

# STATE OF NEW YORK

5279

2023-2024 Regular Sessions

## IN SENATE

March 1, 2023

Introduced by Sens. PARKER, SEPULVEDA -- read twice and ordered printed,  
and when printed to be committed to the Committee on Local Government

AN ACT to amend the general municipal law, in relation to industrial  
development agencies

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

1 Section 1. The general municipal law is amended by adding a new  
2 section 859-d to read as follows:

3 § 859-d. Additional procedures for financial assistance. 1. Prior to  
4 providing financial assistance, the agency shall follow certain proce-  
5 dures which must include at least all of the following:

6 (a) A description of the development assistance, including the amount  
7 and type. The description must include the fair market value of the  
8 development assistance to the recipient, including the value of convey-  
9 ing any property at less than a fair market price and including any  
10 other in-kind benefits to the person receiving the development assist-  
11 ance.

12 (b) A statement specifying the public purpose for the development  
13 assistance. The public purpose specified in the development assistance  
14 agreement may not be increasing the tax base. Job retention may be spec-  
15 ified in the development assistance agreement as a public purpose only  
16 if job loss by the person receiving the development assistance is immi-  
17 nent and demonstrable.

18 (c) The general goals for the development assistance.

19 (d) Goals for the number of jobs to be created by the person receiving  
20 the development assistance during the two years following the date the  
21 development assistance is granted. The goals may include separate goals  
22 for the number of part-time jobs and full-time jobs, and in cases where  
23 job loss is imminent and demonstrable, separate goals for the number of  
24 jobs retained.

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

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1 (e) Wage goals for the jobs to be created or retained by the person  
2 receiving the development assistance during the two years following the  
3 date the development assistance is granted.

4 (f) A description of the financial obligation of the person receiving  
5 the development assistance if the goals specified in the development  
6 assistance agreement are not met.

7 (g) A statement explaining why the development assistance is needed to  
8 achieve the public purpose specified in the development assistance  
9 agreement.

10 (h) A commitment by the person receiving the development assistance to  
11 continue operations at any site where the development assistance is used  
12 for at least five years after the date the development assistance is  
13 provided.

14 (i) The name and address of the parent corporation or other parent  
15 entity, if any, of the person receiving the development assistance.

16 (j) A list of all development assistance provided to the person  
17 receiving development assistance during the immediately preceding five  
18 years by other granting bodies.

19 2. A development agreement entered into under this article must be  
20 approved by the following:

21 (a) The fiscal body of the county where the development assistance  
22 will be used, if the development assistance will not be used solely  
23 within a municipality.

24 (b) The municipal fiscal body, if the development assistance will be  
25 used only within a municipality.

26 3. If development assistance provided by a granting body directly  
27 benefits more than one person, the granting body must assign a propor-  
28 tion of the development assistance to each person receiving development  
29 assistance. The proportion assigned by the granting body to each person  
30 must reflect a reasonable estimate of the person's share of the total  
31 benefits of the development assistance.

32 4. (a) The development assistance agreement must include provisions  
33 that specify the obligation of the person receiving the development  
34 assistance to repay the development assistance if the person does not  
35 meet the goals specified by the development assistance agreement. The  
36 development assistance agreement must require at least that a person  
37 failing to meet the goals must pay back the development assistance plus  
38 interest to the granting body. A repayment required by this section may  
39 be prorated to reflect partial fulfillment of goals. The interest rate  
40 used to calculate the repayment must equal the gross domestic product  
41 implicit price deflator for the applicable period.

42 (b) An agency may, after a public hearing, extend for not more than  
43 one year the period for meeting the goals specified by a development  
44 assistance agreement.

45 5. A person that fails to meet the terms of a development assistance  
46 agreement may not receive additional development assistance from a  
47 granting body until the earlier of the date:

48 (a) five years after the person's failure to meet the terms of a  
49 development assistance agreement; or

50 (b) the person satisfies its repayment obligation under subdivision  
51 four of this section.

52 § 2. This act shall take effect on the first of November next succeed-  
53 ing the date on which it shall have become a law.