

STATE OF NEW YORK

8594--B

2025-2026 Regular Sessions

IN SENATE

December 1, 2025

Introduced by Sens. MYRIE, COMRIE, FAHY, KRUEGER, PARKER, SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- recommitted to the Committee on Codes in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the penal law, the criminal procedure law, the general business law, the labor law, the legislative law, the public officers law, the state finance law and the tax law, in relation to enacting the "securing consumer assets against malfeasance" or "S.C.A.M. act"

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

1 Section 1. This act shall be known and may be cited as the "securing
2 consumer assets against malfeasance" or "S.C.A.M. act".
3 § 2. Section 190.60 of the penal law, as amended by chapter 491 of the
4 laws of 1992 and subdivision 1 as amended by chapter 357 of the laws of
5 1996, is amended to read as follows:
6 § 190.60 Scheme to defraud in the [~~second~~] fifth degree.
7 1. A person is guilty of a scheme to defraud in the [~~second~~] fifth
8 degree when [~~he~~] such person engages in a scheme constituting a system-
9 atic ongoing course of conduct with intent to defraud more than one
10 person or to obtain property from more than one person by false or frau-
11 dulent pretenses, representations or promises, and so obtains property
12 from one or more of such persons.
13 2. In any prosecution under this section, it shall be necessary to
14 prove the identity of at least one person from whom the defendant so
15 obtained property, but it shall not be necessary to prove the identity
16 of any other intended victim.
17 Scheme to defraud in the [~~second~~] fifth degree is a class A misdemea-
18 nor.

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

LBD13585-07-6

§ 3. Section 190.65 of the penal law, as amended by chapter 332 of the laws of 2020, is amended to read as follows:

§ 190.65 Scheme to defraud in the ~~[first]~~ fourth degree.

1. A person is guilty of a scheme to defraud in the ~~[first]~~ fourth degree when ~~[he or she]~~ such person: (a) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud ten or more persons or to obtain property from ten or more persons by false or fraudulent pretenses, representations or promises, and so obtains property from one or more of such persons; or (b) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person or to obtain property from more than one person by false or fraudulent pretenses, representations or promises, and so obtains property with a value in excess of one thousand dollars from one or more such persons; or (c) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person, more than one of whom is a vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter or to obtain property from more than one person, more than one of whom is a vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter, by false or fraudulent pretenses, representations or promises, and so obtains property from one or more such persons; or (d) engages in a systematic ongoing course of conduct, with intent to defraud more than one person by false or fraudulent pretenses, representations or promises, by disposing of solid waste as defined in section 27-0701 of the environmental conservation law on such persons' property, and so damages the property of one or more of such persons in an amount in excess of one thousand dollars.

2. In any prosecution under this section, it shall be necessary to prove the identity of at least one person from whom the defendant so obtained property, but it shall not be necessary to prove the identity of any other intended victim, provided that in any prosecution under paragraph (c) of subdivision one of this section, it shall be necessary to prove the identity of at least one such vulnerable elderly person as defined in subdivision three of section 260.31 of this chapter.

3. In any prosecution under paragraph (d) of subdivision one of this section, it shall be necessary to prove the identity of at least one person on whose property the defendant fraudulently disposed of solid waste pursuant to such paragraph (d), but it shall not be necessary to prove the identity of any other victim or intended victim.

Scheme to defraud in the ~~[first]~~ fourth degree is a class E felony.

§ 4. The penal law is amended by adding three new sections 190.66, 190.67, and 190.68 to read as follows:

§ 190.66 Scheme to defraud in the third degree.

1. A person is guilty of a scheme to defraud in the third degree when such person: (a) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud twenty-five or more persons or to obtain property from twenty-five or more persons by false or fraudulent pretenses, representations or promises, and so obtains property from one or more of such persons; or (b) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person or to obtain property from more than one person by false or fraudulent pretenses, representations or promises, and so obtains property with a value in excess of three thousand dollars from one or more such persons; or (c) engages in a scheme constituting a systematic ongoing course of conduct with intent to defraud more than one person, more than one of whom is a vulnerable elderly person as defined in

1 subdivision three of section 260.31 of this chapter or to obtain proper-
2 ty from more than one person, more than one of whom is a vulnerable
3 elderly person as defined in subdivision three of section 260.31 of this
4 chapter, by false or fraudulent pretenses, representations or promises,
5 and so obtains property with a value in excess of one thousand dollars
6 from one or more such persons.

7 2. In any prosecution under this section, it shall be necessary to
8 prove the identity of at least one person from whom the defendant so
9 obtained property, but it shall not be necessary to prove the identity
10 of any other intended victim, provided that in any prosecution under
11 paragraph (c) of subdivision one of this section, it shall be necessary
12 to prove the identity of at least one such vulnerable elderly person as
13 defined in subdivision three of section 260.31 of this chapter.

14 Scheme to defraud in the third degree is a class D felony.

15 § 190.67 Scheme to defraud in the second degree.

16 1. A person is guilty of a scheme to defraud in the second degree when
17 such person: (a) engages in a scheme constituting a systematic ongoing
18 course of conduct with intent to defraud one hundred or more persons or
19 to obtain property from one hundred or more persons by false or fraudu-
20 lent pretenses, representations or promises, and so obtains property
21 from one or more of such persons; (b) engages in a scheme constituting a
22 systematic ongoing course of conduct with intent to defraud more than
23 one person or to obtain property from more than one person by false or
24 fraudulent pretenses, representations or promises, and so obtains prop-
25 erty with a value in excess of fifty thousand dollars from one or more
26 such persons; or (c) engages in a scheme constituting a systematic ongo-
27 ing course of conduct with intent to defraud more than one person, more
28 than one of whom is a vulnerable elderly person as defined in subdivi-
29 sion three of section 260.31 of this chapter or to obtain property from
30 more than one person, more than one of whom is a vulnerable elderly
31 person as defined in subdivision three of section 260.31 of this chap-
32 ter, by false or fraudulent pretenses, representations or promises, and
33 so obtains property with a value in excess of three thousand dollars
34 from one or more such persons.

35 2. In any prosecution under this section, it shall be necessary to
36 prove the identity of at least one person from whom the defendant so
37 obtained property, but it shall not be necessary to prove the identity
38 of any other intended victim, provided that in any prosecution under
39 paragraph (c) of subdivision one of this section, it shall be necessary
40 to prove the identity of at least one such vulnerable elderly person as
41 defined in subdivision three of section 260.31 of this chapter.

42 Scheme to defraud in the second degree is a class C felony.

43 § 190.68 Scheme to defraud in the first degree.

44 1. A person is guilty of a scheme to defraud in the first degree when
45 such person: (a) engages in a scheme constituting a systematic ongoing
46 course of conduct with intent to defraud one thousand or more persons or
47 to obtain property from one thousand or more persons by false or fraudu-
48 lent pretenses, representations or promises, and so obtains property
49 from one or more of such persons; (b) engages in a scheme constituting a
50 systematic ongoing course of conduct with intent to defraud more than
51 one person or to obtain property from more than one person by false or
52 fraudulent pretenses, representations or promises, and so obtains prop-
53 erty with a value in excess of one million dollars from one or more such
54 persons; or (c) engages in a scheme constituting a systematic ongoing
55 course of conduct with intent to defraud more than one person, more than
56 one of whom is a vulnerable elderly person as defined in subdivision

1 three of section 260.31 of this chapter or to obtain property from more
2 than one person, more than one of whom is a vulnerable elderly person as
3 defined in subdivision three of section 260.31 of this chapter, by false
4 or fraudulent pretenses, representations or promises, and so obtains
5 property with a value in excess of fifty thousand dollars from one or
6 more such persons.

7 2. In any prosecution under this section, it shall be necessary to
8 prove the identity of at least one person from whom the defendant so
9 obtained property, but it shall not be necessary to prove the identity
10 of any other intended victim, provided that in any prosecution under
11 paragraph (c) of subdivision one of this section, it shall be necessary
12 to prove the identity of at least one such vulnerable elderly person as
13 defined in subdivision three of section 260.31 of this chapter.

14 Scheme to defraud in the first degree is a class B felony.

15 § 5. Section 200.00 of the penal law, as amended by chapter 833 of the
16 laws of 1986, is amended to read as follows:

17 § 200.00 Bribery in the third degree.

18 A person is guilty of bribery in the third degree when [~~he~~] such
19 person confers, or offers or agrees to confer, any benefit upon a public
20 servant [~~upon an agreement or understanding that~~] with the intent to
21 influence such public servant's vote, opinion, judgment, action, deci-
22 sion or exercise of discretion as a public servant [~~will thereby be~~
23 ~~influenced~~].

24 Bribery in the third degree is a class D felony.

25 § 6. Section 200.03 of the penal law, as amended by section 18 of
26 subpart A of part H of chapter 55 of the laws of 2014, is amended to
27 read as follows:

28 § 200.03 Bribery in the second degree.

29 A person is guilty of bribery in the second degree when [~~he~~] such
30 person confers, or offers or agrees to confer, any benefit valued in
31 excess of five thousand dollars upon a public servant [~~upon an agreement~~
32 ~~or understanding that~~] with the intent to influence such public serv-
33 ant's vote, opinion, judgment, action, decision or exercise of
34 discretion as a public servant [~~will thereby be influenced~~].

35 Bribery in the second degree is a class C felony.

36 § 7. Section 200.04 of the penal law, as amended by section 19 of
37 subpart A of part H of chapter 55 of the laws of 2014, is amended to
38 read as follows:

39 § 200.04 Bribery in the first degree.

40 A person is guilty of bribery in the first degree when [~~the~~] such
41 person confers, or offers or agrees to confer: (1) any benefit upon a
42 public servant [~~upon an agreement or understanding that~~] with the intent
43 to influence such public servant's vote, opinion, judgment, action,
44 decision or exercise of discretion as a public servant [~~will thereby be~~
45 ~~influenced~~] in the investigation, arrest, detention, prosecution or
46 incarceration of any person for the commission or alleged commission of
47 a class A felony defined in article two hundred twenty of this part or
48 an attempt to commit any such class A felony; or (2) any benefit valued
49 in excess of one hundred thousand dollars upon a public servant [~~upon an~~
50 ~~agreement or understanding that~~] with the intent to influence such
51 public servant's vote, opinion, judgment, action, decision or exercise
52 of discretion as a public servant [~~will thereby be influenced~~].

53 Bribery in the first degree is a class B felony.

54 § 8. Section 200.10 of the penal law, as amended by section 21 of
55 subpart A of part H of chapter 55 of the laws of 2014, is amended to
56 read as follows:

1 § 200.10 Bribe receiving in the third degree.

2 A public servant is guilty of bribe receiving in the third degree when
3 ~~[he or she]~~ such public servant solicits, accepts or agrees to accept
4 any benefit from another person ~~[upon an agreement or understanding that~~
5 ~~his or her]~~ with the intent to influence such public servant's vote,
6 opinion, judgment, action, decision or exercise of discretion as a
7 public servant will thereby be influenced.

8 Bribe receiving in the third degree is a class D felony.

9 § 9. Section 200.11 of the penal law, as amended by section 22 of
10 subpart A of part H of chapter 55 of the laws of 2014, is amended to
11 read as follows:

12 § 200.11 Bribe receiving in the second degree.

13 A public servant is guilty of bribe receiving in the second degree
14 when ~~[he or she]~~ such public servant solicits, accepts or agrees to
15 accept any benefit valued in excess of five thousand dollars from another
16 person ~~[upon an agreement or understanding that his or her]~~ with the
17 intent to influence such public servant's vote, opinion, judgment,
18 action, decision or exercise of discretion as a public servant will
19 thereby be influenced.

20 Bribe receiving in the second degree is a class C felony.

21 § 10. Section 200.12 of the penal law, as amended by section 23 of
22 subpart A of part H of chapter 55 of the laws of 2014, is amended to
23 read as follows:

24 § 200.12 Bribe receiving in the first degree.

25 A public servant is guilty of bribe receiving in the first degree when
26 ~~[he or she]~~ such public servant solicits, accepts or agrees to accept:
27 (a) any benefit from another person ~~[upon an agreement or understanding~~
28 ~~that his or her]~~ with the intent to influence such public servant's
29 vote, opinion, judgment, action, decision or exercise of discretion as a
30 public servant will thereby be influenced in the investigation, arrest,
31 detention, prosecution or incarceration of any person for the commission
32 or alleged commission of a class A felony defined in article two hundred
33 twenty of this part or an attempt to commit any such class A felony; or
34 (b) any benefit valued in excess of one hundred thousand dollars from
35 another person ~~[upon an agreement or understanding that]~~ with the intent
36 to influence such public servant's vote, opinion, judgment, action,
37 decision or exercise of discretion as a public servant will thereby be
38 influenced.

39 Bribe receiving in the first degree is a class B felony.

40 § 11. Sections 180.03, 180.05 and 180.08 of the penal law, as amended
41 by chapter 577 of the laws of 1983, are amended to read as follows:

42 § 180.03 Commercial bribing in the first degree.

43 A person is guilty of commercial bribing in the first degree when ~~[he]~~
44 such person confers, or offers or agrees to confer, any benefit upon any
45 employee, agent or fiduciary without the consent of the latter's employ-
46 er or principal, with intent to influence ~~[his]~~ such person's conduct in
47 relation to ~~[his]~~ such person's employer's or principal's affairs, and
48 when the value of the benefit conferred or offered or agreed to be
49 conferred exceeds one thousand dollars ~~[and causes economic harm to the~~
50 ~~employer or principal in an amount exceeding two hundred fifty dollars]~~.

51 Commercial bribing in the first degree is a class E felony.

52 § 180.05 Commercial bribe receiving in the second degree.

53 An employee, agent or fiduciary is guilty of commercial bribe receiv-
54 ing in the second degree when, without the consent of ~~[his]~~ such
55 person's employer or principal, ~~[he]~~ such person solicits, accepts or
56 agrees to accept any benefit from another person upon an agreement or

1 understanding and with the intent that such benefit will influence [~~his~~]
2 such person's conduct in relation to [~~his~~] their employer's or princi-
3 pal's affairs.

4 Commercial bribe receiving in the second degree is a class A misdemea-
5 nor.

6 § 180.08 Commercial bribe receiving in the first degree.

7 An employee, agent or fiduciary is guilty of commercial bribe receiv-
8 ing in the first degree when, without the consent of [~~his~~] such person's
9 employer or principal, [~~he~~] such person solicits, accepts or agrees to
10 accept any benefit from another person upon an agreement or understand-
11 ing and with the intent that such benefit will influence [~~his~~] such
12 person's conduct in relation to [~~his~~] their employer's or principal's
13 affairs, and when the value of the benefit solicited, accepted or agreed
14 to be accepted exceeds one thousand dollars [~~and causes economic harm to~~
15 ~~the employer or principal in an amount exceeding two hundred fifty~~
16 ~~dollars~~].

17 Commercial bribe receiving in the first degree is a class E felony.

18 § 12. Subdivision 10 of section 470.00 of the penal law is renumbered
19 subdivision 11 and a new subdivision 10 is added to read as follows:

20 10. "Structuring" means, for the purposes of sections 470.30 and
21 470.31 of this article, when a person conducts or attempts to conduct
22 one or more related transactions in currency, in any amount, with one or
23 more financial institutions, on one or more days with the intent to
24 evade any reporting requirement under the banking law, 31 U.S.C. §§ 5311
25 through 5326, or any regulation prescribed thereunder. Structuring
26 includes, but is not limited to, the breaking down of a single sum of
27 currency exceeding ten thousand dollars into smaller sums, including
28 sums at or below ten thousand dollars, or the conducting of a trans-
29 action, or series of currency transactions, including transactions at or
30 below ten thousand dollars.

31 § 13. The penal law is amended by adding two new sections 470.30 and
32 470.31 to read as follows:

33 § 470.30 Structuring in the second degree.

34 A person is guilty of structuring in the second degree when, with the
35 intent to evade any reporting requirement under the banking law, 31
36 U.S.C. §§ 5311 through 5326, or any regulation prescribed thereunder,
37 such person structures one or more transactions.

38 Structuring in the second degree is a class E felony.

39 § 470.31 Structuring in the first degree.

40 A person is guilty of structuring in the first degree when such person
41 commits the crime of structuring in the second degree and:

42 1. the conduct is committed with an intent to commit another crime or
43 to aid or conceal the commission of another crime; or

44 2. the aggregate value of the currency reported or the currency that
45 should have been reported exceeds one hundred thousand dollars in any
46 twelve-month period.

47 Structuring in the first degree is a class D felony.

48 § 14. Section 195.20 of the penal law, as amended by chapter 1 of the
49 laws of 2010, is amended to read as follows:

50 § 195.20 Defrauding the government in the fourth degree.

51 A person is guilty of defrauding the government in the fourth degree
52 when[~~, being a public servant or party officer, he or she~~] such person:

53 (a) engages in a scheme constituting a systematic ongoing course of
54 conduct with intent to:

55 (i) defraud the state or a political subdivision of the state or a
56 governmental instrumentality within the state or to obtain property,

1 services or other resources from the state or a political subdivision of
2 the state or a governmental instrumentality within the state by false or
3 fraudulent pretenses, representations or promises; ~~[or]~~

4 (ii) defraud the state or a political subdivision of the state or a
5 governmental instrumentality within the state by making use of property,
6 services or resources of the state, political subdivision of the state
7 or a governmental instrumentality within the state for private business
8 purposes or other compensated non-governmental purposes; ~~[and]~~ or

9 (iii) defraud the state or a political subdivision of the state or a
10 public authority, public benefit corporation, or municipal corporation
11 of the state, or any instrumentality thereof, of one or more forms of
12 revenue, and so evades payment of any tax, insurance premium, contrib-
13 ution, or fee, or any portion thereof, owed to the state or a political
14 subdivision, public authority, public benefit corporation or municipal
15 corporation of the state or any instrumentality thereof; and

16 (b) (i) with respect to an offense charged under paragraph (i) or (ii)
17 of subdivision (a) of this section, so obtains property, services or
18 other resources with a value in excess of ~~[one]~~ ten thousand dollars
19 from such state, political subdivision or governmental instrumentality;
20 or

21 (ii) with respect to an offense charged under paragraph (iii) of
22 subdivision (a) of this section, the aggregate unpaid tax, premium,
23 contribution, or fee owed exceeds ten thousand dollars.

24 Defrauding the government in the fourth degree is a class E felony.

25 § 15. The penal law is amended by adding three new sections 195.22,
26 195.25 and 195.27 to read as follows:

27 § 195.22 Defrauding the government in the third degree.

28 A person is guilty of defrauding the government in the third degree
29 when such person:

30 (a) engages in a scheme constituting a systematic ongoing course of
31 conduct with intent to:

32 (i) defraud the state or a political subdivision of the state or a
33 governmental instrumentality within the state or to obtain property,
34 services or other resources from the state or a political subdivision of
35 the state or a governmental instrumentality within the state by false or
36 fraudulent pretenses, representations or promises;

37 (ii) defraud the state or a political subdivision of the state or a
38 governmental instrumentality within the state by making use of property,
39 services or resources of the state, political subdivision of the state
40 or a governmental instrumentality within the state for private business
41 purposes or other compensated non-governmental purposes; or

42 (iii) defraud the state or a political subdivision of the state or a
43 public authority, public benefit corporation, or municipal corporation
44 of the state, or any instrumentality thereof, of one or more forms of
45 revenue, and so evades payment of any tax, insurance premium, contrib-
46 ution, or fee, or any portion thereof, owed to the state or a political
47 subdivision, public authority, public benefit corporation or municipal
48 corporation of the state or any instrumentality thereof; and

49 (b) (i) with respect to an offense charged under paragraph (i) or (ii)
50 of subdivision (a) of this section, so obtains property, services or
51 other resources with a value in excess of seventy-five thousand dollars
52 from such state, political subdivision or governmental instrumentality;
53 or

54 (ii) with respect to an offense charged under paragraph (iii) of
55 subdivision (a) of this section, the aggregate unpaid tax, premium,
56 contribution, or fee owed exceeds seventy-five thousand dollars.

1 Defrauding the government in the third degree is a class D felony.

2 § 195.25 Defrauding the government in the second degree.

3 A person is guilty of defrauding the government in the second degree
4 when such person:

5 (a) engages in a scheme constituting a systematic ongoing course of
6 conduct with intent to:

7 (i) defraud the state or a political subdivision of the state or a
8 governmental instrumentality within the state or to obtain property,
9 services or other resources from the state or a political subdivision of
10 the state or a governmental instrumentality within the state by false or
11 fraudulent pretenses, representations or promises;

12 (ii) defraud the state or a political subdivision of the state or a
13 governmental instrumentality within the state by making use of property,
14 services or resources of the state, political subdivision of the state
15 or a governmental instrumentality within the state for private business
16 purposes or other compensated non-governmental purposes; or

17 (iii) defraud the state or a political subdivision of the state or a
18 public authority, public benefit corporation, or municipal corporation
19 of the state, or any instrumentality thereof, of one or more forms of
20 revenue, and so evades payment of any tax, insurance premium, contrib-
21 ution, or fee, or any portion thereof, owed to the state or a political
22 subdivision, public authority, public benefit corporation or municipal
23 corporation of the state or any instrumentality thereof; and

24 (b) (i) with respect to an offense charged under paragraph (i) or (ii)
25 of subdivision (a) of this section, so obtains property, services or
26 other resources with a value in excess of one hundred thousand dollars
27 from such state, political subdivision or governmental instrumentality;
28 or

29 (ii) with respect to an offense charged under paragraph (iii) of
30 subdivision (a) of this section, the aggregate unpaid tax, premium,
31 contribution, or fee owed exceeds one hundred thousand dollars.

32 Defrauding the government in the second degree is a class C felony.

33 § 195.27 Defrauding the government in the first degree.

34 A person is guilty of defrauding the government in the first degree
35 when such person:

36 (a) engages in a scheme constituting a systematic ongoing course of
37 conduct with intent to:

38 (i) defraud the state or a political subdivision of the state or a
39 governmental instrumentality within the state or to obtain property,
40 services or other resources from the state or a political subdivision of
41 the state or a governmental instrumentality within the state by false or
42 fraudulent pretenses, representations or promises;

43 (ii) defraud the state or a political subdivision of the state or a
44 governmental instrumentality within the state by making use of property,
45 services or resources of the state, political subdivision of the state
46 or a governmental instrumentality within the state for private business
47 purposes or other compensated non-governmental purposes; or

48 (iii) defraud the state or a political subdivision of the state or a
49 public authority, public benefit corporation, or municipal corporation
50 of the state, or any instrumentality thereof, of one or more forms of
51 revenue, and so evades payment of any tax, insurance premium, contrib-
52 ution, or fee, or any portion thereof, owed to the state or a political
53 subdivision, public authority, public benefit corporation or municipal
54 corporation of the state or any instrumentality thereof; and

55 (b) (i) with respect to an offense charged under paragraph (i) or (ii)
56 of subdivision (a) of this section, so obtains property, services or

1 other resources with a value in excess of two hundred fifty thousand
2 dollars from such state, political subdivision or governmental instru-
3 mentality; or

4 (ii) with respect to an offense charged under paragraph (iii) of
5 subdivision (a) of this section, the aggregate unpaid tax, premium,
6 contribution, or fee owed exceeds two hundred fifty thousand dollars.

7 Defrauding the government in the first degree is a class B felony.

8 § 16. Subdivision 2 of section 20.40 of the criminal procedure law is
9 amended by adding a new paragraph (f) to read as follows:

10 (f) The event caused a financial loss of more than one thousand
11 dollars to the state or a political subdivision thereof, including, but
12 not limited to, any agency or instrumentality of the state or any poli-
13 tical subdivision thereof.

14 § 17. Subdivision 1 of section 155.00 of the penal law, as amended by
15 chapter 353 of the laws of 2023, is amended and a new subdivision 17 is
16 added to read as follows:

17 1. "Property" means any money, compensation for labor or services,
18 personal property, real property, computer data, computer program, thing
19 in action, evidence of debt or contract, virtual currency as defined in
20 paragraph (p) of section 200.2 of title twenty-three of the New York
21 Codes, Rules and Regulations, or any article, substance or thing of
22 value, including any gas, steam, water or electricity, which is provided
23 for a charge or compensation.

24 17. "Virtual currency" means any type of digital unit that is used as
25 a medium of exchange or a form of digitally stored value. Virtual
26 currency shall be broadly construed to include digital units of exchange
27 that: (a) have a centralized repository or administrator; (b) are decen-
28 tralized and have no centralized repository or administrator; or (c) may
29 be created or obtained by computing or manufacturing effort. Virtual
30 currency shall not be construed to include: (a) digital units that: (i)
31 are used solely within online gaming platforms; (ii) have no market or
32 application outside of those gaming platforms; (iii) cannot be converted
33 into, or redeemed for, fiat currency or virtual currency; and (iv) may
34 or may not be redeemable for real-world goods, services, discounts, or
35 purchases; (b) digital units that can be redeemed for goods, services,
36 discounts, or purchases as part of a customer affinity or rewards
37 program with the issuer and/or other designated merchants or can be
38 redeemed for digital units in another customer affinity or rewards
39 program, but cannot be converted into, or redeemed for, fiat currency or
40 virtual currency; or (c) digital units used as part of prepaid cards.

41 § 18. Subdivision 1 of section 470.00 of the penal law, as amended by
42 chapter 489 of the laws of 2000, is amended to read as follows:

43 1. "Monetary instrument" means coin and currency of the United States
44 or of any other country; virtual currency as defined in section 155.00
45 of this chapter; personal checks; bank checks; traveler's checks; money
46 orders; and investment securities and negotiable instruments, in bearer
47 form or otherwise, in such form that title thereto passes on delivery,
48 except that "monetary instrument" shall not include payments to attor-
49 neys for legal services.

50 § 19. Subdivision 3 of section 470.00 of the penal law, as amended by
51 chapter 489 of the laws of 2000, is amended to read as follows:

52 3. (a) "Transaction" includes a payment, purchase, sale, loan, pledge,
53 gift, transfer, or delivery, and with respect to a financial institution
54 includes a deposit, withdrawal, transfer between accounts, exchange of
55 currency, loan, extension of credit, purchase or sale of any stock,
56 bond, certificate of deposit, or other monetary instrument, use of a

1 safe deposit box, or any other payment, transfer, or delivery by,
2 through, or to a financial institution, by whatever means effected,
3 except that "transaction" shall not include payments to attorneys for
4 legal services.

5 (b) With respect to virtual currency, "transaction" includes:

6 (i) receiving virtual currency or transmitting virtual currency;

7 (ii) the conversion or exchange of fiat currency or other value into
8 virtual currency;

9 (iii) the conversion or exchange of virtual currency into fiat curren-
10 cy or other value;

11 (iv) the conversion or exchange of one form of virtual currency into
12 another form of virtual currency;

13 (v) storing, holding, or maintaining custody or control of virtual
14 currency; and

15 (vi) controlling, administering, or issuing a virtual currency.

16 The development and dissemination of software in and of itself does
17 not constitute a virtual currency transaction.

18 § 20. Section 450.10 of the penal law is amended by adding a new
19 subdivision 12 to read as follows:

20 12. When fraudulent proceeds, as defined in paragraph (a) of this
21 subdivision, are in the custody or control of the court, a police offi-
22 cer, a peace officer, or a district attorney, or have been seized pursu-
23 ant to a search warrant and are held by a third party, no later than
24 ninety days after the seizure or recovery of such fraudulent proceeds, a
25 police officer, a peace officer, or a district attorney shall identify
26 to the court the owner or owners of such fraudulent proceeds as defined
27 in subdivision five of section 155.00 of this chapter, and any other
28 person who may have an interest therein, and give notice of said seizure
29 to such persons by certified or registered mail, or by other means,
30 including, but not limited to, electronic means, if sufficient and
31 appropriate under the circumstances.

32 (a) For the purposes of this subdivision, fraudulent proceeds means
33 any virtual currency, as defined in paragraph (p) of section 200.2 of
34 title 23 of the New York Codes, Rules and Regulations, that is (i)
35 obtained through the commission of a larceny or a fraudulent scheme or
36 transaction, (ii) traceable to property obtained through the commission
37 of a larceny or a fraudulent scheme or transaction, or (iii) obtained
38 through the sale or exchange of property obtained through the commission
39 of a larceny or a fraudulent scheme or transaction; and including any
40 appreciation in value of such property.

41 (b) Upon identifying to the court the owner or owners of such fraudu-
42 lent proceeds and any other person who may have an interest therein, a
43 police officer, a peace officer, or a district attorney may petition the
44 court to order that such fraudulent proceeds be returned to its owner or
45 owners.

46 (c) Any person asserting a claim to such fraudulent proceeds, other
47 than the owner or owners identified in the petition referenced above,
48 must file a written request for a hearing within sixty days from when
49 notice was provided. Upon such a written request, the court shall
50 promptly, but not less than two weeks after such a request is made, hold
51 a hearing.

52 (d) If no request for a hearing is made, the court may hold a hearing
53 before ordering that the fraudulent proceeds be returned to its owner
54 or owners.

55 (e) At such a hearing, the court shall hear evidence, make findings
56 of fact, enter conclusions of law, and issue a final order from which

1 the parties shall have a right of appeal. The district attorney shall
2 have the initial burden of proving by clear and convincing evidence
3 that the subject property is fraudulent proceeds and the identity of
4 the owner or owners. On that showing, the burden shall shift to the
5 claimant to prove by clear and convincing evidence that they did not
6 know and could not have reasonably known that such property was being
7 used or was intended to be used in, or was derived from, criminal activ-
8 ity. Upon a showing of clear and convincing evidence of ownership of
9 the fraudulent proceeds, the court shall order such fraudulent proceeds
10 be returned to its owner as soon as reasonably practicable.

11 (f) The release of property pursuant to this section does not require
12 an accusatory instrument be filed against a criminal defendant.

13 § 21. Paragraph (a) of subdivision 8 of section 190.30 of the criminal
14 procedure law, as added by chapter 279 of the laws of 2008, is amended
15 to read as follows:

16 (a) A business record as defined in rule forty-five hundred eighteen
17 of the civil practice law and rules generated by a business entity may
18 be received in such grand jury proceedings as evidence [~~of the following~~
19 ~~facts and similar facts stated therein:~~

20 ~~(i) a person's use of, subscription to and charges and payments for~~
21 ~~communication equipment and services including but not limited to equip-~~
22 ~~ment or services provided by telephone companies and internet service~~
23 ~~providers, but not including recorded conversations or images communi-~~
24 ~~cated thereby; and~~

25 ~~(ii) financial transactions, and a person's ownership or possessory~~
26 ~~interest in any account, at a bank, insurance company, brokerage,~~
27 ~~exchange or banking organization as defined in section two of the bank-~~
28 ~~ing law].~~

29 § 22. Paragraph (c) of subdivision 8 of section 190.30 of the criminal
30 procedure law, as added by chapter 279 of the laws of 2008, is amended
31 to read as follows:

32 (c) Any business record offered to a grand jury pursuant to paragraph
33 (a) of this subdivision that includes material [~~beyond that described in~~
34 ~~such paragraph (a)] outside the scope of the business record as regular-
35 ly generated shall be redacted to exclude such additional material, or
36 received subject to a limiting instruction that the grand jury shall not
37 consider such additional material in support of any criminal charge.~~

38 § 23. Section 190.30 of the criminal procedure law is amended by
39 adding a new subdivision 9 to read as follows:

40 9. A record generated by an electronic process, computer, cryptograph-
41 ically secured technology, or system, that procures an accurate result
42 may be received in such grand jury proceedings as evidence if it is
43 accompanied by a written declaration of a qualified person, made under
44 oath, stating the qualification of the person to make the certification,
45 the date and time the record was generated, and that the record was
46 maintained as a regular conducted process.

47 § 24. Section 80.10 of the penal law is amended by adding a new subdivi-
48 sion 4 to read as follows:

49 4. Corporate equity fines. (a) Notwithstanding any other provision of
50 this section, in any criminal proceeding where a corporation doing busi-
51 ness in New York state with annual revenues exceeding one hundred
52 million dollars is convicted of a felony offense under the laws of this
53 state, the court, in addition to or in lieu of any other penalty author-
54 ized by law, may impose an equity fine. An equity fine shall consist of
55 a judicially determined percentage of the corporation's equity, which

1 shall be issued as new, non-voting shares to a state-managed fund or a
2 designated victim compensation fund.

3 (b) The court may determine the percentage of the equity fine based
4 upon the severity of the offense, the extent of the harm caused, the
5 corporation's history of similar misconduct, the degree of complicity by
6 senior management, and the need for both specific and general deter-
7 rence. The percentage shall be sufficient to impose a meaningful econom-
8 ic sanction on the corporation and its shareholders. The court may
9 consider, but shall not be limited to, the following factors in deter-
10 mining such percentage:

11 (i) The total pecuniary gain to the corporation from the offense;

12 (ii) The total pecuniary loss caused by the offense to victims;

13 (iii) The market capitalization of the corporation at the time of
14 sentencing;

15 (iv) The effectiveness of the corporation's internal compliance
16 programs at the time of the offense; and

17 (v) Any remedial actions taken by the corporation, including cooper-
18 ation with the prosecution and restitution to victims.

19 (c) The convicted corporation shall be required to issue new, non-vot-
20 ing shares equal to the determined percentage of its total equity. These
21 shares shall be registered and transferred to a fund established by the
22 New York state comptroller or a specific victim compensation fund as
23 designated by the court. The shares shall be held by the state until
24 such time as their sale would maximize public benefit or victim compen-
25 sation, as determined by the administering entity, but in no event shall
26 the state or its designated fund exercise any voting rights associated
27 with such shares.

28 (d) The shares issued as an equity fine shall be explicitly designated
29 as non-voting shares.

30 (e) This subdivision shall not apply to closely held corporations
31 where the imposition of an equity fine would disproportionately penalize
32 a small number of individual owners who may also be directly subject to
33 criminal prosecution. The court shall have discretion to determine
34 whether a corporation is closely held for the purposes of this
35 exemption.

36 § 25. The penal law is amended by adding a new section 155.50 to read
37 as follows:

38 § 155.50 Sentencing.

39 When a person is convicted of an offense pursuant to this article, or
40 is convicted of an attempt or conspiracy to commit an offense under this
41 article, and the victim is aged sixty-five years or older and the
42 defendant is more than ten years younger than the victim, the crime
43 shall be deemed to be one category higher than the specified offense the
44 defendant committed, or one category higher than the offense level
45 applicable to the defendant's conviction for an attempt or conspiracy to
46 commit a specified offense, whichever is applicable.

47 § 26. Subdivision 2 of section 496.06 of the penal law, as added by
48 section 14 of subpart A of part H of chapter 55 of the laws of 2014, is
49 amended to read as follows:

50 2. A "specified offense" is an offense defined by any of the following
51 provisions of this chapter: section 155.25 (petit larceny); section
52 155.30 (grand larceny in the fourth degree); section 155.35 (grand
53 larceny in the third degree); section 155.40 (grand larceny in the
54 second degree); section 155.42 (grand larceny in the first degree);
55 section 190.60 (scheme to defraud in the ~~second~~ fifth degree); ~~or~~
56 section 190.65 (scheme to defraud in the ~~first~~ fourth degree); section

190.66 (scheme to defraud in the third degree); section 190.67 (scheme to defraud in the second degree); or section 190.68 (scheme to defraud in the first degree).

§ 27. Paragraph (a) of subdivision 1 of section 460.10 of the penal law, as amended by chapter 134 of the laws of 2019, is amended to read as follows:

(a) Any of the felonies set forth in this chapter: sections 120.05, 120.10 and 120.11 relating to assault; sections 121.12 and 121.13 relating to strangulation; sections 125.10 to 125.27 relating to homicide; sections 130.25, 130.30 and 130.35 relating to rape; sections 135.20 and 135.25 relating to kidnapping; sections 135.35 and 135.37 relating to labor trafficking; section 135.65 relating to coercion; sections 140.20, 140.25 and 140.30 relating to burglary; sections 145.05, 145.10 and 145.12 relating to criminal mischief; article one hundred fifty relating to arson; sections 155.30, 155.35, 155.40 and 155.42 relating to grand larceny; sections 177.10, 177.15, 177.20 and 177.25 relating to health care fraud; article one hundred sixty relating to robbery; sections 165.45, 165.50, 165.52 and 165.54 relating to criminal possession of stolen property; sections 165.72 and 165.73 relating to trademark counterfeiting; sections 170.10, 170.15, 170.25, 170.30, 170.40, 170.65 and 170.70 relating to forgery; sections 175.10, 175.25, 175.35, 175.40 and 210.40 relating to false statements; sections 176.15, 176.20, 176.25 and 176.30 relating to insurance fraud; sections 178.20 and 178.25 relating to criminal diversion of prescription medications and prescriptions; sections 180.03, 180.08, 180.15, 180.25, 180.40, 180.45, 200.00, 200.03, 200.04, 200.10, 200.11, 200.12, 200.20, 200.22, 200.25, 200.27, 200.56, 215.00, 215.05 and 215.19 relating to bribery; sections 187.10, 187.15, 187.20 and 187.25 relating to residential mortgage fraud, sections 190.40 and 190.42 relating to criminal usury; ~~section~~ sections 190.60, 190.65, 190.66, 190.67 and 190.68 relating to schemes to defraud; any felony defined in article four hundred ninety-six; sections 205.60 and 205.65 relating to hindering prosecution; sections 210.10, 210.15, and 215.51 relating to perjury and contempt; section 215.40 relating to tampering with physical evidence; sections 220.06, 220.09, 220.16, 220.18, 220.21, 220.31, 220.34, 220.39, 220.41, 220.43, 220.46, 220.55, 220.60, 220.65 and 220.77 relating to controlled substances; sections 225.10 and 225.20 relating to gambling; sections 230.25, 230.30, and 230.32 relating to promoting prostitution; section 230.34 relating to sex trafficking; section 230.34-a relating to sex trafficking of a child; sections 235.06, 235.07, 235.21 and 235.22 relating to obscenity; sections 263.10 and 263.15 relating to promoting a sexual performance by a child; sections 265.02, 265.03, 265.04, 265.11, 265.12, 265.13 and the provisions of section 265.10 which constitute a felony relating to firearms and other dangerous weapons; sections 265.14 and 265.16 relating to criminal sale of a firearm; section 265.50 relating to the criminal manufacture, sale or transport of an undetectable firearm, rifle or shotgun; section 275.10, 275.20, 275.30, or 275.40 relating to unauthorized recordings; sections 470.30 and 470.31 relating to structuring; and sections 470.05, 470.10, 470.15 and 470.20 relating to money laundering; or

§ 28. Paragraph f of subdivision 1 of section 410 of the general business law, as amended by chapter 189 of the laws of 2018, is amended to read as follows:

f. Conviction of any of the following crimes subsequent to the issuance of a license or registration pursuant to this article: fraud pursuant to sections 170.10, 170.15, 176.15, 176.20, 176.25, 176.30 ~~[and]~~.

schemes to defraud pursuant to sections 190.60, 190.65, 190.66, 190.67 and 190.68; falsifying business records pursuant to section 175.10; structuring pursuant to sections 470.30 and 470.31; grand larceny pursuant to article 155; bribery pursuant to sections 180.03, 180.08, 180.15, 180.25, 200.00, 200.03, 200.04, 200.10, 200.11, 200.12, 200.45, 200.50; perjury pursuant to sections 210.10, 210.15, 210.40; assault pursuant to sections 120.05, 120.10, 120.11, 120.12; robbery pursuant to article 160; homicide pursuant to sections 125.25 and 125.27; manslaughter pursuant to sections 125.15 and 125.20; kidnapping and unlawful imprisonment pursuant to sections 135.10, 135.20 and 135.25; unlawful weapons possession pursuant to sections 265.02, 265.03 and 265.04; criminal use of a weapon pursuant to sections 265.08 and 265.09; criminal sale of a weapon pursuant to sections 265.11 and 265.12; compelling prostitution pursuant to section 230.33; sex trafficking pursuant to section 230.34; sex trafficking of a child pursuant to section 230.34-a; and sex offenses pursuant to article 130 of the penal law. Provided, however, that for the purposes of this article, none of the following shall be considered criminal convictions or reported as such: (i) a conviction for which an executive pardon has been issued pursuant to the executive law; (ii) a conviction which has been vacated and replaced by a youthful offender finding pursuant to article seven hundred twenty of the criminal procedure law, or the applicable provisions of law of any other jurisdiction; or (iii) a conviction the records of which have been expunged or sealed pursuant to the applicable provisions of the laws of this state or of any other jurisdiction; and (iv) a conviction for which other evidence of successful rehabilitation to remove the disability has been issued.

§ 29. Clause (ii) of subparagraph 2 of paragraph b of subdivision 3 of section 220-b of the labor law, as amended by chapter 7 of the laws of 2008, is amended to read as follows:

(ii) coercion in the first degree as defined in section 135.65 of the penal law, grand larceny in the fourth degree as defined in section 155.30 of the penal law, grand larceny in the third degree as defined in section 155.35 of the penal law, grand larceny in the second degree as defined in section 155.40 of the penal law, grand larceny in the first degree as defined in section 155.42 of the penal law, forgery in the second degree as defined in section 170.10 of the penal law, forgery in the first degree as defined in section 170.15 of the penal law, criminal possession of a forged instrument in the second degree as defined in section 170.25 of the penal law, criminal possession of a forged instrument in the first degree as defined in section 170.30 of the penal law, criminal possession of forgery devices as defined in section 170.40 of the penal law, falsifying business records in the first degree as defined in section 175.10 of the penal law, tampering with public records in the first degree as defined in section 175.25 of the penal law, offering a false instrument for filing in the first degree as defined in section 175.35 of the penal law, issuing a false certificate as defined in section 175.40 of the penal law, insurance fraud in the fourth degree as defined in section 176.15 of the penal law, insurance fraud in the third degree as defined in section 176.20 of the penal law, insurance fraud in the second degree as defined in section 176.25 of the penal law, insurance fraud in the first degree as defined in section 176.30 of the penal law, aggravated insurance fraud as defined in section 176.35 of the penal law, commercial bribing in the first degree as defined in section 180.03 of the penal law, commercial bribe receiving in the first degree as defined in section 180.08 of the penal law,

1 bribing a labor official as defined in section 180.15 of the penal law,
2 bribe receiving by a labor official as defined in section 180.25 of the
3 penal law, criminal impersonation in the second degree as defined in
4 section 190.25 of the penal law, criminal impersonation in the first
5 degree as defined in section 190.26 of the penal law, criminal usury in
6 the second degree as defined in section 190.40 of the penal law, crimi-
7 nal usury in the first degree as defined in section 190.42 of the penal
8 law, scheme to defraud in the fifth degree as defined in section 190.60
9 of the penal law, scheme to defraud in the fourth degree as defined in
10 section 190.65 of the penal law, scheme to defraud in the third degree
11 as defined in section 190.66 of the penal law, scheme to defraud in the
12 [~~first~~] second degree as defined in section [~~190.65~~] 190.67 of the penal
13 law, scheme to defraud in the first degree as defined in section 190.68
14 of the penal law, bribery in the third degree as defined in section
15 200.00 of the penal law, bribery in the second degree as defined in
16 section 200.03 of the penal law, bribery in the first degree as defined
17 in section 200.04 of the penal law, bribe receiving in the third degree
18 as defined in section 200.10 of the penal law, bribe receiving in the
19 second degree as defined in section 200.11 of the penal law, bribe
20 receiving in the first degree as defined in section 200.12 of the penal
21 law, rewarding official misconduct in the second degree as defined in
22 section 200.20 of the penal law, rewarding official misconduct in the
23 first degree as defined in section 200.22 of the penal law, bribe giving
24 for public office as defined in section 200.45 of the penal law, struc-
25 turing in the second degree as defined in section 470.30 of the penal
26 law, structuring in the first degree as defined in section 470.31 of the
27 penal law, or the attempted commission of any of the offenses set forth
28 in this [~~paragraph~~] clause, provided that such offense constitutes a
29 felony; or

30 § 30. Paragraphs (i) and (ii) of subdivision (a) of section 1-c of the
31 legislative law, as added by section 29 of subpart A of part H of chap-
32 ter 55 of the laws of 2014, are amended to read as follows:

33 (i) Any individual who stands convicted of a felony defined in article
34 two hundred or four hundred ninety-six or section 195.20, 195.22,
35 195.25, or 195.27 of the penal law may not be retained, employed or
36 designated by any client to engage in lobbying for compensation.

37 (ii) Any individual who stands convicted of a misdemeanor defined in
38 article two hundred, article four hundred ninety-six, section 195.00 or
39 an attempt to commit a violation of section 195.20, 195.22, 195.25, or
40 195.27 of the penal law may not be retained, employed or designated by
41 any client to engage in lobbying for compensation for a period of five
42 years from the date of conviction, provided that in the event such
43 conviction is the result of a plea agreement resulting in a plea to such
44 charge in lieu of a plea or conviction of a felony defined in section
45 195.20, 195.22, 195.25, or 195.27, article two hundred or article four
46 hundred ninety-six of the penal law, all parties to such agreement may
47 agree that the period of such bar may be for a period of up to ten years
48 from the date of conviction.

49 § 31. Subdivision 1-a of section 3 of the public officers law, as
50 added by section 31-b of subpart A of part H of chapter 55 of the laws
51 of 2014, is amended to read as follows:

52 1-a. (i) No person shall be capable of holding a civil office who
53 shall stand convicted of a felony defined in article two hundred or four
54 hundred ninety-six or section 195.20, 195.22, 195.25, or 195.27 of the
55 penal law.

(ii) Any individual who stands convicted of a misdemeanor defined in article two hundred, article four hundred ninety-six or section 195.00 of the penal law may not hold civil office for a period of five years from the date of conviction, provided that in the event such conviction is the result of a plea agreement resulting in a plea to such charge in lieu of a plea or conviction of a felony defined in section 195.20, 195.22, 195.25, or 195.27, article two hundred or article four hundred ninety-six of the penal law, all parties to such agreement may agree that the period of such bar may be for a period of up to ten years from the date of conviction.

§ 32. The opening paragraph and paragraph (i) of subdivision (b) of section 139-a of the state finance law, as amended by section 30 of subpart A of part H of chapter 55 of the laws of 2014, are amended to read as follows:

upon the conviction of any person of a crime defined in article two hundred or four hundred ninety-six or section 195.20, 195.22, 195.25, or 195.27 of the penal law,

(i) such person, and any firm, partnership or corporation of which ~~he is~~ they are a member, partner, director or officer shall be disqualified from thereafter selling to or submitting bids to or receiving awards from or entering into any contracts with the state or any public department, agency or official thereof, for goods, work or services, for a period of five years after such refusal, a period of five years upon a conviction of a misdemeanor defined in article two hundred or article four hundred ninety-six or an attempt to commit a violation of section 195.20, 195.22, 195.25, or 195.27 of the penal law, provided that in the event such conviction is the result of a plea agreement resulting in a plea to such charge in lieu of a plea or conviction of a felony defined in section 195.20, 195.22, 195.25, or 195.27, article two hundred or article four hundred ninety-six of the penal law, all parties to such agreement may agree that the period of such bar may be for a period of up to ten years from the date of conviction, or upon conviction of a felony defined in article two hundred or four hundred ninety-six or section 195.20, 195.22, 195.25, or 195.27 of the penal law, for life, any convicted firm, partnership or corporation is disqualified for its existence and to provide also that

§ 33. Subdivision 2 of section 139-b of the state finance law, as added by section 31 of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

2. Any person who stands convicted of a felony defined in article two hundred or four hundred ninety-six or section 195.20, 195.22, 195.25, or 195.27 of the penal law, and any firm, partnership or corporation that stands convicted of such crime shall be disqualified from thereafter selling to or submitting bids to or receiving awards from or entering into any contracts with the state or any public department, agency or official thereof, for goods, work or services. In the event a person or firm, partnership or corporation is so convicted, the office responsible for prosecuting such offense shall send notice of such conviction to the state commissioner of general services, and to the office of the state comptroller and such appropriate departments, agencies and officials of the state, political subdivisions thereof or public authorities with whom the person or the firm, partnership or corporation is known to have a contract.

§ 34. Subdivision 1-a of section 139-c of the state finance law, as added by section 31-a of subpart A of part H of chapter 55 of the laws of 2014, is amended to read as follows:

1 1-a. Any firm, partnership, or corporation which has become subject to
2 the cancellation or termination of a contract or disqualification to
3 contract on account of conviction of a crime defined in article two
4 hundred or four hundred ninety-six or section 195.20, 195.22, 195.25, or
5 195.27 of the penal law, as provided in sections one hundred thirty-
6 nine-a and one hundred thirty-nine-b of this article, may, upon thirty
7 days' notice to the district attorney who conducted the action that led
8 to the conviction, and the office of the state comptroller commence a
9 special proceeding at a special term of the supreme court held within
10 the judicial district in which the conviction was obtained for an order
11 discontinuing such disqualification. The petition shall set forth the
12 grounds, including that the firm, partnership, or corporation has taken
13 sufficient actions to remove from responsibility officers and employees
14 who engaged in the actions that formed the basis of the conviction, that
15 the firm, partnership, or corporation has taken appropriate and suffi-
16 cient actions to ensure that the actions that formed the basis of the
17 conviction are unlikely to recur, and that it will not be in the public
18 interest to cancel or terminate petitioner's contracts or to continue
19 the disqualification, as provided in sections one hundred thirty-nine-a
20 and one hundred thirty-nine-b of this article; provided further, at any
21 time after such cancellation or disqualification any such firm, partner-
22 ship or corporation may apply to the supreme court, upon notice as
23 provided herein for an immediate termination of disqualification upon a
24 reversal of the conviction upon which the debarment was imposed.

25 § 35. Section 41 of the tax law, as added by section 36 of subpart A
26 of part H of chapter 55 of the laws of 2014, is amended to read as
27 follows:

28 § 41. Limitations on tax credit eligibility. Any taxpayer who stands
29 convicted, or who is a shareholder of an S corporation or partner in a
30 partnership which is convicted, of an offense defined in article two
31 hundred or four hundred ninety-six or section 195.20, 195.22, 195.25, or
32 195.27 of the penal law shall not be eligible for any tax credit allowed
33 under article nine, nine-A, thirty-two or thirty-three of this chapter
34 or any business tax credit allowed under article twenty-two of this
35 chapter. For purposes of this section, a business tax credit allowed
36 under article twenty-two of this chapter is a tax credit allowed to
37 taxpayers under article twenty-two which is substantially similar to a
38 tax credit allowed to taxpayers under article nine-A of this chapter. In
39 the event a person or firm, partnership or corporation is convicted of
40 an offense defined in article two hundred or four hundred ninety-six or
41 section 195.00 of the penal law, the office responsible for prosecuting
42 such offense shall send notice of such conviction, together with the
43 names of any firm, partnership or corporation of which the person is
44 known to be a member, partner, officer or director, to the commissioner.

45 § 36. This act shall take effect immediately.