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:

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

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

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

3. Monies of the fund, when allocated, shall be available to the New York state council on the arts for the purpose of providing assistance, excluding administrative costs, for [~~the loan, lease and purchase of musical instruments and other related property and equipment, as herein provided, by~~] **grants to** not-for-profit symphony orchestras and/or other not-for-profit musical entities incorporated in the state and organized for the purpose of the presentation of performing arts for the benefit 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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lished by the council. Such monies shall also be available for administrative costs of the council pursuant to approval by the director of the budget. [~~Notwithstanding any other inconsistent provisions of this chapter, should the council determine that there is a compelling need for the loan, lease or purchase of property or equipment other than musical instruments by not-for-profit symphony orchestras and/or other not-for-profit musical entities incorporated in the state and organized for the purpose of the presentation of performing arts for the benefit of the public, and upon approval of the director of the budget, the council may assist such organization in acquiring such equipment in accordance with guidelines established by the council. The council shall contract with one or more not-for-profit entities which shall distribute such monies, however, in no case shall monies of the fund be distributed nor shall a contract to distribute such monies be approved unless the fund shall have sufficient monies to effectuate all such approved distributions and contracts.~~

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

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

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

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

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

~~realized from that auction, after deductions for all necessary and proper costs of the auction are made, from any other grant or other assistance approved by the council on the arts for that purchaser. The difference deducted by the comptroller and the net amount realized from the auction shall be deposited in the New York state musical instrument revolving fund.~~

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

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

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

§ 2. This act shall take effect immediately.