STATE OF NEW YORK

6231

2023-2024 Regular Sessions

IN ASSEMBLY

April 3, 2023

Introduced by M. of A. GLICK -- read once and referred to the Committee on Economic Development

AN ACT to amend the economic development law and the New York state urban development corporation act, in relation to limiting the use of economic development funds to certain corporations

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

Section 1. The economic development law is amended by adding a new section 107 to read as follows:

§ 107. Restrictions on economic development funding to certain corporations. No economic development loans, grants or other funds may be provided under the provisions of this chapter to any person, firm, partnership or corporation where the chief executive officer of such business entity receives a salary, including all remuneration, bonuses, stock and benefits, which is more than twenty-five times the amount of the salary of the lowest paid employee of such business entity. The salary of any part time employee shall be determined on a prorated basis, and calculated as if such employee was employed full time. The commissioner shall request and examine the payroll records and any other records of any business entity which receives or applies for any loan, grant or economic development funding under this chapter which are necessary to determine the salary amounts pursuant to this section.

§ 2. Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new section 5-a to read as follows:

§ 5-a. Restrictions on economic development funding to certain corporations. No economic development loans, grants or other funds may be provided under the provisions of this act to any person, firm, partnership or corporation where the chief executive officer of such business entity receives a salary, including all remuneration, bonuses, stock and benefits, which is more than twenty-five times the amount of the salary

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

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of the lowest paid employee of such business entity. The salary of any part time employee shall be determined on a prorated basis, and calculated as if such employee was employed full time. The board of directors of the corporation shall request and examine the payroll records and any other records of any business entity which receives or applies for any loan, grant or economic development funding under this act which are necessary to determine the salary amounts pursuant to this section.

§ 3. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.