STATE OF NEW YORK

10612

IN ASSEMBLY

June 20, 2024

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Rajkumar) -- read once and referred to the Committee on Economic Development

AN ACT to amend the state finance law, the general city law, the general municipal law, and the administrative code of the city of New York, in relation to an analysis of the return on investment for economic development programs

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

Section 1. This act shall be known and may be cited as the "return on investment act".

§ 2. Section 8 of the state finance law is amended by adding a new subdivision 21 to read as follows:

21. (a) Complete an analysis of the return on investment, as such term is defined in section one hundred eighty of the tax law, in the manner prescribed in this section, for every: capital expenditure; financial assistance; credit against a tax imposed; payment in lieu of taxes; development plan; local incentive; urban development action area project as defined in section six hundred ninety-two of the general municipal law; redevelopment plan pursuant to section nine hundred seventy-f of the general municipal law; community development project as defined in section nine hundred fifty-seven of the general municipal law; rebate of sales taxes paid; or rebate or discount of charges for energy, to a private entity by any department, authority, industrial development agency, development corporation, urban renewal agency, council, commission, trust, or other instrument of the state for the purpose of economic development, unless such analysis is otherwise provided for by another statute.

(b) For any one-time project or program, the comptroller shall complete such analysis no later than two years after the completion of the project or program, or five years after its execution, whichever comes first.

(c) For any recurring program, the comptroller shall complete such analysis of the program no later than two years after the effective date of this section and by January first every five years thereafter.

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

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(d) Any entity administering a program or project set forth in paragraph (a) of this subdivision shall furnish any requested information to the comptroller to complete such analysis.

(e) To complete any such analysis, the comptroller may contract with an economic impact firm or may delegate such duty to any instrumentality of the state or municipal corporation which administers the program or project.

(f) For the purpose of this subdivision, "economic development" shall mean any project or program for the prosperous development and protection of the legitimate interest and welfare of New York business, industry and commerce, within and outside the state; the expansion and development of markets for New York products; the location and development of new business in the state as well as the maintenance and expansion of existing business; urban renewal as defined in section five hundred two of the general municipal law; creation or expansion of energy infrastructure; creation or expansion of transportation infrastructure; promotion of tourism; promotion of the arts, cultural affairs, or natural heritage; creation or preservation of housing other than routine maintenance; or decarbonization or weatherization of buildings.

§ 3. The general city law is amended by adding a new article 2-K to read as follows:

ARTICLE 2-K

RETURN ON INVESTMENT ANALYSIS

Section 25-ff. Return on investment analysis.

§ 25-ff. Return on investment analysis. The comptroller of a city with a population of one million or more shall, every five years, complete an analysis of return on investment, as defined in section one hundred eighty of the tax law, of any credit against a tax imposed by such city, rebate of sales taxes paid, rebate of charges for energy, or discount of charges for energy, provided for in this chapter, unless such analysis is otherwise provided for in statute.

§ 4. The general municipal law is amended by adding a new section 696-g to read as follows:

§ 696-g. Analysis on return on investment. Each agency shall, in consultation with the state comptroller, conduct an analysis of return on investment, as defined in section one hundred eighty of the tax law, of every existing urban development action area project in its jurisdiction no later than five years after the effective date of this section. On and after such date the analysis of any future projects shall be conducted by the state comptroller.

§ 5. Section 970-f of the general municipal law is amended by adding a new closing paragraph to read as follows:

Each redevelopment plan shall include an analysis of return on investment, as such term is defined in section one hundred eighty of the tax law.

§ 6. Section 22-823 of the administrative code of the city of New York is amended by adding a new subdivision j to read as follows:

j. Cost benefit analysis. For each covered contract the city comptroller shall prepare a cost benefit analysis of such contract no later than two years after its completion, or five years after its execution, whichever comes first.

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