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3439

2025-2026 Regular Sessions

IN SENATE

January 27, 2025

Introduced by Sens. KRUEGER, LIU -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the not-for-profit corporation law and the general municipal law, in relation to reforming local development corporations and industrial development agencies

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

1 Section 1. Subparagraphs 2 and 3 of paragraph (d) of section 1411 of
2 the not-for-profit corporation law are amended and a new subparagraph
3 2-a is added to read as follows:

4 (2) Notwithstanding the provisions of any general, special, or local
5 law, charter, or ordinance to the contrary, such sale or lease [may]
6 shall be made [~~without~~] with an appraisal, public notice, (except as
7 provided in subparagraph (4) of this paragraph) [~~or~~] and subject to
8 public bidding for such price or rental [~~and upon such terms as may be~~
9 ~~agreed upon between the county, city, town or village and said local~~
10 ~~development corporation, provided, however, that in~~]. In case of a
11 lease, the term may not exceed ninety-nine years; and provided, further,
12 that, in cities having a population of one million or more, no such sale
13 or lease shall be made without the approval of a majority of the members
14 of the [~~borough improvement board of the borough~~] community board or
15 boards for the community district or districts in which such real prop-
16 erty is located and the respective borough board, if such real property
17 is located in two or more community districts.

18 (2-a) (I) The corporation shall prepare or cause to be prepared, by
19 contract or otherwise, an economic impact statement on any action that
20 it proposes or approves which may have a significant effect on the
21 affected local economy and local community. The corporation shall use
22 all practicable means to realize the policies and goals set forth in
23 this section, and shall act and choose alternatives which, consistent
24 with social, economic, environmental, labor, and other essential consid-
25 erations, to the maximum extent practicable, minimize or avoid adverse
26 economic effects, including effects revealed in the economic impact

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

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1 statement process. Such a statement shall include a detailed statement
2 setting forth the following:

3 (A) a description of the proposed action and its economic and social
4 setting;

5 (B) the economic and social impact of the proposed action, including
6 short-term and long-term effects, especially to the affected community;

7 (C) any adverse economic effects which cannot be avoided should the
8 proposal be implemented;

9 (D) alternatives to the proposed action;

10 (E) any irreversible and irretrievable commitments and social
11 resources which would be involved in the proposed action, should it be
12 implemented;

13 (F) mitigation measures proposed to minimize the economic, social, or
14 other essential impacts; and

15 (G) the growth-inducing aspects of the proposed action, where applica-
16 ble and significant. Such a statement shall also include copies or a
17 summary of the substantive comments received by the corporation pursuant
18 to clause (IV) of this subparagraph and the corporation's response to
19 such comments. The purpose of an economic impact statement is to provide
20 detailed information about the effect which a proposed action is likely
21 to have on the economy, employment conditions, and social character-
22 istics of a community, to list ways in which any adverse effects of such
23 an action might be minimized, and to suggest alternatives to such an
24 action so as to form the basis for a decision as to whether or not to
25 undertake or approve such action. Such statement shall be clearly writ-
26 ten in a concise manner capable of being read and understood by the
27 public, shall deal with the specific, significant economic impacts which
28 can be reasonably anticipated, and shall not contain more detail than is
29 appropriate, considering the nature and magnitude of the proposed action
30 and the significance of its potential impacts.

31 (II) The corporation may require an applicant to submit an economic
32 report to assist the corporation in carrying out its responsibilities,
33 including the initial determination and, where the applicant does not
34 prepare the economic impact statement, the preparation of an economic
35 impact statement under this subparagraph. The corporation may request
36 such other information from an applicant as it deems necessary for the
37 review of economic and social impacts. Notwithstanding any use of
38 outside resources or work, corporations shall make their own independent
39 judgment of the scope, contents, and adequacy of an economic impact
40 statement.

41 (III) (A) As early as possible in the formulation of a proposal for an
42 action, the corporation shall make an initial determination as to wheth-
43 er or not an economic impact statement need be prepared for the action.
44 With respect to actions involving the issuance to an applicant of a
45 permit or other entitlement, the corporation shall notify the applicant
46 in writing of its initial determination, specifying therein the basis
47 for such determination. Notice of the initial determination, along with
48 appropriate supporting findings on corporation actions, shall be kept on
49 file in the main office of the corporation for public inspection. If the
50 corporation determines that such statement is required, the corporation
51 or the applicant, at the applicant's option, shall prepare or cause to
52 be prepared a draft economic impact statement. If the applicant does
53 not exercise the option to prepare such statement, the corporation shall
54 prepare it, cause it to be prepared, or terminate its review of the
55 proposed action. Such statement shall describe the proposed action and
56 reasonable alternatives to the action, and briefly discuss, on the basis

1 of information then available, the remaining items required to be
2 submitted by clause (I) of this subparagraph. The purpose of a draft
3 economic statement is to relate economic and social considerations to
4 the inception of the planning process, to inform the public and other
5 public agencies as early as possible about proposed actions that may
6 significantly affect the quality of the economic and social conditions,
7 and to solicit comments which will assist the corporation in the deci-
8 sion making process in determining the economic and social consequences
9 of the proposed action. The draft statement shall resemble in form and
10 content the economic impact statement to be prepared after comments have
11 been received and considered pursuant to clause (I) of this subpara-
12 graph; provided, however, that the length and detail of the draft
13 economic statement will necessarily reflect the preliminary nature of
14 the proposal and the early stage at which it is prepared;

15 (B) The draft statement shall be filed with the appropriate governing
16 body of each municipality or political subdivision thereof for whose
17 benefit such corporation is established.

18 (IV) (A) After the filing of a draft economic impact statement, the
19 corporation shall determine whether or not to conduct a public hearing
20 on the economic impact of the proposed action. Such public hearing shall
21 be held in a city, town or village where the project is proposed to be
22 located or, in cities having a population of one million or more, in the
23 community district or districts in which such project is proposed to be
24 located or in the respective borough, if such project is proposed to be
25 located in two or more community districts. The corporation must give
26 at least thirty days' published notice of such public hearing and shall,
27 at the same time, provide notice of such hearing to the chief executive
28 officer of each affected tax jurisdiction within which the project is
29 proposed to be located. The notice of hearing must state the time and
30 place of the hearing, contain a general, functional description of the
31 project, describe the prospective location of the project, identify the
32 initial owner, operator, or manager of the project, generally describe
33 the financial assistance contemplated by the corporation with respect to
34 the project, and provide an opportunity for the public to review the
35 project application, which shall include an analysis of the costs and
36 benefits of the proposed project. The notice of hearing must be
37 published in the state register and the website of the corporation.

38 (B) If the corporation determines to hold such a hearing, it shall
39 commence the hearing within sixty days of the filing and, unless the
40 proposed action is withdrawn from consideration, shall prepare the
41 economic impact statement within forty-five days after the close of the
42 hearing, except as otherwise provided. The need for such a hearing shall
43 be determined in accordance with procedures adopted by the corporation.
44 If no hearing is held, the corporation shall prepare and make available
45 the economic impact statement within sixty days after the filing of the
46 draft, except as otherwise provided.

47 (C) Notwithstanding the specified time periods established by this
48 subparagraph, a corporation shall vary the times so established in this
49 clause for preparation, review, and public hearings to coordinate the
50 economic and social review process with other procedures relating to
51 review and approval or disapproval of an action. An application or
52 authorization for an action upon which a draft economic impact statement
53 is determined to be required shall not be complete until such draft
54 statement has been filed and accepted by the corporation as satisfactory
55 with respect to scope, content, and adequacy for purposes of this
56 subparagraph. Commencing upon such acceptance, the economic impact

1 statement process shall run concurrently with other procedures relating
2 to the review and approval of the action, so long as reasonable time is
3 provided for preparation, review, and public hearings with respect to
4 the draft economic impact statement.

5 (V) To the extent possible, the economic impact statement prepared
6 pursuant to clause (I) of this subparagraph, together with the comments
7 of public agencies and members of the public, shall be filed with the
8 governing body of each municipality or political subdivision thereof for
9 whose benefit such corporation is established and made available to the
10 public prior to acting on the proposal which is the subject of the
11 economic impact statement.

12 (VI) A corporation may charge a fee to an applicant to recover the
13 costs incurred in preparing or causing to be prepared or reviewing a
14 draft economic impact statement or an economic impact statement on the
15 action which the applicant requests from the corporation; provided,
16 however, that an applicant may not be charged a separate fee for both
17 the preparation and review of such statements. The technical services of
18 the corporation may be made available on a fee basis reflecting the
19 costs thereof to a requesting applicant, which fee or fees may appropri-
20 ately be charged by the corporation to the applicant under rules and
21 regulations, which the corporation shall issue for such purpose.

22 (VII) When a corporation decides to carry out or approve an action
23 which has been the subject of an economic impact statement, it shall
24 make an explicit finding that the requirements of this subparagraph have
25 been met and that, consistent with social, economic, and other essential
26 consideration, to the maximum extent practicable, adverse economic,
27 social, and community effects revealed in the economic impact statement
28 process will be minimized or avoided.

29 (3) Before any sale or lease to a local development corporation incor-
30 porated or reincorporated under this article shall be authorized, a
31 public hearing shall be held by the local legislative body, or [~~by the~~
32 ~~board of estimate~~], in cities having a population of one million or
33 more, by the community board or boards or the respective borough board,
34 as the case may be, to consider the proposed sale or lease only after
35 the completion of the economic impact statement required by subparagraph
36 two-a of this paragraph. A public hearing may only be convened if two-
37 thirds of the board members are present. If not, such public hearing
38 shall not be convened and shall be rescheduled, subject to the same
39 quorum requirements.

40 § 2. Paragraph (i) of section 1411 of the not-for-profit corporation
41 law is relettered paragraph (j) and a new paragraph (i) is added to read
42 as follows:

43 (i) Municipal input.

44 (1) Board members or employees of a local development corporation must
45 not be or have, within the past five years, been: (A) an employee or an
46 owner of a firm that is a paid advisor or consultant of the local devel-
47 opment corporation, including a present or former independent auditor of
48 the local development corporation; (B) employed by a significant suppli-
49 er of the local development corporation; (C) employed by and had a five
50 percent or greater ownership interest in a supplier where sales to the
51 local development corporation represent more than one percent of the
52 sales of the supplier or more than one percent of the purchases of the
53 local development corporation; (D) a "political party chairman" as such
54 term is defined in paragraph (k) of subdivision one of section seventy-
55 three of the public officers law; or (E) a lobbyist registered under a
56 state or local law covering any jurisdiction served in whole or in part

1 by the local development corporation. In addition, at least one-third
2 of all members shall be representative of local government, organized
3 labor, or the engineering, business, or environmental communities.

4 (2) The local development corporation shall file an annual report with
5 the attorney general noting the local development corporation's finan-
6 cial activity during each year, including, but not limited to, the
7 amount and the reason for the amount and kinds of financial incentives
8 provided to any entity and any other data that the attorney general may
9 require. The report shall be submitted before February first of each
10 year. Each report shall be made available to the public in an easily
11 accessible format, including but not limited to an electronic version
12 via the world wide web.

13 (3) Any lease, sale, or other revenues collected by the corporation
14 shall be paid to the local governing body in which real property or
15 other source of revenue is located, and proportionally divided if
16 located in more than one municipality.

17 (4) The governing body of each municipality for whose benefit a corpo-
18 ration is established shall have the authority to approve or disapprove
19 any agency use of eminent domain, disposition of corporate property,
20 issuance of bonds, entrance into agreements requiring payments, or
21 entering into agreements for payments in lieu of taxes. Each such
22 governing body shall approve or disapprove any of the above corporate
23 decisions by majority vote. Where applicable in the enactment of local
24 laws, the chief executive officer shall approve or disapprove such
25 governing body's decision, subject to any applicable right to override.
26 Boards shall not violate any local zoning laws, ordinances, or regu-
27 lations or local development plans. Where applicable, the provisions of
28 this subparagraph shall apply to more than one local governing body and
29 the New York job development authority.

30 § 3. Subdivision 2 of section 856 of the general municipal law, as
31 amended by chapter 356 of the laws of 1993, is amended to read as
32 follows:

33 2. An agency shall be a corporate governmental agency, constituting a
34 public benefit corporation. Except as otherwise provided by special act
35 of the legislature, an agency shall consist of not less than three nor
36 more than seven members who shall be appointed by the chief executive
37 officer, with the advice and consent of the local governing body, of
38 each municipality and who shall serve at the pleasure of the appointing
39 authority. [~~Such members may include representatives of local govern-~~
40 ~~ment, school boards, organized labor and business.~~] At least one-third
41 of all members shall be representative of local government, organized
42 labor, or the engineering, business, or environmental communities. A
43 member shall continue to hold office until [~~his~~] the member's successor
44 is appointed and has qualified. The governing body of each municipality
45 shall designate the first [~~chairman~~] chairperson and file with the
46 secretary of state a certificate of appointment or reappointment of any
47 member. Such members shall receive no compensation for their services
48 but shall be entitled to the necessary expenses, including traveling
49 expenses, incurred in the discharge of their duties. Members must not
50 be or have, within the past five years, been:

51 (a) an employee or an owner of a firm that is a paid advisor or
52 consultant of the agency, including a present or former independent
53 auditor of the agency;

54 (b) employed by a significant supplier of the agency;

55 (c) employed by and had a five percent or greater ownership interest
56 in a supplier where sales to the agency represent more than one percent

1 of the sales of the supplier or more than one percent of the purchases
2 of the agency;

3 (d) a "political party chairman" as such term is defined in paragraph
4 (k) of subdivision one of section seventy-three of the public officers
5 law; or

6 (e) a lobbyist registered under a state or local law covering any
7 jurisdiction served in whole or in part by the agency.

8 § 4. Subdivision 15 of section 858 of the general municipal law, as
9 amended by chapter 708 of the laws of 2022, is amended to read as
10 follows:

11 (15) To enter into agreements requiring payments in lieu of taxes.
12 Such agreements shall be in writing and in addition to other terms shall
13 contain: the amount due annually to each affected tax jurisdiction (or a
14 formula by which the amount due can be calculated), the name and address
15 of the person, office or agency to which payment shall be delivered, the
16 date on which payment shall be made, and the date on which payment shall
17 be considered delinquent if not paid. Unless otherwise agreed by the
18 affected tax jurisdictions, any such agreement shall provide that
19 payments in lieu of taxes shall be allocated among affected tax juris-
20 dictions in proportion to the amount of real property tax and other
21 taxes which would have been received by each affected tax jurisdiction
22 had the project not been tax exempt due to the status of the agency
23 involved in the project. A copy of any such agreement shall be delivered
24 to each affected tax jurisdiction within fifteen days of signing the
25 agreement. In the absence of any such written agreement, payments in
26 lieu of taxes made by an agency shall be allocated in the same
27 proportions as they had been prior to January first, nineteen hundred
28 ninety-three for so long as the agency's activities render a project
29 non-taxable by affected tax jurisdictions. A notification of the expira-
30 tion of such agreement shall be delivered to the affected tax jurisdic-
31 tion two years prior to the expiration of such agreement and immediately
32 upon early termination of an agreement. Standard tax exemption policies
33 established in law or by agencies shall be sent annually to chief execu-
34 tives and all members of governing boards of all affected tax jurisdic-
35 tions. Any changes to the standard tax exemption policies shall also be
36 sent to chief executives and all members of governing boards of affected
37 tax jurisdictions. Standard tax exemption policies shall also be made
38 available to the public and posted on the agency's website. Every agency
39 shall be required to maintain, and make available to all local elected
40 officials and the public, a current schedule of all PILOT payments due
41 each year and the amount of each payment allocable to each affected tax
42 jurisdiction on whose behalf the PILOT is being collected. All agencies
43 shall maintain, and make readily available to all local elected offi-
44 cial and the public, current schedules of project owners who are in
45 arrears in the making of required PILOT payments, the amounts involved,
46 and the time periods involved. Every agency must ensure that all PILOT
47 payments are promptly received and fully transmitted to the treasuries
48 of the affected tax jurisdictions on whose behalf those PILOT payments
49 were collected;

50 § 5. The general municipal law is amended by adding a new section
51 858-c to read as follows:

52 § 858-c. Municipal input. 1. The governing body of each municipality
53 for whose benefit an agency is established shall have the authority to
54 approve or disapprove any agency use of eminent domain, disposition of
55 agency property, issuance of bonds, entrance into agreements requiring
56 payments, or entering into agreements for payments in lieu of taxes.

1 Each such governing body shall approve or disapprove any of the above
2 agency decisions by majority vote. Where applicable in the enactment of
3 local laws, the chief executive officer shall approve or disapprove such
4 governing body's decision, subject to any applicable right to override.

5 2. Agency boards shall not violate any local zoning laws, ordinances,
6 or regulations or local development plans.

7 § 6. Paragraphs (a) and (b) of subdivision 1 of section 859 of the
8 general municipal law, paragraph (a) as added by chapter 692 of the laws
9 of 1989 and paragraph (b) as amended by chapter 357 of the laws of 1993,
10 are amended to read as follows:

11 (a) Each agency shall maintain books and records in such form as may
12 be prescribed by the state comptroller. The comptroller shall prescribe
13 rules on standardizing the calculation of tax benefits.

14 (b) Within ninety days following the close of its fiscal year, each
15 agency or authority shall prepare a financial statement for that fiscal
16 year in such form as may be prescribed by the state comptroller. Such
17 statement shall be audited within such ninety day period by an independ-
18 ent certified public accountant in accordance with government accounting
19 standards established by the United States general accounting office.
20 The audited financial statement shall include supplemental schedules
21 listing all straight-lease transactions and bonds and notes issued,
22 outstanding or retired during the applicable accounting period whether
23 or not such bonds, notes or transactions are considered obligations of
24 the agency, and information on PILOTs. For each issue of bonds or notes
25 such schedules shall provide the name of each project financed with
26 proceeds of each issue, and whether the project occupant is a not-for-
27 profit corporation, the name and address of each owner of each project,
28 the address of each project, the estimated amount of tax exemptions
29 authorized for each project, the purpose for which each bond or note was
30 issued, date of issue, interest rate at issuance and if variable the
31 range of interest rates applicable, maturity date, federal tax status of
32 each issue, and an estimate of the number of jobs created and retained
33 by each project. For each straight-lease transaction, such schedules
34 shall provide the name of each project, and whether the project occupant
35 is a not-for-profit corporation, the name and address of each owner of
36 each project, the estimated amount of tax exemptions authorized for each
37 project, the purpose for which each transaction was made, the method of
38 financial assistance utilized by the project, other than the tax
39 exemptions claimed by the project and an estimate of the number of jobs
40 created and retained by each project.

41 § 7. Section 859-a of the general municipal law, as added by chapter
42 356 of the laws of 1993, subdivision 1-a as amended and subdivision 7 as
43 added by chapter 32 of the laws of 2023, subdivisions 4, 5 and 6 as
44 added by chapter 563 of the laws of 2015, and paragraph (b) of subdivi-
45 sion 5 as amended by section 7 of part X of chapter 59 of the laws of
46 2021, is amended to read as follows:

47 § 859-a. Additional prerequisites to the provisions of financial
48 assistance, economic impact statements and public hearings. Prior to
49 providing any financial assistance of more than one hundred thousand
50 dollars to any project, the agency must comply with the following
51 prerequisites:

52 1. The agency must adopt a resolution describing the project and the
53 financial assistance that the agency is contemplating with respect to
54 such project. Agencies must maintain a list of all pending projects
55 about which they have been contacted, and make such lists available for
56 public inspection, including but not limited to publishing the lists on

1 the agency's website. If any person requests more information about a
2 particular project, the agency shall provide such information as expe-
3 ditiously as possible. Such assistance shall be consistent with the
4 uniform tax exemption policy adopted by the agency pursuant to subdivi-
5 sion four of section eight hundred seventy-four of this [~~chapter~~] title,
6 unless the agency has followed the procedures for deviation from such
7 policy specified in paragraph (b) of such subdivision. Such assistance
8 shall also be consistent with environmental protection, such as open
9 space protection, that will promote new development patterns in order to
10 take advantage of resources and opportunities, such as existing public
11 sewer and water infrastructure, without compromising the needs of future
12 generations; and labor protection, including all federal, state, and
13 local labor laws, rules, or regulations. The agency shall not grant or
14 appropriate assistance to any entity that has committed violations of
15 any federal, state, or local laws.

16 1-a. The agency shall deliver a copy of the resolution adopted pursu-
17 ant to subdivision one of this section by certified mail, return receipt
18 requested or an electronic correspondence with a read-receipt, to the
19 chief executive officer of each affected local taxing jurisdiction. When
20 the affected local taxing jurisdiction is a school district, the agency
21 shall deliver a copy of such resolution by certified mail, return
22 receipt requested or an electronic correspondence with a read-receipt,
23 to the district clerk and district superintendent of each affected
24 school district.

25 2. The agency shall prepare (where the applicant does not prepare the
26 economic impact statement), or cause to be prepared by contract or
27 otherwise, an economic impact statement on any action that it proposes
28 or approves which may have a significant effect on the affected local
29 economy and local community. The agency shall use all practicable means
30 to realize the policies and goals set forth in this article, and shall
31 act and choose alternatives which, consistent with social, economic, and
32 other essential considerations, to the maximum extent practicable, mini-
33 mize or avoid adverse economic effects, including effects revealed in
34 the economic impact statement process. Such a statement shall include a
35 detailed statement setting forth the following:

36 (a) a description of the proposed action and its economic and social
37 setting;

38 (b) the economic and social impact of the proposed action, including
39 short-term and long-term effects, especially to the affected community;

40 (c) any adverse economic effects which cannot be avoided should the
41 proposal be implemented;

42 (d) alternatives to the proposed action;

43 (e) any irreversible and irretrievable commitments and social
44 resources which would be involved in the proposed action, should it be
45 implemented;

46 (f) mitigation measures proposed to minimize the economic, social or
47 other essential impacts; and

48 (g) the growth-inducing aspects of the proposed action, where applica-
49 ble and significant.

50 Such a statement shall also include copies or a summary of the
51 substantive comments received by the agency pursuant to subdivision six
52 of this section, and the agency response to such comments. The purpose
53 of an economic impact statement is to provide detailed information about
54 the effect which a proposed action is likely to have on the economy,
55 employment conditions, and social characteristics of a community, to
56 list ways in which any adverse effects of such an action might be mini-

1 mized, and to suggest alternatives to such an action so as to form the
2 basis for a decision as to whether or not to undertake or approve such
3 action. Such statement shall be clearly written in a concise manner
4 capable of being read and understood by the public, shall deal with the
5 specific significant economic impacts which can be reasonably antic-
6 ipated, and shall not contain more detail than is appropriate, consider-
7 ing the nature and magnitude of the proposed action and the significance
8 of its potential impacts.

9 3. The agency may require an applicant to submit an economic report to
10 assist the agency in carrying out its responsibilities, including the
11 initial determination and, where the applicant does not prepare the
12 economic impact statement, the preparation of an economic impact state-
13 ment under this article. The agency may request such other information
14 from an applicant necessary for the review of economic and social
15 impacts. Notwithstanding any use of outside resources or work, agencies
16 shall make their own independent judgment of the scope, contents, and
17 adequacy of an economic impact statement.

18 4. (a) As early as possible in the formulation of a proposal for an
19 action, the agency shall make an initial determination as to whether or
20 not an economic impact statement need be prepared for the action. With
21 respect to actions involving the issuance to an applicant of a permit or
22 other entitlement, the agency shall notify the applicant in writing of
23 its initial determination, specifying therein the basis for such deter-
24 mination. Notice of the initial determination, along with appropriate
25 supporting findings on agency actions, shall be kept on file in the main
26 office of the agency for public inspection. If the agency determines
27 that such statement is required, the agency or the applicant, at the
28 applicant's option, shall prepare or cause to be prepared a draft
29 economic impact statement. If the applicant does not exercise the option
30 to prepare such statement, the agency shall prepare it, cause it to be
31 prepared, or terminate its review of the proposed action. Such statement
32 shall describe the proposed action and reasonable alternatives to the
33 action, and briefly discuss, on the basis of information then available,
34 the remaining items required to be submitted by subdivision two of this
35 section. The purpose of a draft economic statement is to relate economic
36 and social considerations to the inception of the planning process, to
37 inform the public and other public agencies as early as possible about
38 proposed actions that may significantly affect the quality of the
39 economic and social conditions, and to solicit comments which will
40 assist the agency in the decision making process in determining the
41 economic and social consequences of the proposed action. The draft
42 statement shall resemble in form and content the economic impact state-
43 ment to be prepared after comments have been received and considered
44 pursuant to subdivision two of this section; however, that the length
45 and detail of the draft economic statement will necessarily reflect the
46 preliminary nature of the proposal and the early stage at which it is
47 prepared.

48 (b) The draft statement shall be filed with the appropriate governing
49 body of each municipality for whose benefit such agency is established.

50 5. (a) After the filing of a draft economic impact statement, the
51 agency shall determine whether or not to conduct a public hearing on the
52 economic impact of the proposed action. Such public hearing shall be
53 held in a city, town, or village where the project is proposed to be
54 located. The agency must give at least thirty days' published notice of
55 such public hearing and shall, at the same time, provide notice of such
56 hearing to the chief executive officer of each affected tax jurisdiction

1 within which the project is proposed to be located. The notice of hear-
2 ing must state the time and place of the hearing, contain a general,
3 functional description of the project, describe the prospective location
4 of the project, identify the initial owner, operator, or manager of the
5 project, generally describe the financial assistance contemplated by the
6 agency with respect to the project, and provide an opportunity for the
7 public to review the project application, which shall include an analy-
8 sis of the costs and benefits of the proposed project. The notice of
9 hearing must be published in the state register and the website of the
10 agency.

11 (b) If the agency determines to hold such a hearing, it shall commence
12 the hearing within sixty days of the filing and, unless the proposed
13 action is withdrawn from consideration, shall prepare the economic
14 impact statement within forty-five days after the close of the hearing,
15 except as otherwise provided. The need for such a hearing shall be
16 determined in accordance with procedures adopted by the agency pursuant
17 to section eight hundred fifty-eight of this title. If no hearing is
18 held, the agency shall prepare and make available the economic impact
19 statement within sixty days after the filing of the draft, except as
20 otherwise provided.

21 (c) Notwithstanding the specified time periods established by this
22 article, an agency shall vary the times so established herein for prepa-
23 ration, review and public hearings to coordinate the economic and social
24 review process with other procedures relating to review and approval of
25 an action. An application or authorization for an action upon which a
26 draft economic impact statement is determined to be required shall not
27 be complete until such draft statement has been filed and accepted by
28 the agency as satisfactory with respect to scope, content, and adequacy
29 for purposes of subdivision four of this section. Commencing upon such
30 acceptance, the economic impact statement process shall run concurrently
31 with other procedures relating to the review and approval of the action,
32 so long as reasonable time is provided for preparation, review, and
33 public hearings with respect to the draft economic impact statement.

34 6. To the extent possible, the economic impact statement prepared
35 pursuant to subdivision two of this section, together with the comments
36 of public agencies and members of the public, shall be filed with the
37 governing body of each municipality for whose benefit such agency is
38 established and made available to the public prior to acting on the
39 proposal which is the subject of the economic impact statement.

40 7. An agency may charge a fee to an applicant to recover the costs
41 incurred in preparing or causing to be prepared or reviewing a draft
42 economic impact statement or an economic impact statement on the action
43 which the applicant requests from the agency; provided, however, that an
44 applicant may not be charged a separate fee for both the preparation and
45 review of such statements. The technical services of the agency may be
46 made available on a fee basis reflecting the costs thereof to a request-
47 ing agency, which fee or fees may appropriately be charged by the agency
48 to the applicant under rules and regulations to be issued by the agency
49 for such purpose under section eight hundred fifty-eight of this title.

50 8. When an agency decides to carry out or approve an action which has
51 been the subject of an economic impact statement, it shall make an
52 explicit finding that the requirements of this section have been met and
53 that, consistent with social, economic, and other essential consider-
54 ations, to the maximum extent practicable, adverse economic, social, and
55 community effects revealed in the economic impact statement process will
56 be minimized or avoided.

1 9. The agency [~~must~~] shall hold a public hearing with respect to the
2 project and the proposed financial assistance being contemplated by the
3 agency after the completion of the final economic impact statement.
4 [~~Said~~] Such public hearing shall be held in a city, town or village
5 where the project [~~proposes~~] is proposed to [~~locate~~] be located. At
6 [~~said~~] such public hearing, interested parties shall be provided reason-
7 able opportunity, both orally and in writing, to present their views
8 with respect to the project and the final economic impact statement. A
9 public hearing may only be convened if two-thirds of the board members
10 are present. If not, such public hearing shall not be convened and shall
11 be rescheduled, subject to the same quorum requirements.

12 [~~3-~~] 10. The agency must give at least ten days published notice of
13 [~~said~~] such public hearing and shall, at the same time, provide notice
14 of such hearing to the chief executive officer of each affected tax
15 jurisdiction within which the project is located. The notice of hearing
16 must state the time and place of the hearing, contain a general, func-
17 tional description of the project, describe the prospective location of
18 the project, identify the initial owner, operator or manager of the
19 project and generally describe the financial assistance contemplated by
20 the agency with respect to the project. The notice of hearing must be
21 published in the state register and the website of the agency. Such
22 assistance shall also be consistent with environmental protection, such
23 as open space protection, that will promote new development patterns in
24 order to take advantage of resources and opportunities, such as existing
25 public sewer and water infrastructure, without compromising the needs of
26 future generations; and labor protection, including all federal, state,
27 and local labor laws, rules or regulations. The agency shall not grant
28 or appropriate assistance to any entity that has committed violations of
29 any federal, state, or local laws.

30 [~~4-~~] 11. Each agency shall develop a standard application form, which
31 shall be used by the agency to accept requests for financial assistance
32 from all individuals, firms, companies, developers or other entities or
33 organizations. The standard application form shall be submitted by or on
34 behalf of the applicant, and subscribed and affirmed under the penalties
35 of perjury by the applicant, or on behalf of the applicant by the chief
36 executive officer or such other individual that is duly authorized to
37 bind the applicant, as true, accurate and complete to the best of [~~his~~
38 ~~or her~~] such person's knowledge. The standard application form shall
39 include the following, and may include such other supplemental informa-
40 tion as determined to be necessary and appropriate by the agency,
41 including supporting documents and information provided by or on behalf
42 of the applicant:

- 43 (a) the name and address of the project applicant;
- 44 (b) a description of the proposed project for which financial assist-
45 ance is requested, including the type of project, proposed location and
46 purpose of the project;
- 47 (c) the amount and type of financial assistance being requested,
48 including the estimated value of each type of tax exemption sought to be
49 claimed by reason of agency involvement in the project;
- 50 (d) a statement that there is a likelihood that the project would not
51 be undertaken but for the financial assistance provided by the agency
52 or, if the project could be undertaken without financial assistance
53 provided by the agency, a statement indicating why the project should be
54 undertaken by the agency;
- 55 (e) an estimate of capital costs of the project, including all costs
56 of real property and equipment acquisition and building construction or

1 reconstruction, financed from private sector sources, an estimate of the
2 percentage of project costs financed from public sector sources, and an
3 estimate of both the amount to be invested by the applicant and the
4 amount to be borrowed to finance the project[~~5~~];

5 (f) the projected number of full time equivalent jobs that would be
6 retained and that would be created if the request for financial assist-
7 ance is granted, the projected timeframe for the creation of new jobs,
8 the estimated salary and fringe benefit averages or ranges for catego-
9 ries of the jobs that would be retained or created if the request for
10 financial assistance is granted, and an estimate of the number of resi-
11 dents of the economic development region as established pursuant to
12 section two hundred thirty of the economic development law or the labor
13 market area as defined by the agency, in which the project is located
14 that would fill such jobs. The labor market area defined by the agency
15 for this purpose may include no more than six contiguous counties in the
16 state, including the county in which the project is to be located;

17 (g) a statement to the effect that the provisions of subdivision one
18 of section eight hundred sixty-two of this [~~chapter~~] title will not be
19 violated if financial assistance is provided for the proposed project;

20 (h) a statement that the owner, occupant or operator receiving finan-
21 cial assistance is in substantial compliance with applicable local,
22 state and federal tax, worker protection and environmental laws, rules
23 and regulations; and

24 (i) a statement acknowledging that the submission of any knowingly
25 false or knowingly misleading information may lead to the immediate
26 termination of any financial assistance and the reimbursement of an
27 amount equal to all or part of any tax exemptions claimed by reason of
28 agency involvement in the project.

29 [~~5~~] 12. Each agency shall develop, and adopt by resolution, uniform
30 criteria for the evaluation and selection for each category of projects
31 for which financial assistance will be provided. At a minimum, the
32 criteria shall require that, for each project, the following must occur
33 prior to the approval of the provision of financial assistance:

34 (a) an assessment by the agency of all material information included
35 in connection with the application for financial assistance, as neces-
36 sary to afford a reasonable basis for the decision by the agency to
37 provide financial assistance for the project;

38 (b) a written cost-benefit analysis by the agency that identifies the
39 extent to which a project will create or retain permanent, private
40 sector jobs; the estimated value of any tax exemptions to be provided;
41 the amount of private sector investment generated or likely to be gener-
42 ated by the proposed project; the contribution of the project to the
43 state's renewable energy goals and emission reduction targets as set
44 forth in the state energy plan adopted pursuant to section 6-104 of the
45 energy law; the likelihood of accomplishing the proposed project in a
46 timely fashion; and the extent to which the proposed project will
47 provide additional sources of revenue for municipalities and school
48 districts; and any other public benefits that might occur as a result of
49 the project;

50 (c) a statement by the applicant that the project, as of the date of
51 the application, is in substantial compliance with all provisions of
52 this article including, but not limited to, the provisions of this
53 section and subdivision one of section eight hundred sixty-two of this
54 [~~chapter~~] title; and

55 (d) if the project involves the removal or abandonment of a facility
56 or plant within the state, notification by the agency to the chief exec-

1 utive officer or officers of the municipality or municipalities in which
2 the facility or plant was located.

3 [~~6-~~] **13.** Each agency shall develop a uniform agency project agreement
4 that sets forth terms and conditions under which financial assistance
5 shall be provided. The uniform agency project agreement shall be used by
6 the agency and no financial assistance shall be provided in the absence
7 of the execution of such an agreement. The uniform agency project agree-
8 ment shall, at a minimum:

9 (a) describe the project and the financial assistance, including the
10 amount and type, to be provided, and the agency purpose to be achieved;

11 (b) require each project owner, occupant or operator receiving finan-
12 cial benefits to provide annually a certified statement and documenta-
13 tion: (i) enumerating the full time equivalent jobs retained and the
14 full time equivalent jobs created as a result of the financial assist-
15 ance, by category, including full time equivalent independent contrac-
16 tors or employees of independent contractors that work at the project
17 location, and (ii) indicating that the salary and fringe benefit aver-
18 ages or ranges for categories of jobs retained and jobs created that was
19 provided in the application is still accurate and if it is not still
20 accurate, providing a revised list of salary and fringe benefit averages
21 or ranges for categories of jobs retained and jobs created[~~-~~];

22 (c) indicate the dates when PILOT payments are to be made and provide
23 an estimate of the amounts for each affected tax jurisdiction of any
24 payments in lieu of taxes that are included as part of the transaction,
25 or formula or formulas by which those amounts may be calculated. In lieu
26 of providing such information, a copy of an executed payment in lieu of
27 tax agreement that contains the same information may be attached to the
28 uniform agency project agreement;

29 [~~e-~~] **(d)** provide for the suspension or discontinuance of financial
30 assistance, or for the modification of any payment in lieu of tax agree-
31 ment to require increased payments, in accordance with policies devel-
32 oped by the agency pursuant to section eight hundred seventy-four of
33 this title;

34 [~~f-~~] **(e)** provide for the return of all or a part of the financial
35 assistance provided for the project, including all or part of the amount
36 of any tax exemptions, which shall be redistributed to the appropriate
37 affected tax jurisdiction, as provided for in policies developed by the
38 agency pursuant to section eight hundred seventy-four of this title,
39 unless agreed to otherwise by any local taxing jurisdiction or jurisdic-
40 tions; and

41 [~~g-~~] **(f)** provide that the owner, occupant or operator receiving
42 financial assistance shall certify, under penalty of perjury, that it is
43 in substantial compliance with all local, state and federal tax, worker
44 protection and environmental laws, rules and regulations.

45 [~~7-~~] **14.** Each agency shall establish a procedure for compliance with
46 the notification requirements, including identification of the notifica-
47 tion method, under subdivision one-a of this section and paragraph (b)
48 of subdivision four of section eight hundred seventy-four of this title.

49 § 8. Section 860 of the general municipal law, as added by chapter
50 1030 of the laws of 1969, is amended to read as follows:

51 § 860. Moneys of the agency. The agency shall have power to contract
52 with the holders of any of its bonds or notes as to the custody,
53 collection, securing, investment and payment of any moneys of the agency
54 or any moneys held in trust or otherwise for the payment of bonds or
55 notes or in any way to secure bonds or notes and to carry out any such
56 contract. Moneys held in trust or otherwise for the payment of bonds or

1 notes or in any way to secure bonds or notes and deposits of such moneys
2 may be secured in the same manner as moneys of the agency, and all banks
3 and trust companies are authorized to give such security for such depos-
4 its. Any lease payments, revenues, or other earnings of the agency
5 shall be paid to the local governing body of the municipality for whose
6 benefit such agency is established.

7 § 9. Section 882 of the general municipal law, as amended by chapter
8 373 of the laws of 2012, is amended and a new section 882-a is added to
9 read as follows:

10 § 882. Termination of the agency. Whenever all of the bonds or notes
11 issued by the agency shall have been redeemed or cancelled, and all
12 straight-lease transactions have been terminated, the agency shall cease
13 to exist and all rights, titles, and interest and all obligations and
14 liabilities thereof vested in or possessed by the agency shall thereupon
15 vest in and be possessed by the municipality. After October first, two
16 thousand twenty-seven, non-county industrial development agencies
17 created under title two of this article shall not be able to issue any
18 further bonds or notes.

19 § 882-a. Prohibition of local industrial development agencies. No
20 further industrial development agencies may be created unless they are a
21 county-wide industrial development agency.

22 § 10. The general municipal law is amended by adding two new sections
23 885 and 885-a to read as follows:

24 § 885. Prevailing wage. Whenever a recipient of industrial develop-
25 ment agency funds, financial assistance, or other benefit enters into
26 any contract, subcontract, lease, grant, bond, covenant or other agree-
27 ment for or in connection with any construction, demolition, recon-
28 struction, excavation, rehabilitation, repair, renovation, alteration,
29 or improvement project, such project shall be deemed to be a public
30 works project for the purposes of article eight of the labor law, and
31 all of the provisions of article eight of the labor law shall be appli-
32 cable to all the work involved in the construction, demolition, recon-
33 struction, excavation, rehabilitation, repair, renovation, alteration,
34 or improvement of such project. Funds, financial assistance, or any
35 other benefits provided pursuant to this article shall not be utilized
36 for or in connection with the construction, demolition, reconstruction,
37 excavation, rehabilitation, repair, renovation, alteration, or improve-
38 ment of any project to which the provisions of article eight of the
39 labor law are not applicable.

40 § 885-a. Recapture. If a recipient entity of agency assistance does
41 not abide by any provision of this article or requirement made applica-
42 ble pursuant to the authority of this article, it shall pay back to the
43 agency that fraction of developmental assistance that accrued to its
44 benefit for the calendar year in which the benefit occurred, plus inter-
45 est at a rate determined by the granting agency. For one-time forms of
46 assistance such as grants or land price discounts, a defaulting entity
47 shall pay back to the granting agency one-fifth of the value of assist-
48 ance. Remittance of the payback by a recipient entity to a granting
49 agency shall take place within sixty calendar days of the delivery of
50 the default notice to the recipient entity.

51 § 11. This act shall take effect on the sixtieth day after it shall
52 have become a law; provided, however, that the provisions of section
53 seven of this act shall take effect immediately.