

STATE OF NEW YORK

6911

2023-2024 Regular Sessions

IN SENATE

May 15, 2023

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

AN ACT to amend the state finance law, in relation to establishing a temporary 340B covered entity no-interest loan fund; and providing for the repeal of such provisions upon expiration thereof

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

1 Section 1. The state finance law is amended by adding a new section
2 97-bbbb to read as follows:

3 § 97-bbbb. Temporary 340B covered entity no-interest loan fund. 1.
4 There is hereby established within the custody of the state comptroller
5 a new fund to be known as the "temporary 340B covered entity no-interest
6 loan fund".

7 2. The temporary 340B covered entity no-interest loan fund shall
8 consist of all moneys appropriated for its purpose, all moneys trans-
9 ferred to such account pursuant to law, and all moneys required by this
10 section or any other law to be paid into or credited to this account,
11 including all moneys received by the account or donated to it.

12 3. Moneys in the temporary 340B covered entity no-interest loan fund
13 shall be kept separately from and shall not be commingled with any
14 other moneys in the custody of the state comptroller to make loans as
15 provided in this section.

16 4. Moneys of the account, when allocated, shall be available to the
17 commissioner of health to make loans as provided in this section. Up to
18 one hundred thousand dollars may be used to pay the expenses, including
19 personal service and maintenance and operation, in connection with the
20 administration of such loans.

21 5. The commissioner of health shall make loans to 340B covered enti-
22 ties as defined by the federal public health service act (42 U.S.C §
23 256b) to mitigate financial disruptions associated with the transition
24 of pharmacy benefit in the medical assistance program (Medicaid) estab-

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

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1 lished pursuant to part FFF of chapter fifty-six of the laws of two
2 thousand twenty. The loans shall be made as soon as reasonably practica-
3 ble and no later than June fifteenth, two thousand twenty-three.

4 6. Loan amounts shall be based on total anticipated revenues, the full
5 amounts of which would be provided to these entities in state fiscal
6 year two thousand twenty-three--two thousand twenty-four pending either
7 a medical assistance state plan amendment approval, or a completed
8 contractual agreement associated with the enacted state fiscal year two
9 thousand twenty-three--two thousand twenty-four budget legislation. Such
10 loan amounts may be reduced by any state-only funding that has been
11 provided to an entity to offset 340B fiscal losses as authorized by the
12 state fiscal year two thousand twenty-three--two thousand twenty-four
13 budget legislation. Any obligation by a 340B covered entity incurred as
14 a result of a loan from this fund shall be deemed fully satisfied after
15 the state has reconciled all 340B mitigation payments to the 340B
16 covered entity with any applicable offsets.

17 § 2. This act shall take effect immediately and shall be deemed to
18 have been in full force and effect on and after April 1, 2023; provided
19 however, the provisions of this act shall expire and be deemed repealed
20 March 31, 2024, or after the commissioner of health has made a determi-
21 nation that all loans, reasonably expected to, have been repaid; which-
22 ever is later; provided that the commissioner of health shall notify the
23 legislative bill drafting commission upon making such determination in
24 order that the commission may maintain an accurate and timely effective
25 data base of the official text of the laws of the state of New York in
26 furtherance of effectuating the provisions of section 44 of the legisla-
27 tive law and section 70-b of the public officers law.