

STATE OF NEW YORK

8255

2025-2026 Regular Sessions

IN SENATE

May 27, 2025

Introduced by Sen. SERRANO -- (at request of the NYS Council on The Arts) -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the state finance law, in relation to the New York state musical instrument revolving fund

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

1 Section 1. Section 97-v of the state finance law, as added by chapter
2 851 of the laws of 1983, subdivision 3 as amended by chapter 83 of the
3 laws of 1995, is amended to read as follows:

4 § 97-v. New York state [~~musical instrument revolving~~] music grant
5 fund. 1. There is hereby established in the custody of the state comp-
6 troller, a special fund to be known as the "New York state [~~musical~~
7 ~~instrument revolving~~] music grant fund".

8 2. The fund shall consist of all monies appropriated for its purpose,
9 all monies transferred to such fund pursuant to law and all monies
10 required by the provisions of this section or any other law to be paid
11 into or credited to this fund, including all monies received by the fund
12 or donated to it. The total of monies deposited as a result of appropri-
13 ations from state funds into this fund shall not exceed the sum of five
14 hundred thousand dollars. Monies in the fund shall be kept separate and
15 shall not be commingled with any other monies otherwise appropriated or
16 received except as hereby provided.

17 3. Monies of the fund, when allocated, shall be available to the New
18 York state council on the arts for the purpose of providing assistance,
19 excluding administrative costs, for [~~the loan, lease and purchase of~~
20 ~~musical instruments and other related property and equipment, as herein~~
21 ~~provided, by~~] grants to not-for-profit symphony orchestras and/or other
22 not-for-profit musical entities incorporated in the state and organized
23 for the purpose of the presentation of performing arts for the benefit
24 of the public and which have been approved pursuant to guidelines estab-

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

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1 lished by the council. Such monies shall also be available for adminis-
2 trative costs of the council pursuant to approval by the director of the
3 budget. ~~[Notwithstanding any other inconsistent provisions of this chap-~~
4 ~~ter, should the council determine that there is a compelling need for~~
5 ~~the loan, lease or purchase of property or equipment other than musical~~
6 ~~instruments by not for profit symphony orchestras and/or other not for~~
7 ~~profit musical entities incorporated in the state and organized for the~~
8 ~~purpose of the presentation of performing arts for the benefit of the~~
9 ~~public, and upon approval of the director of the budget, the council may~~
10 ~~assist such organization in acquiring such equipment in accordance with~~
11 ~~guidelines established by the council. The council shall contract with~~
12 ~~one or more not for profit entities which shall distribute such monies,~~
13 ~~however, in no case shall monies of the fund be distributed nor shall a~~
14 ~~contract to distribute such monies be approved unless the fund shall~~
15 ~~have sufficient monies to effectuate all such approved distributions and~~
16 ~~contracts.~~

17 ~~Purchases, leases and loans of musical instruments and other equipment~~
18 ~~shall not be approved or effected if such purchases, leases or loans are~~
19 ~~eligible for financing from any other state assistance program.]~~

20 4. ~~[The state council on the arts shall establish guidelines necessary~~
21 ~~to administer the fund. Guidelines shall include, but not be limited to:~~
22 ~~qualifications and conditions for assistance, which may require public~~
23 ~~service performances, terms of lease or installment sale payments and~~
24 ~~finance charges on installment sales at rates of interest which,~~
25 ~~notwithstanding any other provision of law, shall not be less than three~~
26 ~~per cent per annum nor more than ten per cent per annum, provisions for~~
27 ~~insurance of the instrument or other equipment, provisions for necessary~~
28 ~~security agreement arrangements, and any other terms and conditions the~~
29 ~~council may require as necessary to properly effectuate the provisions~~
30 ~~of this section.~~

31 5. ~~The not for profit entity of entities with whom the state council~~
32 ~~on the arts has contracted pursuant to subdivision three of this section~~
33 ~~shall enter into contractual arrangements with applicants approved by~~
34 ~~the council. All contracts must be approved by the state council on the~~
35 ~~arts and the comptroller prior to the distribution of any monies there-~~
36 ~~under. Such contracts shall assure that the not for profit entity or~~
37 ~~entities retain title to the instrument or equipment until the~~
38 ~~provisions and intent of this section are satisfied.~~

39 6. ~~Notwithstanding any other provisions of law, should a default in~~
40 ~~payment of monies for the purchase or lease of an instrument or other~~
41 ~~equipment occur, the council shall so notify the comptroller and the~~
42 ~~attorney general who shall take such steps as may be necessary. The~~
43 ~~not for profit entity or entities, after such notification is made,~~
44 ~~shall take steps to effect repossession regardless of whether any note,~~
45 ~~memorandum, instrument or other writing has been recorded or regardless~~
46 ~~of whether any other person has notice of such possessory rights to the~~
47 ~~instrument or equipment. Any contract between the not for profit agency~~
48 ~~or agencies and a not for profit symphony orchestra or other musical~~
49 ~~entity authorized by this article, shall assure the right and provide~~
50 ~~guarantees for such repossession. Subsequent to the taking of possession~~
51 ~~of the instrument or equipment, the comptroller or not for profit agency~~
52 ~~or agencies may offer the same for sale at public auction to the highest~~
53 ~~bidder pursuant to guidelines established by the comptroller.~~

54 7. ~~The comptroller is authorized to deduct the difference between the~~
55 ~~purchaser's or lessee's outstanding obligation at the time of the~~
56 ~~auction provided for in subdivision five of this section, and the amount~~

1 ~~realized from that auction, after deductions for all necessary and prop-~~
2 ~~er costs of the auction are made, from any other grant or other assist-~~
3 ~~ance approved by the council on the arts for that purchaser. The differ-~~
4 ~~ence deducted by the comptroller and the net amount realized from the~~
5 ~~auction shall be deposited in the New York state musical instrument~~
6 ~~revolving fund.~~

7 ~~8.]~~ Nothing contained herein shall prevent the council from receiving
8 grants, gifts or bequests for the purposes of the fund as defined in
9 this section and depositing them into the fund according to law.

10 ~~[9. The state council on the arts shall provide by September first of~~
11 ~~each year, to the governor, the temporary president of the senate, the~~
12 ~~speaker of the assembly, the chairman of the senate finance committee~~
13 ~~and the chairman of the assembly ways and means committee, a report~~
14 ~~containing guidelines and amendments established by the state council on~~
15 ~~the arts and a complete financial statement including, but not limited~~
16 ~~to, monies allocated, collected, transferred or otherwise paid or cred-~~
17 ~~ited to the fund. A projected schedule of disbursements, receipts and~~
18 ~~needs of the fund for the next fiscal year shall be included in each~~
19 ~~report. In addition, any amendments to the guidelines shall be provided~~
20 ~~to the above listed individuals within thirty days of their establish-~~
21 ~~ment by the state council on the arts.~~

22 ~~10.]~~ 5. No monies shall be payable from this fund, except on the audit
23 and warrant of the comptroller on vouchers certified and submitted by
24 the ~~[chairman of the]~~ state council on the arts.

25 § 2. This act shall take effect immediately.