STATE OF NEW YORK

9052

IN SENATE

January 27, 2026

Introduced by Sen. SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the general municipal law and the executive law, in relation to extending the term and authority of the independent monitor for the Orange county industrial development agency, and modifying the applicability of certain tax exemptions based on population; to amend part III of chapter 58 of the laws of 2023, amending the general municipal law and the executive law relating to directing the state inspector general to appoint an independent monitor for the Orange county industrial development agency, in relation to the effectiveness thereof; and providing for the repeal of certain provisions upon the expiration thereof

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

Section 1. Subdivision 5 of section 912 of the general municipal law, as added by section 1 of part III of chapter 58 of the laws of 2023, is renumbered subdivision 8.

§ 2. Section 912 of the general municipal law, as amended by section 1 of part III of chapter 58 of the laws of 2023 and subdivision 8 as renumbered by section one of this act, is renumbered section 912-b and amended to read as follows:

§ 912-b. Orange county industrial development agency. 1. For the benefit of the county of Orange and the inhabitants thereof, an industrial development agency, to be known as the ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, is hereby established for the accomplishment of any or all of the purposes specified in title one of this article. It shall constitute a body corporate and politic, and be perpetual in duration. It shall have the powers and duties now or hereafter conferred by title one of this article upon industrial development agencies. It shall be organized in a manner prescribed by and be subject to the provisions of title one of this article. Its members shall be appointed by the governing body of the county of Orange. The agency, its members, officers and employees and its operations and activities shall in all respects be governed by the provisions of title one of this article.

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

LBD14538-03-6

2. For purposes of this section[~~,~~]**:**

(a) "financial assistance" shall mean any financial assistance offered by the Orange county industrial development agency for any project, including but not limited to, a payment in lieu of taxes agreement, an agreement to waive sales tax, or an agreement to waive mortgage recording taxes.

(b) "monitor" shall mean the independent monitor appointed by the state inspector general under paragraph (a) of subdivision three of this section.

3. (a) In accordance with the powers of the office of the state inspector general established by subdivision eight of section fifty-four of the executive law, the state inspector general shall appoint an independent monitor to carry out the provisions of this section including but not limited to providing guidance and technical assistance related to the policies, practices, programs and decisions of the Orange county industrial development agency, including but not limited to decisions, actions and policies related to contracts and financial assistance agreements. The state inspector general shall appoint such monitor within ninety days of the effective date of this subdivision or as soon thereafter as is practicable. After such appointment, the inspector general may only remove the monitor for violations of law. **The inspector general may extend the appointment of the monitor upon the expiration of such monitor's term and such extension shall not be subject to article eleven of the state finance law.**

(b) The reasonable and necessary expenses incurred by the monitor while performing [~~his or her~~] **their** official duties shall be paid by the industrial development agency. Notwithstanding any other provision of law, while acting within the scope of [~~his or her~~] **their** authority, the monitor shall not be subject to any liability resulting from carrying out any of the powers expressly given in this section, and the monitor shall be entitled to defense and indemnification by the industrial development agency.

(c) The monitor shall be entitled to attend all meetings of the industrial development agency, including executive sessions; provided however, such monitor shall not be considered for purposes of establishing a quorum of the board, provided further that the monitor may be excused from executive sessions when proposed, pending or current litigation involving the monitor or the office of the state inspector general are being discussed. The industrial development agency shall cooperate with any monitor with access, within forty-eight hours of such request from the monitor, to any necessary documents and records of the industrial development agency including but not limited to databases and planning documents, financial assistance agreements, and contracts consistent with all applicable state and federal statutes. The monitor shall provide a copy of such request for any document or record to the industrial development agency board.

(d) The board shall provide the monitor with copies of any meeting agendas and all resolutions and motions on such agenda for each board meeting no later than seventy-two hours prior to such board meeting. If a proposed resolution or motion is for the purpose of approving a contract or any financial assistance for a project, the board clerk shall provide the monitor with copies of the proposed contract or financial assistance language at least seven days prior to such meeting.

(e) In the event the monitor is not provided with copies of proposed resolutions or motions seventy-two hours prior to a board meeting or in the case of a proposed motion or resolution for the purpose of approving

a contract or financial assistance, seven days prior to the next board meeting, the monitor may, at their discretion, remove an item including board resolutions or motions, from consideration by the board at such meeting. Upon failure of the board to provide proposed resolutions or motions as required by this section, the monitor shall provide notice of failure to the board. An item removed from consideration by the monitor may not be reconsidered by the board until the next board meeting.

(f) The monitor shall have the power to review any modification to the industrial development agency's uniform tax exemption policy required by section eight hundred seventy-four of this article, contract or financial assistance proposed for consideration by the industrial development agency proposed by the board on or after the effective date of this subdivision; provided however, that all such proposed modifications to the industrial development agency's uniform tax exemption policy required by section eight hundred seventy-four of this article, contracts or agreements shall be provided by the industrial development agency board to the monitor at least seven days prior to adoption.

(i) At least seventy-two hours prior to adoption by the board, the monitor shall advise the board or employees of the industrial development agency, in writing, of the existence of violations of the industrial development agency's uniform tax exemption policy required by section eight hundred seventy-four of this article, actual or potential conflicts of interest, or violations of law arising from a proposed contract or financial assistance agreement that the industrial development agency shall consider before entering into any such contract or agreement.

(ii) The board shall document for its own records the existence and resolution of any actual or potential conflict of interest or other violation identified by the monitor.

(iii) No such contract or agreement may be approved or entered into by the industrial development agency unless such actual or potential conflict of interest or violation has been resolved to the satisfaction of the monitor.

(iv) **At least seventy-two hours prior to adoption by the board, the monitor shall advise the board or employees, in writing, of their approval or disapproval of any proposed contract or agreement for financial assistance. No such contract or agreement may be voted on by the board unless the monitor has advised the board or employees, in writing, of their approval.**

(v) At least seventy-two hours prior to adoption by the board, the monitor shall advise the board or employees, in writing, of [~~its~~] **their** disapproval of any changes to the industrial development agency's uniform tax exemption policy; provided additionally, that within thirty days after their appointment, the monitor shall advise such board or employees, in writing, of [~~its~~] **their** disapproval of any changes to the industrial development agency's uniform tax exemption policy made by the board that were made on or after the effective date of this subdivision until such monitor's appointment. Any such change to the uniform tax exemption policy disapproved by the monitor shall not be effective, and [~~may~~] **shall** not be reconsidered by the board for at least ten days or until the next board meeting; provided, however, that any change to the uniform tax exemption policy that was made by the board on or after the effective date of this subdivision until such monitor's appointment that is disapproved by the monitor shall not affect the validity of any prior agreement entered into prior to the monitor's appointment.

[~~(v)~~] (vi) At least seventy-two hours prior to adoption by the board, the monitor shall advise the board or employees, in writing, of [~~its~~] their disapproval of any proposed contract or agreement with a project applying for financial assistance that would permit a deviation from the industrial development agency's uniform tax exemption policy required by section eight hundred seventy-four of this article. Any such proposed contract or financial assistance agreement that would permit a deviation from such policy shall not be effective, and may not be reconsidered by the board for at least ten days or until the next board meeting.

[~~(vi)~~] (vii) The monitor shall have seventy-two hours after any contract or financial assistance is approved to review such financial assistance or contract, and if a violation of policy related to the industrial development agency's uniform tax exemption policy required by section eight hundred seventy-four of this article, a conflict of interest, or a violation of law is identified during such time period, the monitor shall notify the industrial development agency in writing. Any such contract or financial assistance so identified by the monitor shall not be legally binding or effective, and may not be reconsidered by the board for at least ten days or until the next board meeting.

(g) The board, in consultation with the monitor, shall adopt a conflict of interest policy, or revise an existing conflict of interest policy, that complies with all existing applicable laws, rules and regulations, including article eighteen of this chapter. The conflict of interest policy shall include, but not be limited to:

(i) a definition of the circumstances that constitute a conflict of interest;

(ii) procedures for identifying, disclosing and resolving a conflict of interest to the board;

(iii) a requirement that the person with the conflict of interest not be present at or participate in board deliberations or votes on the matter giving rise to such conflict, provided that nothing in this paragraph shall prohibit the board from requesting that the person with the conflict of interest present information as background or answer questions at a board meeting prior to the commencement of deliberations or voting thereto;

(iv) a prohibition against any attempt by the person with the conflict to influence improperly the deliberation or voting on the matter giving rise to such conflict;

(v) compliance with all applicable state laws and regulations; and

(vi) a requirement that the existence and resolution of the conflict be documented in the board's records, including in the minutes of any meeting at which the conflict was discussed or voted upon.

(h) The monitor may advise the board and any industrial development agency officers, employees or agents to undergo any training as deemed necessary.

4. The monitor shall undertake an enhanced review of the budget decisions and financial assistance agreements of the industrial development agency.

(a) The board shall annually submit the industrial development agency's proposed budget for the next succeeding fiscal year to the monitor no later than forty-five days prior to its adoption. The monitor shall review the budget to ensure that it, to the greatest extent possible, is consistent with purposes and necessary activities of the Orange county industrial development agency, and that it does not substantially conflict with the long term economic interests of Orange county and its constituents.

(b) The board shall provide quarterly reports to the monitor and annual reports to the state inspector general on the operational status of the industrial development agency. In addition, the monitor shall provide semi-annual reports to the state inspector general, the governor, the temporary president of the senate, and the speaker of the assembly on the fiscal and operational status of the industrial development agency. Such semi-annual report shall include a summary of all the contracts that the board entered into throughout the year. All reports shall be subject to review by the comptroller.

(c) The monitor shall advise the board in the development and revision of the industrial development agency's goals, implementation of its priorities and budgetary recommendations.

(d) The monitor may recommend, and the board may consider by vote of a resolution at the next scheduled meeting of the board, cost saving measures including, but not limited to, shared service agreements.

(e) Upon receiving a recommendation, in writing, from the monitor, the board shall consider such recommendation and, within forty-five days of receiving such recommendation, hold a vote on accepting such recommendation. Such recommendation shall only be rejected upon at least five members of the board voting to reject such recommendation. Such recommendations requiring such a vote shall include, but not be limited to, recommendations relating to contracts, budget decisions, and financial assistance agreements.

5. The monitor shall, at their discretion, direct the board to recoup financial assistance, in full or in part, where the recipient of financial assistance failed to execute and complete the terms of a contract, agreement or understanding including, but not limited to, job creation goals and the development of promised facilities or operations.

6. The Orange county funding corporation, established by Orange county resolution number one hundred twenty-five of the year two thousand ten, shall also comply with the provisions of this section in the same manner as the Orange county industrial development agency. The monitor shall also have all the same powers and authority, as enumerated in this section in relation to the Orange county industrial development agency, in relation to such Orange county funding corporation.

7. Notwithstanding any other provision of law to the contrary, the monitor may commence an action in any court of competent jurisdiction against the agency where money is owed by the agency including, but not limited to, any payments required for the monitor's legal counsel.

8. Nothing in this section shall be construed to abrogate the duties and responsibilities of the board consistent with applicable state law and regulations.

§ 3. Subdivision 8 of section 54 of the executive law, as added by section 2 of part III of chapter 58 of the laws of 2023, is amended to read as follows:

8. Appoint an independent monitor to provide guidance and technical assistance related to the policies, practices, programs and decisions of the Orange county industrial development agency, as authorized in subdivisions two, three, four [~~and~~], five**, six, seven and eight** of section nine hundred [~~twelve~~] **twelve-b** of the general municipal law.

§ 4. Notwithstanding any other provision of law to the contrary, in a county with a population of at least 390,000 and no greater than 415,000 according to the latest federal decennial census, any privately-owned project receiving benefits under section 485-b of the real property tax law or a payment in lieu of taxes agreement from an industrial development agency shall be subject to the payment of no less than prevailing

wages for all employees of any contractors and subcontractors utilized for such project, consistent with article 8 of the labor law; provided however, that any such privately-owned project which utilizes a project labor agreement and receives either an exemption pursuant to section 485-b of the real property tax law or a payment in lieu of taxes agreement from an industrial development agency shall not be subject to article 8 of the labor law.

§ 5. Section 3 of part III of chapter 58 of the laws of 2023, amending the general municipal law and the executive law relating to directing the state inspector general to appoint an independent monitor for the Orange county industrial development agency, is amended to read as follows:

§ 3. This act shall take effect immediately; provided however, that subdivisions two, three, four and five of section 912 of the general municipal law, as added by section one of this act, and subdivision 8 of section 54 of the executive law, as added by section two of this act, shall expire and be deemed repealed [~~three~~] six years after such effective date.

§ 6. This act shall take effect immediately; provided, however, that the amendments to subdivisions 2, 3, 4 and 8 of section 912-b of the general municipal law made by section two of this act and the amendments to subdivision 8 of section 54 of the executive law made by section three of this act shall not affect the repeal of such subdivisions and shall be deemed to expire therewith; and provided further, however, that subdivisions 5, 6, and 7 of section 912-b of the general municipal law as added by section two of this act and section four of this act shall expire and be deemed repealed on the same date as subdivisions 2, 3, 4 and 8 of section 912-b of the general municipal law and subdivision 8 of section 54 of the executive law.