

STATE OF NEW YORK

22--B

2023-2024 Regular Sessions

IN ASSEMBLY

(Prefiled)

January 4, 2023

Introduced by M. of A. MAGNARELLI, JACOBSON, STECK, OTIS, JACKSON, SIMON, SILLITTI, McMAHON, HUNTER -- read once and referred to the Committee on Local Governments -- reported and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Ways and Means in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general municipal law, in relation to requiring the return of all or a part of the financial assistance provided for a project where the project has material shortfalls or material violations and preventing the use of funds, financial incentives, subsidies or tax exemptions for projects already in development

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

1 Section 1. Subdivision 11 of section 874 of the general municipal law,
2 as added by chapter 563 of the laws of 2015, is amended and a new subdivision 13 is added to read as follows:

3 (11) Each agency shall develop policies for the return of all or a
4 part of the financial assistance provided for the project, including all
5 or part of the amount of any tax exemptions, as specified in the policy,
6 which may include but shall not be limited to material shortfalls in job
7 creation and retention projections or material violations of the terms
8 and conditions of project agreements. The agency shall implement such
9 policies created in accordance with this subdivision to return all or
10 part of the financial assistance provided for any project where the
11 agency's annual assessment of a project shows material shortfalls in job
12 creation and retention projections or material violations of the terms
13 and conditions of project agreements as defined by the agency's policy.
14 If the agency deviates from its policy on any project, the agency must
15

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

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1 draft a resolution, note the deviation in the project's page in the
2 public authorities reporting information system (PARIS) report, and
3 retain record of such determination including a detailed explanation in
4 agency files. The agency shall also post such resolution and explanation
5 on their website. All such returned amounts of tax exemptions shall be
6 redistributed to the appropriate affected tax jurisdiction, unless
7 agreed to otherwise by any local taxing jurisdiction.

8 (13) Except where a significant increase in project costs is discov-
9 ered during the development of the project or where a municipality has
10 reassessed all or part of the project site resulting in a significant
11 increase in property taxes, no tax exemptions shall be granted to any
12 project if the project is already in development at the time such
13 project applies for the issuance of the tax exemption.

14 § 2. Section 854 of the general municipal law is amended by adding a
15 new subdivision 22 to read as follows:

16 (22) "In development" - shall mean a project for which active
17 construction, and erection of building foundations or structure has
18 already commenced and all required permits have been issued.

19 § 3. Section 862 of the general municipal law is amended by adding a
20 new subdivision 3 to read as follows:

21 (3) Except where a significant increase in project costs is discovered
22 during the development of the project or where a municipality has reas-
23 sessed all or part of the project site resulting in a significant
24 increase in property taxes, no funds, financial incentives or subsidies
25 of the agency shall be used in respect of any project which is already
26 in development at the time such project applies for such funds, finan-
27 cial assistance, incentives or subsidies.

28 § 4. This act shall take effect immediately.