

STATE OF NEW YORK

5543

2025-2026 Regular Sessions

IN SENATE

February 24, 2025

Introduced by Sen. MAYER -- 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, in relation to industrial development agencies

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

1 Section 1. Section 859-a of the general municipal law, as added by
2 chapter 356 of the laws of 1993, subdivision 1-a as amended and subdivi-
3 sion 7 as added by chapter 32 of the laws of 2023, subdivisions 4, 5 and
4 6 as added by chapter 563 of the laws of 2015 and paragraph (b) of
5 subdivision 5 as amended by section 7 of part X of chapter 59 of the
6 laws of 2021, is amended to read as follows:

7 § 859-a. Additional prerequisites to the provisions of financial
8 assistance or payments in lieu of taxes. Prior to providing any finan-
9 cial assistance or payments in lieu of taxes of more than one hundred
10 thousand dollars to any project, the agency must comply with the follow-
11 ing prerequisites:

12 1. The agency must adopt a resolution describing the project and the
13 financial assistance or payments in lieu of taxes that the agency is
14 contemplating with respect to such project. Such assistance or payments
15 in lieu of taxes shall be consistent with the uniform tax exemption
16 policy adopted by the agency pursuant to subdivision four of section
17 eight hundred seventy-four of this [~~chapter~~] title, unless the agency
18 has followed the procedures for deviation from such policy specified in
19 paragraph (b) of such subdivision.

20 1-a. The agency shall deliver a copy of the resolution adopted pursu-
21 ant to subdivision one of this section by certified mail, return receipt
22 requested or an electronic correspondence with a read-receipt, to the
23 chief executive officer of each affected local taxing jurisdiction. When
24 the affected local taxing jurisdiction is a school district, the agency
25 shall deliver a copy of such resolution by certified mail, return

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

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1 receipt requested or an electronic correspondence with a read-receipt,
2 to the district clerk and district superintendent of each affected
3 school district.

4 2. The agency must hold a public hearing with respect to the project
5 and the proposed financial assistance or payments in lieu of taxes being
6 contemplated by the agency. Said public hearing shall be held in a city,
7 town or village where the project proposes to locate. At said public
8 hearing, interested parties shall be provided reasonable opportunity,
9 both orally and in writing, to present their views with respect to the
10 project.

11 3. The agency must give at least ten days published notice of said
12 public hearing and shall, at the same time, provide notice of such hear-
13 ing to the chief executive officer of each affected tax jurisdiction
14 within which the project is located, each school board president and
15 superintendent of each school district within which the project is
16 located, and to all state senators and members of the state assembly who
17 represent any portion of any affected tax jurisdiction that is subject
18 to the proposed financial assistance or payments in lieu of taxes. The
19 notice of hearing must state the time and place of the hearing, contain
20 a general, functional description of the project, describe the prospec-
21 tive location of the project, identify the initial owner, operator or
22 manager of the project and generally describe the financial assistance
23 or payments in lieu of taxes contemplated by the agency with respect to
24 the project.

25 4. Each agency shall develop a standard application form, which shall
26 be used by the agency to accept requests for financial assistance or
27 payments in lieu of taxes from all individuals, firms, companies, devel-
28 opers or other entities or organizations. The standard application form
29 shall be submitted by or on behalf of the applicant, and subscribed and
30 affirmed under the penalties of perjury by the applicant, or on behalf
31 of the applicant by the chief executive officer or such other individual
32 that is duly authorized to bind the applicant, as true, accurate and
33 complete to the best of [~~his or her~~] their knowledge. The standard
34 application form shall include the following, and may include such other
35 supplemental information as determined to be necessary and appropriate
36 by the agency, including supporting documents and information provided
37 by or on behalf of the applicant:

38 (a) the name and address of the project applicant;

39 (b) a description of the proposed project for which financial assist-
40 ance or payments in lieu of taxes is requested, including the type of
41 project, proposed location and purpose of the project;

42 (c) the amount and type of financial assistance or payments in lieu of
43 taxes being requested, including the estimated value of each type of tax
44 exemption sought to be claimed by reason of agency involvement in the
45 project;

46 (d) a statement that there is a likelihood that the project would not
47 be undertaken but for the financial assistance or payments in lieu of
48 taxes provided by the agency or, if the project could be undertaken
49 without financial assistance or payments in lieu of taxes provided by
50 the agency, a statement indicating why the project should be undertaken
51 by the agency;

52 (e) an estimate of capital costs of the project, including all costs
53 of real property and equipment acquisition and building construction or
54 reconstruction, financed from private sector sources, an estimate of the
55 percentage of project costs financed from public sector sources, and an

1 estimate of both the amount to be invested by the applicant and the
2 amount to be borrowed to finance the project[-];

3 (f) the projected number of full time equivalent jobs that would be
4 retained and that would be created if the request for financial assist-
5 ance or payments in lieu of taxes is granted, the projected timeframe
6 for the creation of new jobs, the estimated salary and fringe benefit
7 averages or ranges for categories of the jobs that would be retained or
8 created if the request for financial assistance or payments in lieu of
9 taxes is granted, and an estimate of the number of residents of the
10 economic development region as established pursuant to section two
11 hundred thirty of the economic development law or the labor market area
12 as defined by the agency, in which the project is located that would
13 fill such jobs. The labor market area defined by the agency for this
14 purpose may include no more than six contiguous counties in the state,
15 including the county in which the project is to be located;

16 (g) a statement to the effect that the provisions of subdivision one
17 of section eight hundred sixty-two of this [chapter] title will not be
18 violated if financial assistance or payments in lieu of taxes is
19 provided for the proposed project;

20 (h) a statement that the owner, occupant or operator receiving finan-
21 cial assistance or payments in lieu of taxes is in substantial compli-
22 ance with applicable local, state and federal tax, worker protection and
23 environmental laws, rules and regulations; and

24 (i) a statement acknowledging that the submission of any knowingly
25 false or knowingly misleading information may lead to the immediate
26 termination of any financial assistance or payments in lieu of taxes and
27 the reimbursement of an amount equal to all or part of any tax
28 exemptions claimed by reason of agency involvement in the project.

29 5. Each agency shall develop, and adopt by resolution, uniform crite-
30 ria for the evaluation and selection for each category of projects for
31 which financial assistance or payments in lieu of taxes will be
32 provided. At a minimum, the criteria shall require that, for each
33 project, the following must occur prior to the approval of the provision
34 of financial assistance or payments in lieu of taxes:

35 (a) an assessment by the agency of all material information included
36 in connection with the application for financial assistance or payments
37 in lieu of taxes, as necessary to afford a reasonable basis for the
38 decision by the agency to provide financial assistance or payments in
39 lieu of taxes for the project;

40 (b) a written cost-benefit analysis by the agency that identifies the
41 extent to which a project will create or retain permanent, private
42 sector jobs; the estimated value of any tax exemptions to be provided;
43 the amount of private sector investment generated or likely to be gener-
44 ated by the proposed project; the contribution of the project to the
45 state's renewable energy goals and emission reduction targets as set
46 forth in the state energy plan adopted pursuant to section 6-104 of the
47 energy law; the likelihood of accomplishing the proposed project in a
48 timely fashion; and the extent to which the proposed project will
49 provide additional sources of revenue for municipalities and school
50 districts; and any other public benefits that might occur as a result of
51 the project;

52 (c) a statement by the applicant that the project, as of the date of
53 the application, is in substantial compliance with all provisions of
54 this article including, but not limited to, the provisions of this
55 section and subdivision one of section eight hundred sixty-two of this
56 [chapter] title; and

(d) if the project involves the removal or abandonment of a facility or plant within the state, notification by the agency to the chief executive officer or officers of the municipality or municipalities in which the facility or plant was located.

6. Each agency shall develop a uniform agency project agreement that sets forth terms and conditions under which financial assistance or payments in lieu of taxes shall be provided. The uniform agency project agreement shall be used by the agency and no financial assistance or payments in lieu of taxes shall be provided in the absence of the execution of such an agreement. The uniform agency project agreement shall, at a minimum:

(a) describe the project and the financial assistance or payments in lieu of taxes, including the amount and type, to be provided, and the agency purpose to be achieved;

(b) require each project owner, occupant or operator receiving financial benefits or payments in lieu of taxes to provide annually a certified statement and documentation: (i) enumerating the full time equivalent jobs retained and the full time equivalent jobs created as a result of the financial assistance or payments in lieu of taxes, by category, including full time equivalent independent contractors or employees of independent contractors that work at the project location, and (ii) indicating that the salary and fringe benefit averages or ranges for categories of jobs retained and jobs created that was provided in the application is still accurate and if it is not still accurate, providing a revised list of salary and fringe benefit averages or ranges for categories of jobs retained and jobs created[+];

(c) indicate the dates when [~~PILOT~~] payments in lieu of taxes are to be made and provide an estimate of the amounts for each affected tax jurisdiction of any payments in lieu of taxes that are included as part of the transaction, or formula or formulas by which those amounts may be calculated. In lieu of providing such information, a copy of an executed payment in lieu of tax agreement that contains the same information may be attached to the uniform agency project agreement;

[~~(e)~~] (d) provide for the suspension or discontinuance of financial assistance or payments in lieu of taxes, or for the modification of any payment in lieu of tax agreement to require increased payments, in accordance with policies developed by the agency pursuant to section eight hundred seventy-four of this title;

[~~(f)~~] (e) provide for the return of all or a part of the financial assistance or payments in lieu of taxes provided for the project, including all or part of the amount of any tax exemptions, which shall be redistributed to the appropriate affected tax jurisdiction, as provided for in policies developed by the agency pursuant to section eight hundred seventy-four of this title, unless agreed to otherwise by any local taxing jurisdiction or jurisdictions; and

[~~(g)~~] (f) provide that the owner, occupant or operator receiving financial assistance or payments in lieu of taxes shall certify, under penalty of perjury, that it is in substantial compliance with all local, state and federal tax, worker protection and environmental laws, rules and regulations.

7. Each agency shall establish a procedure for compliance with the notification requirements, including identification of the notification method, under subdivision one-a of this section and paragraph (b) of subdivision four of section eight hundred seventy-four of this title.

§ 2. The general municipal law is amended by adding a new section 859-c to read as follows:

1 § 859-c. Notice of agenda. Each agency shall make a printed calendar
2 of items to be heard, which may be subject to later amendment, available
3 to the public and forwarded to the members and chair of the agency at
4 least three days in advance of the meeting. Where an agency maintains a
5 website, the notice of agenda shall also be posted on such agency's
6 website.

7 § 3. The general municipal law is amended by adding a new section
8 859-d to read as follows:

9 § 859-d. School board reporting. Every agency, continued or created by
10 this chapter or any other law of the state shall submit to the local
11 school board president and superintendent or boards presidents and
12 superintendents overlapping with an industrial development agency, with-
13 in ninety days after the end of its fiscal year, a copy of the final
14 report required by subdivision two of section twenty-eight hundred of
15 the public authorities law and the audits required by subdivision two of
16 section twenty-eight hundred two of the public authorities law.

17 § 4. This act shall take effect immediately.