

STATE OF NEW YORK

8016--A

2025-2026 Regular Sessions

IN ASSEMBLY

April 22, 2025

Introduced by M. of A. LASHER, R. CARROLL, SCHIAVONI, TAPIA, WRIGHT, HOOKS, JACKSON, BURDICK, TORRES, WEPRIN, DE LOS SANTOS, FALL, SAYEGH, SEPTIMO, LEVENBERG, CUNNINGHAM, LEE, TAYLOR, BURKE, RAGA, STERN, ROSENTHAL -- read once and referred to the Committee on Banks -- reported and referred to the Committee on Rules -- Rules Committee discharged, bill amended, ordered reprinted as amended and recommitted to the Committee on Rules

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;

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

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1 and (ii) any monies deposited into a disgorgement fund or public benefit
2 fund as a result of a covered enforcement action or related action.

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

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

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

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

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

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

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

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

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

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

49 (ii) the degree of assistance provided by the whistleblower and any
50 legal representative of the whistleblower in the covered enforcement
51 action or related action;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (ii) Notwithstanding the preceding subparagraph, without the loss of
2 its status as confidential in the hands of the attorney general, all
3 information referred to in this subdivision may, when determined by the
4 attorney general to be necessary to accomplish the purposes of this
5 article, be made available to the appropriate regulatory and law
6 enforcement authorities of this state, another state, the federal
7 government, foreign governments, or self-regulatory organizations. Each
8 regulatory or law enforcement authority to which the attorney general
9 makes available the information referred to in the preceding subpara-
10 graph shall agree to maintain such information in accordance with such
11 assurances of confidentiality as the attorney general deems appropriate.

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

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

34 (A) an injunction to restrain continued discrimination;

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

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

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

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

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

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

1 this subdivision, but not in any circumstances more than ten years after
2 the date on which such violation occurs.

3 4. No waiver or preemption. (a) This section shall not: (i) preempt,
4 limit or restrict the authority or discretion of the attorney general to
5 investigate or enforce violations of this article; (ii) limit any powers
6 granted elsewhere in this chapter and other laws to the attorney gener-
7 al, state agencies or local governments to investigate or enforce possi-
8 ble violations of this article; (iii) authorize a private right of
9 action involving fraudulent practices in connection with the securities;
10 (iv) prevent or prohibit a person from voluntarily disclosing any infor-
11 mation concerning a violation of this article to any law enforcement
12 agency or self-regulatory organization; or (v) preempt, limit, restrict
13 or otherwise affect the rights and rewards provided to qui tam plain-
14 tiffs under article thirteen of the state finance law.

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

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

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

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

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

43 (7) "Monetary sanctions" shall mean:

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

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

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

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

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

55 (C) is not exclusively derived from an allegation made in a judicial
56 or administrative hearing, in a governmental report, hearing, audit or

1 investigation or from the news media, unless the whistleblower is a
2 source of the information. For purposes of this subparagraph: (i) an
3 allegation is not made in a governmental report or investigation because
4 it was disclosed or provided pursuant to article six of the public offi-
5 cers law, or under any other federal, state or local law, rule or
6 program enabling the public to request, receive or view documents or
7 information in the possession of public officials or public agencies;
8 and (ii) an allegation is not made in the news media merely because
9 information of allegations or transactions have been posted on the
10 internet or on a computer network.

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

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

19 § 4. The financial services law is amended by adding two new sections
20 410 and 411 to read as follows:

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

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

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

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

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

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

50 (B) the degree of assistance provided by the whistleblower and any
51 legal representative of the whistleblower in a covered judicial or
52 administrative action;

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

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

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

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

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

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

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

24 (5)(A) knowingly and willfully makes false, fictitious or fraudulent
25 statements or representations to the department when submitting informa-
26 tion under this section, or (B) uses any false writing or document know-
27 ing the writing or document contained false, fictitious or fraudulent
28 statements or entries when submitting information under this section.

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

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

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

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

49 § 411. Retaliation protections. (a) No current or prospective employ-
50 er, contractor or agent may discharge, demote, suspend, threaten or
51 harass, directly or indirectly, or in any other manner discriminate
52 against any person in hiring or in the terms and conditions of employ-
53 ment because of any lawful act done by such person:

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

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

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

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

19 (A) an injunction to restrain continued discrimination;

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

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

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

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

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

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

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

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

49 (2) Notwithstanding the preceding paragraph, without the loss of its
50 status as confidential in the hands of the superintendent, all informa-
51 tion referred to in paragraph one of this subsection may, in the
52 discretion of the superintendent, when determined by the superintendent
53 to be necessary to accomplish the purposes of this article, be made
54 available to the appropriate regulatory and law enforcement authorities
55 of this state, another state, the federal government, foreign govern-
56 ments, or self-regulatory organizations. Each regulatory or law enforce-

1 ment authority to which the superintendent makes available the informa-
2 tion referred to in the preceding paragraph shall agree to maintain such
3 information in accordance with such assurances of confidentiality as the
4 superintendent may determine to be appropriate.

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

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

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

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

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

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

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

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

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

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