$45,261
$5,000,000	$25,000,000	$48,337	[~~$32,500~~] $57,500

(ii) the applicable amount shall be determined by New York taxable income as follows:

Greater than	Not over	Applicable Amount
$107,650	$269,300	New York adjusted gross income minus $107,650
$269,300	$1,616,450	New York adjusted gross income minus $269,300
$1,616,450	$5,000,000	New York adjusted gross income minus $1,616,450
$5,000,000	$25,000,000	New York adjusted gross income minus $5,000,000

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than one hundred seven thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.00 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of [~~10.90~~] 11.40 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section.

(3) For resident unmarried individuals, resident married individuals filing separate returns and resident estates and trusts:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

Greater than	Not over	Recapture Base	Incremental Benefit
$80,650	$215,400	$0	$568
$215,400	$1,077,550	$568	$1,831
$1,077,550	$5,000,000	$2,399	$30,172
$5,000,000	$25,000,000	$32,571	[~~$32,500~~] **$57,500**

(ii) the applicable amount shall be determined by New York taxable income as follows:

Greater than	Not over	Applicable Amount
$80,650	$215,400	New York adjusted gross income minus $107,650
$215,400	$1,077,550	New York adjusted gross income minus $215,400
$1,077,550	$5,000,000	New York adjusted gross income minus $1,077,550
$5,000,000	$25,000,000	New York adjusted gross income minus $5,000,000

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than eighty thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.00 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of [~~10.90~~] **11.40** percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section.

§ 5. Notwithstanding any provision of law to the contrary, the method of determining the amount to be deducted and withheld from wages on account of taxes imposed by or pursuant to the authority of article 22 of the tax law in connection with the implementation of the provisions of this act shall be prescribed by regulations of the commissioner of taxation and finance with due consideration to the effect such withholding tables and methods would have on the receipt and amount of revenue. The commissioner of taxation and finance shall adjust such withholding tables and methods in regard to taxable years beginning in 2023 and after in such manner as to result, so far as practicable, in withholding from an employee's wages an amount substantially equivalent to the tax reasonably estimated to be due for such taxable years as a result of the provisions of this act. Any such regulations to implement a change in withholding tables and methods for tax year 2023 shall be adopted and effective as soon as practicable and the commissioner of taxation and finance may adopt such regulations on an emergency basis notwithstanding anything to the contrary in section 202 of the state administrative procedure act.

§ 6. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2023.

PART EE

Section 1. Subsection (c-1) of section 606 of the tax law is amended by adding a new paragraph 5 to read as follows:

(5) (A) For tax year two thousand twenty-two, the commissioner shall issue a payment of a supplemental empire state child credit in the amount of (i) one hundred percent of the empire state child credit calculated and allowed pursuant to this subsection to taxpayers whose federal adjusted gross income was less than ten thousand dollars; (ii) seventy-five percent of the empire state child credit calculated and allowed pursuant to this subsection to taxpayers whose federal adjusted gross income was greater than or equal to ten thousand dollars but less than twenty-five thousand dollars; (iii) fifty percent of the empire state child credit calculated and allowed pursuant to this subsection to taxpayers whose federal adjusted gross income was greater than or equal to twenty-five thousand dollars but less than fifty thousand dollars; and (iv) twenty-five percent of the empire state child credit calculated and allowed pursuant to this subsection to taxpayers whose federal adjusted gross income was greater than or equal to fifty thousand dollars. Provided, however, that no payment shall be issued if it is less than twenty-five dollars.

(B) The supplemental payment pursuant to this paragraph shall be allowed to taxpayers who timely filed returns pursuant to section six hundred fifty-one of this article, determined with regard to extensions pursuant to section six hundred fifty-seven of this article.

§ 2. Subsection (d) of section 606 of the tax law is amended by adding a new paragraph 9 to read as follows:

(9) For tax year two thousand twenty-two, the commissioner shall issue a payment of a supplemental earned income tax credit to resident taxpayers in the amount of twenty-five percent of the earned income tax credit calculated and allowed pursuant to this subsection. Such payment will be allowed to resident taxpayers who timely filed returns pursuant to section six hundred fifty-one of this article, determined with regard to extensions pursuant to section six hundred fifty-seven of this article. Provided, however, that no payment shall be issued if it is less than twenty-five dollars.

§ 3. Subsection (d-1) of section 606 of the tax law is amended by adding a new paragraph 10 to read as follows:

(10) For tax year two thousand twenty-two, the commissioner shall issue a payment of a supplemental enhanced earned income tax credit in the amount of twenty-five percent of the enhanced earned income tax credit calculated and allowed pursuant to this subsection. Such payment will be allowed to taxpayers who timely filed returns pursuant to section six hundred fifty-one of this article, determined with regard to extensions pursuant to section six hundred fifty-seven of this article. Provided, however, that no payment shall be issued if it is less than twenty-five dollars.

§ 4. Paragraph 1 of subsection (c-1) of section 606 of the tax law, as amended by section 1 of part P of chapter 59 of the laws of 2018, is amended to read as follows:

(1) A resident taxpayer shall be allowed a credit as provided herein equal to the greater of one hundred dollars times the number of qualifying children of the taxpayer or the applicable percentage of the child tax credit allowed the taxpayer under section twenty-four of the internal revenue code for the same taxable year for each qualifying child. Provided, however, in the case of a taxpayer whose federal adjusted

gross income exceeds the applicable threshold amount set forth by section 24(b)(2) of the Internal Revenue Code, the credit shall only be equal to the applicable percentage of the child tax credit allowed the taxpayer under section 24 of the Internal Revenue Code for each qualifying child. For the purposes of this subsection, a qualifying child shall be a child who meets the definition of qualified child under section 24(c) of the internal revenue code [~~and is at least four years of age~~]. The applicable percentage shall be thirty-three percent. For purposes of this subsection, any reference to section 24 of the Internal Revenue Code shall be a reference to such section as it existed immediately prior to the enactment of Public Law 115-97.

§ 5. Subsection (d) of section 606 of the tax law is amended by adding a new paragraph 10 to read as follows:

(10) Notwithstanding any provision to the contrary, for taxable years two thousand twenty-three and thereafter, an eligible individual, who filed a New York personal income tax return using a valid United States individual taxpayer identification number (ITIN) or if such individual otherwise satisfies the requirements of this paragraph, shall be eligible for the credit under this subsection. A federal individual taxpayer identification number or a social security number must be provided for each spouse in the case of a couple filing jointly or separately and for each child in order to be eligible for the credit. For purposes of this paragraph, an eligible individual, upon request by the commissioner, shall be required to submit proof including, but not limited to, (i)(A) an eligible individual filed a tax return for each tax year such credit is allowed with the department using a valid United States individual identification number, or (B) alternatively, such individual may submit one or more proofs of work described in paragraph (k) of subsection five of section two of part EEE of chapter fifty-nine of the laws of two thousand twenty-one; and (ii) the proof of identity as described in paragraph (a) of subsection five of section two of part EEE of chapter fifty-nine of the laws of two thousand twenty-one. The commissioner in conjunction with the commissioner of labor may, by regulation, establish alternative documents that sufficiently demonstrate an eligible individual's qualification for the tax credit, including but not limited to proof of identity as described in paragraph (a) of subsection five of section two of part EEE of chapter fifty-nine of the laws of two thousand twenty-one, provided that such additional documents clearly demonstrate that such individual was employed and received monetary earnings for each tax year such individual is eligible for the credit prior to the date such individual certifies that he or she became eligible for the credit allowed under this subsection.

§ 6. This act shall take effect immediately; provided, however, that sections four and five of this act shall apply to taxable years beginning on and after January 1, 2023; and provided, further, that the commissioner of the department of taxation and finance and the commissioner of the department of labor are authorized to promulgate regulations necessary to implement the provisions of this act.

PART FF

Section 1. Subdivision (b) of section 1105 of the tax law is amended by adding a new paragraph 5 to read as follows:

(5) The receipts from every retail sale of tangible personal property shall include a digital product as described in paragraph thirty-nine of subdivision (b) of section eleven hundred one of this article.

§ 2. Subdivision (b) of section 1101 of the tax law is amended by adding a new paragraph 39 to read as follows:

(39) Digital product. The term digital product shall mean, whether electronically or digitally delivered, streamed or accessed and whether purchased individually, by subscription or in any other manner, including maintenance, updates and support (but excluding similar property or any related similar service otherwise exempt pursuant to section eleven hundred five or section eleven hundred fifteen or any other sections of this article) of the following:

(i) television shows and movies, excluding cable television and satellite television;

(ii) photographs;

(iii) audiobooks;

(iv) any other otherwise taxable printed matter electronically or digitally delivered, streamed or accessed, excluding newspapers and periodicals;

(v) application platforms commonly known as "apps";

(vi) games excluding games otherwise taxable as the furnishing of an entertainment service described in subparagraph (i) of paragraph nine of subdivision (c) of section eleven hundred five of this article;

(vii) music;

(viii) podcasts;

(ix) any other audio, including satellite radio or any subscription service; or

(x) any other otherwise taxable tangible personal property electronically or digitally delivered, streamed or accessed.

§ 2-a. Subdivision (l) of section 1111 of the tax law is amended by adding a new paragraph 4 to read as follows:

(4) With respect to receipts from retail sale of tangible personal property described in paragraph thirty-nine of subdivision (b) of section eleven hundred one of this article, digital product that is electronically or digitally delivered, streamed or accessed to the customer within the state the customer shall pay such tax, on receipts from any charge that is aggregated with and not separately stated from other charges for receipt from retail sale of such property. Provided, however, if seller chooses an objective, reasonable and verifiable standard for identifying each of the components of the charge for such receipts, then such seller may separately account for and quantify the amount of each such component charge. If a seller chooses to so separately account for and quantify and separately sells any such property, then the charge for such property shall be based upon the price for such property as separately sold. If a seller chooses to so separately account for and quantify and does not separately sell such property, then the charge for such property shall be based upon the prevailing retail price of comparable property sold separately by other sellers. In any case, the charge for such property shall be reasonable and proportionate to the total charge to the customer. Nothing herein shall be construed to exempt from tax or subject to tax any such property otherwise subject to tax or exempt from tax under this article.

§ 3. Section 1148 of the tax law is amended by adding a new subdivision (d) to read as follows:

(d) Provided however, after funds are distributed pursuant to subdivisions (b) and (c) of this section but before such funds are distributed pursuant to subdivision (a) of this section, funds shall be deposited as follows:

(1) into the credit of the metropolitan mass transportation operating assistance account established by section eighty-eight-a of the state finance law in the following amounts: (i) in state fiscal year two thousand twenty-three--two thousand twenty-four, an amount equal to sixteen million dollars and (ii) in state fiscal year two thousand twenty-four--two thousand twenty-five, an amount equal to twenty-seven million dollars and (iii) in state fiscal year two thousand twenty-five--two thousand twenty-six, an amount equal to thirty-one million dollars and (iv) in state fiscal year two thousand twenty-six--two thousand twenty-seven and thereafter, an amount equal to thirty-six million dollars.

(2) Provided, however, after such funds are distributed pursuant to subdivisions (b) and (c) of this section, and paragraph one of this subdivision but before such funds are distributed pursuant to subdivision (a) of this section, such funds shall be distributed into the credit of the corporate transportation account of the metropolitan transportation authority special assistance fund established by section twelve hundred seventy-a of the public authorities law for the costs of the New York city transit authority, to be applied as provided in paragraph (e) of subdivision four of such section in the following amounts: (i) in state fiscal year two thousand twenty-three--two thousand twenty-four, an amount equal to twenty-nine million dollars and (ii) in state fiscal year two thousand twenty-four--two thousand twenty-five, an amount equal to forty-eight million dollars and (iii) in state fiscal year two thousand twenty-five--two thousand twenty-six, an amount equal to fifty-five million dollars and (iv) in state fiscal year two thousand twenty-six--two thousand twenty-seven and thereafter, an amount equal to sixty-three million dollars.

(3) And, provided further, after funds are distributed pursuant to subdivisions (b) and (c) of this section, and paragraphs one and two of this subdivision but before such funds are distributed pursuant to subdivision (a) of this section, such funds shall be deposited into the credit of the public transportation systems operating assistance account established by section eighty-eight-a of the state finance law in the following amounts: (i) in state fiscal year two thousand twenty-three--two thousand twenty-four, an amount equal to twenty-one million dollars and (ii) in state fiscal year two thousand twenty-four--two thousand twenty-five, an amount equal to thirty-five million dollars and (iii) in state fiscal year two thousand twenty-five--two thousand twenty-six, an amount equal to forty million dollars and (iv) in state fiscal year two thousand twenty-six--two thousand twenty-seven and thereafter, an amount equal to forty-six million dollars.

§ 4. The closing paragraph of subdivision 1 of section 1270-a of the public authorities law, as amended by section 7 of part FF of chapter 58 of the laws of 2019, is amended to read as follows:

The authority shall make deposits in the transit account and the commuter railroad account of the moneys received by it pursuant to the provisions of subdivision one of section two hundred sixty-one of the tax law in accordance with the provisions thereof, and shall make deposits in the corporate transportation account of the moneys received by it pursuant to the provisions of subdivision two of section two hundred sixty-one of the tax law and section ninety-two-ff of the state finance law. The comptroller shall deposit, without appropriation, into the corporate transportation account the revenue fees, taxes, interest and penalties collected in accordance with paragraph (b-1) of subdivision two of section five hundred three of the vehicle and traffic law, para-

graph (c-3) of subdivision two of section five hundred three of the vehicle and traffic law, article seventeen-C of the vehicle and traffic law, article twenty-nine-A of the tax law and section eleven hundred sixty-six-a of the tax law**, and paragraph two of subdivision (d) of section eleven hundred forty-eight of the tax law**.

§ 5. Paragraph (a) of subdivision 7 of section 88-a of the state finance law, as added by chapter 481 of the laws of 1981, is amended to read as follows:

(a) The "metropolitan mass transportation operating assistance account" shall consist of the revenues derived from the taxes for the metropolitan transportation district imposed by section eleven hundred nine of the tax law and that proportion of the receipts received pursuant to the tax imposed by article [~~nine-a~~] **nine-A** of such law as specified in section one hundred seventy-one-a of such law, and that proportion of the receipts received pursuant to the tax imposed by article nine of such law as specified in section two hundred five of such law, **and paragraph one of subdivision (d) of section eleven hundred forty-eight of the tax law** and the receipts required to be deposited pursuant to the provisions of section one hundred eighty-two-a **of the tax law**, and all other moneys credited or transferred thereto from any other fund or source pursuant to law.

§ 6. Paragraph (a) of subdivision 5 of section 88-a of the state finance law, as added by chapter 481 of the laws of 1981, is amended to read as follows:

(a) The "public transportation systems operating assistance account" shall consist of revenues required to be deposited therein pursuant to the provisions of section one hundred eighty-two-a of the tax law**, paragraph three of subdivision (d) of section eleven hundred forty-eight of the tax law** and all other moneys credited or transferred thereto from any other fund or source pursuant to law.

§ 7. This act shall take effect immediately and shall apply to sales made on or after June 1, 2023.

PART GG

Section 1. Short title. This act shall be known and may be cited as the "savings accounts for a variable economy (SAVE) for small businesses act".

§ 2. The tax law is amended by adding a new section 48 to read as follows:

§ 48. Small business savings accounts. (a) General. (1) The commissioner shall establish a program to administer small business savings accounts under this section.

(2) The commissioner shall establish minimum standards for small business savings accounts and shall establish accounts, or enter into agreements that meet these standards to administer such accounts. In establishing such standards and making such agreements the commissioner shall, to the extent practicable, seek to minimize fees, minimize risk of loss of principal, and ensure a range of investment risk options available to account beneficiaries. Any eligible small business may establish a small business savings account with respect to such business under terms which meet the requirements of this section.

(b) Definition. For the purposes of this section, the term "small business savings account" means a tax preferred savings account which is designated at the time of establishment of the plan as a small business

savings account. Such designation shall be made in such manner as the commissioner may by regulation prescribe.

(c) Contributions. (1) There shall be allowed as a deduction an amount equal to the contributions to a small business savings account for the taxable year.

(2) The aggregate amount of contributions for any taxable year to all small business savings accounts maintained for the benefit of an eligible small business shall not exceed an amount equal to ten percent of the entire net income of greater than zero but less than two hundred fifty thousand dollars for article nine-A taxpayers and ten percent of the New York source gross income of greater than zero but less than two hundred fifty thousand dollars for a limited liability company, partnership, or New York S corporation.

(d) Distributions. (1) Any qualified distribution from a small business savings account shall not be includible in gross income.

(2) Any amounts distributed out of a small business savings account that are not qualified distributions shall be included in gross income for the taxable year of the distribution.

(3) For purposes of this section:

(A) The term "qualified distribution" means any amount:

(i) distributed from a small business savings account during a specified period of economic hardship; and

(ii) the distribution of which is certified by the taxpayer as part of a plan which provides for the reinvestment of such distribution for the funding of worker hiring or financial stabilization for the purposes of job retention or creation.

(B) The term "specified period of economic hardship" means:

(i) any one-year period beginning immediately after the end of any two consecutive quarters during which the annual rate of real gross domestic product (as determined by the Bureau of Economic Analysis of the Department of Commerce) decreases, or

(ii) any period, in no event shorter than one year, specified by the commissioner for purposes of this section.

(C) The commissioner may specify a period under clause (ii) of subparagraph (B) of this paragraph with respect to a specified area in the case of an area determined by the governor to warrant assistance from the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

(D) The commissioner shall, for each specified period of economic hardship establish a distribution limitation for qualified distributions from eligible small business accounts with respect to such period. The aggregate qualified distributions for any such period from all accounts with respect to an eligible small business shall not exceed such limitation.

(E) Any distribution not used in the manner certified under subparagraph (A) of this paragraph shall be treated as a distribution other than a qualified distribution in the taxable year of such distribution.

(F) Any amount contributed to a small business savings account (and any earnings attributable thereto), once distributed, shall not be treated as a qualified distribution unless such distribution is made not later than eight years after the date of such contribution. For purposes of this subparagraph, amounts (and the earnings attributable thereto) shall be treated as distributed on a first-in first-out basis.

(e) Eligible small business. For purposes of this section:

(1) The term "eligible small business" means, with respect to any calendar year, any person if the annual average number of full-time

employees employed by such person during the preceding calendar year was twenty-five or fewer and such person has an annual net income of less than two hundred fifty thousand dollars. For purposes of this paragraph, a preceding calendar year may be taken into account only if the person was in existence throughout the year.

(2)(A) The term "full-time employee" means, with respect to any year, an employee who is employed on average at least forty hours of service per week.

(B) The commissioner shall prescribe such regulations, rules, and guidance as may be necessary to determine the hours of service of an employee, including rules for the application of this subdivision to employees who are not compensated on an hourly basis.

(f) Effect of pledging account as security. If, during any taxable year of the eligible small business for whose benefit an account is established, the account or any portion thereof is pledged as security for a loan, the portion so pledged shall be treated as distributed in a distribution other than a qualified distribution.

(g) Annual report. The commissioner shall prepare and deliver an annual report on the efficacy of small business savings accounts to the temporary president of the senate and the speaker of the assembly. Such report shall include, but not be limited to, an evaluation as to whether small business savings accounts contribute to financial stabilization of the small business during times of economic hardship, job retention or creation.

§ 3. Paragraph (a) of subdivision 9 of section 208 of the tax law is amended by adding a new subparagraph 24 to read as follows:

(24) For taxable years beginning on or after January first, two thousand twenty-three, contributions and qualified distributions by an eligible small business, as such term is defined pursuant to section forty-eight of this chapter.

§ 4. Paragraph (b) of subdivision 9 of section 208 of the tax law is amended by adding a new subparagraph 28 to read as follows:

(28) For taxable years beginning on or after January first, two thousand twenty-three, any amounts of ineligible contributions and distributions described in section forty-eight of this chapter.

§ 5. Subsection (c) of section 612 of the tax law is amended by adding a new paragraph 47 to read as follows:

(47) For taxable years beginning on or after January first, two thousand twenty-three, contributions and qualified distributions by an eligible small business, as such term is defined pursuant to section forty-eight of this chapter.

§ 6. Subsection (b) of section 612 of the tax law is amended by adding a new paragraph 44 to read as follows:

(44) For taxable years beginning on or after January first, two thousand twenty-three, any amounts of ineligible contributions and distributions described in section forty-eight of this chapter.

§ 7. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2023.

PART HH

Section 1. Subsection (b) of section 612 of the tax law is amended by adding a new paragraph 44 to read as follows:

(44) Any income, gain, loss and deduction, to the extent it is included in federal adjusted gross income and is, when combined and combined with additions for federal deprecation required by paragraph

eight of this subsection and subtractions for New York allowed by subsection (k) of this section, less than zero, of an individual or trust from a qualified pass-through manufacturer, as defined in paragraph forty-seven of subsection (c) of this section.

§ 2. Paragraph 39 of subsection (c) of section 612 of the tax law, as amended by section 1 of part C of chapter 59 of the laws of 2022, is amended and a new paragraph 47 is added to read as follows:

(39) (A) In the case of a taxpayer who is a small business or a taxpayer who is a member, partner, or shareholder of a limited liability company, partnership, or New York S corporation, respectively, that is a small business, who or which has business income and/or farm income as defined in the laws of the United States, an amount equal to fifteen percent of the net items of income, gain, loss and deduction attributable to such business or farm entering into federal adjusted gross income, but not less than zero.

(B) (i) For the purposes of this paragraph, the term small business shall mean: (I) a sole proprietor who employs one or more persons during the taxable year and who has net business income or net farm income of greater than zero but less than two hundred fifty thousand dollars;

(II) a limited liability company, partnership, or New York S corporation that during the taxable year employs one or more persons and has net farm income attributable to a farm business that is greater than zero but less than two hundred fifty thousand dollars;[~~or~~]

(III) a limited liability company, partnership, or New York S corporation that during the taxable year employs one or more persons and has New York gross business income attributable to a non-farm business that is greater than zero but less than one million five hundred thousand dollars[~~.~~]; or

(IV) For the purposes of this paragraph, the term small business shall exclude any business that is a qualified pass-through manufacturer, as defined in paragraph forty-seven of this subsection for the current tax year.

(ii) For purposes of this paragraph, the term New York gross business income shall mean: (I) in the case of a limited liability company or a partnership, New York source gross income as defined in subparagraph (B) of paragraph three of subsection (c) of section six hundred fifty-eight of this article; and (II) in the case of a New York S corporation, New York receipts included in the numerator of the apportionment factor determined under section two hundred ten-A of this chapter for the taxable year.

(C) To qualify for this modification in relation to a non-farm small business that is a limited liability company, partnership, or New York S corporation, the taxpayer's income attributable to the net business income from its ownership interests in non-farm limited liability companies, partnerships, or New York S corporations must be less than two hundred fifty thousand dollars.

(47) (A) Any income, gain, loss and deduction, to the extent included in federal adjusted gross income and is, when combined and combined with additions for federal depreciation required by paragraph eight of subsection (b) of this section and subtractions for New York allowed by subsection (k) of this section, greater than zero, of an individual or trust from a qualified pass-through manufacturer. Income from a qualified pass-through manufacturer shall include wages of an individual controlling ten percent or more of the qualified business or entity. Income or loss from a qualified pass-through manufacturer shall not include an amount representing reasonable compensation for personal

services, as defined in the internal revenue code section one hundred sixty-two regulations, for an individual controlling ten percent or more of the qualified business or entity.

(B) The qualified pass-through manufacturer may be organized as a sole proprietorship, a partnership, a limited liability company electing to be treated as a partnership or sole proprietorship, or an S corporation.

(C) For the purposes of this subsection, the term qualified pass-through manufacturer shall mean a business that is a qualified New York manufacturer, as defined by subparagraph (vi) of paragraph (a) of subdivision one of section two hundred ten of this chapter, except that the term "gross receipts" shall be replaced by "business receipts" in determining whether the business is "principally engaged" in manufacturing. A qualified pass-through manufacturer shall not include a business that is currently participating in the START-UP NY program.

§ 3. Paragraph 2 of subsection (a) of section 606 of the tax law is amended by adding a new subparagraph (B-1) to read as follows:

(B-1) Property placed in service during the tax year that is otherwise eligible for the investment tax credit described in subparagraph (A) of this paragraph, will not be eligible for the investment tax credit if the use of the property is by a qualified pass-through manufacturer, as defined in paragraph forty-seven of subsection (c) of section six hundred twelve of this article for the current tax year.

§ 4. Subdivision 1 of section 210-B of the tax law is amended by adding a new paragraph (g) to read as follows:

(g) Property placed in service during the tax year that is otherwise eligible for the investment tax credit described in this subdivision, will not be eligible for the investment tax credit if the use of the property is by a qualified New York manufacturer, as defined in subparagraph (vi) of paragraph (a) of subsection one of section two hundred ten of this article for the current tax year.

§ 5. For purposes of determining the modifications of paragraphs 39 and 47 of subsection (c) of section 612 of the tax law and the investment tax credit disallowance of subparagraph (B-1) of paragraph 2 of subsection (a) of section 606 of the tax law, the amounts shall be multiplied by the following percentages: (a) for tax years beginning on or after January 1, 2025: forty percent; (b) for tax years beginning on or after January 1, 2026: eighty percent; and (c) for tax years beginning on or after January 1, 2027: one hundred percent.

§ 6. This act shall take effect immediately and shall apply to tax years beginning on or after January 1, 2025.

PART II

Section 1. Paragraph 1 of subdivision (b) of section 37 of the tax law, as amended by section 1 of part V of chapter 60 of the laws of 2016, is amended to read as follows:

(1) for the first five hundred thousand gallons of:

i. beer[~~, cider, wine or liquor~~] produced in this state in the taxable year, the credit shall equal fourteen cents per gallon; [~~and~~]

ii. cider, artificially carbonated sparkling cider, and natural sparkling cider, containing more than three and two-tenths per centum of alcohol by volume produced in this state in the taxable year, the credit shall equal three and seventy-nine hundredths cents per gallon;

iii. still wine, artificially carbonated sparkling wine, and natural sparkling wine produced in this state in the taxable year, the credit shall equal thirty cents per gallon;

iv. liquors containing not more than twenty-four per centum of alcohol by volume, but more than two per centum of alcohol per volume, produced in this state in the taxable year, the credit shall equal two dollars and fifty-four cents per gallon;

v. liquors containing more than zero per centum of alcohol by volume, but not more than two per centum of alcohol by volume, produced in this state in the taxable year, the credit shall equal zero;

vi. all other liquors produced in this state in the taxable year, the credit shall equal six dollars and forty-four cents per gallon; and

§ 2. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2023.

PART JJ

Section 1. The tax law is amended by adding a new article 29-D to read as follows:

ARTICLE 29-D

FEE ON DELIVERY TRANSACTIONS

Section 1299-M. Definitions.
1299-N. Imposition of fee on delivery transaction.
1299-O. Liability for fee.
1299-P. Registration.
1299-Q. Returns and payment of fee.
1299-R. Records to be kept.
1299-S. Secrecy of returns.
1299-T. Practice and procedure.
1299-U. Deposit and disposition of revenue.
1299-V. Cooperation by regulatory agencies.

§ 1299-M. Definitions. (a) "Person" means an individual, partnership, limited liability company, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, referee or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals and any other form of unincorporated enterprise owned or conducted by two or more persons.

(b) "Delivery transaction" means a transaction that results in the delivery of personal tangible property from retail sale, whether purchased online or not, to the purchaser within the state.

(c) "Purchaser" means for the purposes of this article the person receiving the personal tangible property in the delivery transaction.

§ 1299-N. Imposition of fee on delivery transaction. (a) In addition to any other tax or assessment imposed by this chapter or other law, there is hereby imposed, beginning on September first, two thousand twenty-three, a fee on delivery transactions of twenty-five cents for each delivery transaction where the delivery is made within the state, except for deliveries of:

(1) drugs and medicines intended for use, internally or externally, in the cure, mitigation, treatment or prevention of illnesses or diseases in human beings, medical equipment, including component parts thereof, and supplies required for such use or to correct or alleviate physical incapacity, and products consumed by humans for the preservation of health but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein or medical equipment, including component parts thereof, and supplies, other than such drugs and medicines, purchased at retail for use in performing medical and similar services for compensation, as such terms are defined in para-

graph three of subdivision (a) of section eleven hundred fifteen of this chapter;

(2) diapers intended for human use including, but not limited to: disposable, reusable, adult, and children's diapers, as such terms are defined in paragraph thirty-a of subdivision (a) of section eleven hundred fifteen of this chapter;

(3) baby formula intended for feeding infants; or

(4) any food or food products.

(b) The provisions of this article shall not apply to any delivery transaction related to:

(1) operating over a rural route and engage exclusively in the transportation of United States mail under contract; or

(2) owned and operated by the United States, this state or any other state or any county, city, town or municipality in this state, or any other state or by any agency or department thereof.

§ 1299-O. Liability for fee. (a) Notwithstanding any provision of law to the contrary, every person that sells personal tangible property from retail sales to be delivered within the state shall be personally liable for the fees imposed by this article. For the purposes of this section, a seller shall include a marketplace provider and marketplace seller as such terms are defined in paragraphs one and two of subdivision (e) of section eleven hundred one of this chapter. Provided, however, a marketplace seller may be relieved of liability if a marketplace provider collects the fee on behalf of such marketplace seller as described in paragraph one of subdivision (1) of section eleven hundred thirty-two of this chapter.

(b) The fee imposed by this article shall be passed along to the purchaser and separately stated on any receipt that is provided to such purchaser. Provided, however, failure to collect such fee shall not relieve the liability imposed on such seller and such fee shall not be construed by any court or administrative body as the imposition of the fee on the purchaser.

(c) The fee imposed by this article shall not apply to any purchaser using the supplemental nutrition assistance program, special supplemental nutrition program for women, infants and children, or any successor programs as full or partial payment for the items purchased where all items purchased in the delivery transaction are purchasable using such programs.

§ 1299-P. Registration. (a) Every person liable for the fee imposed by this article shall file with the commissioner a properly completed application for a certificate of registration, in a form prescribed by the commissioner. Such application shall be accompanied by a fee of one dollar and fifty cents, and shall set forth the name and address of the registrant, and any other information that the commissioner may require.

(b) Except as otherwise provided in this section, the commissioner shall issue a certificate of registration to each person that applies for one for a specified term of not less than three years. Any certificate of registration referred to in this subdivision shall be subject to renewal in accordance with rules promulgated by the commissioner, and upon the payment of a fee of one dollar fifty cents. Whether or not such certificate of registration is issued for a specified term, it shall be subject to suspension or revocation as provided for in this section. Each certificate shall state the registrant and the registrant's taxpayer ID number it is applicable to. Certificates of registration issued pursuant to this article shall be non-assignable and non-transferable, and shall be surrendered to the commissioner immediately upon the regis-

trant's ceasing to do business at the address provided in its application, unless the registrant amends its certificate of registration in accordance with rules promulgated by the commissioner. All registrants must notify the commissioner of changes to any of the information stated on their certificate of registration, including vehicle changes, if any, on a calendar quarterly basis, and shall amend their certificates of registration accordingly.

(c) (1) The commissioner may refuse to issue a certificate of registration to a person, or may suspend or revoke a certificate of registration that was issued to a person, pursuant to this section upon finding that: (i) such person failed to pay any monies that are finally determined to be due for any tax or imposition that is administered by the commissioner; (ii) such person failed to file any return that is due from it under this chapter; (iii) such person willfully filed a false return or other document due under this chapter; (iv) such person willfully violated any provisions of this article, or any rule or regulation of the commissioner promulgated under this article; or (v) a certificate of registration issued pursuant to this section to such person, or to any business or entity under control of such person, or that is subject to substantially the same ownership, direction or control of such person, that has been revoked or suspended within one year from the date on which a certificate of registration is filed.

(2) A notice of proposed revocation, suspension or refusal to issue shall be given to the person that applies for a certificate of registration pursuant to this section in the manner prescribed for a notice of deficiency in subsection (a) of section one thousand eighty-one of this chapter, and except as otherwise provided herein, all the provisions of article twenty-seven of this chapter applicable to a notice of deficiency shall apply to a notice issued pursuant to this paragraph, insofar as such provisions can be made applicable to such notice, and with such modifications as may be necessary in order to adapt the language of such provisions to the notice authorized by this paragraph. All notices of proposed revocation, suspension or refusal to issue shall contain a statement advising the person to whom it is issued that the suspension, revocation or refusal to issue may be challenged through a hearing process and that the petition for such challenge must be filed with the division of tax appeals within ninety days after the giving of such notice.

(3) In the case of a proposed revocation or suspension, notice of such must be given to a person within three years from the date of the act or omission described in paragraph one of this subdivision, except that in the case of acts involving falsity or fraud, such notice may be issued at any time.

(4) In any of the foregoing instances where the commissioner may suspend or revoke or refuse to issue a certificate of registration, the commissioner may condition the retention or issuance of a certificate of registration upon the filing of a bond or the deposit of tax in the manner provided in paragraph two or three of subdivision (e) of section eleven hundred thirty-seven of this chapter.

(d) If the commissioner considers it necessary for the proper administration of the fee imposed by this article, he or she may require every person who holds a certificate of registration issued pursuant to this section to apply for a new certificate of registration in such form and at such time as the commissioner may prescribe, and to surrender each previously issued certificate of registration. The commissioner may require such filing and such surrender not more often than once every

three years. Upon the filing of an application for a new certificate of registration and the surrender of all previous such certificates, the commissioner shall issue, within such time as the commissioner may prescribe, a new certificate of registration, without charge, to each registrant.

§ 1299-Q. Returns and payment of fee. (a) Every person liable for the fee imposed by this article shall file a return with the commissioner on a monthly basis. Each return shall show the number of delivery transactions completed subject to the fee imposed by this article in the month for which the return is filed, along with such other information as the commissioner may require. The returns required by this section shall be filed within twenty days after the end of the month covered thereby. If the commissioner deems it necessary to ensure the payment of the fee imposed by this article, he or she may require returns to be made for shorter periods than prescribed by the foregoing provisions of this section, and upon such dates as may be specified. The form of returns shall be prescribed by the commissioner and shall contain such information as the commissioner may deem necessary for the proper administration of this article. The commissioner may require that returns be filed electronically.

(b) Every person liable for the fee imposed by this article shall, at the time of filing such return, pay to the commissioner the total amount of all fees due under this article. Such amount shall be due and payable on the date specified for the filing of the return for such period, without regard to whether a return is filed, or whether the return that is filed correctly shows the correct number of delivery transactions are subject to the fee, or the correct fee amount due thereon. The commissioner may require that the fee be paid electronically.

(c) In addition to any other penalty or interest provided for under this article or other law, and unless it is shown that such failure is due to reasonable cause and not due to willful neglect, any person liable for the fee imposed by this article that fails to pay such fee when due shall be liable for a penalty in an amount equal to two hundred percent of the total fee amount that is due.

§ 1299-R. Records to be kept. Every person liable for the fee imposed by this article shall keep, and shall make available for review upon demand by the commissioner:

(a) records of delivery transaction completed by such person, including all amounts paid, charged or due thereon, in such form as the commissioner may require;

(b) true and complete copies of any records required to be kept by any applicable regulatory department or agency; and

(c) such other records and information as the commissioner may require to perform his or her duties under this article.

§ 1299-S. Secrecy of returns. (a) Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the commissioner, any officer or employee of the department, any person engaged or retained by the department on an independent contract basis, or any person who in any manner may acquire knowledge of the contents of a return filed with the commissioner pursuant to this article, to divulge or make known in any manner any particulars set forth or disclosed in any such return. The officers charged with the custody of such returns shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except on behalf of the commissioner in an action or proceeding under the provisions of this chapter, or in any other action or proceeding

involving the collection of a tax due under this chapter to which the state, the commissioner or an agency that is authorized to permit or regulate the provision of any relevant transportation is a party or a claimant, or on behalf of any party to any action, proceeding or hearing under the provisions of this article, when the returns or the facts shown thereby are directly involved in such action, proceeding or hearing, in any of which events the court, or in the case of a hearing, the division of tax appeals, may require the production of, and may admit in evidence so much of said returns or of the facts shown thereby as are pertinent to the action or proceeding and no more. Nothing herein shall be construed, however, to prohibit the commissioner, in his or her discretion, from allowing the inspection or delivery of a certified copy of any return filed under this article, or from providing any information contained in any such return, by or to a duly authorized officer or employee of the comptroller; nor to prohibit the inspection or delivery of a certified copy of any return filed under this article, or the provision of any information contained therein, by or to the attorney general or other legal representatives of the state when an action shall have been recommended or commenced pursuant to this chapter in which such returns or the facts shown thereby are directly involved; nor to prohibit the commissioner from providing or certifying to the division of the budget or the comptroller the total number of returns filed under this article in any reporting period and the total collections received therefrom; nor to prohibit the delivery to a person liable for the fee imposed by this article, or a duly authorized representative of such, a certified copy of any return filed by such person pursuant to this article, nor to prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof; nor to prohibit the disclosure, in such manner as the commissioner deems appropriate, of the names and other appropriate identifying information of those persons required to pay the fee imposed by this article.

(b) Notwithstanding the provisions of subdivision (a) of this section, the commissioner may permit the secretary of the treasury of the United States or such secretary's delegate, or the authorized representative of either such officer, to inspect any return filed under this article, or may furnish to such officer of such officer's authorized representative an abstract of any such return or supply such person with information concerning an item contained in any such return, or disclosed by any investigation of liability under this article, but such permission shall be granted or such information furnished only if the laws of the United States grant substantially similar privileges to the commissioner or officer of this state charged with the administration of the fee imposed by this article, and only if such information is to be used for purposes of tax administration only; and provided further the commissioner may furnish to the commissioner of internal revenue or such commissioner's authorized representative such returns filed under this article and other tax information, as such commissioner may consider proper, for use in court actions or proceedings under the internal revenue code, whether civil or criminal, where a written request therefor has been made to the commissioner by the secretary of the treasury of the United States or such secretary's delegate, provided the laws of the United States grant substantially similar powers to the secretary of the treasury of the United States or his or her delegate. Where the commissioner has so authorized use of returns and other information in such actions or proceedings, officers and employees of the department may testify in

such actions or proceedings in respect to such returns or other information.

(c)(1) Any officer or employer of the state who willfully violates the provisions of subdivision (a) of this section shall be dismissed from office and be incapable of holding any public office for a period of five years thereafter.

(2) Cross-reference: For criminal penalties, see article thirty-seven of this chapter.

§ 1299-T. Practice and procedure. The provisions of article twenty-eight of this chapter shall apply with respect to the administration of and procedure with respect to the fee imposed by this article in the same manner and with the same force and effect as if the language of such article twenty-eight had been incorporated in full into this article and had expressly referred to the fee imposed by this article, except to the extent that any such provision is either inconsistent with a provision of this article or is not relevant to this article.

§ 1299-U. Deposit and disposition of revenue. All taxes, interest and penalties collected or received by the commissioner under this article shall be deposited and disposed of pursuant to the provisions of section one hundred seventy-one-a of this chapter, except that after reserving amounts in accordance with such section one hundred seventy-one-a of this chapter:

(a) all taxes, interest and penalties collected or received within the counties of the city of New York be deposited and disposed daily with such responsible banks, banking houses or trust companies, as may be designated by the comptroller, in trust for the credit of the metropolitan transportation authority. An account may be established in one or more of such depositories. Such deposits will be kept separate and apart from all other money in the possession of the comptroller. Of the total revenue collected or received under this article, the comptroller shall retain such amount as the commissioner may determine to be necessary for refunds under this article. On or before the twelfth day of each month, after reserving such amount for such refunds and deducting such amounts for such costs, the commissioner shall certify to the comptroller the amount of all revenues received pursuant to this article during the prior month as a result of the tax imposed, including any interest and penalties thereon. The amount of revenues so certified over the prior three months in total shall be paid over by the fifteenth day of the last month of each calendar quarter from such account, without appropriation, into the corporate transportation account of the metropolitan transportation authority special assistance fund established by section twelve hundred seventy-a of the public authorities law for the costs of the New York city transit authority, to be applied as provided in paragraph (e) of subdivision four of such section.

(b) all taxes, interest and penalties collected or received with respect to those counties, excluding the counties within the city of New York, comprising the metropolitan commuter transportation district, as defined by the provisions of section twelve hundred sixty-two of the public authorities law, shall be paid into the credit of the metropolitan mass transportation operating assistance account established by section eighty-eight-a of the state finance law.

(c) all taxes, interest and penalties collected or received outside of the metropolitan commuter transportation shall be paid to the credit of the public transportation systems operating assistance account established by section eighty-eight-a of the state finance law.

§ 1299-V. Cooperation by regulatory agencies. All regulatory agencies shall cooperate with and assist the commissioner to effectuate the purposes of this article and the commissioner's responsibilities hereunder. Such cooperation shall also include furnishing to the commissioner all written, computerized, automated or electronic records in the regulatory agency's possession, or in the possession of any of its agents, instrumentalities, contractors, or any other person authorized or required to obtain or possess such records or information, that account for any person or entity liable under this article. Such information shall be provided to the commissioner without cost, and in a format prescribed by the commissioner.

§ 2. The closing paragraph of subdivision 1 of section 1270-a of the public authorities law, as amended by section 7 of part FF of chapter 58 of the laws of 2019, is amended to read as follows:

The authority shall make deposits in the transit account and the commuter railroad account of the moneys received by it pursuant to the provisions of subdivision one of section two hundred sixty-one of the tax law in accordance with the provisions thereof, and shall make deposits in the corporate transportation account of the moneys received by it pursuant to the provisions of subdivision two of section two hundred sixty-one of the tax law and section ninety-two-ff of the state finance law. The comptroller shall deposit, without appropriation, into the corporate transportation account the revenue fees, taxes, interest and penalties collected in accordance with paragraph (b-1) of subdivision two of section five hundred three of the vehicle and traffic law, paragraph (c-3) of subdivision two of section five hundred three of the vehicle and traffic law, article seventeen-C of the vehicle and traffic law, article twenty-nine-A of the tax law and section eleven hundred sixty-six-a of the tax law, and subdivision (a) of section twelve hundred ninety-nine-U of the tax law.

§ 3. Paragraph (a) of subdivision 5 of section 88-a of the state finance law, as added by chapter 481 of the laws of 1981, is amended to read as follows:

(a) The "public transportation systems operating assistance account" shall consist of revenues required to be deposited therein pursuant to the provisions of section one hundred eighty-two-a of the tax law, subdivision (c) of section twelve hundred ninety-nine-U of the tax law and all other moneys credited or transferred thereto from any other fund or source pursuant to law.

§ 4. Paragraph (a) of subdivision 7 of section 88-a of the state finance law, as added by chapter 481 of the laws of 1981, is amended to read as follows:

(a) The "metropolitan mass transportation operating assistance account" shall consist of the revenues derived from the taxes for the metropolitan transportation district imposed by section eleven hundred nine of the tax law and that proportion of the receipts received pursuant to the tax imposed by article nine-a of such law as specified in section one hundred seventy-one-a of such law, and subdivision (b) of section twelve hundred ninety-nine-U of the tax law, and that proportion of the receipts received pursuant to the tax imposed by article nine of such law as specified in section two hundred five of such law, and the receipts required to be deposited pursuant to the provisions of section one hundred eighty-two-a, and all other moneys credited or transferred thereto from any other fund or source pursuant to law.

§ 5. This act shall take effect immediately and shall apply to all delivery transactions on or after September 1, 2023.

PART KK

Section 1. Paragraphs (a) and (b) of subdivision 4 of section 189 of the state finance law, as amended by section 8 of part A of chapter 56 of the laws of 2013, are amended to read as follows:

(a) This section shall apply to [~~claims, records, or statements made under the~~] tax law **violations** only if**:** (i) the net income or sales of the person against whom the action is brought equals or exceeds one million dollars for any taxable year subject to any action brought pursuant to this article; (ii) the damages pleaded in such action exceed three hundred and fifty thousand dollars; [~~and (iii) the person is alleged to have violated paragraph (a), (b), (c), (d), (e), (f) or (g) of subdivision one of this section; provided, however, that nothing in this subparagraph shall be deemed to modify or restrict the application of such paragraphs to any act alleged that relates to a violation of the tax law~~] **provided that (iii) for purposes of applying paragraph (h) of subdivision one of this section to a tax law violation, the person is alleged to have knowingly concealed or knowingly and improperly avoided an obligation to pay taxes to the state or a local government**.

(b) The attorney general shall consult with the commissioner of the department of taxation and finance prior to filing or intervening in any action under this article that is based on [~~the filing of false claims, records or statements made under the tax law~~] **a violation of the tax law**. If the state declines to participate or to authorize participation by a local government in such an action pursuant to subdivision two of section one hundred ninety of this article, the qui tam plaintiff must obtain approval from the attorney general before making any motion to compel the department of taxation and finance to disclose tax records.

§ 2. Nothing in this act shall be deemed to modify or restrict the application of paragraph (a), (b), (c), (d), (e), (f) or (g) of subdivision 1 of section 189 of the state finance law to any act alleged that relates to a violation of the tax law.

§ 3. This act shall take effect immediately and in any pending case shall apply to any tax obligation knowingly concealed or knowingly avoided before, on, or after such effective date.

PART LL

Section 1. The state comptroller is hereby authorized and directed to loan money in accordance with the provisions set forth in subdivision 5 of section 4 of the state finance law to the following funds and/or accounts:

1. DOL-Child performer protection account (20401).
2. Local government records management account (20501).
3. Child health plus program account (20810).
4. EPIC premium account (20818).
5. Education - New (20901).
6. VLT - Sound basic education fund (20904).
7. Sewage treatment program management and administration fund (21000).
8. Hazardous bulk storage account (21061).
9. Utility environmental regulatory account (21064).
10. Federal grants indirect cost recovery account (21065).
11. Low level radioactive waste account (21066).
12. Recreation account (21067).
13. Public safety recovery account (21077).

14. Environmental regulatory account (21081).
15. Natural resource account (21082).
16. Mined land reclamation program account (21084).
17. Great lakes restoration initiative account (21087).
18. Environmental protection and oil spill compensation fund (21200).
19. Public transportation systems account (21401).
20. Metropolitan mass transportation (21402).
21. Operating permit program account (21451).
22. Mobile source account (21452).
23. Statewide planning and research cooperative system account (21902).
24. New York state thruway authority account (21905).
25. Mental hygiene program fund account (21907).
26. Mental hygiene patient income account (21909).
27. Financial control board account (21911).
28. Regulation of racing account (21912).
29. State university dormitory income reimbursable account (21937).
30. Criminal justice improvement account (21945).
31. Environmental laboratory reference fee account (21959).
32. Training, management and evaluation account (21961).
33. Clinical laboratory reference system assessment account (21962).
34. Indirect cost recovery account (21978).
35. Multi-agency training account (21989).
36. Bell jar collection account (22003).
37. Industry and utility service account (22004).
38. Real property disposition account (22006).
39. Parking account (22007).
40. Courts special grants (22008).
41. Asbestos safety training program account (22009).
42. Batavia school for the blind account (22032).
43. Investment services account (22034).
44. Surplus property account (22036).
45. Financial oversight account (22039).
46. Regulation of Indian gaming account (22046).
47. Rome school for the deaf account (22053).
48. Seized assets account (22054).
49. Administrative adjudication account (22055).
50. New York City assessment account (22062).
51. Cultural education account (22063).
52. Local services account (22078).
53. DHCR mortgage servicing account (22085).
54. Housing indirect cost recovery account (22090).
55. Voting Machine Examinations account (22099).
56. DHCR-HCA application fee account (22100).
57. Low income housing monitoring account (22130).
58. Restitution account (22134).
59. Corporation administration account (22135).
60. New York State Home for Veterans in the Lower-Hudson Valley account (22144).
61. Deferred compensation administration account (22151).
62. Rent revenue other New York City account (22156).
63. Rent revenue account (22158).
64. Transportation aviation account (22165).
65. Tax revenue arrearage account (22168).
66. New York State Campaign Finance Fund account (22211).
67. New York state medical indemnity fund account (22240).

68. Behavioral health parity compliance fund (22246).
69. Pharmacy benefit manager regulatory fund (22255).
70. State university general income offset account (22654).
71. Lake George park trust fund account (22751).
72. Highway safety program account (23001).
73. DOH drinking water program account (23102).
74. NYCCC operating offset account (23151).
75. Commercial gaming revenue account (23701).
76. Commercial gaming regulation account (23702).
77. Highway use tax administration account (23801).
78. New York state secure choice administrative account (23806).
79. New York state cannabis revenue fund (24800).
80. Fantasy sports administration account (24951).
81. Mobile sports wagering fund (24955).
82. Highway and bridge capital account (30051).
83. State university residence hall rehabilitation fund (30100).
84. State parks infrastructure account (30351).
85. Clean water/clean air implementation fund (30500).
86. Hazardous waste remedial cleanup account (31506).
87. Youth facilities improvement account (31701).
88. Housing assistance fund (31800).
89. Housing program fund (31850).
90. Highway facility purpose account (31951).
91. New York racing account (32213).
92. Capital miscellaneous gifts account (32214).
93. Information technology capital financing account (32215).
94. New York environmental protection and spill remediation account (32219).
95. Mental hygiene facilities capital improvement fund (32300).
96. Correctional facilities capital improvement fund (32350).
97. New York State Storm Recovery Capital Fund (33000).
98. OGS convention center account (50318).
99. Empire Plaza Gift Shop (50327).
100. Unemployment Insurance Benefit Fund, Interest Assessment Account (50651).
101. Centralized services fund (55000).
102. Archives records management account (55052).
103. Federal single audit account (55053).
104. Civil service administration account (55055).
105. Civil service EHS occupational health program account (55056).
106. Banking services account (55057).
107. Cultural resources survey account (55058).
108. Neighborhood work project account (55059).
109. Automation & printing chargeback account (55060).
110. OFT NYT account (55061).
111. Data center account (55062).
112. Intrusion detection account (55066).
113. Domestic violence grant account (55067).
114. Centralized technology services account (55069).
115. Labor contact center account (55071).
116. Human services contact center account (55072).
117. Tax contact center account (55073).
118. Department of law civil recoveries account (55074).
119. Executive direction internal audit account (55251).
120. CIO Information technology centralized services account (55252).
121. Health insurance internal service account (55300).

122. Civil service employee benefits division administrative account (55301).
123. Correctional industries revolving fund (55350).
124. Employees health insurance account (60201).
125. Medicaid management information system escrow fund (60900).
126. Virtual currency assessments account.
§ 1-a. The state comptroller is hereby authorized and directed to loan money in accordance with the provisions set forth in subdivision 5 of section 4 of the state finance law to any account within the following federal funds, provided the comptroller has made a determination that sufficient federal grant award authority is available to reimburse such loans:
1. Federal USDA-food and nutrition services fund (25000).
2. Federal health and human services fund (25100).
3. Federal education fund (25200).
4. Federal block grant fund (25250).
5. Federal miscellaneous operating grants fund (25300).
6. Federal unemployment insurance administration fund (25900).
7. Federal unemployment insurance occupational training fund (25950).
8. Federal emergency employment act fund (26000).
9. Federal capital projects fund (31350).
§ 2. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget, on or before March 31, 2024, up to the unencumbered balance or the following amounts:
Economic Development and Public Authorities:
1. $1,175,000 from the miscellaneous special revenue fund, underground facilities safety training account (22172), to the general fund.
2. An amount up to the unencumbered balance from the miscellaneous special revenue fund, business and licensing services account (21977), to the general fund.
3. $19,810,000 from the miscellaneous special revenue fund, code enforcement account (21904), to the general fund.
4. $3,000,000 from the general fund to the miscellaneous special revenue fund, tax revenue arrearage account (22168).
Education:
1. $2,314,000,000 from the general fund to the state lottery fund, education account (20901), as reimbursement for disbursements made from such fund for supplemental aid to education pursuant to section 92-c of the state finance law that are in excess of the amounts deposited in such fund for such purposes pursuant to section 1612 of the tax law.
2. $1,033,000,000 from the general fund to the state lottery fund, VLT education account (20904), as reimbursement for disbursements made from such fund for supplemental aid to education pursuant to section 92-c of the state finance law that are in excess of the amounts deposited in such fund for such purposes pursuant to section 1612 of the tax law.
3. $131,200,000 from the general fund to the New York state commercial gaming fund, commercial gaming revenue account (23701), as reimbursement for disbursements made from such fund for supplemental aid to education pursuant to section 97-nnnn of the state finance law that are in excess of the amounts deposited in such fund for purposes pursuant to section 1352 of the racing, pari-mutuel wagering and breeding law.
4. $895,897,000 from the general fund to the mobile sports wagering fund, education account (24955), as reimbursement for disbursements made from such fund for supplemental aid to education pursuant to section

92-c of the state finance law that are in excess of the amounts deposited in such fund for such purposes pursuant to section 1367 of the racing, pari-mutuel wagering and breeding law.

5. $7,000,000 from the interactive fantasy sports fund, fantasy sports education account (24950), to the state lottery fund, education account (20901), as reimbursement for disbursements made from such fund for supplemental aid to education pursuant to section 92-c of the state finance law.

6. An amount up to the unencumbered balance in the fund on March 31, 2024 from the charitable gifts trust fund, elementary and secondary education account (24901), to the general fund, for payment of general support for public schools pursuant to section 3609-a of the education law.

7. Moneys from the state lottery fund (20900) up to an amount deposited in such fund pursuant to section 1612 of the tax law in excess of the current year appropriation for supplemental aid to education pursuant to section 92-c of the state finance law.

8. $300,000 from the New York state local government records management improvement fund, local government records management account (20501), to the New York state archives partnership trust fund, archives partnership trust maintenance account (20351).

9. $900,000 from the general fund to the miscellaneous special revenue fund, Batavia school for the blind account (22032).

10. $900,000 from the general fund to the miscellaneous special revenue fund, Rome school for the deaf account (22053).

11. $343,400,000 from the state university dormitory income fund (40350) to the miscellaneous special revenue fund, state university dormitory income reimbursable account (21937).

12. $8,318,000 from the general fund to the state university income fund, state university income offset account (22654), for the state's share of repayment of the STIP loan.

13. Intentionally omitted.

14. $5,160,000 from the miscellaneous special revenue fund, office of the professions account (22051), to the miscellaneous capital projects fund, office of the professions electronic licensing account (32222).

15. $24,000,000 from any of the state education department's special revenue and internal service funds to the miscellaneous special revenue fund, indirect cost recovery account (21978).

16. $4,200,000 from any of the state education department's special revenue or internal service funds to the capital projects fund (30000).

17. $30,013,000 from the general fund to the miscellaneous special revenue fund, HESC-insurance premium payments account (21960).

Environmental Affairs:

1. $16,000,000 from any of the department of environmental conservation's special revenue federal funds, and/or federal capital funds, to the environmental conservation special revenue fund, federal indirect recovery account (21065).

2. $5,000,000 from any of the department of environmental conservation's special revenue federal funds, and/or federal capital funds, to the conservation fund (21150) or Marine Resources Account (21151) as necessary to avoid diversion of conservation funds.

3. $3,000,000 from any of the office of parks, recreation and historic preservation capital projects federal funds and special revenue federal funds to the miscellaneous special revenue fund, federal grant indirect cost recovery account (22188).

4. $1,000,000 from any of the office of parks, recreation and historic preservation special revenue federal funds to the miscellaneous capital projects fund, I love NY water account (32212).

5. $100,000,000 from the general fund to the environmental protection fund, environmental protection fund transfer account (30451).

6. $6,000,000 from the general fund to the hazardous waste remedial fund, hazardous waste oversight and assistance account (31505).

7. An amount up to or equal to the cash balance within the special revenue-other waste management & cleanup account (21053) to the capital projects fund (30000) for services and capital expenses related to the management and cleanup program as put forth in section 27-1915 of the environmental conservation law.

8. $1,800,000 from the miscellaneous special revenue fund, public service account (22011) to the miscellaneous special revenue fund, utility environmental regulatory account (21064).

9. $7,000,000 from the general fund to the enterprise fund, state fair account (50051).

10. $4,000,000 from the waste management & cleanup account (21053) to the general fund.

11. $3,000,000 from the waste management & cleanup account (21053) to the environmental protection fund transfer account (30451).

12. Up to $10,000,000 from the general fund to the miscellaneous special revenue fund, patron services account (22163).

Family Assistance:

1. $7,000,000 from any of the office of children and family services, office of temporary and disability assistance, or department of health special revenue federal funds and the general fund, in accordance with agreements with social services districts, to the miscellaneous special revenue fund, office of human resources development state match account (21967).

2. $4,000,000 from any of the office of children and family services or office of temporary and disability assistance special revenue federal funds to the miscellaneous special revenue fund, family preservation and support services and family violence services account (22082).

3. $18,670,000 from any of the office of children and family services, office of temporary and disability assistance, or department of health special revenue federal funds and any other miscellaneous revenues generated from the operation of office of children and family services programs to the general fund.

4. $175,000,000 from any of the office of temporary and disability assistance or department of health special revenue funds to the general fund.

5. $2,500,000 from any of the office of temporary and disability assistance special revenue funds to the miscellaneous special revenue fund, office of temporary and disability assistance program account (21980).

6. $35,000,000 from any of the office of children and family services, office of temporary and disability assistance, department of labor, and department of health special revenue federal funds to the office of children and family services miscellaneous special revenue fund, multi-agency training contract account (21989).

7. $205,000,000 from the miscellaneous special revenue fund, youth facility per diem account (22186), to the general fund.

8. $621,850 from the general fund to the combined gifts, grants, and bequests fund, WB Hoyt Memorial account (20128).

9. $5,000,000 from the miscellaneous special revenue fund, state central registry (22028), to the general fund.

10. $900,000 from the general fund to the Veterans' Remembrance and Cemetery Maintenance and Operation account (20201).

11. $905,000,000 from the general fund to the housing program fund (31850).

12. Up to $10,000,000 from any of the office of children and family services special revenue federal funds to the office of the court administration special revenue other federal iv-e funds account.

General Government:

1. $12,000,000 from the general fund to the health insurance revolving fund (55300).

2. $292,400,000 from the health insurance reserve receipts fund (60550) to the general fund.

3. $150,000 from the general fund to the not-for-profit revolving loan fund (20650).

4. $150,000 from the not-for-profit revolving loan fund (20650) to the general fund.

5. $3,000,000 from the miscellaneous special revenue fund, surplus property account (22036), to the general fund.

6. $19,000,000 from the miscellaneous special revenue fund, revenue arrearage account (22024), to the general fund.

7. $1,826,000 from the miscellaneous special revenue fund, revenue arrearage account (22024), to the miscellaneous special revenue fund, authority budget office account (22138).

8. $1,000,000 from the miscellaneous special revenue fund, parking account (22007), to the general fund, for the purpose of reimbursing the costs of debt service related to state parking facilities.

9. $11,460,000 from the general fund to the agencies internal service fund, central technology services account (55069), for the purpose of enterprise technology projects.

10. $10,000,000 from the general fund to the agencies internal service fund, state data center account (55062).

11. $12,000,000 from the miscellaneous special revenue fund, parking account (22007), to the centralized services, building support services account (55018).

12. $30,000,000 from the general fund to the internal service fund, business services center account (55022).

13. $8,000,000 from the general fund to the internal service fund, building support services account (55018).

14. $1,500,000 from the combined expendable trust fund, plaza special events account (20120), to the general fund.

15. $50,000,000 from the New York State cannabis revenue fund (24800) to the general fund.

16. A transfer from the general fund to the miscellaneous special revenue fund, New York State Campaign Finance Fund Account (22211), up to an amount equal to total reimbursements due to qualified candidates.

17. $6,000,000 from the miscellaneous special revenue fund, standards and purchasing account (22019), to the general fund.

Health:

1. A transfer from the general fund to the combined gifts, grants and bequests fund, breast cancer research and education account (20155), up to an amount equal to the monies collected and deposited into that account in the previous fiscal year.

2. A transfer from the general fund to the combined gifts, grants and bequests fund, prostate cancer research, detection, and education

account (20183), up to an amount equal to the moneys collected and deposited into that account in the previous fiscal year.

3. A transfer from the general fund to the combined gifts, grants and bequests fund, Alzheimer's disease research and assistance account (20143), up to an amount equal to the moneys collected and deposited into that account in the previous fiscal year.

4. $8,940,000 from the HCRA resources fund (20800) to the miscellaneous special revenue fund, empire state stem cell trust fund account (22161).

5. $3,600,000 from the miscellaneous special revenue fund, certificate of need account (21920), to the miscellaneous capital projects fund, healthcare IT capital subfund (32216).

6. $4,000,000 from the miscellaneous special revenue fund, vital health records account (22103), to the miscellaneous capital projects fund, healthcare IT capital subfund (32216).

7. $6,000,000 from the miscellaneous special revenue fund, professional medical conduct account (22088), to the miscellaneous capital projects fund, healthcare IT capital subfund (32216).

8. $114,500,000 from the HCRA resources fund (20800) to the capital projects fund (30000).

9. $6,550,000 from the general fund to the medical cannabis trust fund, health operation and oversight account (23755).

10. An amount up to the unencumbered balance from the charitable gifts trust fund, health charitable account (24900), to the general fund, for payment of general support for primary, preventive, and inpatient health care, dental and vision care, hunger prevention and nutritional assistance, and other services for New York state residents with the overall goal of ensuring that New York state residents have access to quality health care and other related services.

11. $500,000 from the miscellaneous special revenue fund, New York State cannabis revenue fund, to the miscellaneous special revenue fund, environmental laboratory fee account (21959).

12. An amount up to the unencumbered balance from the public health emergency charitable gifts trust fund to the general fund, for payment of goods and services necessary to respond to a public health disaster emergency or to assist or aid in responding to such a disaster.

13. $1,000,000,000 from the general fund to the health care transformation fund (24850).

14. $2,590,000 from the miscellaneous special revenue fund, patient safety center account (22140), to the general fund.

15. $1,000,000 from the miscellaneous special revenue fund, nursing home receivership account (21925), to the general fund.

16. $130,000 from the miscellaneous special revenue fund, quality of care account (21915), to the general fund.

17. $2,200,000 from the miscellaneous special revenue fund, adult home quality enhancement account (22091), to the general fund.

18. $7,429,000 from the general fund, to the miscellaneous special revenue fund, helen hayes hospital account (22140).

19. $1,117,000 from the general fund, to the miscellaneous special revenue fund, New York city veterans' home account (22141).

20. $813,000 from the general fund, to the miscellaneous special revenue fund, New York state home for veterans' and their dependents at oxford account (22142).

21. $313,000 from the general fund, to the miscellaneous special revenue fund, western New York veterans' home account (22143).

22. $1,473,000 from the general fund, to the miscellaneous special revenue fund, New York state for veterans in the lower-hudson valley account (22144).

Labor:

1. $600,000 from the miscellaneous special revenue fund, DOL fee and penalty account (21923), to the child performer's protection fund, child performer protection account (20401).

2. $11,700,000 from the unemployment insurance interest and penalty fund, unemployment insurance special interest and penalty account (23601), to the general fund.

3. $50,000,000 from the DOL fee and penalty account (21923), unemployment insurance special interest and penalty account (23601), and public work enforcement account (21998), to the general fund.

4. $850,000 from the miscellaneous special revenue fund, DOL elevator safety program fund (22252) to the miscellaneous special revenue fund, DOL fee and penalty account (21923).

Mental Hygiene:

1. $3,800,000 from the general fund, to the agencies internal service fund, civil service EHS occupational health program account (55056).

2. $2,000,000 from the general fund, to the mental hygiene facilities capital improvement fund (32300).

3. $20,000,000 from the opioid settlement fund (23817) to the miscellaneous capital projects fund, opioid settlement capital account.

4. $20,000,000 from the miscellaneous capital projects fund, opioid settlement capital account to the opioid settlement fund (23817).

Public Protection:

1. $1,350,000 from the miscellaneous special revenue fund, emergency management account (21944), to the general fund.

2. $2,587,000 from the general fund to the miscellaneous special revenue fund, recruitment incentive account (22171).

3. $23,773,000 from the general fund to the correctional industries revolving fund, correctional industries internal service account (55350).

4. $2,000,000,000 from any of the division of homeland security and emergency services special revenue federal funds to the general fund.

5. $115,420,000 from the state police motor vehicle law enforcement and motor vehicle theft and insurance fraud prevention fund, state police motor vehicle enforcement account (22802), to the general fund for state operation expenses of the division of state police.

6. $138,272,000 from the general fund to the correctional facilities capital improvement fund (32350).

7. $5,000,000 from the general fund to the dedicated highway and bridge trust fund (30050) for the purpose of work zone safety activities provided by the division of state police for the department of transportation.

8. $10,000,000 from the miscellaneous special revenue fund, statewide public safety communications account (22123), to the capital projects fund (30000).

9. $9,830,000 from the miscellaneous special revenue fund, legal services assistance account (22096), to the general fund.

10. $1,000,000 from the general fund to the agencies internal service fund, neighborhood work project account (55059).

11. $7,980,000 from the miscellaneous special revenue fund, fingerprint identification & technology account (21950), to the general fund.

12. $1,100,000 from the state police motor vehicle law enforcement and motor vehicle theft and insurance fraud prevention fund, motor vehicle theft and insurance fraud account (22801), to the general fund.

13. $14,400,000 from the general fund to the miscellaneous special revenue fund, criminal justice improvement account (21945).

14. $2,000,000 from the general fund to the miscellaneous special revenue fund, hazard mitigation revolving loan account.

Transportation:

1. $20,000,000 from the general fund to the mass transportation operating assistance fund, public transportation systems operating assistance account (21401), of which $12,000,000 constitutes the base need for operations.

2. $727,500,000 from the general fund to the dedicated highway and bridge trust fund (30050).

3. $244,250,000 from the general fund to the MTA financial assistance fund, mobility tax trust account (23651).

4. $5,000,000 from the miscellaneous special revenue fund, transportation regulation account (22067) to the dedicated highway and bridge trust fund (30050), for disbursements made from such fund for motor carrier safety that are in excess of the amounts deposited in the dedicated highway and bridge trust fund (30050) for such purpose pursuant to section 94 of the transportation law.

5. $477,000 from the miscellaneous special revenue fund, traffic adjudication account (22055), to the general fund.

6. $5,000,000 from the miscellaneous special revenue fund, transportation regulation account (22067) to the general fund, for disbursements made from such fund for motor carrier safety that are in excess of the amounts deposited in the general fund for such purpose pursuant to section 94 of the transportation law.

Miscellaneous:

1. $250,000,000 from the general fund to any funds or accounts for the purpose of reimbursing certain outstanding accounts receivable balances.

2. $500,000,000 from the general fund to the debt reduction reserve fund (40000).

3. $450,000,000 from the New York state storm recovery capital fund (33000) to the revenue bond tax fund (40152).

4. $15,500,000 from the general fund, community projects account GG (10256), to the general fund, state purposes account (10050).

5. $100,000,000 from any special revenue federal fund to the general fund, state purposes account (10050).

6. $8,250,000,000 from the special revenue federal fund, ARPA-Fiscal Recovery Fund (25546) to the general fund, state purposes account (10050) to cover eligible costs incurred by the state.

§ 3. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, on or before March 31, 2024:

1. Upon request of the commissioner of environmental conservation, up to $12,745,400 from revenues credited to any of the department of environmental conservation special revenue funds, including $4,000,000 from the environmental protection and oil spill compensation fund (21200), and $1,834,600 from the conservation fund (21150), to the environmental conservation special revenue fund, indirect charges account (21060).

2. Upon request of the commissioner of agriculture and markets, up to $3,000,000 from any special revenue fund or enterprise fund within the department of agriculture and markets to the general fund, to pay appropriate administrative expenses.

3. Upon request of the commissioner of the division of housing and community renewal, up to $6,221,000 from revenues credited to any division of housing and community renewal federal or miscellaneous special revenue fund to the miscellaneous special revenue fund, housing indirect cost recovery account (22090).

4. Upon request of the commissioner of the division of housing and community renewal, up to $5,500,000 may be transferred from any miscellaneous special revenue fund account, to any miscellaneous special revenue fund.

5. Upon request of the commissioner of health up to $13,694,000 from revenues credited to any of the department of health's special revenue funds, to the miscellaneous special revenue fund, administration account (21982).

6. Upon the request of the attorney general, up to $4,000,000 from revenues credited to the federal health and human services fund, federal health and human services account (25117) or the miscellaneous special revenue fund, recoveries and revenue account (22041), to the miscellaneous special revenue fund, litigation settlement and civil recovery account (22117).

§ 4. On or before March 31, 2024, the comptroller is hereby authorized and directed to deposit earnings that would otherwise accrue to the general fund that are attributable to the operation of section 98-a of the state finance law, to the agencies internal service fund, banking services account (55057), for the purpose of meeting direct payments from such account.

§ 5. Notwithstanding any law to the contrary, upon the direction of the director of the budget and upon requisition by the state university of New York, the dormitory authority of the state of New York is directed to transfer, up to $22,000,000 in revenues generated from the sale of notes or bonds, the state university income fund general revenue account (22653) for reimbursement of bondable equipment for further transfer to the state's general fund.

§ 6. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget and upon consultation with the state university chancellor or his or her designee, on or before March 31, 2024, up to $16,000,000 from the state university income fund general revenue account (22653) to the state general fund for debt service costs related to campus supported capital project costs for the NY-SUNY 2020 challenge grant program at the University at Buffalo.

§ 7. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget and upon consultation with the state university chancellor or his or her designee, on or before March 31, 2024, up to $6,500,000 from the state university income fund general revenue account (22653) to the state general fund for debt service costs related to campus supported capital project costs for the NY-SUNY 2020 challenge grant program at the University at Albany.

§ 8. Notwithstanding any law to the contrary, the state university chancellor or his or her designee is authorized and directed to transfer estimated tuition revenue balances from the state university collection fund (61000) to the state university income fund, state university general revenue offset account (22655) on or before March 31, 2024.

§ 9. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget, up to $1,439,512,500 from the general fund to the state university income fund, state university general revenue offset account (22655) during the period of July 1, 2023 through June 30, 2024 to support operations at the state university.

§ 10. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget, up to $62,340,000 from the general fund to the state university income fund, state university general revenue offset account (22655) during the period of July 1, 2023 to June 30, 2024 for general fund operating support pursuant to subparagraph (4-b) of paragraph h of subdivision 2 of section three hundred fifty-five of the education law.

§ 11. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget, up to $20,000,000 from the general fund to the state university income fund, state university general revenue offset account (22655) during the period of July 1, 2023 to June 30, 2024 to fully fund the tuition credit pursuant to subdivision two of section six hundred sixty-nine-h of the education law.

§ 12. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the state university chancellor or his or her designee, up to $55,000,000 from the state university income fund, state university hospitals income reimbursable account (22656), for services and expenses of hospital operations and capital expenditures at the state university hospitals; and the state university income fund, Long Island veterans' home account (22652) to the state university capital projects fund (32400) on or before June 30, 2024.

§ 13. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller, after consultation with the state university chancellor or his or her designee, is hereby authorized and directed to transfer moneys, in the first instance, from the state university collection fund, Stony Brook hospital collection account (61006), Brooklyn hospital collection account (61007), and Syracuse hospital collection account (61008) to the state university income fund, state university hospitals income reimbursable account (22656) in the event insufficient funds are available in the state university income fund, state university hospitals income reimbursable account (22656) to permit the full transfer of moneys authorized for transfer, to the general fund for payment of debt service related to the SUNY hospitals. Notwithstanding any law to the contrary, the comptroller is also hereby authorized and directed, after consultation with the state university chancellor or his or her designee, to transfer moneys from the state university income fund to the state university income fund, state university hospitals income reimbursable account (22656) in the event insufficient funds are available in the state university income fund, state university hospitals income reimbursable account (22656) to pay hospital operating costs or to permit the full transfer of moneys authorized for transfer, to the general fund for payment of debt service related to the SUNY hospitals on or before March 31, 2024.

§ 14. Notwithstanding any law to the contrary, upon the direction of the director of the budget and the chancellor of the state university of

New York or his or her designee, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer monies from the state university dormitory income fund (40350) to the state university residence hall rehabilitation fund (30100), and from the state university residence hall rehabilitation fund (30100) to the state university dormitory income fund (40350), in an amount not to exceed $100 million from each fund.

§ 15. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, at the request of the director of the budget, up to $700 million from the unencumbered balance of any special revenue fund or account, agency fund or account, internal service fund or account, enterprise fund or account, or any combination of such funds and accounts, to the general fund. The amounts transferred pursuant to this authorization shall be in addition to any other transfers expressly authorized in the 2023-24 budget. Transfers from federal funds, debt service funds, capital projects funds, the community projects fund, or funds that would result in the loss of eligibility for federal benefits or federal funds pursuant to federal law, rule, or regulation as assented to in chapter 683 of the laws of 1938 and chapter 700 of the laws of 1951 are not permitted pursuant to this authorization.

§ 16. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, at the request of the director of the budget, up to $100 million from any non-general fund or account, or combination of funds and accounts, to the miscellaneous special revenue fund, technology financing account (22207), the miscellaneous capital projects fund, the federal capital projects account (31350), information technology capital financing account (32215), or the centralized technology services account (55069), for the purpose of consolidating technology procurement and services. The amounts transferred to the miscellaneous special revenue fund, technology financing account (22207) pursuant to this authorization shall be equal to or less than the amount of such monies intended to support information technology costs which are attributable, according to a plan, to such account made in pursuance to an appropriation by law. Transfers to the technology financing account shall be completed from amounts collected by non-general funds or accounts pursuant to a fund deposit schedule or permanent statute, and shall be transferred to the technology financing account pursuant to a schedule agreed upon by the affected agency commissioner. Transfers from funds that would result in the loss of eligibility for federal benefits or federal funds pursuant to federal law, rule, or regulation as assented to in chapter 683 of the laws of 1938 and chapter 700 of the laws of 1951 are not permitted pursuant to this authorization.

§ 17. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, at the request of the director of the budget, up to $400 million from any non-general fund or account, or combination of funds and accounts, to the general fund for the purpose of consolidating technology procurement and services. The amounts transferred pursuant to this authorization shall be equal to or less than the amount of such monies intended to support information technology costs which are attributable, according to a plan, to such account made in pursuance to an appropriation by law. Transfers to the general fund shall be completed from amounts collected by non-general funds or accounts pursuant to a fund deposit schedule. Transfers from funds that would result

in the loss of eligibility for federal benefits or federal funds pursuant to federal law, rule, or regulation as assented to in chapter 683 of the laws of 1938 and chapter 700 of the laws of 1951 are not permitted pursuant to this authorization.

§ 18. Notwithstanding any provision of law to the contrary, as deemed feasible and advisable by its trustees, the power authority of the state of New York is authorized and directed to transfer to the state treasury to the credit of the general fund up to $20,000,000 for the state fiscal year commencing April 1, 2023, the proceeds of which will be utilized to support energy-related state activities.

§ 19. Notwithstanding any provision of law, rule or regulation to the contrary, the New York state energy research and development authority is authorized and directed to contribute $913,000 to the state treasury to the credit of the general fund on or before March 31, 2024.

§ 20. Notwithstanding any provision of law, rule or regulation to the contrary, the New York state energy research and development authority is authorized and directed to transfer five million dollars to the credit of the Environmental Protection Fund on or before March 31, 2024 from proceeds collected by the authority from the auction or sale of carbon dioxide emission allowances allocated by the department of environmental conservation.

§ 21. Subdivision 5 of section 97-rrr of the state finance law, as amended by section 21 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

5. Notwithstanding the provisions of section one hundred seventy-one-a of the tax law, as separately amended by chapters four hundred eighty-one and four hundred eighty-four of the laws of nineteen hundred eighty-one, and notwithstanding the provisions of chapter ninety-four of the laws of two thousand eleven, or any other provisions of law to the contrary, during the fiscal year beginning April first, two thousand [~~twenty-two~~] **twenty-three**, the state comptroller is hereby authorized and directed to deposit to the fund created pursuant to this section from amounts collected pursuant to article twenty-two of the tax law and pursuant to a schedule submitted by the director of the budget, up to [~~$1,830,985,000,~~] **$1,716,913,000** as may be certified in such schedule as necessary to meet the purposes of such fund for the fiscal year beginning April first, two thousand [~~twenty-two~~] **twenty-three**.

§ 22. Notwithstanding any law to the contrary, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget, on or before March 31, 2024, the following amounts from the following special revenue accounts to the capital projects fund (30000), for the purposes of reimbursement to such fund for expenses related to the maintenance and preservation of state assets:

1. $43,000 from the miscellaneous special revenue fund, administrative program account (21982).

2. $1,478,000 from the miscellaneous special revenue fund, helen hayes hospital account (22140).

3. $456,000 from the miscellaneous special revenue fund, New York city veterans' home account (22141).

4. $570,000 from the miscellaneous special revenue fund, New York state home for veterans' and their dependents at oxford account (22142).

5. $170,000 from the miscellaneous special revenue fund, western New York veterans' home account (22143).

6. $323,000 from the miscellaneous special revenue fund, New York state for veterans in the lower-hudson valley account (22144).

7. $2,550,000 from the miscellaneous special revenue fund, patron services account (22163).

8. $9,016,000 from the miscellaneous special revenue fund, state university general income reimbursable account (22653).

9. $142,782,000 from the miscellaneous special revenue fund, state university revenue offset account (22655).

10. $51,897,000 from the state university dormitory income fund, state university dormitory income fund (40350).

11. $1,000,000 from the miscellaneous special revenue fund, litigation settlement and civil recovery account (22117).

§ 23. Intentionally omitted.

§ 24. Subdivision 5 of section 183 of the military law, as amended by section 2 of part O of chapter 55 of the laws of 2018, is amended to read as follows:

5. All moneys paid as rent as provided in this section, together with all sums paid to cover expenses of heating and lighting, shall be transmitted by the officer in charge and control of the armory through the adjutant general to the state treasury for deposit to the [~~agencies enterprise fund~~] **miscellaneous special revenue fund - 339** armory rental account.

§ 25. Subdivision 2 of section 92-cc of the state finance law, as amended by section 26 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

2. Such fund shall have a maximum balance not to exceed [~~fifteen~~] **twenty** per centum of the aggregate amount projected to be disbursed from the general fund during the fiscal year immediately following the then-current fiscal year. At the request of the director of the budget, the state comptroller shall transfer monies to the rainy day reserve fund up to and including an amount equivalent to [~~three~~] **ten** per centum of the aggregate amount projected to be disbursed from the general fund [~~during the then-current fiscal year~~] **within three days of the end of the then-current fiscal year**, unless such transfer would increase the rainy day reserve fund to an amount in excess of [~~fifteen~~] **twenty** per centum of the aggregate amount projected to be disbursed from the general fund during the fiscal year immediately following the then-current fiscal year, in which event such transfer shall be limited to such amount as will increase the rainy day reserve fund to such [~~fifteen~~] **twenty** per centum limitation.

§ 26. Notwithstanding any other law, rule, or regulation to the contrary, the state comptroller is hereby authorized and directed to use any balance remaining in the mental health services fund debt service appropriation, after payment by the state comptroller of all obligations required pursuant to any lease, sublease, or other financing arrangement between the dormitory authority of the state of New York as successor to the New York state medical care facilities finance agency, and the facilities development corporation pursuant to chapter 83 of the laws of 1995 and the department of mental hygiene for the purpose of making payments to the dormitory authority of the state of New York for the amount of the earnings for the investment of monies deposited in the mental health services fund that such agency determines will or may have to be rebated to the federal government pursuant to the provisions of the internal revenue code of 1986, as amended, in order to enable such agency to maintain the exemption from federal income taxation on the interest paid to the holders of such agency's mental services facilities improvement revenue bonds. Annually on or before each June 30th, such agency shall certify to the state comptroller its determination of the

amounts received in the mental health services fund as a result of the investment of monies deposited therein that will or may have to be rebated to the federal government pursuant to the provisions of the internal revenue code of 1986, as amended.

§ 27. Subdivision 1 of section 16 of part D of chapter 389 of the laws of 1997, relating to the financing of the correctional facilities improvement fund and the youth facility improvement fund, as amended by section 30 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

1. Subject to the provisions of chapter 59 of the laws of 2000, but notwithstanding the provisions of section 18 of section 1 of chapter 174 of the laws of 1968, the New York state urban development corporation is hereby authorized to issue bonds, notes and other obligations in an aggregate principal amount not to exceed [~~nine billion five hundred two million seven hundred thirty-nine thousand dollars $9,502,739,000~~] **nine billion eight hundred sixty-five million eight hundred fifty-nine thousand dollars $9,865,859,000**, and shall include all bonds, notes and other obligations issued pursuant to chapter 56 of the laws of 1983, as amended or supplemented. The proceeds of such bonds, notes or other obligations shall be paid to the state, for deposit in the correctional facilities capital improvement fund to pay for all or any portion of the amount or amounts paid by the state from appropriations or reappropriations made to the department of corrections and community supervision from the correctional facilities capital improvement fund for capital projects. The aggregate amount of bonds, notes or other obligations authorized to be issued pursuant to this section shall exclude bonds, notes or other obligations issued to refund or otherwise repay bonds, notes or other obligations theretofore issued, the proceeds of which were paid to the state for all or a portion of the amounts expended by the state from appropriations or reappropriations made to the department of corrections and community supervision; provided, however, that upon any such refunding or repayment the total aggregate principal amount of outstanding bonds, notes or other obligations may be greater than [~~nine billion five hundred two million seven hundred thirty-nine thousand dollars $9,502,739,000~~] **nine billion eight hundred sixty-five million eight hundred fifty-nine thousand dollars $9,865,859,000**, only if the present value of the aggregate debt service of the refunding or repayment bonds, notes or other obligations to be issued shall not exceed the present value of the aggregate debt service of the bonds, notes or other obligations so to be refunded or repaid. For the purposes hereof, the present value of the aggregate debt service of the refunding or repayment bonds, notes or other obligations and of the aggregate debt service of the bonds, notes or other obligations so refunded or repaid, shall be calculated by utilizing the effective interest rate of the refunding or repayment bonds, notes or other obligations, which shall be that rate arrived at by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the refunding or repayment bonds, notes or other obligations from the payment dates thereof to the date of issue of the refunding or repayment bonds, notes or other obligations and to the price bid including estimated accrued interest or proceeds received by the corporation including estimated accrued interest from the sale thereof.

§ 28. Subdivision (a) of section 27 of part Y of chapter 61 of the laws of 2005, relating to providing for the administration of certain funds and accounts related to the 2005-2006 budget, as amended by

section 31 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

(a) Subject to the provisions of chapter 59 of the laws of 2000, but notwithstanding any provisions of law to the contrary, the urban development corporation is hereby authorized to issue bonds or notes in one or more series in an aggregate principal amount not to exceed [~~four hundred twenty-six million one hundred thousand dollars $426,100,000~~] five hundred thirty-eight million one hundred thousand dollars $538,100,000, excluding bonds issued to finance one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued, for the purpose of financing capital projects including IT initiatives for the division of state police, debt service and leases; and to reimburse the state general fund for disbursements made therefor. Such bonds and notes of such authorized issuer shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to such authorized issuer for debt service and related expenses pursuant to any service contract executed pursuant to subdivision (b) of this section and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

§ 29. Subdivision 3 of section 1285-p of the public authorities law, as amended by section 32 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

3. The maximum amount of bonds that may be issued for the purpose of financing environmental infrastructure projects authorized by this section shall be [~~eight billion one hundred seventy-one million one hundred ten thousand dollars $8,171,110,000~~] nine billion five hundred three million seven hundred ten thousand dollars $9,503,710,000, exclusive of bonds issued to fund any debt service reserve funds, pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay bonds or notes previously issued. Such bonds and notes of the corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the corporation for debt service and related expenses pursuant to any service contracts executed pursuant to subdivision one of this section, and such bonds and notes shall contain on the face thereof a statement to such effect.

§ 30. Subdivision (a) of section 48 of part K of chapter 81 of the laws of 2002, relating to providing for the administration of certain funds and accounts related to the 2002-2003 budget, as amended by section 33 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

(a) Subject to the provisions of chapter 59 of the laws of 2000 but notwithstanding the provisions of section 18 of the urban development corporation act, the corporation is hereby authorized to issue bonds or notes in one or more series in an aggregate principal amount not to exceed [~~three hundred eighty-three million five hundred thousand dollars $383,500,000~~] four hundred seventy-six million five hundred thousand dollars $476,500,000, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued, for the purpose of financing capital costs related to homeland security and training facilities for the division of state

police, the division of military and naval affairs, and any other state agency, including the reimbursement of any disbursements made from the state capital projects fund, and is hereby authorized to issue bonds or notes in one or more series in an aggregate principal amount not to exceed [~~one billion six hundred four million nine hundred eighty-six thousand dollars $1,604,986,000~~] **one billion seven hundred ten million eighty-six thousand dollars $1,710,086,000**, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued, for the purpose of financing improvements to State office buildings and other facilities located statewide, including the reimbursement of any disbursements made from the state capital projects fund. Such bonds and notes of the corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the corporation for debt service and related expenses pursuant to any service contracts executed pursuant to subdivision (b) of this section, and such bonds and notes shall contain on the face thereof a statement to such effect.

§ 31. Paragraph (c) of subdivision 19 of section 1680 of the public authorities law, as amended by section 34 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

(c) Subject to the provisions of chapter fifty-nine of the laws of two thousand, the dormitory authority shall not issue any bonds for state university educational facilities purposes if the principal amount of bonds to be issued when added to the aggregate principal amount of bonds issued by the dormitory authority on and after July first, nineteen hundred eighty-eight for state university educational facilities will exceed [~~sixteen billion six hundred eleven million five hundred sixty-four thousand dollars $16,611,564,000~~] **eighteen billion five hundred million sixty-four thousand dollars $18,500,064,000**; provided, however, that bonds issued or to be issued shall be excluded from such limitation if: (1) such bonds are issued to refund state university construction bonds and state university construction notes previously issued by the housing finance agency; or (2) such bonds are issued to refund bonds of the authority or other obligations issued for state university educational facilities purposes and the present value of the aggregate debt service on the refunding bonds does not exceed the present value of the aggregate debt service on the bonds refunded thereby; provided, further that upon certification by the director of the budget that the issuance of refunding bonds or other obligations issued between April first, nineteen hundred ninety-two and March thirty-first, nineteen hundred ninety-three will generate long term economic benefits to the state, as assessed on a present value basis, such issuance will be deemed to have met the present value test noted above. For purposes of this subdivision, the present value of the aggregate debt service of the refunding bonds and the aggregate debt service of the bonds refunded, shall be calculated by utilizing the true interest cost of the refunding bonds, which shall be that rate arrived at by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the refunding bonds from the payment dates thereof to the date of issue of the refunding bonds to the purchase price of the refunding bonds, including interest accrued thereon prior to the issuance thereof. The maturity of such bonds, other than bonds issued to refund outstanding bonds, shall not exceed the weighted average economic life, as certified by the state university construction fund, of the

facilities in connection with which the bonds are issued, and in any case not later than the earlier of thirty years or the expiration of the term of any lease, sublease or other agreement relating thereto; provided that no note, including renewals thereof, shall mature later than five years after the date of issuance of such note. The legislature reserves the right to amend or repeal such limit, and the state of New York, the dormitory authority, the state university of New York, and the state university construction fund are prohibited from covenanting or making any other agreements with or for the benefit of bondholders which might in any way affect such right.

§ 32. Paragraph (c) of subdivision 14 of section 1680 of the public authorities law, as amended by section 35 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

(c) Subject to the provisions of chapter fifty-nine of the laws of two thousand, (i) the dormitory authority shall not deliver a series of bonds for city university community college facilities, except to refund or to be substituted for or in lieu of other bonds in relation to city university community college facilities pursuant to a resolution of the dormitory authority adopted before July first, nineteen hundred eighty-five or any resolution supplemental thereto, if the principal amount of bonds so to be issued when added to all principal amounts of bonds previously issued by the dormitory authority for city university community college facilities, except to refund or to be substituted in lieu of other bonds in relation to city university community college facilities will exceed the sum of four hundred twenty-five million dollars and (ii) the dormitory authority shall not deliver a series of bonds issued for city university facilities, including community college facilities, pursuant to a resolution of the dormitory authority adopted on or after July first, nineteen hundred eighty-five, except to refund or to be substituted for or in lieu of other bonds in relation to city university facilities and except for bonds issued pursuant to a resolution supplemental to a resolution of the dormitory authority adopted prior to July first, nineteen hundred eighty-five, if the principal amount of bonds so to be issued when added to the principal amount of bonds previously issued pursuant to any such resolution, except bonds issued to refund or to be substituted for or in lieu of other bonds in relation to city university facilities, will exceed [~~ten billion two hundred fifty-four million six hundred eighty-six thousand dollars $10,254,686,000~~] **eleven billion four hundred thirty-three million one hundred fifty-two thousand dollars $11,433,152,000**. The legislature reserves the right to amend or repeal such limit, and the state of New York, the dormitory authority, the city university, and the fund are prohibited from covenanting or making any other agreements with or for the benefit of bondholders which might in any way affect such right.

§ 33. Subdivision 10-a of section 1680 of the public authorities law, as amended by section 36 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

10-a. Subject to the provisions of chapter fifty-nine of the laws of two thousand, but notwithstanding any other provision of the law to the contrary, the maximum amount of bonds and notes to be issued after March thirty-first, two thousand two, on behalf of the state, in relation to any locally sponsored community college, shall be [~~one billion one hundred twenty-three million one hundred forty thousand dollars $1,123,140,000~~] **one billion two hundred twenty-seven million ninety-five thousand dollars $1,227,095,000**. Such amount shall be exclusive of bonds and notes issued to fund any reserve fund or funds, costs of issu-

ance and to refund any outstanding bonds and notes, issued on behalf of the state, relating to a locally sponsored community college.

§ 34. Subdivision 1 of section 17 of part D of chapter 389 of the laws of 1997, relating to the financing of the correctional facilities improvement fund and the youth facility improvement fund, as amended by section 37 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

1. Subject to the provisions of chapter 59 of the laws of 2000, but notwithstanding the provisions of section 18 of section 1 of chapter 174 of the laws of 1968, the New York state urban development corporation is hereby authorized to issue bonds, notes and other obligations in an aggregate principal amount not to exceed [~~nine hundred sixty-two million seven hundred fifteen thousand dollars $962,715,000~~] **one billion fourteen million seven hundred thirty-five thousand dollars $1,014,735,000**, which authorization increases the aggregate principal amount of bonds, notes and other obligations authorized by section 40 of chapter 309 of the laws of 1996, and shall include all bonds, notes and other obligations issued pursuant to chapter 211 of the laws of 1990, as amended or supplemented. The proceeds of such bonds, notes or other obligations shall be paid to the state, for deposit in the youth facilities improvement fund **or the capital projects fund**, to pay for all or any portion of the amount or amounts paid by the state from appropriations or reappropriations made to the office of children and family services from the youth facilities improvement fund for capital projects. The aggregate amount of bonds, notes and other obligations authorized to be issued pursuant to this section shall exclude bonds, notes or other obligations issued to refund or otherwise repay bonds, notes or other obligations theretofore issued, the proceeds of which were paid to the state for all or a portion of the amounts expended by the state from appropriations or reappropriations made to the office of children and family services; provided, however, that upon any such refunding or repayment the total aggregate principal amount of outstanding bonds, notes or other obligations may be greater than [~~nine hundred sixty-two million seven hundred fifteen thousand dollars $962,715,000~~] **one billion fourteen million seven hundred thirty-five thousand dollars $1,014,735,000**, only if the present value of the aggregate debt service of the refunding or repayment bonds, notes or other obligations to be issued shall not exceed the present value of the aggregate debt service of the bonds, notes or other obligations so to be refunded or repaid. For the purposes hereof, the present value of the aggregate debt service of the refunding or repayment bonds, notes or other obligations and of the aggregate debt service of the bonds, notes or other obligations so refunded or repaid, shall be calculated by utilizing the effective interest rate of the refunding or repayment bonds, notes or other obligations, which shall be that rate arrived at by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the refunding or repayment bonds, notes or other obligations from the payment dates thereof to the date of issue of the refunding or repayment bonds, notes or other obligations and to the price bid including estimated accrued interest or proceeds received by the corporation including estimated accrued interest from the sale thereof.

§ 35. Paragraph b of subdivision 2 of section 9-a of section 1 of chapter 392 of the laws of 1973, constituting the New York state medical care facilities finance agency act, as amended by section 38 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

b. The agency shall have power and is hereby authorized from time to time to issue negotiable bonds and notes in conformity with applicable provisions of the uniform commercial code in such principal amount as, in the opinion of the agency, shall be necessary, after taking into account other moneys which may be available for the purpose, to provide sufficient funds to the facilities development corporation, or any successor agency, for the financing or refinancing of or for the design, construction, acquisition, reconstruction, rehabilitation or improvement of mental health services facilities pursuant to paragraph a of this subdivision, the payment of interest on mental health services improvement bonds and mental health services improvement notes issued for such purposes, the establishment of reserves to secure such bonds and notes, the cost or premium of bond insurance or the costs of any financial mechanisms which may be used to reduce the debt service that would be payable by the agency on its mental health services facilities improvement bonds and notes and all other expenditures of the agency incident to and necessary or convenient to providing the facilities development corporation, or any successor agency, with funds for the financing or refinancing of or for any such design, construction, acquisition, reconstruction, rehabilitation or improvement and for the refunding of mental hygiene improvement bonds issued pursuant to section 47-b of the private housing finance law; provided, however, that the agency shall not issue mental health services facilities improvement bonds and mental health services facilities improvement notes in an aggregate principal amount exceeding [~~ten billion nine hundred forty-two million eight hundred thirty-three thousand dollars $10,942,833,000~~] **twelve billion four hundred nine million one hundred fifty-seven thousand dollars $12,409,157,000**, excluding mental health services facilities improvement bonds and mental health services facilities improvement notes issued to refund outstanding mental health services facilities improvement bonds and mental health services facilities improvement notes; provided, however, that upon any such refunding or repayment of mental health services facilities improvement bonds and/or mental health services facilities improvement notes the total aggregate principal amount of outstanding mental health services facilities improvement bonds and mental health facilities improvement notes may be greater than [~~ten billion nine hundred forty-two million eight hundred thirty-three thousand dollars $10,942,833,000~~] **twelve million four hundred nine million one hundred fifty-seven thousand dollars $12,409,157,000**, only if, except as hereinafter provided with respect to mental health services facilities bonds and mental health services facilities notes issued to refund mental hygiene improvement bonds authorized to be issued pursuant to the provisions of section 47-b of the private housing finance law, the present value of the aggregate debt service of the refunding or repayment bonds to be issued shall not exceed the present value of the aggregate debt service of the bonds to be refunded or repaid. For purposes hereof, the present values of the aggregate debt service of the refunding or repayment bonds, notes or other obligations and of the aggregate debt service of the bonds, notes or other obligations so refunded or repaid, shall be calculated by utilizing the effective interest rate of the refunding or repayment bonds, notes or other obligations, which shall be that rate arrived at by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the refunding or repayment bonds, notes or other obligations from the payment dates thereof to the date of issue of the refunding or repayment bonds, notes or other obligations and to the

price bid including estimated accrued interest or proceeds received by the authority including estimated accrued interest from the sale thereof. Such bonds, other than bonds issued to refund outstanding bonds, shall be scheduled to mature over a term not to exceed the average useful life, as certified by the facilities development corporation, of the projects for which the bonds are issued, and in any case shall not exceed thirty years and the maximum maturity of notes or any renewals thereof shall not exceed five years from the date of the original issue of such notes. Notwithstanding the provisions of this section, the agency shall have the power and is hereby authorized to issue mental health services facilities improvement bonds and/or mental health services facilities improvement notes to refund outstanding mental hygiene improvement bonds authorized to be issued pursuant to the provisions of section 47-b of the private housing finance law and the amount of bonds issued or outstanding for such purposes shall not be included for purposes of determining the amount of bonds issued pursuant to this section. The director of the budget shall allocate the aggregate principal authorized to be issued by the agency among the office of mental health, office for people with developmental disabilities, and the office of addiction services and supports, in consultation with their respective commissioners to finance bondable appropriations previously approved by the legislature.

§ 36. Subdivision (a) of section 28 of part Y of chapter 61 of the laws of 2005, relating to providing for the administration of certain funds and accounts related to the 2005-2006 budget, as amended by section 39 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

(a) Subject to the provisions of chapter 59 of the laws of 2000, but notwithstanding any provisions of law to the contrary, one or more authorized issuers as defined by section 68-a of the state finance law are hereby authorized to issue bonds or notes in one or more series in an aggregate principal amount not to exceed [~~one hundred ninety-seven million dollars $197,000,000~~] **two hundred forty-seven million dollars $247,000,000**, excluding bonds issued to finance one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued, for the purpose of financing capital projects for public protection facilities in the Division of Military and Naval Affairs, debt service and leases; and to reimburse the state general fund for disbursements made therefor. Such bonds and notes of such authorized issuer shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to such authorized issuer for debt service and related expenses pursuant to any service contract executed pursuant to subdivision (b) of this section and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

§ 37. Section 53 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as amended by section 40 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

§ 53. 1. Notwithstanding the provisions of any other law to the contrary, the dormitory authority and the urban development corporation are hereby authorized to issue bonds or notes in one or more series for

the purpose of funding project costs for the acquisition of equipment, including but not limited to the creation or modernization of information technology systems and related research and development equipment, health and safety equipment, heavy equipment and machinery, the creation or improvement of security systems, and laboratory equipment and other state costs associated with such capital projects. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed [~~three hundred ninety-three million dollars $393,000,000~~] five hundred sixty-eight million dollars $568,000,000, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the dormitory authority and the urban development corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the dormitory authority and the urban development corporation for principal, interest, and related expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

2. Notwithstanding any other provision of law to the contrary, in order to assist the dormitory authority and the urban development corporation in undertaking the financing for project costs for the acquisition of equipment, including but not limited to the creation or modernization of information technology systems and related research and development equipment, health and safety equipment, heavy equipment and machinery, the creation or improvement of security systems, and laboratory equipment and other state costs associated with such capital projects, the director of the budget is hereby authorized to enter into one or more service contracts with the dormitory authority and the urban development corporation, none of which shall exceed thirty years in duration, upon such terms and conditions as the director of the budget and the dormitory authority and the urban development corporation agree, so as to annually provide to the dormitory authority and the urban development corporation, in the aggregate, a sum not to exceed the principal, interest, and related expenses required for such bonds and notes. Any service contract entered into pursuant to this section shall provide that the obligation of the state to pay the amount therein provided shall not constitute a debt of the state within the meaning of any constitutional or statutory provision and shall be deemed executory only to the extent of monies available and that no liability shall be incurred by the state beyond the monies available for such purpose, subject to annual appropriation by the legislature. Any such contract or any payments made or to be made thereunder may be assigned and pledged by the dormitory authority and the urban development corporation as security for its bonds and notes, as authorized by this section.

§ 38. Subdivision (b) of section 11 of chapter 329 of the laws of 1991, amending the state finance law and other laws relating to the establishment of the dedicated highway and bridge trust fund, as amended by section 41 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

(b) Any service contract or contracts for projects authorized pursuant to sections 10-c, 10-f, 10-g and 80-b of the highway law and section 14-k of the transportation law, and entered into pursuant to subdivision (a) of this section, shall provide for state commitments to provide

annually to the thruway authority a sum or sums, upon such terms and conditions as shall be deemed appropriate by the director of the budget, to fund, or fund the debt service requirements of any bonds or any obligations of the thruway authority issued to fund or to reimburse the state for funding such projects having a cost not in excess of [~~thirteen billion fifty-three million eight hundred eighty-one thousand dollars $13,053,881,000~~] thirteen billion nine hundred forty-seven million two hundred thirty-four thousand dollars $13,947,234,000 cumulatively by the end of fiscal year [~~2022-23~~] 2023-24. For purposes of this subdivision, such projects shall be deemed to include capital grants to cities, towns and villages for the reimbursement of eligible capital costs of local highway and bridge projects within such municipality, where allocations to cities, towns and villages are based on the total number of New York or United States or interstate signed touring route miles for which such municipality has capital maintenance responsibility, and where such eligible capital costs include the costs of construction and repair of highways, bridges, highway-railroad crossings, and other transportation facilities for projects with a service life of ten years or more.

§ 39. Subdivision 1 of section 1689-i of the public authorities law, as amended by section 42 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

1. The dormitory authority is authorized to issue bonds, at the request of the commissioner of education, to finance eligible library construction projects pursuant to section two hundred seventy-three-a of the education law, in amounts certified by such commissioner not to exceed a total principal amount of [~~three hundred thirty-three million dollars $333,000,000~~] three hundred eighty-seven million dollars $387,000,000.

§ 40. Section 44 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as amended by section 43 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

§ 44. Issuance of certain bonds or notes. 1. Notwithstanding the provisions of any other law to the contrary, the dormitory authority and the corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of funding project costs for the regional economic development council initiative, the economic transformation program, state university of New York college for nanoscale and science engineering, projects within the city of Buffalo or surrounding environs, the New York works economic development fund, projects for the retention of professional football in western New York, the empire state economic development fund, the clarkson-trudeau partnership, the New York genome center, the cornell university college of veterinary medicine, the olympic regional development authority, projects at nano Utica, onondaga county revitalization projects, Binghamton university school of pharmacy, New York power electronics manufacturing consortium, regional infrastructure projects, high tech innovation and economic development infrastructure program, high technology manufacturing projects in Chautauqua and Erie county, an industrial scale research and development facility in Clinton county, upstate revitalization initiative projects, downstate revitalization initiative, market New York projects, fairground buildings, equipment or facilities used to house and promote agriculture, the state fair, the empire state trail, the moynihan station development project, the Kingsbridge armory project, strategic economic development projects, the cultural, arts and public spaces fund, water infrastructure in the city of Auburn and town of

Owasco, a life sciences laboratory public health initiative, not-for-profit pounds, shelters and humane societies, arts and cultural facilities improvement program, restore New York's communities initiative, heavy equipment, economic development and infrastructure projects, Roosevelt Island operating corporation capital projects, Lake Ontario regional projects, Pennsylvania station and other transit projects, athletic facilities for professional football in Orchard Park, New York and other state costs associated with such projects. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed [~~fourteen billion nine hundred sixty-eight million four hundred two thousand dollars $14,968,402,000~~] **seventeen billion six hundred fifteen million six hundred two thousand dollars $17,615,602,000**, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the dormitory authority and the corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the dormitory authority and the corporation for principal, interest, and related expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

2. Notwithstanding any other provision of law to the contrary, in order to assist the dormitory authority and the corporation in undertaking the financing for project costs for the regional economic development council initiative, the economic transformation program, state university of New York college for nanoscale and science engineering, projects within the city of Buffalo or surrounding environs, the New York works economic development fund, projects for the retention of professional football in western New York, the empire state economic development fund, the clarkson-trudeau partnership, the New York genome center, the cornell university college of veterinary medicine, the olympic regional development authority, projects at nano Utica, onondaga county revitalization projects, Binghamton university school of pharmacy, New York power electronics manufacturing consortium, regional infrastructure projects, New York State Capital Assistance Program for Transportation, infrastructure, and economic development, high tech innovation and economic development infrastructure program, high technology manufacturing projects in Chautauqua and Erie county, an industrial scale research and development facility in Clinton county, upstate revitalization initiative projects, downstate revitalization initiative, market New York projects, fairground buildings, equipment or facilities used to house and promote agriculture, the state fair, the empire state trail, the moynihan station development project, the Kingsbridge armory project, strategic economic development projects, the cultural, arts and public spaces fund, water infrastructure in the city of Auburn and town of Owasco, a life sciences laboratory public health initiative, not-for-profit pounds, shelters and humane societies, arts and cultural facilities improvement program, restore New York's communities initiative, heavy equipment, economic development and infrastructure projects, Roosevelt Island operating corporation capital projects, Lake Ontario regional projects, Pennsylvania station and other transit projects, athletic facilities for professional football in Orchard Park, New York and other state costs associated with such projects the director of the

budget is hereby authorized to enter into one or more service contracts with the dormitory authority and the corporation, none of which shall exceed thirty years in duration, upon such terms and conditions as the director of the budget and the dormitory authority and the corporation agree, so as to annually provide to the dormitory authority and the corporation, in the aggregate, a sum not to exceed the principal, interest, and related expenses required for such bonds and notes. Any service contract entered into pursuant to this section shall provide that the obligation of the state to pay the amount therein provided shall not constitute a debt of the state within the meaning of any constitutional or statutory provision and shall be deemed executory only to the extent of monies available and that no liability shall be incurred by the state beyond the monies available for such purpose, subject to annual appropriation by the legislature. Any such contract or any payments made or to be made thereunder may be assigned and pledged by the dormitory authority and the corporation as security for its bonds and notes, as authorized by this section.

§ 41. Subdivision 1 of section 386-b of the public authorities law, as amended by section 44 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

1. Notwithstanding any other provision of law to the contrary, the authority, the dormitory authority and the urban development corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of financing peace bridge projects and capital costs of state and local highways, parkways, bridges, the New York state thruway, Indian reservation roads, and facilities, and transportation infrastructure projects including aviation projects, non-MTA mass transit projects, and rail service preservation projects, including work appurtenant and ancillary thereto. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed [~~ten billion one hundred forty-seven million eight hundred sixty-three thousand dollars $10,147,863,000~~] **twelve billion four hundred eight million three hundred eleven thousand dollars $12,408,311,000**, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the authority, the dormitory authority and the urban development corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the authority, the dormitory authority and the urban development corporation for principal, interest, and related expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

§ 42. Paragraph (a) of subdivision 2 of section 47-e of the private housing finance law, as amended by section 45 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

(a) Subject to the provisions of chapter fifty-nine of the laws of two thousand, in order to enhance and encourage the promotion of housing programs and thereby achieve the stated purposes and objectives of such housing programs, the agency shall have the power and is hereby authorized from time to time to issue negotiable housing program bonds and notes in such principal amount as shall be necessary to provide sufficient funds for the repayment of amounts disbursed (and not previously reimbursed) pursuant to law or any prior year making capital appropri-

ations or reappropriations for the purposes of the housing program; provided, however, that the agency may issue such bonds and notes in an aggregate principal amount not exceeding [~~thirteen billion eighty-two million eight hundred ninety-one thousand dollars $13,082,891,000~~] **fourteen billion four hundred sixty-three million seven hundred five thousand dollars $14,463,705,000**, plus a principal amount of bonds issued to fund the debt service reserve fund in accordance with the debt service reserve fund requirement established by the agency and to fund any other reserves that the agency reasonably deems necessary for the security or marketability of such bonds and to provide for the payment of fees and other charges and expenses, including underwriters' discount, trustee and rating agency fees, bond insurance, credit enhancement and liquidity enhancement related to the issuance of such bonds and notes. No reserve fund securing the housing program bonds shall be entitled or eligible to receive state funds apportioned or appropriated to maintain or restore such reserve fund at or to a particular level, except to the extent of any deficiency resulting directly or indirectly from a failure of the state to appropriate or pay the agreed amount under any of the contracts provided for in subdivision four of this section.

§ 43. Subdivision 1 of section 50 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as amended by section 46 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

1. Notwithstanding the provisions of any other law to the contrary, the dormitory authority and the urban development corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of funding project costs undertaken by or on behalf of the state education department, special act school districts, state-supported schools for the blind and deaf, approved private special education schools, non-public schools, community centers, day care facilities, residential camps, day camps, Native American Indian Nation schools, and other state costs associated with such capital projects. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed [~~three hundred one million seven hundred thousand dollars $301,700,000~~] **three hundred sixty-six million seven hundred ninety-nine thousand dollars $366,799,000**, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the dormitory authority and the urban development corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the dormitory authority and the urban development corporation for principal, interest, and related expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

§ 44. Subdivision 1 of section 47 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as amended by section 47 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

1. Notwithstanding the provisions of any other law to the contrary, the dormitory authority and the corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of funding project costs for the office of information technology services, depart-

ment of law, and other state costs associated with such capital projects. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed [~~one billion one hundred fifty-two million five hundred sixty-six thousand dollars $1,152,566,000~~] **one billion two hundred eighty-eight million eight hundred fifty-two thousand dollars $1,288,852,000,** excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the dormitory authority and the corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the dormitory authority and the corporation for principal, interest, and related expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

§ 45. Paragraph (b) of subdivision 1 of section 385 of the public authorities law, as amended by section 48 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

(b) The authority is hereby authorized, as additional corporate purposes thereof solely upon the request of the director of the budget: (i) to issue special emergency highway and bridge trust fund bonds and notes for a term not to exceed thirty years and to incur obligations secured by the moneys appropriated from the dedicated highway and bridge trust fund established in section eighty-nine-b of the state finance law; (ii) to make available the proceeds in accordance with instructions provided by the director of the budget from the sale of such special emergency highway and bridge trust fund bonds, notes or other obligations, net of all costs to the authority in connection therewith, for the purposes of financing all or a portion of the costs of activities for which moneys in the dedicated highway and bridge trust fund established in section eighty-nine-b of the state finance law are authorized to be utilized or for the financing of disbursements made by the state for the activities authorized pursuant to section eighty-nine-b of the state finance law; and (iii) to enter into agreements with the commissioner of transportation pursuant to section ten-e of the highway law with respect to financing for any activities authorized pursuant to section eighty-nine-b of the state finance law, or agreements with the commissioner of transportation pursuant to sections ten-f and ten-g of the highway law in connection with activities on state highways pursuant to these sections, and (iv) to enter into service contracts, contracts, agreements, deeds and leases with the director of the budget or the commissioner of transportation and project sponsors and others to provide for the financing by the authority of activities authorized pursuant to section eighty-nine-b of the state finance law, and each of the director of the budget and the commissioner of transportation are hereby authorized to enter into service contracts, contracts, agreements, deeds and leases with the authority, project sponsors or others to provide for such financing. The authority shall not issue any bonds or notes in an amount in excess of [~~nineteen billion seven hundred seventy-six million nine hundred twenty thousand dollars $19,776,920,000~~] **twenty billion six hundred forty-eight million five hundred seven thousand dollars $20,648,507,000**, plus a principal amount of bonds or notes: (A) to fund capital reserve funds; (B) to provide

capitalized interest; and, (C) to fund other costs of issuance. In computing for the purposes of this subdivision, the aggregate amount of indebtedness evidenced by bonds and notes of the authority issued pursuant to this section, as amended by a chapter of the laws of nineteen hundred ninety-six, there shall be excluded the amount of bonds or notes issued that would constitute interest under the United States Internal Revenue Code of 1986, as amended, and the amount of indebtedness issued to refund or otherwise repay bonds or notes.

§ 46. Subdivision 1 of section 1680-r of the public authorities law, as amended by section 50 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

1. Notwithstanding the provisions of any other law to the contrary, the dormitory authority and the urban development corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of funding project costs for the capital restructuring financing program for health care and related facilities licensed pursuant to the public health law or the mental hygiene law and other state costs associated with such capital projects, the health care facility transformation programs, the essential health care provider program, and other health care capital project costs. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed [~~four billion six hundred fifty-three million dollars $4,653,000,000~~] **five billion one hundred fifty-three million dollars $5,153,000,000**, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the dormitory authority and the urban development corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the dormitory authority and the urban development corporation for principal, interest, and related expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

§ 47. Subdivision 1 of section 1680-k of the public authorities law, as amended by section 51 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

1. Subject to the provisions of chapter fifty-nine of the laws of two thousand, but notwithstanding any provisions of law to the contrary, the dormitory authority is hereby authorized to issue bonds or notes in one or more series in an aggregate principal amount not to exceed [~~forty million eight hundred thirty thousand dollars ($40,830,000)~~] **forty million nine hundred forty-five thousand dollars $40,945,000,** excluding bonds issued to finance one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued, for the purpose of financing the construction of the New York state agriculture and markets food laboratory. Eligible project costs may include, but not be limited to the cost of design, financing, site investigations, site acquisition and preparation, demolition, construction, rehabilitation, acquisition of machinery and equipment, and infrastructure improvements. Such bonds and notes of such authorized issuers shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to such authorized issuers for debt service and related expenses pursuant

to any service contract executed pursuant to subdivision two of this section and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

§ 48. Intentionally omitted.

§ 49. Intentionally omitted.

§ 50. Subdivision 2 of section 58 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as added by section 56 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

2. Definitions. When used in this section:

(a) "Commission" shall mean the gateway development commission, a bi-state commission and a body corporate and politic established by the state of New Jersey and the state of New York, acting in the public interest and exercising essential governmental functions in accordance with the Gateway development commission act, and any successor thereto.

(b) "Federal transportation loan" shall mean one or more loans made to the commission to finance the Hudson tunnel project under or pursuant to any U.S. Department of Transportation program or act, including but not limited to the Railroad Rehabilitation & Improvement Financing Program or the Transportation Infrastructure Finance and Innovation Act, which loan or loans are related to the state capital commitment.

(c) "Gateway development commission act" shall mean chapter 108 of the laws of New York, 2019, as amended.

(d) "Gateway project" shall mean the Hudson tunnel project.

(e) "Hudson tunnel project" shall mean the project consisting of construction of a tunnel connecting the states of New York and New Jersey and the completion of certain ancillary facilities including construction of concrete casing at Hudson Yards in Manhattan, New York and the rehabilitation of the existing North River Tunnels.

(f) "State capital commitment" shall mean an aggregate principal amount not to exceed [~~**$2,350,000,000**~~] **$2,850,000,000**, plus any interest costs, including capitalized interest, and related expenses and fees payable by the state of New York to the commission under one or more service contracts or other agreements pursuant to this section, as well as any expenses of the state incurred in connection therewith.

(g) "Related expenses and fees" shall mean commitment fees and other ancillary costs, expenses and fees incurred, and to become due and payable, by the commission in connection with the Federal transportation loan.

§ 51. Notwithstanding any law to the contrary, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget, on or before March 31, 2024 the following amounts from the following special revenue accounts or enterprise funds to the general fund, for the purposes of offsetting principal and interest costs, incurred by the state pursuant to section fifty-three of this act, provided that the annual amount of the transfer shall be no more than the principal and interest that would have otherwise been due to the power authority of the state of New York, from any state agency, in a given state fiscal year. Amounts pertaining to special revenue accounts assigned to the state university of New York shall be considered interchangeable between the designated special revenue accounts as to meet the requirements of this section and section fifty-three of this act:

1. $15,000,000 from the miscellaneous special revenue fund, state university general income reimbursable account (22653).

2. $5,000,000 from the miscellaneous special revenue fund, state university dormitory income reimbursable account (21937).

3. $5,000,000 from the enterprise fund, city university senior college operating fund (60851).

§ 52. Section 59 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as added by section 59 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

§ 59. The dormitory authority of the state of New York, the New York state urban development corporation, and the New York state thruway authority are hereby authorized to issue bonds in one or more series under either article 5-C or article 5-F of the state finance law for the purpose of refunding obligations of the power authority of the state of New York to fund energy efficiency projects at state agencies including, but not limited to, the state university of New York, city university of New York, the New York state office of general services, New York state office of mental health, state education department, and New York state department of agriculture and markets. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed [~~two hundred million dollars ($200,000,000)~~] **four hundred seventy-five million dollars ($475,000,000)**, excluding bonds issued to pay costs of issuance of such bonds and to refund or otherwise repay such bonds. Such bonds issued by the dormitory authority of the state of New York, the New York state urban development corporation, and New York state thruway authority shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state under article 5-C or article 5-F of the state finance law, as applicable.

§ 53. Subdivision 1 of section 386-a of the public authorities law, as amended by section 49 of part FFF of chapter 56 of the laws of 2022, is amended to read as follows:

1. Notwithstanding any other provision of law to the contrary, the authority, the dormitory authority and the urban development corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of assisting the metropolitan transportation authority in the financing of transportation facilities as defined in subdivision seventeen of section twelve hundred sixty-one of this chapter or other capital projects. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed twelve billion five hundred fifteen million eight hundred fifty-six thousand dollars $12,515,856,000, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the authority, the dormitory authority and the urban development corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the authority, the dormitory authority and the urban development corporation for principal, interest, and related expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds. Notwithstanding any other provision of law to the contrary, including the limitations contained in subdivision four of section sixty-seven-b of the state finance law, (A) any bonds and notes issued prior to April first, two thousand [~~twenty-three~~] **twenty-four**

pursuant to this section may be issued with a maximum maturity of fifty years, and (B) any bonds issued to refund such bonds and notes may be issued with a maximum maturity of fifty years from the respective date of original issuance of such bonds and notes.

§ 54. Paragraph (b) of subdivision 4 of section 72 of the state finance law, as amended by section 46 of part JJ of chapter 56 of the laws of 2020, is amended to read as follows:

(b) On or before the beginning of each quarter, the director of the budget may certify to the state comptroller the estimated amount of monies that shall be reserved in the general debt service fund for the payment of debt service and related expenses payable by such fund during each month of the state fiscal year, excluding payments due from the revenue bond tax fund. Such certificate may be periodically updated, as necessary. Notwithstanding any provision of law to the contrary, the state comptroller shall reserve in the general debt service fund the amount of monies identified on such certificate as necessary for the payment of debt service and related expenses during the current or next succeeding quarter of the state fiscal year. Such monies reserved shall not be available for any other purpose. Such certificate shall be reported to the chairpersons of the Senate Finance Committee and the Assembly Ways and Means Committee. The provisions of this paragraph shall expire June thirtieth, two thousand [~~twenty-three~~] twenty-six.

§ 55. Paragraph (b) of subdivision 3 and clause (B) of subparagraph (iii) of paragraph (j) of subdivision 4 of section 1 of part D of chapter 63 of the laws of 2005 relating to the composition and responsibilities of the New York state higher education capital matching grant board, as amended by section 52 of part FFF of chapter 56 of the laws of 2022, are amended to read as follows:

(b) Within amounts appropriated therefor, the board is hereby authorized and directed to award matching capital grants totaling [~~three hundred forty-five million dollars $345,000,000~~] three hundred seventy-five million dollars $375,000,000. Each college shall be eligible for a grant award amount as determined by the calculations pursuant to subdivision five of this section. In addition, such colleges shall be eligible to compete for additional funds pursuant to paragraph (h) of subdivision four of this section.

(B) The dormitory authority shall not issue any bonds or notes in an amount in excess of [~~three hundred forty-five million dollars $345,000,000~~] three hundred seventy-five million dollars $375,000,000 for the purposes of this section; excluding bonds or notes issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. Except for purposes of complying with the internal revenue code, any interest on bond proceeds shall only be used to pay debt service on such bonds.

§ 56. Notwithstanding the provisions of any other law to the contrary, the dormitory authority and the urban development corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of funding project costs for equipment and facilities related to veteran's programs and other state costs associated with such capital projects. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed ten million dollars $10,000,000, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the dormitory authority and the urban

development corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the dormitory authority and the urban development corporation for principal, interest, and related expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

§ 57. Notwithstanding the provisions of any other law to the contrary, the dormitory authority and the urban development corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of funding project costs for equipment for facility upgrades for volunteer fire companies and other state costs associated with such capital projects. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed ten million dollars $10,000,000, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the dormitory authority and the urban development corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the dormitory authority and the urban development corporation for principal, interest, and related expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

§ 58. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2023; provided, however, that the provisions of sections one, one-a, two, three, four, five, six, seven, eight, thirteen, fourteen, fifteen, sixteen, seventeen, eighteen, nineteen, twenty and twenty-two, of this act shall expire March 31, 2024 when upon such date the provisions of such sections shall be deemed repealed.

PART MM

Section 1. The public authorities law is amended by adding a new section 1680-s to read as follows:

§ 1680-s. Unemployment insurance fund bond financing. 1. As used in this section the following terms shall have the following meanings:

(a) "Ancillary bond facility" means any interest rate exchange or similar agreement or any bond insurance policy, letter of credit or other credit enhancement facility, liquidity facility, guaranteed investment or reinvestment agreement, or other similar agreement, arrangement or contract.

(b) "Benefitted party" means any person, firm or corporation that enters into an ancillary bond facility with the authority according to the provisions of this section.

(c) "Bonds" means any bonds, notes, certificates of participation and other evidence of indebtedness issued by the authority pursuant to subdivision five of this section.

(d) "Bond owners or owners of bonds" means any registered owners of bonds.

(e) "Code" means the United States Internal Revenue Code of 1986, as amended.

(f) "Costs of issuance" means any item of expense directly or indirectly payable or reimbursable by the authority and related to the authorization, sale, or issuance of bonds, including, but not limited to, underwriting fees and fees and expenses of professional consultants and fiduciaries.

(g) "Debt service" means actual debt service, comprised of principal, interest and associated costs, as defined in section five hundred fifty-four of the labor law.

(h) "Director of the budget" or "director" means the director of the budget of the state of New York.

(i) "Financing agreement" means any agreement authorized pursuant to subdivision four of this section between the commissioner of labor, the commissioner of taxation and finance and the authority.

(j) "Financing costs" means all costs of issuance, capitalized interest, capitalized operating expenses of the authority and, pursuant to the financing agreement, the initial capitalized operating expenses of the waiver agreement management office and debt service reserves, fees, costs of any ancillary bond facility, and any other fees, discounts, expenses and costs related to issuing, securing and marketing the bonds including, without limitation, any net original issue discount.

(k) "Investment securities" means: (i) general obligations of, or obligations guaranteed by, any state of the United States of America or political subdivision thereof, or the District of Columbia or any agency or instrumentality of any of them, receiving one of the three highest long-term unsecured debt rating categories available for such securities of at least one independent rating agency, or (ii) certificates of deposit, savings accounts, time deposits or other obligations or accounts of banks or trust companies in the state, secured, if the authority shall so require, in such manner as the authority may so determine, or (iii) obligations in which the comptroller is authorized to invest pursuant to either section ninety-eight or ninety-eight-a of the state finance law.

(l) "Interest rate exchange or similar agreement" means a written contract entered into in connection with the issuance of bonds or with such bonds outstanding with a counterparty to provide for an exchange or swap of payments based upon fixed and/or variable interest rates, and shall be for exchanges in currency of the United States of America only.

(m) "Net proceeds" means the amount of proceeds remaining following each sale of bonds which are not required by the authority for purposes of this section to pay or provide for debt service or financing costs, as provided in the financing agreement.

(n) "Operating expenses" means the reasonable or necessary operating expenses of the authority for purposes of this section, including, without limitation, the costs of: retention of auditors, preparation of accounting and other reports, maintenance of the ratings on the bonds, any operating expense reserve fund, insurance premiums, ancillary bond facilities, rebate payments, annual meetings or other required activities of the authority, and professional consultants and fiduciaries.

(o) "Outstanding", when used with respect to bonds, shall exclude bonds that shall have been paid in full at maturity, or shall have otherwise been refunded, redeemed, defeased or discharged, or that may be deemed not outstanding pursuant to agreements with the holders thereof.

(p) "Pledged assessments revenues", "pledged revenues" or "pledged assessments" means receipts of a percentage of contributions imposed on employers pursuant to article eighteen of the labor law and pledged for the payment of debt service on the bonds or amounts due pursuant to an ancillary bond facility, including the right to receive same, in an amount determined by the commissioner of labor, the commissioner of taxation and finance and the authority.

(q) "State" means the state of New York.

(r) "Unemployment insurance trust fund bond financing agreement" or "financing agreement" means an agreement authorized and created pursuant to subdivision four of this section and section five hundred fifty-four of the labor law, as same by its terms and bond proceedings, may be amended.

2. The authority is hereby authorized to issue bonds to reduce the contributions of employers under section five hundred fifty of the labor law as a result of obligations owed to the "Unemployment Insurance Trust Fund" of the United States government or its authorized agent. The authority may enter into one or more unemployment insurance trust fund bond financing agreements described in section five hundred fifty-four of the labor law. All of the provisions of the authority relating to bonds and notes which are not inconsistent with the provisions of this section shall apply to obligations authorized by this section, including but not limited to the power to establish adequate reserves therefor and to issue renewal notes or refunding bonds thereof. The provisions of this section shall apply solely to obligations authorized by this section.

3. It is found and declared that obligations owed to the "Unemployment Insurance Trust Fund" will, absent provision for long-term financing, result in the imposition of increased costs on employers through unemployment insurance assessments and contributions; that such increased assessments and contributions may have a detrimental impact on businesses in New York state and on their ability to hire and retain employees; that without such financing employers will continue to be required to pay higher assessments and contributions to pay such obligations; that the bonds will provide a more efficient means of covering such obligations in the short-term; that bonds issued by the authority would allow the state to limit the assessments and contributions needed to pay such obligations, thereby furthering the policy of the state to improve the business climate in the state; that all costs of the authority in relation to this section shall be paid from contributions provided for in the labor law; and that, therefore, the provisions of this section are for the public benefit and good and the authorization as provided in this section for the issuance of revenue obligations of the authority is declared to be for a public purpose and the exercise of an essential governmental function.

4. (a) The authority, the commissioner of taxation and finance and the commissioner of labor shall execute a financing agreement prior to the issuance of any bonds. Such agreement shall contain such terms and conditions as are necessary to carry out and effectuate the purposes of this section, including covenants with respect to the assessment and enforcement of the assessments, the application and use of the proceeds of the sale of bonds to preserve the tax-exemption on the bonds, the interest on which is intended to be exempt from taxation. The state shall not be authorized to make any covenant, pledge, promise or agreement purporting to bind the state with respect to pledged revenues, except as otherwise specifically authorized by this section.

(b) The net proceeds of the bonds shall be deposited in accordance with the financing agreement and this section. Not inconsistent with this section, the authority may provide restrictions on the use and investment of net proceeds of the bonds and other amounts in the financing agreement or otherwise in a tax regulatory agreement as necessary or desirable to assure that they are exempt from taxation.

5. (a) (i) The authority shall have the power and is hereby authorized to issue its bonds at such times and in such aggregate principal amount not to exceed two billion dollars ($2,000,000,000) excluding bonds issued to finance one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. The bonds shall be issued for the purpose of reducing the obligations owed to the "Unemployment Insurance Trust Fund" of the United States government or its authorized agent.

(ii) Each issuance of bonds shall be authorized by a resolution of the authority, provided, however, that any such resolution authorizing the issuance of bonds may delegate to an officer of the authority the power to issue such bonds from time to time and to fix the details of any such issues of bonds by an appropriate certificate of such authorized officer. Every issue of the bonds of the authority for the unemployment insurance trust fund shall be special revenue obligations payable from and secured by a pledge of revenues and other assets, including those proceeds of such bonds deposited in a reserve fund for the benefit of bondholders, earnings on funds of the authority and such other funds and assets as may become available, upon such terms and conditions as specified by the authority in the resolution under which the bonds are issued or in a related trust indenture.

(iii) The authority shall have the power and is hereby authorized from time to time to issue bonds to refund any bonds issued under this section by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and to issue bonds partly to refund bonds then outstanding and partly for any of its other corporate purposes under this section. The refunding bonds may be exchanged for the bonds to be refunded or sold and the proceeds applied to the purchase, redemption or payment of such bonds.

(b) The bonds of the authority of each issue shall be dated, shall bear interest (which, in the opinion of bond counsel to the authority, may be includable in or excludable from the gross income of the owners for federal income tax purposes) at such fixed or variable rates, payable at or prior to maturity, and shall mature at such time or times, as may be determined by the authority and may be made redeemable before maturity, at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority. The principal and interest of such bonds may be made payable in any lawful medium. The resolution or the certificate of the authorized officer shall determine the form of the bonds, either registered or book-entry form, and the manner of execution of the bonds and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest thereof, which may be at any bank or trust company within or outside the state. If any officer whose signature or a facsimile thereof appears on any bonds shall cease to be such officer before the delivery of such bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. The authority

may also provide for temporary bonds and for the replacement of any bonds that shall become mutilated or shall be destroyed or lost.

(c) The authority may sell such bonds in such manner, either at a public or private sale and either on a competitive or negotiated basis, provided no such bonds may be sold by the authority at private sale unless such sale and the terms thereof have been approved in writing by the comptroller of the state of New York. The proceeds of such bonds shall be disbursed for the purposes for which such bonds were issued under such restrictions as the financing agreement and the resolution authorizing the issuance of such bonds or the related trust indenture may provide. Such bonds shall be issued upon approval of the authority and without any other approvals, filings, proceedings or the happening of any other conditions or things other than the approvals, findings, proceedings, conditions, and things that are specified and required by this section. Provided, however, that any issuance of bonds under the authority of this section shall be considered a project for the purposes of section fifty-one of this chapter, and subject to approval under such section.

(d) Any pledge made by the authority shall be valid and binding at the time the pledge is made. The assets, property, revenues, reserves or earnings so pledged shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind against the authority, irrespective of whether such parties have notice thereof. Notwithstanding any other provision of law to the contrary, neither the bond resolution nor any indenture or other instrument, including the financing agreement, by which a pledge is created or by which the authority's interest in pledged assets, property, revenues, reserves or earnings thereon is assigned need be filed, perfected or recorded in any public records in order to protect the pledge thereof or perfect the lien thereof as against third parties, except that a copy thereof shall be filed in the records of the authority.

(e) Whether or not the bonds of the authority are of such form and character as to be negotiable instruments under the terms of the uniform commercial code, the bonds are hereby made negotiable instruments for all purposes, subject only to the provisions of the bonds for registration.

(f) At the sole discretion of the authority, any bonds issued by the authority and any ancillary bond facility made under the provisions of this subdivision may be secured by a resolution or trust indenture by and between the authority and the trust indenture trustee, which may be any trust company or bank having the powers of a trust company, whether located within or outside the state, provided it is carried out in accordance with section sixty-nine-d of the state finance law. Such trust indenture or resolution providing for the issuance of such bonds may provide for the creation and maintenance of such reserves as the authority shall determine to be proper and may include covenants setting forth the duties of the authority in relation to the bonds, the income of the authority, or the financing agreement. Such trust indenture or resolution may contain provisions: (i) respecting the custody, safeguarding and application of all moneys and securities; (ii) protecting and enforcing the rights and remedies (pursuant to the trust indenture and the financing agreement) of the owners of the bonds and any other benefited party as may be reasonable and proper and not in violation of law; (iii) concerning the rights, powers and duties of the trustee

appointed by bondholders pursuant to paragraph (g) of this subdivision; or (iv) limiting or abrogating the right of the bondholders to appoint a trustee. It shall be lawful for any bank or trust company which may act as depository of the proceeds of bonds or of any other funds or obligations received on behalf of the authority to furnish such indemnifying bonds or to pledge such securities as may be required by the authority. Any such trust indenture or resolution may contain such other provisions as the authority may deem reasonable and proper for priorities and subordination among the owners of the bonds and other beneficiaries. For purposes of this section, a "resolution" of the authority shall include any trust indenture authorized thereby.

(g) The authority may enter into, amend or terminate, as it determines to be necessary or appropriate, any ancillary bond facility (i) to facilitate the issuance, sale, resale, purchase, repurchase or payment of bonds, interest rate savings or market diversification or the making or performance of interest rate exchange or similar agreements, including without limitation bond insurance, letters of credit and liquidity facilities, (ii) to attempt to manage or hedge risk or achieve a desirable effective interest rate or cash flow, or (iii) to place the obligations or investments of the authority, as represented by the bonds or the investment of reserved bond proceeds or other pledged revenues or other assets, in whole or in part, on the interest rate, cash flow or other basis, which facility may include without limitation contracts commonly known as interest rate exchange or similar agreements, forward purchase contracts or guaranteed investment contracts and futures or contracts providing for payments based on levels of, or changes in, interest rates. These contracts or arrangements may be entered into by the authority in connection with, or incidental to, entering into, or maintaining any (i) agreement which secures bonds of the authority or (ii) investment, or contract providing for investment of reserves or similar facility guaranteeing an investment rate for a period of years not to exceed the underlying term of the bonds. The determination by the authority that an ancillary bond facility or the amendment or termination thereof is necessary or appropriate as aforesaid shall be conclusive. Any ancillary bond facility may contain such payment, security, default, remedy, and termination provisions and payments and other terms and conditions as determined by the authority, after giving due consideration to the creditworthiness of the counterparty or other obligated party, including any rating by any nationally recognized rating agency, and any other criteria as may be appropriate.

(h) The authority, subject to such agreements with bondholders as may then exist (including provisions which restrict the power of the authority to purchase bonds), or with the providers of any applicable ancillary bond facility, shall have the power out of any funds available therefor to purchase bonds of the authority, which may or may not thereupon be cancelled, at a price not substantially exceeding:

(i) if the bonds are then redeemable, the redemption price then applicable, including any accrued interest; or

(ii) if the bonds are not then redeemable, the redemption price and accrued interest applicable on the first date after such purchase upon which the bonds become subject to redemption.

(i) Neither the members of the authority nor any other person executing the bonds or an ancillary bond facility of the authority shall be subject to any personal liability by reason of the issuance or execution and delivery thereof.

(j) The maturities of the bonds shall not exceed fifteen years from their respective issuance dates.

6. Neither any bond issued pursuant to this section nor any ancillary bond facility of the authority shall constitute a debt or moral obligation of the state or a state supported obligation within the meaning of any constitutional or statutory provision or a pledge of the faith and credit of the state or of the taxing power of the state, and the state shall not be liable to make any payments thereon nor shall any bond or any ancillary bond facility be payable out of any funds or assets other than pledged revenues and other assets of the authority and other funds and assets of or available to the authority pledged therefor, and the bonds and any ancillary bond facility of the authority shall contain on the face thereof or other prominent place thereon a statement to the foregoing effect.

7. (a) Subject to the provisions of subdivision five of this section in the event that the authority shall default in the payment of principal of, or interest on, or sinking fund payment on, any issue of bonds after the same shall become due, whether at maturity or upon call for redemption, or in the event that the authority or the state shall fail to comply with any agreement made with the holders of any issue of bonds, the holders of twenty-five percent in aggregate principal amount of the bonds of such issue then outstanding, by instrument or instruments filed in the office of the clerk of the county of Albany and proved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of such bonds for the purposes herein provided.

(b) Such trustee may, and upon written request of the holders of twenty-five percent in principal amount of such bonds then outstanding shall, in his, her or its own name:

(i) by suit, action or proceeding in accordance with the civil practice law and rules, enforce all rights of the bondholders, including the right to require the authority to carry out any agreement with such holders and to perform its duties under this section;

(ii) bring suit upon such bonds;

(iii) by action or suit, require the authority to account as if it were the trustee of an express trust for the holders of such bonds;

(iv) by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such bonds; and

(v) declare all such bonds due and payable, and if all defaults shall be made good, then, with the consent of the holders of twenty-five percent of the principal amount of such bonds then outstanding, annul such declaration and its consequences, provided, however, that nothing in this subdivision shall preclude the authority from agreeing that consent of the provider of an ancillary bond facility is required for an acceleration of related bonds in the event of a default other than a failure to pay principal of or interest on the bonds when due.

(c) The supreme court shall have jurisdiction of any suit, action or proceeding by the trustee on behalf of such bondholders. The venue of any such suit, action or proceeding shall be laid in the county of Albany.

(d) Before declaring the principal of bonds due and payable, the trustee shall first give thirty days notice in writing to the authority.

8. All monies of the authority from whatever source derived shall be paid to the treasurer of the authority and shall be deposited forthwith in a bank or banks designated by the authority. The monies in such accounts shall be paid out or withdrawn on the order of such person or

persons as the authority may authorize to make such requisitions. All deposits of such monies shall either be secured by obligations of the United States or of the state or of any municipality of a market value equal at all times to the amount on deposit, or monies of the authority may be deposited in money market funds rated in the highest short-term or long-term rating category by at least one nationally recognized rating agency. To the extent practicable, and consistent with the requirements of the authority, all such monies shall be deposited in interest bearing accounts. The authority shall have power, notwithstanding the provisions of this section, to contract with the holders of any bonds as to the custody, collection, security, investment and payment of any monies of the authority or any monies held in trust or otherwise for the payment of bonds or any way to secure bonds, and carry out any such contract notwithstanding that such contract may be inconsistent with the provisions of this section. Monies held in trust or otherwise for the payment of bonds or in any way to secure bonds and deposits of such moneys may be secured in the same manner as monies of the authority and all banks and trust companies are authorized to give such security for such deposits. Any monies of the authority not required for immediate use or disbursement may, at the discretion of the authority, be invested in accordance with law and such guidelines as are approved by the authority.

9. (a) It is hereby determined that the carrying out by the authority of its corporate purposes under this section are in all respects for the benefit of the people of the state of New York and are public purposes. Accordingly, the authority shall be regarded as performing an essential governmental function in the exercise of the powers conferred upon it by this section. The property of the authority, its income and its operations shall be exempt from taxation, assessments, special assessments and ad valorem levies. The authority shall not be required to pay any fees, taxes, special ad valorem levies or assessments of any kind, whether state or local, including, but not limited to, real property taxes, franchise taxes, sales taxes or other taxes, upon or with respect to any property owned by it or under its jurisdiction, control or supervision, or upon the uses thereof, or upon or with respect to its activities or operations in furtherance of the powers conferred upon it by this section, or upon or with respect to any assessments, rates, charges, fees, revenues or other income received by the authority.

(b) Any bonds issued pursuant to this section, their transfer and the income therefrom shall, at all times, be exempt from taxation except for estate or gift taxes and taxes on transfers.

(c) The state hereby covenants with the purchasers and with all subsequent holders and transferees of bonds issued by the authority pursuant to this section, in consideration of the acceptance of and payment for the bonds, that the bonds of the authority issued pursuant to this section and the income therefrom and all assessments, revenues, moneys, and other property received by the authority and pledged to pay or to secure the payment of such bonds shall at all times be exempt from taxation.

(d) In the case of any bonds of the authority, interest on which is intended to be exempt from federal income tax, the authority shall prescribe restrictions on the use of the proceeds thereof and related matters only as are necessary or desirable to assure such exemption, and the recipients of such proceeds shall be bound thereby to the extent such restrictions shall be made applicable to them. Any such recipient, including, but not limited to, the state, the state insurance fund, a

public benefit corporation, and a school district or municipality is authorized to execute a tax regulatory agreement with the authority or the state, as the case may be, and the execution of such an agreement may be treated by the authority or the state as a condition to receiving any such proceeds.

10. (a) The state, solely with respect to the resources of the unemployment insurance trust fund and as set forth in the financing agreement, covenants with the purchasers and all subsequent owners and transferees of bonds issued by the authority pursuant to this section in consideration of the acceptance of the payment of the bonds, until the bonds, together with the interest thereon, with interest on any unpaid installment of interest and all costs and expenses in connection with any action or proceeding on behalf of the owners, are fully met and discharged or unless expressly permitted or otherwise authorized by the terms of each financing agreement and any contract made or entered into by the authority with or for the benefit of such owners, (i) that in the event bonds of the authority are sold as federally tax-exempt bonds, the state shall not take any action or fail to take action that would result in the loss of such federal tax exemption on said bonds, (ii) that the state may impose, charge, raise, levy, collect and apply the pledged assessments and other revenues, receipts, funds or moneys pledged for the payment of debt service requirements in each year in which bonds are outstanding, and (iii) further, that the state (A) will not materially limit or alter the duties imposed on the unemployment insurance trust fund, the authority and other officers of the state by the unemployment insurance trust fund financing agreement and the bond proceedings authorizing the issuance of bonds with respect to application of pledged assessments or other revenues, receipts, funds or moneys pledged for the payment of debt service requirements, (B) will not issue any bonds, notes or other evidences of indebtedness, other than the bonds, having any rights arising out of this section or secured by any pledge of or other lien or charge on the pledged revenues or other receipts, funds or moneys pledged for the payment of debt service requirements, (C) will not create or cause to be created any lien or charge on the pledged revenues, other than a lien or pledge created thereon pursuant to said sections, (D) will carry out and perform, or cause to be carried out and performed, each and every promise, covenant, agreement or contract made or entered into by the unemployment insurance trust fund financing agreement, by the authority or on its behalf with the bond owners of any bonds, (E) will not in any way impair the rights, exemptions or remedies of the bond owners, and (F) will not limit, modify, rescind, repeal or otherwise alter the rights or obligations of the appropriate officers of the state to impose, maintain, charge or collect the assessments and other revenues or receipts constituting the pledged revenues as may be necessary to produce sufficient revenues to fulfill the terms of the proceedings authorizing the issuance of the bonds, including pledged revenue coverage requirements, provided, however, (i) the remedies available to the authority and the bondholders for any breach of the pledges and agreements of the state set forth in this subclause shall be limited to injunctive relief, (ii) nothing in this subdivision shall prevent the authority from issuing evidences of indebtedness (A) which are secured by a pledge or lien which is, and shall on the face thereof, be expressly subordinate and junior in all respects to every lien and pledge created by or pursuant to said sections, or (B) which are secured by a pledge of or lien on moneys or funds derived on or after the date every pledge or lien thereon created by or pursuant to said sections

shall be discharged and satisfied, and (iii) nothing in this subdivision shall preclude the state from exercising its power, through a change in law, to limit, modify, rescind, repeal or otherwise alter the character of the pledged assessments or revenues or to substitute like or different sources of assessments, taxes, fees, charges or other receipts as pledged revenues if and when adequate provision shall be made by law for the protection of the holders of outstanding bonds pursuant to the proceedings under which the bonds are issued, including changing or altering the method of establishing the employer contribution rates.

The authority is authorized to include this covenant of the state, as a contract of the state, in any agreement with the owner of any bonds issued pursuant to this section and in any credit facility or reimbursement agreement with respect to such bonds. Notwithstanding these pledges and agreements by the state, the attorney general may in his or her discretion enforce any and all provisions related to the unemployment insurance trust fund, without limitation.

(b) Prior to the date which is one year and one day after the authority no longer has any bonds issued pursuant to this section outstanding, the authority shall have no authority to file a voluntary petition under chapter nine of the federal bankruptcy code or such corresponding chapter or sections as may, from time to time, be in effect, and neither any public officer nor any organization, entity or other person shall authorize the authority to be or become a debtor under chapter nine or any successor or corresponding chapter or sections during such period. The state hereby covenants with the owners of the bonds of the authority that the state will not limit or alter the denial of authority under this subdivision during the period referred to in the preceding sentence. The authority is authorized to include this covenant of the state, as a contract of the state, in any agreement with the owner of any bonds issued pursuant to this section.

(c) To the extent deemed appropriate by the authority any pledge and agreement of the state with respect to the bonds as provided in this section may be extended to, and included in, any ancillary bond facility as a pledge and agreement of the state with the authority and the benefited party.

11. The bonds of the authority are hereby made securities in which all public officers and bodies of this state and all municipalities and political subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or in other obligations of the state, may properly and legally invest funds, including capital, in their control or belonging to them. The bonds are also hereby made securities which may be deposited with and may be received by all public officers and bodies of the state and all municipalities, political subdivisions and public corporations for any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter be authorized.

12. (a) An action against the authority for death, personal injury or property damage or founded on tort shall not be commenced more than one year and ninety days after the cause of action thereof shall have accrued nor unless a notice of claim shall have been served on a member of the authority or officer or employee thereof designated by the

authority for such purpose, within the time limited by, and in compliance with the requirements of section fifty-e of the general municipal law.

(b) The venue of every action, suit or special proceeding brought against the authority or concerning the validity of this section shall be laid in the county of Albany.

(c) The bonds, and any obligation of the authority under any ancillary bond facility, may contain a recital that they are issued or executed, respectively, pursuant to this section, which recital shall be conclusive evidence of the validity of the bonds and any such obligation, respectively, and the regularity of the proceedings of the authority relating thereto.

13. Any action or proceeding to which the authority or the people of the state may be parties, in which any question arises as to the validity of this section, shall be preferred over all other civil causes of action or cases, except election causes of action or cases, in all courts of the state and shall be heard and determined in preference to all other civil business pending therein, except election causes, irrespective of position on the calendar. The same preference shall be granted upon application of the authority or its counsel in any action or proceeding questioning the validity of this section in which the authority may be allowed to intervene.

§ 2. The labor law is amended by adding a new section 554 to read as follows:

§ 554. Unemployment insurance trust fund bonds. 1. The commissioner, with the commissioner of taxation and finance, is authorized to enter into a financing agreement with the authority, to be known as the "unemployment insurance trust fund bond financing agreement". Such agreement shall set forth the process for calculating the annual debt service of bonds issued by the dormitory authority and any other associated costs in connection with the unemployment insurance trust fund, as set forth in section sixteen hundred eighty-s of the public authorities law. For purposes of this section, "associated costs" may include a coverage factor, reserve fund requirements, all costs of any nature incurred by the authority in connection with the unemployment insurance trust fund bond financing agreement or pursuant thereto, the costs of any independent audits undertaken under this section, and any other costs for the implementation of this subdivision and the issuance of bonds by the authority, including interest rate exchange payments, rebate payments, liquidity fees, credit provider fees, fiduciary fees, remarketing, dealer, auction agent and related fees and other similar bond-related expenses, unless otherwise funded. By September first of each year, the dormitory authority shall provide to the commissioner the calculation of the amount expected to be paid by the authority in debt service and associated costs for purposes of calculating the assessments for the debt service portion of the assessment provided for under this chapter. All monies received on account of such assessments shall be applied in accordance with this chapter and with the unemployment insurance trust fund bond financing agreement until the financial obligations of the authority in respect to its contract with its bondholders are met and all associated costs payable to or by the authority have been paid, notwithstanding any other provision of law respecting secured transactions. This provision may be included by the authority in any contract of the authority with its bondholders. The unemployment insurance trust fund bond financing agreement may restrict disbursements, investments, or rebates, and may prescribe a system of accounts applicable to the

unemployment insurance trust fund as consistent with the provisions of this chapter governing such fund, including custody of funds and accounts with a trustee that may be prescribed by the authority as part of its contract with the bondholders. For purposes of this subdivision, the term "bonds" shall include notes issued in anticipation of the issuance of bonds, or notes issued pursuant to a commercial paper program.

2. The commissioner is hereby authorized to receive and credit to the unemployment insurance trust fund any sum or sums that may at any time be contributed to the state by the United States of America under any act of Congress, or otherwise, to which the state may be or become entitled by reason of any payments made out of such fund.

§ 3. This act shall take effect immediately.

PART NN

Section 1. Short title. This act shall be known and may be cited as the "Suffolk county water quality restoration act".

§ 2. Legislative intent. The county of Suffolk ("county"), with a population of one million five hundred thousand persons, has in excess of three hundred eighty thousand existing onsite wastewater disposal systems, comprised mostly of cesspools and septic systems, with two hundred nine thousand of these onsite systems in environmentally sensitive areas which could benefit from nitrogen-reducing technologies. The United States Environmental Protection Agency recognizes Long Island as having a sole source aquifer system for its drinking water supply. Suffolk county has an imminent need to preserve this valuable water resource by reducing the amount of nitrogen discharged into the groundwater by onsite systems. The full water cycle is impacted by increasing quantities of nutrients, pathogens, pesticides, volatile organic contaminants and saltwater intrusion, as well as a number of emerging threats such as prescription drugs and sea level rise.

The Suffolk county subwatersheds wastewater plan ("SWP"), certified by the department of environmental conservation as a Nine Elements Watershed (9E) plan, has documented the devastating effects of high levels of nitrogen pollution, not only on the drinking water quality, but also on coastal ecosystems, dissolved oxygen, water clarity, eelgrass, wetlands, shellfish, coastal resilience and in triggering harmful algal blooms. The SWP, is a long-term plan to address the need for wastewater treatment infrastructure throughout the county comprehensively over a period of fifty years. The SWP delineates the source and concentration of nitrogen loading in one hundred ninety-one subwatersheds throughout the county, and establishes nitrogen reduction goals for each watershed.

For many areas of the county, installing or connecting sewers is not a practical or cost-effective method of treating wastewater. For that reason, the SWP prescribes a hybrid approach that relies on sewering where feasible, and the replacement of cesspools and septic systems with innovative/alternative onsite wastewater treatment systems. The consolidation of any or all of the twenty-seven county sewer districts, as well as unsewered areas of the county, into a county wastewater management district, the establishment of a water quality restoration fund, and a county board of trustees to monitor progress and the allocation of resources consistent with the goals of the SWP would allow for the implementation of a much needed integrated long-term wastewater solution for the county through comprehensive planning and management to improve water quality.

The purpose of this act is to create a water quality restoration fund to finance capital projects for the protection, preservation, and rehabilitation of groundwater and surface waters as recommended by the SWP. This act would allow the funding of capital projects that will mitigate wastewater pollutants utilizing the best available technology consistent with the SWP. The water quality restoration fund would be financed with a dedicated and recurring revenue source by the enactment of an additional sales and compensating use tax at the rate of one-eighth of one percent until 2060. Such tax would be enacted pursuant to a mandatory referendum.

This act shall also provide Suffolk county with the authority to create a county wastewater management district through the consolidation of existing county sewer districts with currently unsewered areas of the county. A county wastewater management district will provide an integrated and efficient approach to managing wastewater services across the county; allow the county to enhance and expand its incentive program to property owners to upgrade their wastewater treatment systems; to manage, monitor and enforce nitrogen reduction programs throughout the county; complete additional sewer extension projects; improve the economic wellbeing of communities; and provide an opportunity to consolidate and streamline the county's existing sewer district system and normalize the inequitable rate structure that has long existed.

In addition, this act will extend the existing one-quarter of one percent sales tax utilized to finance the county drinking water protection program until 2060.

§ 3. The county law is amended by adding a new section 256-b to read as follows:

§ 256-b. Suffolk county wastewater management district. 1. (a) Notwithstanding the provisions of any general, special or local law to the contrary, including this article, the county legislature of Suffolk county is hereby authorized to establish by resolution a Suffolk county wastewater management district, hereinafter referred to in this section as the "district", which shall include all powers of a sewer district and a wastewater disposal district as provided in section two hundred fifty of this article and as set forth in this subdivision, pursuant to the procedure contained in this section.

(b) In addition to the powers provided in section two hundred fifty of this article, the district shall have the power, as determined by the county legislature, to: (i) consolidate all of the original county sewer districts within the county as well as unsewered areas of the county, under the jurisdiction of the district; (ii) establish one or more zones of assessment within the district, coterminous with the territorial boundaries of the existing county sewer districts, consolidated pursuant to this section, the method of wastewater collection, treatment and disposal, existing or proposed, or both, and make changes to such zones of assessments; (iii) acquire interests in real property which may be completed by the transfer of property of original county sewer districts to the district, necessary for the installation and maintenance of district facilities; (iv) prioritize district projects in accordance with the Suffolk county subwatershed wastewater plan (SWP) adopted by the county legislature, and any amendments thereto; (v) receive funds from the Suffolk county water quality restoration fund, as established by section one thousand two hundred ten-F of the tax law, and distribute grant proceeds within the district in accordance with the goals established in the Suffolk county subwatershed wastewater plan; (vi) assume and pay any remaining indebtedness of each original county sewer

district; (vii) within the zones of assessment, establish and provide for the collection of charges, rates, taxes or assessments to provide for the costs of operation, expenses, the sums sufficient to pay the annual installment of principal of, and interest on, obligations for improvements of the district, maintenance and improvements of the district, including but not limited to: (A) special assessment as defined in subdivision fifteen of section one hundred two of the real property tax law; (B) special ad valorem levy as defined in subdivision fourteen of section one hundred two of the real property tax law; (C) sewer rent as provided under article fourteen-F of the general municipal law; (viii) distribute grant proceeds within the district in accordance with the goals established in the SWP; and (ix) adopt, amend and repeal, from time to time, rules and regulations for the operation of a county district. Nothing in this section shall be construed to permit the collection of charges, rates, taxes, or assessments authorized by this section outside of the established zones of assessment within the unsewered portions of the district or within town or village sewer districts.

2. Boundaries. The boundaries of the district upon formation shall include the boundaries of all county sewer districts consolidated into the district and all unsewered areas of the county.

3. County agency review and report. The county legislature may direct the county agency, appointed or established pursuant to section two hundred fifty-one of this article, to, or the county agency on its own motion may, review and report thereon to the county legislature on the creation of the district and the merger therewith of any or all existing county sewer districts in accordance with this section and such other details as may be directed by the county legislature consistent with this article. When the agency has caused such report to be prepared, it shall transmit it to the county legislature. Upon receipt of the report, the county legislature shall call a public hearing pursuant to subdivision five of this section to create a Suffolk county wastewater management district in accordance with this section. Such report shall be filed in the office of the clerk of the legislature of Suffolk county.

4. Resolution. The county legislature of Suffolk county may adopt a resolution calling a public hearing upon the proposed creation of the district.

5. Notice. The clerk of the county legislature shall give notice of the hearing described in subdivision four of this section in such newspapers and within such time period as set forth in section two hundred fifty-four of this article. Such notice shall specify the time, date and location of such hearing and, in general terms, describe the proposed establishment of the district and the proposed basis of the future assessment of all costs of operation, maintenance and improvements of the district.

6. Hearing and resolution to establish. The county legislature shall meet at the time, date and location specified in such notice and hear all persons interested in the subject matter thereof concerning the same. If the county legislature determines that it is in the public interest to establish the district as specified in such notice, it shall further determine by resolution: (i) whether all property and property owners within the proposed district are benefited thereby; and (ii) whether all of the property and property owners benefited are included within the limits of the proposed district, the county legislature may adopt a resolution, subject to a permissive referendum, establishing the district.

7. Notice of adoption of resolution. Within ten days after the adoption by the county legislature of the resolution to establish the district described in subdivision six of this section, the county legislature shall give notice thereof, at the expense of the county, by the publication of a notice in such newspapers and within such time period as set forth in section one hundred of this chapter. Such notice shall set forth the date of adoption of the resolution and contain an abstract of such resolution, describing, in general terms, the district, the basis for the future assessment of all costs of operation, maintenance and improvements, and that such resolution was adopted subject to a permissive referendum.

8. Assessments, levies and charges. After the establishment of the district in accordance with this section, the county is hereby authorized by resolution approved by majority vote of the total membership of the county legislature to assess, levy and collect upon each lot or parcel of land within the zones of assessment established by this section: (a) special assessments as that term is defined in subdivision fifteen of section one hundred two of the real property tax law; (b) special ad valorem levy as that term is defined in subdivision fourteen of section one hundred two of the real property tax law; and (c) sewer rents as provided by article fourteen-F of the general municipal law. Such costs and expenses may include, but shall not be limited to, the amount of money required to pay the annual expenses of maintenance, operation, personnel services of the district and the sums sufficient to pay the annual installment of principal of, and interest on, obligations for improvements of the district. Such sums so levied shall be collected by the local tax collectors or receivers of taxes and assessments and shall be paid over to the chief fiscal officer of the county, in the same manner and at the same time as taxes levied for general county purposes. The chief fiscal officer shall keep a separate account of such moneys and they shall be used only for purposes set forth in this section, and in addition, all monies collected from each zone of assessment established or amended in accordance with this section shall be further segregated and shall not be commingled with monies of other zones of assessment except upon approval by resolution of the county legislature upon recommendation of the board of trustees established in accordance with the Suffolk county water quality restoration act. Nothing in this section shall be construed to permit the collection of charges, rates, taxes, or assessments authorized by this section outside of the established zones of assessment within the unsewered portions of the district or within town or village sewer districts.

8-a. Recording determination. The clerk of the county legislature shall within ten days after the effective date of the resolution creating the district cause a certified copy to be recorded in the office of the clerk of the county and when so recorded such order shall be presumptive evidence of the regularity of the proceedings for the creation of the district and of all other action taken by the county legislature pursuant to this section. A certified copy shall also be filed in the office of the state department of audit and control in Albany, New York.

9. Other laws. All provisions of the real property tax law and the Suffolk county tax act, as the same may be amended from time to time, not inconsistent with the provisions of this article, relating to the assessing, levy and collection and enforcement of special assessments, ad valorem levies and sewer rents in the county shall apply and be of equal force and applicability to special assessments, ad valorem levies

and sewer rents authorized pursuant to this section. Nothing in this section shall be construed to permit the collection of charges, rates, taxes, or assessments authorized by this section outside of the established zones of assessment within the unsewered portions of the district or within town or village sewer districts.

10. Towns and villages. This section shall not be construed as merging the sewer districts of towns and villages within the county of Suffolk into the district created by this section. The merger of any town or village sewer district, or village sewerage system with the district shall be in accordance with section two hundred seventy-seven of this article.

11. Water quality restoration fund. (a) Notwithstanding any provision of law to the contrary, the county of Suffolk shall deposit the net collections from the sales and compensating use tax authorized by section one thousand two hundred ten-F of the tax law into the Suffolk county water quality restoration fund established in accordance therewith, and shall utilize all monies transferred from the fund consistent with this section. Nothing contained in this section shall be construed to prevent the financing in whole or in part, pursuant to the local finance law, of any project authorized pursuant to this section. Monies from the fund may be utilized to repay any indebtedness or obligations incurred pursuant to the local finance law consistent with effectuating the purposes of this section. Where Suffolk county finances a project, in whole, or in part, pursuant to the local finance law, the resolution authorizing such indebtedness shall be accompanied by a report from the county executive demonstrating how said indebtedness will be repaid by the fund. Said report shall include an estimate of projected revenues of the fund during the period of indebtedness. The report shall also provide an accounting of all other indebtedness incurred against the fund to be repaid for the same period. The county legislature shall make findings by resolution that there will be sufficient revenue to repay such indebtedness in its entirety from the fund before authorizing such indebtedness. Monies in said fund may be appropriated from or expended in any fiscal year to implement the powers set forth in this section and to repay any indebtedness or obligations incurred pursuant to the local finance law for the purposes authorized pursuant to this section.

(b) (i) Water quality improvement projects shall be eligible for funding pursuant to this section. For purposes of this section, "water quality improvement projects" shall mean the planning, design, construction, acquisition, enlargement, extension, or alteration of a county, town or village wastewater treatment facility, including individual hookups, or an individual septic system, including an alternative wastewater treatment facility or an individual septic system with active treatment, to treat, neutralize, stabilize, eliminate or partially eliminate sewage or reduce pollutants, including permanent or pilot demonstration wastewater treatment projects, or equipment or furnishings thereof. Such projects shall have as their purpose the remediation of existing water quality to meet specific water quality standards consistent with the SWP. Projects consistent with or listed in the SWP that are part of a plan adopted by a local government resulting in a net nitrogen reduction shall be eligible for consideration by the board of trustees, established in accordance with subdivision six of this section.

(ii) Of the annual collections of the fund, administration of the county wastewater management district shall not exceed ten percent. Not less than seventy-five percent of the remaining annual funds after

administration shall be used toward funding individual septic systems projects. In addition to water quality improvement projects, other eligible expenditures from the fund shall include the preparation of an annual SWP implementation action plan to protect, preserve, and rehabilitate groundwater, surface water, and drinking water.

(iii) Other than for the payment of indebtedness or obligations incurred as set forth in paragraph (a) of this subdivision, and except for the preparation of the SWP implementation plan, itself, no monies may be expended until the SWP implementation plan has been prepared and approved as provided for in this section.

(c) (i) Within the local law, ordinance or resolution establishing the Suffolk county water quality restoration fund, pursuant to section one thousand two hundred ten-F of the tax law, the county shall establish a board of trustees of twenty-one members to prepare, review and approve the SWP implementation plan for submission to the county executive and county legislature and shall specify the powers and duties of the board of trustees, including the procedures for appointment of a chairperson. Such approval shall be in addition to all other approvals required by law. The board of trustees shall consist of: (A) a representative from the department of environmental conservation; (B) a representative from the East End supervisors and mayors association; (C) a representative of the Suffolk town supervisors association; (D) a representative of the Suffolk County Village Officials Association; (E) a town representative from the State Central Pine Barrens Joint Planning and Policy Commission to be designated by the commission; (F) a municipal representative from the Peconic Estuary Partnership; (G) a municipal representative from the State South Shore Estuary Reserve; (H) a municipal representative from the Long Island Sound Estuary; (I) a representative of the Long Island Federation of Labor; (J) a representative of Building and Construction Trades Council of Nassau & Suffolk counties; (K) a representative from a regional environmental organization; (L) the chair of the Suffolk county planning commission; (M) the county executive or designee; (N) the presiding officer of the county legislature or designee; (O) the minority leader of the county legislature or designee; (P) the county department of public works commissioner or designee; (Q) the county department of health services commissioner or designee; (R) a representative from a regional economic development organization; (S) a representative from the liquid waste industry; (T) a representative from the Suffolk County Alliance of Chambers, Inc.; and (U) a representative from the Long Island Contractors Association.

(ii) The powers and duties of the board of trustees shall oversee the annual audit pursuant to paragraph (e) of this subdivision, making prudent recommendations for resource allocations for county-approved alternative wastewater treatment technologies not contemplated in the Suffolk county subwatersheds wastewater plan and long-term progress monitoring of the implementation of the Suffolk county subwatersheds wastewater plan regarding achievements of nitrogen load reductions and ecological endpoints.

(d) Annual SWP implementation plan. The board of trustees shall prepare, review and approve and submit to the county executive the SWP implementation plan within one year of the effective date of this section, and in every five years thereafter in a like manner. The board of trustees shall conduct a public hearing on said plan before its adoption or subsequent amendment. Said plan shall list every water quality restoration project which the county plans to undertake pursuant to the fund and shall state how such project would improve existing water

quality. Funds may only be expended pursuant to this section for projects which have been included in said plan. Said plan shall be consistent with state, federal, county, and local government land use and wastewater management plans. After submission and approval by the county executive, such plan shall be submitted to the county legislature. Upon review, the county legislature shall determine, by local law, whether to approve the proposed plan, if the plan is denied, the plan shall be remanded to the board of trustees for further study. Such plan shall not become effective until approved by local law. Projects may be added or removed from the currently effective SWP implementation plan in a like manner.

(e) Annual audit. The county shall annually commission an independent audit of the fund. The audit shall be conducted by an independent certified public accountant or an independent public accountant. Said audit shall be performed by a certified public accountant or an independent public accountant other than the one that performs the general audit of the county's finances. Such audit shall be an examination of the fund and shall determine whether the fund has been administered consistent with the provisions of this section and all other applicable provisions of state law. Said audit shall be initiated within sixty days of the close of the fiscal year of the county and shall be completed within one hundred twenty days of the close of the fiscal year. A copy of the audit shall be submitted annually to the state comptroller and the county comptroller. A copy of the audit shall be made available to the public within thirty days of its completion. A notice of the completion of the audit shall be published in the official newspaper of the county and shall also be posted on the internet website for the county. The cost of the audit may be a charge to the fund.

(f) Annual report. In addition to any other report required by this section, the board of trustees, through its chairperson, shall deliver annually a report to the county legislature. Such report shall be presented by May fifteenth of each year. The report shall describe in detail the projects undertaken, the monies expended, and the administrative activities of the water quality fund and district established in accordance with this section, during the prior year. At the conclusion of the report, the chairperson of the board of trustees shall be prepared to answer the questions of the county legislature with respect to the projects undertaken, the monies expended, and the administrative activities during the past year.

§ 4. Subdivisions (a) and (d) of section 1210-A of the tax law, as amended by chapter 683 of the laws of 2007, are amended to read as follows:

(a) In addition to the taxes imposed by section twelve hundred ten or any other provision of this article, the county of Suffolk is hereby authorized and empowered to adopt and amend a local law, ordinance or resolution imposing within the territorial limits of said county an additional sales and compensating use tax at the rate of one-quarter of one percent for the period beginning December first, nineteen hundred eighty-four and ending November thirtieth, two thousand [~~thirty~~] sixty, which tax shall be identical to the tax imposed by said county pursuant to section twelve hundred ten of this article. Except as hereinafter provided, all provisions of this article, including the definition and exemption provisions and the provisions relating to the administration, collection and distribution by the commissioner, shall apply for purposes of the tax imposed by this section in the same manner and with the same force and effect as if the language of this article had been

incorporated in full in this section and had expressly referred to the tax imposed by this section; provided, however, that any provision relating to a maximum rate shall be calculated without reference to the additional sales and compensating use tax herein authorized. For purposes of part IV of this article, relating to the disposition of revenues resulting from taxes collected and administered by the commissioner, the additional sales and compensating use tax herein provided shall be deemed to be imposed under the authority of section twelve hundred ten of this article and all provisions relating to the deposit, administration and disposition of taxes, penalties and interest relating to a tax imposed by a county under the authority of section twelve hundred ten of this article shall, except as otherwise specifically provided in this section, apply to the additional sales and compensating use tax imposed pursuant to this section.

(d) Notwithstanding any other provision of this article to the contrary, the net collections from the tax imposed pursuant to subdivision (a) of this section for the period beginning December first, nineteen hundred eighty-eight and ending November thirtieth, two thousand [~~thirty~~] **sixty** shall, upon payment to the county of Suffolk, be deposited in a special fund, to be designated as a drinking water protection reserve fund, to be created by said county therefor separate and apart from any other funds and accounts of the county. Moneys in such fund shall be deposited in one or more of the banks or trust companies designated, in the manner provided by law, as a depository of the funds of such county. Pending expenditure from such fund, moneys therein may be invested in the manner provided in section eleven of the general municipal law. Any interest earned or capital gain realized on the moneys so deposited or invested shall accrue to and become part of such fund. Moneys in said fund may be appropriated from and transferred to or expended in any fiscal year only for the purposes of making payments pursuant to subdivisions (b) and (c) of this section for the period beginning December first, nineteen hundred eighty-eight, to the extent that moneys in said fund are remaining, and if authorized by local law, for the following purposes:

(i) for the purposes of specific environmental protection (acquisition of: farmland development rights; open space, wetlands, woodlands, pine barrens and other lands for passive recreational uses; lands for hamlet greens, hamlet parks, pocket parks, historic parks, cultural parks and other lands for active/parkland recreational uses; lands necessary for maintaining and protecting the quality of surface water, groundwater and coastal resources);

(ii) for a water quality protection and restoration program or programs and land stewardship initiatives;

(iii) for the purposes of county-wide property tax protection; and

(iv) for the purpose of sewer taxpayer protection.

Notwithstanding any special or local law, resolution or charter provision to the contrary, moneys in said fund which have not been appropriated from and transferred to or expended in any fiscal year for the purposes of making payments pursuant to subdivisions (b) and (c) of this section, may alternatively be appropriated for the purposes of paying debt service on any new indebtedness incurred after the effective date of the chapter of the laws of two thousand one that enacted this paragraph pursuant to the local finance law in order to effectuate the purposes described in paragraph (i) or (ii) of this subdivision. For the purpose of allocating moneys in said fund pursuant to local law among the purposes described in paragraphs (i), (ii), (iii) and (iv) of this

subdivision, moneys applied to the payment of debt service under the authority of the previous sentence shall be considered by said county to have been expended for the purposes for which such indebtedness was incurred.

§ 5. The tax law is amended by adding a new section 1210-F to read as follows:

§ 1210-F. Sales and compensating use tax for purposes of the Suffolk county water quality restoration fund. (a) In addition to the taxes imposed by section twelve hundred ten, section twelve hundred ten-A, or any other provision of this article, the county of Suffolk is hereby authorized and empowered to adopt and amend a local law, ordinance or resolution, subject to a mandatory referendum, in accordance with the provisions set forth in section twenty-three of the municipal home rule law, imposing within the territorial limits of said county an additional sales and compensating use tax at the rate of one-eighth of one percent for the period beginning March first, two thousand twenty-four and ending February twenty-ninth, two thousand sixty, which tax shall be identical to the tax imposed by said county pursuant to section twelve hundred ten of this article. Except as hereinafter provided, all provisions of this article, including the definition and exemption provisions and the provisions relating to the administration, collection and distribution by the commissioner, shall apply for purposes of the tax imposed by this section in the same manner and with the same force and effect as if the language of this article had been incorporated in full in this section and had expressly referred to the tax imposed by this section; provided, however, that any provision relating to a maximum rate shall be calculated without reference to the additional sales and compensating use tax herein authorized. For purposes of part IV of this article, relating to the disposition of revenues resulting from taxes collected and administered by the commissioner, the additional sales and compensating use tax herein provided shall be deemed to be imposed under the authority of section twelve hundred ten of this article and all provisions relating to the deposit, administration and disposition of taxes, penalties and interest relating to a tax imposed by a county under the authority of section twelve hundred ten of this article shall, except as otherwise specifically provided in this section, apply to the additional sales and compensating use tax imposed pursuant to this section.

(b) Notwithstanding any other provision of this article to the contrary, the net collections from the tax imposed pursuant to subdivision (a) of this section for the period beginning March first, two thousand twenty-four and ending February twenty-ninth, two thousand sixty shall, upon payment to the county of Suffolk, be deposited in a special fund, to be designated as the water quality restoration fund to be created by said county therefor separate and apart from any other funds and accounts of the county. Moneys in such fund shall be deposited and secured in the manner provided by section ten of the general municipal law and in no event shall moneys deposited be transferred to any other account. In addition to the net collections from the tax, deposits into the fund may include revenues of Suffolk county from whatever source and may include the acceptance of gifts. Pending expenditure from such fund, moneys therein may be invested in the manner provided in section eleven of the general municipal law. Any interest earned or capital gain realized on the moneys so deposited or invested shall accrue to and become part of such fund. Moneys in said fund may be appropriated from and transferred

to or expended in any fiscal year only for the purposes authorized by subdivision eleven of section two hundred fifty-six-b of the county law.

§ 6. Paragraph a of section 11.00 of the local finance law is amended by adding a new subdivision 109 to read as follows:

109. Septic systems. The acquisition, construction, or reconstruction of or addition to septic systems funded by programs established by the county of Suffolk, twenty-five years.

§ 7. This act shall take effect immediately.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 3. This act shall take effect immediately provided, however, that the applicable effective date of Parts A through NN of this act shall be as specifically set forth in the last section of such Parts.