

STATE OF NEW YORK

7494--A

Cal. No. 1415

2025-2026 Regular Sessions

IN SENATE

April 17, 2025

Introduced by Sen. GIANARIS -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the general business law, the financial services law, the state finance law and the executive law, in relation to enacting the "government response to insider fraud and trading act" relating to securities fraud whistleblower incentives and protections

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

1 Section 1. Short title. This act shall be known and may be cited as
2 the "government response to insider fraud and trading act" or the "GRIFT
3 act".

4 § 2. The general business law is amended by adding a new section 353-b
5 to read as follows:

6 § 353-b. Securities fraud whistleblower incentives and protections.
7 1. Definitions. (a) "Covered enforcement action" shall mean: (i) any one
8 or more enforcement actions brought by the attorney general under
9 section three hundred fifty-three of this article that results in mone-
10 tary sanctions exceeding one million dollars in the aggregate; or (ii)
11 any investigations, inquiries, settlements or any other action brought
12 or made by the attorney general in relation to a violation of this arti-
13 cle that results in monetary sanctions exceeding one million dollars in
14 the aggregate.

15 (b) "Monetary sanctions" shall mean:

16 (i) Any monies ordered to be paid, or that are otherwise paid or
17 forfeited as a result of a covered enforcement action or related action;
18 and (ii) any monies deposited into a disgorgement fund or public benefit
19 fund as a result of a covered enforcement action or related action.

20 (c) "Original information" shall mean information that:

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

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1 (i) is derived from the independent knowledge or analysis of a whist-
2 leblower;

3 (ii) is not known to the attorney general from any other source,
4 unless the whistleblower is the original source of the information; and

5 (iii) is not exclusively derived from an allegation made in a judicial
6 or administrative hearing, in a governmental report, hearing, audit or
7 investigation or from the news media, unless the whistleblower is a
8 source of the information. For purposes of this subparagraph: (A) an
9 allegation is not made in a governmental report or investigation because
10 it was disclosed or provided pursuant to article six of the public offi-
11 cers law, or under any other federal, state or local law, rule or
12 program enabling the public to request, receive or view documents or
13 information in the possession of public officials or public agencies;
14 and (B) an allegation is not made in the news media merely because
15 information of allegations or transactions have been posted on the
16 internet or on a computer network.

17 (d) "Related action" shall mean any judicial or administrative action
18 brought by a state or local agency or entity based upon the original
19 information provided by a whistleblower to the attorney general pursuant
20 to this section that results in monetary sanctions exceeding one million
21 dollars in the aggregate.

22 (e) "Whistleblower" shall mean any individual or entity who provides
23 or two or more individuals or entities acting jointly who provide infor-
24 mation to the attorney general relating to a violation of this article.

25 2. Whistleblower awards. (a) One or more whistleblowers who voluntar-
26 ily provide original information to the attorney general that was the
27 basis for a successful covered enforcement action, or a related action,
28 shall, in accordance with the provisions of this section, be entitled to
29 receive between ten and thirty percent of the monetary sanctions that
30 result from such action. Any payment to a person pursuant to this para-
31 graph shall be made from the monetary sanctions of the covered enforce-
32 ment action or related action.

33 (b) A whistleblower who provides the attorney general with information
34 related to information previously reported to the attorney general by a
35 whistleblower who is eligible for an award under this section shall not
36 be entitled to an award, unless the information provided by the second
37 whistleblower materially adds to the information reported to the attor-
38 ney general by the first whistleblower.

39 (c) The determination of the amount of an award made within the range
40 established by this section shall be solely in the discretion of the
41 attorney general. In determining the amount of an award made within the
42 range established by this section, the attorney general shall take into
43 consideration the following factors:

44 (i) the significance of the information provided by the whistleblower
45 to the success of the covered enforcement action or related action;

46 (ii) the degree of assistance provided by the whistleblower and any
47 legal representative of the whistleblower in the covered enforcement
48 action or related action;

49 (iii) the interest of the state in deterring violations of this arti-
50 cle and promoting the reporting by whistleblowers of information relat-
51 ing to such violations; and

52 (iv) such additional relevant factors as the attorney general may
53 establish by rule or regulation.

54 (d) No award shall be made to any whistleblower if the attorney gener-
55 al shall determine that the whistleblower:

1 (i) is, or was at the time the whistleblower acquired the original
2 information submitted to the attorney general, a member, officer or
3 employee of a federal, state or local law enforcement agency that regu-
4 lates securities or that prosecutes securities violations;

5 (ii) was convicted of a criminal violation related to the covered
6 enforcement action for which the whistleblower otherwise could receive
7 an award under this section;

8 (iii) materially failed to submit information to the attorney general
9 in such form as the attorney general may require;

10 (iv) is, or was at the time the whistleblower acquired the original
11 information submitted to the attorney general, an officer or employee of
12 a self-regulatory organization that regulates securities and who has a
13 duty by virtue of such position to investigate or report a securities
14 violation; provided that this subparagraph shall not apply if the whist-
15 leblower reported the original information to such self-regulatory
16 organization and the attorney general determines that the organization
17 did not take adequate measures within sixty days to investigate or sanc-
18 tion conduct that would be a violation of this article; or

19 (v) (A) knowingly and willfully makes false, fictitious or fraudulent
20 statements or representations to the attorney general when submitting
21 information under this section, or (B) uses any false writing or docu-
22 ment knowing the writing or document contains any false, fictitious or
23 fraudulent statement or entry when submitting information under this
24 section.

25 (e) (i) Any determination made under this subdivision, including
26 whether, to whom, or in what amount to make awards, shall be in the
27 discretion of the attorney general; provided that such amount shall
28 conform to the range established by paragraph (a) of this subdivision,
29 and shall take into account the factors listed in paragraph (c) of this
30 subdivision.

31 (ii) Any such determination may be challenged in accordance with arti-
32 cle seventy-eight of the civil practice law and rules, provided that any
33 such challenge shall be brought within forty-five days of the date of
34 any such determination.

35 (f) No contract with the department of law or any other agency shall
36 be necessary for any whistleblower to receive an award under this
37 section.

38 (g)(i) Any whistleblower who makes a claim for an award under this
39 section may be represented by counsel.

40 (ii) Any whistleblower who anonymously makes a claim for an award
41 under this section shall be represented by counsel if the whistleblower
42 anonymously submits the information upon which the claim is based. Prior
43 to the payment of an award, a whistleblower shall disclose the identity
44 of the whistleblower and provide such other information as the attorney
45 general may require, directly or through counsel for the whistleblower.

46 (h)(i) The attorney general shall not disclose any information which
47 could reasonably be expected to reveal the identity of a whistleblower,
48 unless and until such information is required to be disclosed to a party
49 in connection with an action or proceeding brought by the attorney
50 general, a lawfully issued subpoena by a federal or state law enforce-
51 ment authority, or otherwise by a court order. Such information shall be
52 deemed information exempted from disclosure under article six of the
53 public officers law.

54 (ii) Notwithstanding the preceding subparagraph, without the loss of
55 its status as confidential in the hands of the attorney general, all
56 information referred to in this subdivision may, when determined by the

1 attorney general to be necessary to accomplish the purposes of this
2 article, be made available to the appropriate regulatory and law
3 enforcement authorities of this state, another state, the federal
4 government, foreign governments, or self-regulatory organizations. Each
5 regulatory or law enforcement authority to which the attorney general
6 makes available the information referred to in the preceding subpara-
7 graph shall agree to maintain such information in accordance with such
8 assurances of confidentiality as the attorney general deems appropriate.

9 3. Retaliation. (a)(i) It shall be unlawful for any current or
10 prospective employer, contractor or agent to discharge, demote, suspend,
11 threaten or harass, directly or indirectly, or in any other manner
12 discriminate against any person in hiring or in the terms and conditions
13 of employment or contracting because of any lawful act done by such
14 person: (A) in providing information to the attorney general pursuant to
15 this section; (B) in initiating, testifying in or assisting in any
16 investigation or covered enforcement action under this article, or any
17 related action; or (C) in reporting any violation of this article to
18 another government entity, to a direct supervisor or to a compliance
19 officer of such employer, contractor or agent.

20 (ii) Any person who is discharged, demoted, suspended, threatened or
21 harassed or in any other manner discriminated against in the terms and
22 conditions of employment, or otherwise harmed or penalized by an employ-
23 er, or a prospective employer, because of lawful acts done by such
24 person or associated others in furtherance of any covered enforcement
25 action or related action or other efforts to stop one or more violations
26 of this article, including but not limited to reporting such violations
27 to any government entity, to a direct supervisor or to a compliance
28 officer of such employer or prospective employer, shall be entitled to
29 all relief necessary to make such person whole. Such relief shall
30 include but not be limited to:

31 (A) an injunction to restrain continued discrimination;
32 (B) hiring, contracting or reinstatement to the position such person
33 would have had but for the discrimination or to an equivalent position;
34 (C) reinstatement of full fringe benefits and seniority rights;
35 (D) payment of two times back pay, plus interest; and
36 (E) compensation for any special damages sustained as a result of the
37 discrimination, including litigation costs and reasonable attorneys'
38 fees.

39 (b) For purposes of this subdivision, a "lawful" act shall include,
40 but not be limited to, obtaining or transmitting to the attorney general
41 or private counsel employed to investigate or potentially file with the
42 attorney general information relating to a violation of this article,
43 even though such act may violate a contract, severance agreement,
44 employment term, or duty owed to the employer or contractor.

45 (c) Any person seeking relief pursuant to subparagraph (ii) of para-
46 graph (a) of this subdivision may bring an action in the appropriate
47 supreme court for the relief provided in this subdivision. A civil
48 action under this subdivision shall not be brought: (i) more than six
49 years after the date on which the violation of paragraph (a) of this
50 subdivision occurred; or (ii) more than three years after the date when
51 facts material to the right of action are known or reasonably should
52 have been known by the employee alleging a violation of paragraph (a) of
53 this subdivision, but not in any circumstances more than ten years after
54 the date on which such violation occurs.

55 4. No waiver or preemption. (a) This section shall not: (i) preempt,
56 limit or restrict the authority or discretion of the attorney general to

1 investigate or enforce violations of this article; (ii) limit any powers
2 granted elsewhere in this chapter and other laws to the attorney gener-
3 al, state agencies or local governments to investigate or enforce possi-
4 ble violations of this article; (iii) authorize a private right of
5 action involving fraudulent practices in connection with the securities;
6 (iv) prevent or prohibit a person from voluntarily disclosing any infor-
7 mation concerning a violation of this article to any law enforcement
8 agency or self-regulatory organization; or (v) preempt, limit, restrict
9 or otherwise affect the rights and rewards provided to qui tam plain-
10 tiffs under article thirteen of the state finance law.

11 (b) The rights and remedies provided for in this section may not be
12 waived by any agreement, policy form, or condition of employment. No
13 salary or wages earned by the whistleblower during such whistleblower's
14 employment, nor any consideration provided the whistleblower in
15 connection with such whistleblower's severance from such employment,
16 related to original information or the covered enforcement action or
17 related action may be recouped by any right of action brought by the
18 employer.

19 (c) Nothing in this section shall be deemed to diminish the rights,
20 privileges, or remedies of any whistleblower under any federal or state
21 law, or under any collective bargaining agreement.

22 5. Regulations. The attorney general is authorized to adopt such rules
23 and regulations as are necessary to effectuate the purposes of this
24 section; provided that the attorney general shall consult with the
25 superintendent of the department of financial services prior to propos-
26 ing such rules or regulations.

27 § 3. Subsection (a) of section 104 of the financial services law is
28 amended by adding five new paragraphs 6, 7, 8, 9 and 10 to read as
29 follows:

30 (6) "Covered judicial or administrative action" shall mean: (A) any
31 one or more judicial or administrative actions brought by the department
32 under the insurance law, the banking law or this chapter that results in
33 monetary sanctions exceeding one million dollars in the aggregate; and
34 (B) any investigations, inquiries, settlements or any other actions
35 brought or made within the sole discretion of the superintendent, by the
36 department under the insurance law, the banking law or this chapter that
37 result in monetary sanctions exceeding one million dollars in the aggre-
38 gate.

39 (7) "Monetary sanctions" shall mean:

40 (A) any monies ordered to be paid, or that are otherwise paid or
41 forfeited as a result of a covered judicial or administrative action or
42 any settlement of such action, or related action; and

43 (B) any monies deposited into a disgorgement fund or public benefit
44 fund as a result of a covered judicial or administrative action or any
45 settlement of such action, or related action.

46 (8) "Original information" shall mean information that:

47 (A) is derived from the independent knowledge or analysis of a whist-
48 leblower;

49 (B) is not known to the department from any other source, unless the
50 whistleblower is the original source of the information; and

51 (C) is not exclusively derived from an allegation made in a judicial
52 or administrative hearing, in a governmental report, hearing, audit or
53 investigation or from the news media, unless the whistleblower is a
54 source of the information. For purposes of this subparagraph: (i) an
55 allegation is not made in a governmental report or investigation because
56 it was disclosed or provided pursuant to article six of the public offi-

1 cers law, or under any other federal, state or local law, rule or
2 program enabling the public to request, receive or view documents or
3 information in the possession of public officials or public agencies;
4 and (ii) an allegation is not made in the news media merely because
5 information of allegations or transactions have been posted on the
6 internet or on a computer network.

7 (9) "Related action" shall mean any judicial or administrative action
8 brought by another state or local agency or entity based upon original
9 information provided by a whistleblower to the department that results
10 in monetary sanctions exceeding one million dollars in the aggregate.

11 (10) "Whistleblower" shall mean any individual or entity who provides
12 or two or more individuals acting jointly who provide information relat-
13 ing to a violation of the banking law, the insurance law, this chapter
14 or rules and regulations promulgated thereunder to the department.

15 § 4. The financial services law is amended by adding two new sections
16 410 and 411 to read as follows:

17 § 410. Financial services whistleblower awards. (a) (1) In any
18 covered judicial or administrative action, or related action, one or
19 more whistleblowers who voluntarily provide original information to the
20 department that was the basis for the successful judicial or administra-
21 tive action, or a related action, shall, in accordance with the
22 provisions of this section, be entitled to receive between ten and thir-
23 ty percent of the monetary sanctions that result from such action. Any
24 payment to a person pursuant to this paragraph shall be made from the
25 monetary sanctions of the covered judicial or administrative action, or
26 related action.

27 (2) A whistleblower who provides the department with information
28 related to information previously reported to the department by a whist-
29 leblower who is eligible for an award under this section shall not be
30 entitled to an award, unless the information provided by the second
31 whistleblower materially adds to the information reported to the depart-
32 ment by the first whistleblower.

33 (3) Any amount paid under paragraph one of this subsection shall be
34 first applied in accordance with the provisions of such paragraph before
35 being applied, if applicable, in accordance with subparagraph (B) of
36 paragraph one of subsection (a) of section four hundred eight of this
37 article.

38 (b)(1) The determination of the amount of an award made within the
39 range established by this section shall be solely in the discretion of
40 the superintendent.

41 (2) In determining the amount of an award made within the range estab-
42 lished by this section, the superintendent shall take into consideration
43 the following factors:

44 (A) the significance of the information provided by the whistleblower
45 to the success of the covered judicial or administrative action;

46 (B) the degree of assistance provided by the whistleblower and any
47 legal representative of the whistleblower in a covered judicial or
48 administrative action;

49 (C) the interest of the department in deterring violations of the
50 banking law, the insurance law or this chapter and promoting the report-
51 ing by whistleblowers of information relating to such violations; and

52 (D) such additional relevant factors as the superintendent may estab-
53 lish by rule or regulation.

54 (c) No award shall be made to any whistleblower if the superintendent
55 shall determine that the whistleblower:

(1) is, or was at the time the whistleblower acquired the original information submitted to the department, a member, officer or employee of a federal, state or local law enforcement agency that regulates banking, insurance or financial services products; or

(2) is, or was at the time the whistleblower acquired the original information submitted to the department, an officer or employee of a self-regulatory organization that regulates banking, insurance or financial services products and who has a duty by virtue of such position to investigate or report a legal violation involving banking, insurance, or financial services products; provided that this subparagraph shall not apply if the whistleblower properly reported the original information to such self-regulatory organization and the superintendent determines that the organization did not take adequate measures within sixty days to investigate conduct that would be a violation of this article; or

(3) was convicted of a criminal violation related to the covered judicial or administrative action for which the whistleblower otherwise could receive an award under this section; or

(4) materially failed to submit information to the department in such form as the department may require; or

(5)(A) knowingly and willfully makes false, fictitious or fraudulent statements or representations to the department when submitting information under this section, or (B) uses any false writing or document knowing the writing or document contained false, fictitious or fraudulent statements or entries when submitting information under this section.

(d) (1) Any whistleblower who makes a claim for an award under this section may be represented by counsel.

(2) Any whistleblower who anonymously makes a claim for an award under this section shall be represented by counsel if the whistleblower anonymously submits the information upon which the claim is based. Prior to the payment of an award, a whistleblower shall disclose the identity of the whistleblower and provide such other information as the department may require, directly or through counsel for the whistleblower.

(e) No contract with the department shall be necessary for any whistleblower to receive an award under this section, unless otherwise required by the department by rule or regulation.

(f) Any determination made under this section shall be solely in the discretion of the superintendent; provided that such award shall be in the ranges established by paragraph one of subsection (a) of this section, and the superintendent shall take into account the factors listed in paragraph two of subsection (b) of this section in determining the amount of the award. Any such determination may be challenged in accordance with article seventy-eight of the civil practice law and rules, provided that any such challenge shall be brought within forty-five days of the date of any such determination under challenge.

§ 411. Retaliation protections. (a) No current or prospective employer, contractor or agent may discharge, demote, suspend, threaten or harass, directly or indirectly, or in any other manner discriminate against any person in hiring or in the terms and conditions of employment because of any lawful act done by such person:

(1) in providing information to the department in accordance with this section;

(2) in initiating, testifying in or assisting in any investigation or judicial or administrative action of the department or related action; or

(3) in reporting any violation of the insurance law, the banking law or this chapter to another government entity, to a direct supervisor or to a compliance officer of such employer, contractor or agent.

(b)(1) Any person who is discharged, demoted, suspended, threatened or harassed or in any other manner discriminated against in the terms and conditions of employment, or otherwise harmed or penalized by an employer, or a prospective employer, because of lawful acts done by such person or associated others in furtherance of any covered judicial or administrative action or related action or other efforts to stop one or more violations of the insurance law, the banking law or this chapter, including but not limited to reporting such violations to any government entity, to a direct supervisor or to a compliance officer of such employer or prospective employer, shall be entitled to all relief necessary to make such person whole. Such relief shall include but not be limited to:

(A) an injunction to restrain continued discrimination;

(B) hiring, contracting or reinstatement to the position such person would have had but for the discrimination or to an equivalent position;

(C) reinstatement of full fringe benefits and seniority rights;

(D) payment of two times back pay, plus interest; and

(E) compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees.

(2) For purposes of this section, a "lawful" act shall include, but not be limited to, obtaining or transmitting to the department or private counsel employed to investigate or potentially file with the department information relating to violations of the banking law, the insurance law, or this chapter, even though such act may violate a contract, severance agreement, employment term, or duty owed to the employer or contractor.

(3) Any person seeking relief pursuant to this subsection may bring an action in the appropriate supreme court for the relief provided in this section. The limitations period of any such action shall be ten years.

(4) Nothing in this section shall be deemed to diminish the rights, privileges, or remedies of any whistleblower under any federal or state law, or under any collective bargaining agreement.

(c)(1) Neither the superintendent nor any officer or employee of the department, shall disclose any information, including information provided by a whistleblower to the department, which could reasonably be expected to reveal the identity of a whistleblower, unless and until such information is required to be disclosed to a party in connection with an action or proceedings brought by the superintendent, a lawfully issued subpoena by a federal or state law enforcement authority, or otherwise by a court order. Such information shall be deemed information exempted from disclosure under article six of the public officers law.

(2) Notwithstanding the preceding paragraph, without the loss of its status as confidential in the hands of the superintendent, all information referred to in paragraph one of this subsection may, in the discretion of the superintendent, when determined by the superintendent to be necessary to accomplish the purposes of this article, be made available to the appropriate regulatory and law enforcement authorities of this state, another state, the federal government, foreign governments, or self-regulatory organizations. Each regulatory or law enforcement authority to which the superintendent makes available the information referred to in the preceding paragraph shall agree to maintain such

1 information in accordance with such assurances of confidentiality as the
2 superintendent may determine to be appropriate.

3 (d)(1) Nothing in this section shall limit, or shall be construed to
4 limit the superintendent's authority under sections two hundred two and
5 three hundred one of this chapter, or that of other law enforcement
6 authorities.

7 (2) Nothing in this section shall limit, or shall be construed to
8 limit, the rights and rewards provided to qui tam plaintiffs under arti-
9 cle thirteen of the state finance law.

10 (e) The rights and remedies provided for in this section may not be
11 waived by any agreement, policy form, or condition of employment,
12 including by a pre-dispute arbitration agreement, which shall not be
13 valid or enforceable if it requires arbitration of a dispute arising
14 under this section. No salary or wages earned by the whistleblower
15 during such whistleblower's employment, nor any consideration provided
16 the whistleblower in connection with such whistleblower's severance from
17 such employment, related to original information or the covered judicial
18 or administrative action may be recouped by any right of action brought
19 by the employer.

20 (f) The superintendent is hereby authorized and empowered to promul-
21 gate such rules and regulations as the superintendent shall deem appro-
22 priate for the enforcement of this section; provided that the super-
23 intendent shall consult with the attorney general prior to proposing
24 such rules or regulations.

25 § 5. Paragraph (b) of subdivision 11 of section 4 of the state finance
26 law, as amended by chapter 171 of the laws of 2022, is amended to read
27 as follows:

28 (b) Paragraph (a) of this subdivision shall not apply to (1) moneys to
29 be distributed to the federal government, to a local government, or to
30 any holder of a bond or other debt instrument issued by the state, any
31 public authority, or any public benefit corporation; (2) moneys to be
32 distributed to a whistleblower pursuant to section three hundred fifty-
33 three-b of the general business law or section four hundred ten of the
34 financial services law, or to be distributed solely or exclusively as a
35 payment of damages or restitution to individuals or entities that were
36 specifically injured or harmed by the defendant's or settling party's
37 conduct and that are identified in, or can be identified by the terms
38 of, the relevant judgment, agreement to settle, assurance of discontin-
39 uance, or relevant instrument resolving the claim or cause of action;
40 (3) moneys recovered or obtained by a state agency or a state official
41 or employee acting in their official capacity where application of para-
42 graph (a) of this subdivision is prohibited by federal law, rule, or
43 regulation, or would result in the reduction or loss of federal funds or
44 eligibility for federal benefits pursuant to federal law, rule, or regu-
45 lation; (4) moneys recovered or obtained by or on behalf of a public
46 authority, a public benefit corporation, the department of taxation and
47 finance, the workers' compensation board, the New York state higher
48 education services corporation, the tobacco settlement financing corpo-
49 ration, a state or local retirement system, an employee health benefit
50 program administered by the New York state department of civil service,
51 the Title IV-D child support fund, the lottery prize fund, the abandoned
52 property fund, or an endowment of the state university of New York or
53 any unit thereof or any state agency, provided that all of the moneys
54 received or recovered are immediately transferred to the relevant public
55 authority, public benefit corporation, department, fund, program, or
56 endowment; (5) moneys to be refunded to an individual or entity as (i)

1 an overpayment of a tax, fine, penalty, fee, insurance premium, loan
2 payment, charge or surcharge; (ii) a return of seized assets, or (iii) a
3 payment made in error; (6) moneys to be used to prevent, abate, restore,
4 mitigate, or control any identifiable instance of prior or ongoing
5 water, land or air pollution; and (7) moneys deposited to the opioid
6 settlement fund established in section ninety-nine-nn of this chapter.

7 § 6. Paragraph (b) of subdivision 16 of section 63 of the executive
8 law, as amended by chapter 171 of the laws of 2022, is amended to read
9 as follows:

10 (b) Paragraph (a) of this subdivision shall not apply to any provision
11 in the resolution of a claim or cause of action providing (1) moneys to
12 be distributed to the federal government, to a local government, or to
13 any holder of a bond or other debt instrument issued by the state, any
14 public authority, or any public benefit corporation; (2) moneys to be
15 distributed to a whistleblower pursuant to section three hundred fifty-
16 three-b of the general business law, or to be distributed solely or
17 exclusively as a payment of damages or restitution to individuals or
18 entities that were specifically injured or harmed by the defendant's or
19 settling party's conduct and that are identified in, or can be identi-
20 fied by the terms of, the relevant judgment, stipulation, decree, agree-
21 ment to settle, assurance of discontinuance, or relevant instrument
22 resolving the claim or cause of action; (3) moneys recovered or obtained
23 by the attorney general where application of paragraph (a) of this
24 subdivision is prohibited by federal law, rule, or regulation, or would
25 result in the reduction or loss of federal funds or eligibility for
26 federal benefits pursuant to federal law, rule, or regulation; (4)
27 moneys recovered or obtained by or on behalf of a public authority, a
28 public benefit corporation, the department of taxation and finance, the
29 workers' compensation board, the New York state higher education
30 services corporation, the tobacco settlement financing corporation, a
31 state or local retirement system, an employee health benefit program
32 administered by the New York state department of civil service, the
33 Title IV-D child support fund, the lottery prize fund, the abandoned
34 property fund, or an endowment of the state university of New York or
35 any unit thereof or any state agency, provided that all of the moneys
36 received or recovered are immediately transferred to the relevant public
37 authority, public benefit corporation, department, fund, program, or
38 endowment; (5) moneys to be refunded to an individual or entity as (i)
39 an overpayment of a tax, fine, penalty, fee, insurance premium, loan
40 payment, charge or surcharge; (ii) a return of seized assets; or (iii) a
41 payment made in error; (6) moneys to be used to prevent, abate, restore,
42 mitigate or control any identifiable instance of prior or ongoing water,
43 land or air pollution; and/or (7) state moneys received as part of any
44 statewide opioid settlement agreements as defined in section 25.18 of
45 the mental hygiene law, to be spent on eligible expenditures as defined
46 in section 25.18 of the mental hygiene law.

47 § 7. This act shall take effect on the ninetieth day after it shall
48 have become a law.