

STATE OF NEW YORK

7039--A

2025-2026 Regular Sessions

IN ASSEMBLY

March 19, 2025

Introduced by M. of A. BRAUNSTEIN, OTIS -- read once and referred to the Committee on Corporations, Authorities and Commissions -- reported and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public authorities law, in relation to project applications and advisory opinions of the public authorities control board

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

1 Section 1. Subdivisions 2, 3, 3-a, 4, 5 and 6 of section 51 of the
2 public authorities law are renumbered subdivisions 7, 8, 9, 10, 11 and
3 12 and five new subdivisions 2, 3, 4, 5 and 6 are added to read as
4 follows:

5 2. Any application made concerning a proposed project involving a loan
6 shall include, to the extent practicable, expressly and in writing, the
7 terms, conditions and dates of the repayment of state appropriations
8 authorized by law pursuant to a repayment agreement and shall include a
9 copy of the proposed repayment agreement. In any such application the
10 terms and conditions, provided expressly and in writing, shall include,
11 to the extent practicable, but not be limited to:

12 a. Any job retention or job creation requirements and the terms of any
13 such requirements, where such loan would be conditional on any job
14 retention or job creation requirements, a description of any contractual
15 clawback provisions or other remedies in the event such requirements are
16 not met;

17 b. Rate of interest, for fixed rate agreements;

18 c. All terms necessary to determine and calculate interest for non-
19 fixed rate loan agreements;

20 d. Repayment date, or dates, and associated amounts, for the return of
21 loan principal;

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

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1 e. Any conditions or restrictions associated with the loan, the terms
2 of such conditions or restrictions, and any contractual remedy if such
3 conditions or restrictions in the event of a breach of such terms;

4 f. Any security provision and a description of such provisions; and

5 g. Any guarantee associated with such loan.

6 3. Any application made concerning a proposed project involving a
7 grant shall include to the extent practicable, expressly and in writing,
8 the terms and conditions of state appropriations authorized by law
9 pursuant to a grant disbursement agreement and pursuant to any other
10 agreements which would relate to such grant. In any such application the
11 terms and conditions, provided expressly and in writing, shall include
12 to the extent practicable, but not be limited to:

13 a. Any job retention or job creation requirements and the terms of any
14 such requirements, where such grant would be conditional on any job
15 retention or job creation requirements, a description of any contractual
16 clawback provisions or other remedies in the event such requirements are
17 not met;

18 b. A full description of the project and how the grant funds would be
19 used by the grantee;

20 c. Where such project would involve the purchase of real property, a
21 description of who would own the property;

22 d. Total cost of the project;

23 e. A list of all sources of funds for such project and a description
24 of each source of funds;

25 f. A list of all uses of funds for such project and a description of
26 each use of funds;

27 g. Any conditions or restrictions on the grantee, the terms of such
28 conditions or restrictions, and any contractual remedies in the event of
29 a breach of such terms;

30 h. A description of the ownership;

31 i. A description of any lease agreements;

32 j. Any security provisions; and

33 k. Any guarantees associated with such grant.

34 4. Notwithstanding any law to the contrary, any project submitted to
35 the public authorities control board involving a loan or grant where
36 such loan or grant would be conditional on job retention or job creation
37 requirements shall include clawback provisions if such job requirements
38 are not met. The board may approve such projects only upon its determi-
39 nation that:

40 a. Such submitted project includes, expressly and in writing, clawback
41 provisions, in the event job retention or job creation requirements are
42 not met; and

43 b. Prior to disbursement, such applicant will submit to the public
44 authorities control board a binding letter of agreement between the
45 applicant and the grantee or loan recipient, or any beneficiaries of
46 such loan or grant who would be expected to retain or create jobs,
47 expressly and in writing attesting that they agreed to the job creation
48 or job retention clawback requirements as a precondition to receiving
49 the grant or loan.

50 5. If any of the information required by subdivisions two, three, and
51 four of this section is not included in such application because obtain-
52 ing such information is not practicable or will significantly delay the
53 application's submission, the applicant shall include within such appli-
54 cation a statement, expressly and in writing, detailing the reasons such
55 information could not be provided, the delay that including such infor-
56 mation would cause, and any relevant details the board deems necessary.

1 6. A public benefit corporation subject to the provisions of this
2 section may submit to the public authorities control board a potential
3 project for comment from the public authorities control board. Such
4 preliminary project shall be submitted to all public authorities control
5 board members and all members as well as the state comptroller, and each
6 shall have thirty days to comment on the preliminary project, if they so
7 choose. Any such comments shall be filed by the public authorities
8 control board and transmitted to the relevant public benefit corpo-
9 ration. Any such comment shall be purely advisory, shall have no binding
10 effect on any future decision of the public authorities control board,
11 and shall not provide approval for any project.

12 § 2. Subdivisions 10 and 11 of section 51 of the public authorities
13 law, as added by chapter 838 of the laws of 1983 and as renumbered by
14 section one of this act, are amended to read as follows:

15 10. Notwithstanding any other provisions of this section, the require-
16 ments of subdivisions one, [~~two~~ seven] and [~~three~~ eight] of this section
17 shall not apply with regard to any project of the New York state envi-
18 ronmental facilities corporation, the New York state housing finance
19 agency, the New York state medical care facilities finance agency or the
20 dormitory authority in progress on the first day of April, nineteen
21 hundred seventy-six, with regard to any project of the New York state
22 project finance agency or the New York state urban development corpo-
23 ration in progress on the first day of April, nineteen hundred seventy-
24 eight, with regard to any project of the job development authority or
25 the battery park city authority in progress on the first day of July,
26 nineteen hundred eighty, and with regard to a project of any other
27 public benefit corporation subject to the provisions of this section in
28 progress on the first day of July, nineteen hundred eighty-three, as
29 determined by the New York state public authorities control board whose
30 affirmative determination shall be conclusive as to all matters of law
31 and fact for the purpose of the limitations of this section.

32 11. Nothing contained in subdivisions one, [~~two~~ seven] and [~~three~~ eight]
33 eight of this section shall limit the right or obligation of any public
34 benefit corporation subject to the provisions of this section to comply
35 with the provisions of any existing contract, including any existing
36 contract with or for the benefit of the holders of any obligations of
37 any public benefit corporation.

38 § 3. This act shall take effect immediately.