§ 963. Local administration of empire zones. (a) The local empire zone administrative board shall:

(i) develop short-term goals for zone activities on an annual basis;

(ii) prepare, or cause to be prepared, an annual report and submit copies to the department of audit and control, department of taxation and finance, the temporary president of the senate, the speaker of the assembly and department of economic development on or before the first day of July next succeeding the year to which the report pertains, regarding empire zone activities, including information which would allow for substantive review of the zone's strategies and progress of the zone in meeting its short-term objectives, and an analysis of the extent to which the long-term goals set forth in the empire zone application have been met. The zone administrative entities and other local officials and agencies shall fully cooperate with the zone administrative board in the annual performance review and in the board's performance of its other duties. Local officials, state agencies, and certified businesses shall provide information requested by the zone administrative board which is necessary for such review. Such report shall also include a current description of the specific strategies and priorities for economic revitalization of the zone, including, but not limited to: the number of jobs created; the number of jobs retained; the amount of private capital leveraged with public funds; the number of businesses expanded or retained and new businesses created, and the type of businesses expanded, retained or created, as well as consideration of the improvements in the physical infrastructure of the zone. The commissioner shall promulgate rules and regulations to set forth standards to be used to measure performance against objectives on an annual basis in order to facilitate the requirements of this paragraph;

(iii) undertake efforts to ensure meaningful participation by minority-owned and women-owned business enterprises in empire zone activities;

(iv) enter into an agreement with the office of business permits and regulatory assistance to participate in a business permit assistance program to be provided to applicants for business permits required by the state or a county, city, town or village for a business undertaking, project or activity in an empire zone;

(v) enter into agreements with the commissioners of economic

development, labor, and social services, local departments of social services, and local education agencies as defined in paragraph (b) of subdivision one of section three thousand thirty-two of the education law, local community-based organizations, private employers, labor unions, the administrative entity and private industry council for the service delivery area established under the job training partnership act (P.L. 97-300, as amended) that includes the empire zone, and any other person or state or federal agency for the purpose of establishing, implementing and coordinating job training programs for workers and businesses to be located in an empire zone; provided, however, that (A) any agreement to establish a job training program designed to meet the specific needs of a private employer shall require such employer to retain in its employ for not less than six months an employee who has satisfactorily completed a course of training for a particular job opening unless such employee voluntarily leaves such employment or is discharged for misconduct or other good cause; (B) any job training program established pursuant to this section shall make use of the community service division of the labor department as well as other sources for the purpose of recruitment;

(vi) in cooperation with local social services officials, establish a job training opportunities program sponsored by private employers in accordance with the provisions of section one hundred sixty-four-b or three hundred fifty-l of the social services law;

(vii) enter into agreements with local departments of social services or community-based organizations to facilitate the provision of ancillary or enhanced social services, including licensed and certified child day care, in any such zone;

(viii) ensure that job training programs meet standards of instructional quality established in regulations promulgated by the commissioner of education;

(ix) organize or use an existing human resource development network within the zone, including a committee of representatives of human resource agencies and organizations serving the zone, organized labor and business representatives, to develop strategies and activities for improving the coordination and delivery of human services to residents of the zone and zone businesses;

(x) prepare and implement a small business development and assistance

plan;

(xi) in conjunction with zone administrative entities, develop and implement a system for continuous monitoring and evaluation of zone performance at the local level consistent with the guidelines set forth in subdivisions (k) through (o) of section nine hundred fifty-nine of this article;

(xii) provide within the zone, or contract with a new or existing community-based local development corporation or entity to provide, strategic economic development planning for the zone, marketing and promotion of the zone, assistance to companies in applying for available benefits, preparation of applications for financing assistance and other technical assistance services; coordination of the delivery of state and local programs within the zones; and operation of such other economic development assistance programs in furtherance of the empire zone development plan as may be appropriate. Provided, however, within the amount appropriated therefor and allocated by the director of the budget, the commissioner, through annual administrative contracts, shall, to the maximum extent feasible, make equally available financial support, through contracts or other means, to assist with the administrative expenses of the local zone administrative bodies or community-based development organizations. No funds shall be made available for this purpose unless the amount to be provided has been matched by private or governmental sources, other than state sources, in amounts at least equalling that to be provided by the state. Such matching funds shall be earmarked and used exclusively for the local administration of the zone program or for activities of the zone program. At least fifty percent of such matching funds shall be in cash, provided that the commissioner may waive this requirement for communities with populations of twenty-five thousand or less, and provided, further, that any amounts appropriated for minority and women-owned business development within the zones shall be distributed by the commissioner pursuant to a competitive proposal solicitation process.

(b) The annual report of the local empire zone administrative board required by subdivision (b) of this section shall, subject to the tax secrecy provisions referred to in subdivision (d) of this section, include, but not be limited to, the following information with respect

to the year immediately preceding the year which is the subject of the report:

(i) a complete list of all property within the zone, if any, granted an exemption under section four hundred eighty-five-e of the real property tax law, together with the assessed value thereof and the amount of such exemption, for each municipal corporation which granted such exemption. Such list shall also set forth for each municipal corporation granting such exemption: (1) the tax rate for the year to which the report pertains; (2) the amount of real property tax that would have been paid in the aggregate by the owners of real property granted an exemption under section four hundred eighty-five-e of the real property tax law if the property was fully taxable at that rate; and (3) the amount of tax actually paid in the aggregate by such owners;

(ii) the total incremental value, if any, as defined in subdivision (e) of section nine hundred sixty-seven of this chapter, of taxable real property in each city, town, village or county within the empire zone, together with the total amount of tax increments which are segregated pursuant to subdivision (g) of such section;

(iii) the total dollar value of the refund or credit of taxes imposed pursuant to the authority of article twenty-nine of the tax law on receipts from the sale of certain materials used in constructing, expanding or rehabilitating certain business property located in the empire zone, as authorized by clause six of subdivision (a) of section eleven hundred nineteen of the tax law;

(iv) the total dollar value of the refund or credit of taxes imposed under article twenty-eight of the tax law on receipts from the sale of materials used in constructing, expanding or rehabilitating certain business property located in the empire zone, as authorized by clause six of subdivision (a) of section eleven hundred nineteen of the tax law;

(v) the number of taxpayers claiming each of the following tax credits or refunds, together with the total amount of each credit claimed by taxpayers in the aggregate against their taxes in the year to which the report pertains, resulting from taxpayer activity in the empire zone or investments made by taxpayers in the capital corporation established for that empire zone:

(A) credits against the tax imposed under article nine-A of the tax

law, based on investments in certain eligible property in an empire zone, as authorized by subdivisions twelve-B and twelve-C of section two hundred ten of the tax law;

(B) credits against the tax imposed under article twenty-two of the tax law, based on investments in certain eligible property in the empire zone, as authorized by subsection (j) of section six hundred six of the tax law;

(C) credits against taxes imposed under articles nine-A, twenty-two, thirty-two and thirty-three of the tax law, based on wages paid to certain employees employed by a business located in an empire zone, as authorized by subdivision nineteen of section two hundred ten, subsection (k) of section six hundred six, subsection (e) of section fourteen hundred fifty-six and subdivision (g) of section fifteen hundred eleven, respectively, of the tax law;

(D) credits against the tax law imposed under articles nine-A, twenty-two, thirty-two and thirty-three of the tax law, based on investments in the stock of an empire zone capital corporation, as authorized by subdivision twenty of section two hundred ten, subdivision (1) of section six hundred six, subsection (d) of section fourteen hundred fifty-six, and subdivision (h) of section fifteen hundred eleven of the tax law;

(vi) the total amount of reductions in utility costs of non-retail business customers in the empire zone, as authorized by subdivision eight of section one hundred eighty-six-a of the tax law;

(vii) a statement summarizing all amounts received as, and expenditures made from, financial support for administrative expenses pursuant to paragraph (vii) of subdivision (b) of this section; and

(viii) any other information regarding empire zone activities which the department of economic development may require upon its own request or that of the department of audit and control, department of taxation and finance, or the legislative commission on expenditure review.

In addition to the information required by paragraphs (i) through (viii) inclusive of this subdivision, such report shall also set forth, with respect to all previous years for which reports were issued, a cumulative summary of the total amount of real property taxes that would have been received by each municipal corporation within the zone if the

real property granted an exemption under section four hundred eighty-five-e of the real property tax law had been fully taxed at the tax rate for the appropriate year, the total amount of tax increments segregated for infrastructure improvements by each city, town, village or county within the zone, the total amount of each of the credits or refunds set forth in paragraphs (iii) through (vi) of this subdivision for activities or investments within the zone, and the total amounts received and expenditures made from any financial support pursuant to paragraph (vii) of subdivision (b) of this section.

(c) At the request of any local empire zone administrative board, the department of taxation and finance, the department of economic development, the public service commission and any municipal corporation within the empire zone shall, to the extent that it possesses any of the information required by subdivision (c) of this section, and to the extent that such information can be disclosed without violating the secrecy provisions contained in sections two hundred two, two hundred eleven, six hundred ninety-seven, one thousand one hundred forty-six, one thousand two hundred fifty, one thousand four hundred sixty-seven and one thousand five hundred eighteen of the tax law, provide that information to the local empire zone administrative board for inclusion in its annual report. The amount of any real property taxes required to be set forth in the report pursuant to subdivision (c) of this section shall be computed and furnished to the zone's administrative board by the municipality which levied the tax. The failure of any empire zone administrative board to prepare and submit a report as required by subdivision (b) of this section shall make the board or other community-based development organization ineligible to receive any financial support for administrative expenses authorized by paragraph (vii) of subdivision (b) of this section; provided, however, that such financial assistance shall not be withheld on account of the report's failure to include any information which is required by subdivision (c) of this section but is not available to the empire zone administrative board.

(d) The department of economic development shall provide to the temporary president of the senate, the speaker of the assembly and the commissioner of the department of taxation and finance a consolidated statewide report of the information required pursuant to paragraph (ii)

of subdivision (b) and subdivision (c) of this section. Such report by the department shall contain an analysis of the performance of each zone using the information obtained pursuant to paragraph (ii) of subdivision (b) and subdivision (c) of this section. Such report shall include, but not be limited to, the number of jobs created, as derived from paragraph one of subdivision (b) of section fourteen of the tax law, for all businesses in each zone, and the number of new businesses in each zone.

(e) No designated empire zone shall require or solicit funds from businesses, whether certified or not, for use in the empire zones program as created by this article. No business shall be required to pay any funds to participate in the empire zones program.

(f) All certified businesses, with the exception of those whose benefit period as a QEZE business enterprise has expired, are required to provide a certified annual report to the local zone administration board which report shall include but not be limited to the following:

(i) Business certification information to include: organization name, organization address in the zone, contact information, federal employment ID number, New York state unemployment insurance number, state of formation or incorporation, verification that the business is authorized to conduct business in the state of New York;

(ii) Employment numbers calculated in the same manner in which the employment number is required to be calculated by section fourteen of the tax law including: total existing full-time equivalent jobs in the zone as of the date of certification within that zone, total existing jobs in the zone for the year for which the report is being provided, total remuneration paid to employees in the zone each quarter of the reported year, total number of employees in all zones, total annual remuneration in all zones, total annual remuneration paid in New York state for the reported year, total employment number in New York state for the reported year as shown on each business' NYS-45 wage reporting form filed with the department of labor;

(iii) Capital investment to include: total investment made in the zone for the reported year;

(iv) Tax benefits used and refunded: provide an estimation of the amount of the tax benefits used and refunded for the reported year by the certified business, or by the taxpayers within the certified business including its shareholders, members, partners or the owner of a

sole proprietorship including the wage tax credits, investment tax credits, employment incentive tax credits, real property tax credit, tax reduction credit; and

(v) The sales tax credits and refunds for the reported year.