

S T A T E O F N E W Y O R K

S. 6807--C

A. 9807--C
R.R. 46

S E N A T E - A S S E M B L Y

January 22, 2008

IN SENATE -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- 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 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

IN ASSEMBLY -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee -- reported and referred to the Committee on Rules -- passed by Assembly and delivered to the Senate, recalled from the Senate, vote reconsidered, restored to special order on third reading, recommitted to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the education law, in relation to regents' standards and academic performance (Part A); to amend the education law, in relation to authorizing the commissioner of education to expend money for formula grants to public library systems in the 2008-09 state fiscal year, technology equipment apportionment, apportionment for the establishment of cooperative educational services, contingency budgets, apportionment of public moneys to certain school districts, the universal pre-kindergarten program, the school tax relief aid program, prescribed payments for the STAR program, the teachers of tomorrow program, special apportionments, duties regarding Indian children; to amend the arts and cultural affairs law, in relation to the New York state cultural education trust; to amend chapter 756 of the laws of 1992, relating to funding a program for work force education conducted by the consortium for worker education in New York city, in relation to certain reimbursements and the effectiveness of such chapter; to amend chapter 169 of the laws of 1994, relating to certain provisions related to the 1994-95 state operations, aid to localities, capital

EXPLANATION--Matter in **ITALICS** (underscored) is new; matter in brackets { } is old law to be omitted.

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projects and debt service budgets, in relation to the effectiveness thereof; to amend chapter 82 of the laws of 1995, amending the education law and certain other laws relating to state aid to school districts and the appropriation of funds for the support of government, in relation to the effectiveness thereof; to amend chapter 83 of the laws of 2002, amending the real property tax law and other laws relating to improving the administration of the school tax relief (STAR) program, in relation to repayment of excess property tax payments and in relation to certain apportionments payable to the city school district in the city of Rochester; to amend chapter 88 of the laws of 2000, amending the tax law and other laws relating to authorizing the accelerated payment of certain state apportionments to the city school districts of the cities of Buffalo and Yonkers, in relation to use of reserve funds in the city of Buffalo; in relation to apportionments for school bus driver training; in relation to apportionment of monies appropriated for the support of public libraries; to provide special apportionment for salary expenses; to provide special apportionment for public pension expenses; in relation to suballocation of certain education department accruals; in relation to purchase of medical and health services by the city school district of the city of Rochester; and in relation to magnet school setasides; to amend chapter 57 of the laws of 2004 amending the labor law and other laws relating to implementation of the state fiscal plan for the 2004-2005 state fiscal year, in relation to extending certain provisions thereof; to repeal section 20 of part B of chapter 57 of the laws of 2007 amending the arts and cultural affairs law, the education law and other laws relating to aid for education relating thereto and providing for the repeal of certain provisions upon expiration thereof (Part B); to amend the education law, in relation to tenure determinations; and to repeal section 3012-b of such law relating thereto (Part C); Intentionally omitted (Part D); Intentionally omitted (Part E); Intentionally omitted (Part F); to amend the education law, in relation to credit card transactions processed for the payment of fees collected for the licensure of physicians (Part G); Intentionally omitted (Part H); to amend section 17 of chapter 31 of the laws of 1985, amending the education law relating to regents scholarships in certain professions, in relation to the regents professional and regents health care professional opportunity scholarships and to amend the education law, in relation to eligibility requirements and conditions governing the tuition assistance program (Part I); Intentionally omitted (Part J); to amend chapter 62 of the laws of 2003 amending the state finance law and other laws relating to authorizing and directing the state comptroller to loan money to certain funds and accounts, in relation to extending the statutory authorization and the rules governing contributions to the unemployment insurance interest assessment surcharge fund (Part K); Intentionally omitted (Part L); to amend the tax law, in relation to default collection of educational loans by the higher education services corporation (Part M); to amend the education law, in relation to tuition awards for veterans (Part N); Intentionally omitted (Part O); to repeal section 3 of chapter 617 of the laws of 2007, amending the education law relating to eliminating the mandatory contribution for members in the optional retirement program, relating thereto (Part P); to amend the tax law, in relation to allowing offsets taken from "Middle Class STAR" rebates (Part Q); to amend the tax law and the administrative code of the city of New York, in relation to the New

York city school tax credit and to establish a new tax rate for city taxable income (Part R); to amend the real property tax law, in relation to the basic "Middle Class STAR" rebate program (Part S); Intentionally omitted (Part T); Intentionally omitted (Part U); Intentionally omitted (Part V); to amend the real property tax law and the education law, in relation to improving the efficacy of the STAR exemption (Part W); to amend the social services law, in relation to increasing the standards of monthly need for aged, blind and disabled persons (Part X); Intentionally omitted (Part Y); to amend the social services law, in relation to the pass-through, disregard and assignment of support for persons applying for or in receipt of public assistance, and collection of a twenty-five dollar annual service fee for child support enforcement services furnished to certain persons receiving such services (Part Z); to direct the commissioners of the offices of temporary and disability assistance, and children and family services to provide public access to information on certain disbursements (Part AA); to direct the office of children and family services to continue and expand the demonstration project; and providing for the repeal of such provisions upon expiration thereof (Part BB); Intentionally omitted (Part CC); to amend the family court act, in relation to alternatives to detention (Part DD); requiring the office of children and family services to report on caseworker ratios; and providing for the repeal of such provisions upon expiration thereof (Part EE); to direct the office of children and family services to conduct a study on the effectiveness of juvenile justice youth services; and providing for the repeal of such provisions upon the expiration thereof (Part FF); to amend the education law, in relation to projects supporting improvements in environmental protection, energy and resource management, solar energy and conservation (Part GG); to amend the education law, in relation to state aid for high need nursing programs for certain independent institutions of higher learning (Part HH); prohibits the office of children and family services from transferring youth or employees for the purpose of effectuating the closure of Great Valley residential center or Pyramid reception center (Part II); Intentionally omitted (Part JJ); and to amend the state finance law, in relation to special aid and incentives for municipalities (Part KK); to amend the state finance law, in relation to establishing the New York state higher education endowment (Part LL); to amend the general municipal law, the state finance law, the public housing law, the education law, the public authorities law, chapter 560 of the laws of 1980 authorizing the city of New York to adopt a solid waste management law and chapter 892 of the laws of 1971 amending the public authorities law and other laws relating to enabling the dormitory authority to construct and finance dormitories, buildings and health facilities, in relation to separate specifications for public works contracts; to amend the general municipal law and the state finance law, in relation to payment by contractors to subcontractors and in relation to local government procurement practices; and to amend the labor law, in relation to public works contracts (Part MM); in relation to authorizing the New York state mortgage agency to transfer certain moneys (Part NN); to amend the public health law, in relation to the general hospital indigent care pool, in relation to the high need indigent care adjustment pool, in relation to the child health insurance plan, in relation to general hospital inpatient reimbursement, in relation to the distribution of the professional education pools, in relation to residential health care

facilities, in relation to medical home demonstration program and in relation to hospital reimbursement provisions generally; to amend the social services law, in relation to managed care providers and the family health plus program; to amend a chapter of the laws of 2008 amending provisions of law implementing the health and mental hygiene budget for the 2008-2009 state fiscal year as proposed in legislative bill numbers S. 6808-C and A. 9808-C, in relation to the effectiveness thereof; to repeal section 2799-p of the public health law relating to New York wellness works; to repeal subdivision (h) of section 1 of part C of chapter 58 of the laws of 2005 relating to authorizing reimbursements for expenditures made by or on behalf of social services districts for medical assistance for needy persons and the administration thereof relating thereto; and providing for the repeal of certain provisions upon expiration thereof (Part OO); to amend the New York state urban development corporation act, in relation to establishing the investment opportunity fund (Part PP); to amend the New York state urban development corporation act, in relation to establishing the upstate regional blueprint fund, the downstate revitalization fund and the upstate agricultural economic development fund; and to establish the New York state arts and cultural capital grants program, the New York state economic and community development program, the New York state economic development assistance program and the New York state capital assistance program (NYSCAP) act (Part QQ); to provide for the administration of certain funds and accounts related to the 2008-2009 budget; authorizing certain payments and transfers; to amend the state finance law, in relation to the school tax relief fund; to amend the state finance law, in relation to extending the deposit provisions; to amend the state finance law, in relation to financed creation or improvement of information technology systems and related research and development; to amend the state finance law, in relation to variable rate bonds; to amend the public authorities law, in relation to state-supported debt for certain educational institutions other than state operated or contract colleges for SUNY and state-supported debt of state university athletic facilities; to amend the public authorities law, in relation to state-supported debt for eligible school reconstruction, capital facility programs and public schools; to amend the public authorities law, in relation to cultural education facilities and state-supported debt; to amend the public authorities law, in relation to state environment infrastructure projects and state-supported debt; to amend chapter 61 of the laws of 2005, relating to providing for the administration of certain funds and accounts related to the 2005-2006 budget, in relation to state-supported debt; to amend chapter 81 of the laws of 2002, relating to providing for the administration of certain funds and accounts related to the 2002-2003 budget, in relation to state-supported debt; to amend the state finance law, in relation to state-supported debt and issuance of certificates of participation; to amend chapter 60 of the laws of 2006, relating to providing for the administration of certain funds and accounts related to the 2006-2007 budget, in relation to state-supported debt; to amend chapter 389 of the laws of 1997, relating to the financing of certain improvement funds, in relation to state-supported debt; to amend the private housing finance law, in relation to housing program bonds and notes and state-supported debt; to amend the New York state urban development corporation act, in relation to economic development initiatives; to amend the New York state medical care facilities finance agency act, in relation to

mental health services facilities improvement bonds and notes; to amend chapter 329 of the laws of 1991, amending the state finance law and other laws relating to the establishment of the dedicated highway and bridge trust fund, in relation to obligations of the thruway authority; and providing for the repeal of certain provisions upon expiration thereof (Part RR); to amend the tax law, in relation to limited liability company filing fees and the franchise tax on business corporations (Part AA-1); to amend the tax law, in relation to costs or fees imposed by the United States or other states for crediting tax overpayments against outstanding tax debts owed to the state of New York (Part BB-1); and to amend the tax law, in relation to enacting tax compliance and enforcement initiatives; in relation to establishing a limited program to allow certain taxpayers with certain tax liabilities to avail themselves of the tax shelter voluntary compliance initiative (Part CC-1); to amend chapter 61 of the laws of 2005 amending the tax law relating to certain transactions and related information, in relation to extending the disclosure and penalty provisions related to transactions that present the potential for tax avoidance (Part DD-1); to amend the tax law, in relation to making certain banking corporations subject to tax under article 32 thereof (Part EE-1); to amend the tax law, in relation to the taxation of captive real estate investment trusts and captive regulated investment companies and providing for the repeal of such provisions upon expiration thereof (Part FF-1); to amend the tax law, in relation to reducing the tax rate of the capital base, amending the capital base cap for non-manufacturers and conforming the definition of manufacturing under the capital base to the definition of manufacturing under the entire net income base (Part GG-1); to amend the tax law and the administrative code of the city of New York, in relation to an addition to federal taxable income and federal adjusted gross income (Part HH-1); to amend the tax law, in relation to extending the temporary metropolitan business tax surcharges (Part II-1); to amend the tax law, in relation to changing the percentage used to compute the mandatory first installment of franchise tax and the metropolitan commuter transportation district business tax surcharge under articles 9, 9-A, 32 and 33 (Part JJ-1); to amend the tax law, in relation to requiring not-for-profit organizations to collect sales and use taxes on certain additional property and services they sell (Part KK-1); directs the commissioner of taxation and finance to institute a re-registration program (Part LL-1); to amend the tax law, the administrative code of the city of New York, and chapter 235 of the laws of 1952 relating to enabling any city of the state having a population of one million or more to adopt, and amend local laws, imposing certain specified types of taxes on cigarettes which the legislature has or would have power and authority to impose, to provide for the review of such taxes, and to limit the application of such local laws, in relation to defining cigarettes to include little cigars (Part MM-1); to amend part W3 of chapter 62 of the laws of 2003, amending the alcoholic beverage control law relating to sales for off-premises consumption, in relation to making certain provisions permanent (Part NN-1); to amend the tax law, in relation to creating an evidentiary presumption to facilitate the administration of the sales and use tax where a person making sales of taxable property or services in the state uses residents in the state to solicit sales (Part OO-1); to amend the multiple dwelling law, in relation to owner obligations; to amend chapter 349 of the laws of 1982 amending the multiple dwelling law relating to

legalization of interim multiple dwellings in cities over one million, in relation to the effectiveness thereof; and to amend chapter 405 of the laws of 1999 amending the real property tax law relating to improving the administration of the school tax relief (STAR) program, in relation to the lottery game of Quick Draw (Part PP-1); to amend the tax law, in relation to the tobacco products tax on snuff under article 20 thereof (Part QQ-1); to amend the tax law, in relation to increasing the tax on cigarettes and the revenue distributed for health programs under article 20 of such law (Part RR-1); to amend the tax law, the state finance law and the administrative code of the city of New York, in relation to imposing sales and compensating use taxes at the rate of four percent in a city of one million or more upon the expiration of the four percent local sales and compensating use taxes imposed by section 1107 of the tax law in such a city and to conform the base of those taxes to the expiring section 1107 of the tax law; to repeal subdivisions (f) and (g) of section 1212-A of the tax law relating to certain taxes of cities of one million or more administered by the commissioner of taxation and finance; to repeal subchapter 1 of chapter 20 of title 11 of the administrative code of the city of New York relating thereto; and to repeal paragraphs 2 and 3 of subdivision (a) of section 11-2040 of the administrative code of the city of New York relating to sales tax on protective and detective services, and interior cleaning and maintenance services; and to amend the public service law, in relation to payments equivalent to tax for certain electric corporations (Part SS-1); to amend chapter 508 of the laws of 1993 amending the tax law and the criminal procedure law relating to enhancing the enforcement of the taxes on alcoholic beverages with respect to liquors, in relation to making such provisions permanent (Part TT-1); to amend the tax law, in relation to requiring electronic filing of certain tax documents and electronic payment of associated tax liabilities or other amounts due (Part UU-1); in relation to the brownfield cleanup program; and providing for the repeal of such provisions upon the expiration thereof (Part VV-1); to amend the tax law and chapter 60 of the laws of 2004 amending the tax law relating to the empire state film production credit, in relation to aggregate amounts of tax credits; and to amend chapter 60 of the laws of 2004 amending the tax law relating to the empire state film production credit, in relation to the effectiveness of such credit (Part WW-1); to amend the public housing law, in relation to providing a credit against income tax for persons or entities investing in low-income housing (Part XX-1); to amend chapter 56 of the laws of 1998, amending the tax law and other laws relating to extending the dates of application of the investment tax credit under articles 9-A, 22 and 32 of the tax law and to amend chapter 63 of the laws of 2000, amending the tax law and other laws relating to extending the dates of application of the investment tax credit under article 33 of the tax law, in relation to extending the effectiveness thereof (Part YY-1); to amend the tax law, in relation to the tax credit for companies who provide transportation services to individuals with disabilities, and to amend chapter 522 of the laws of 2006 relating to providing a tax credit to companies who provide transportation to handicapped individuals, in relation to extending the effective date of such tax credit (Part ZZ-1); to amend the tax law, in relation to providing tax credits for the purchase of bioheat to be used for space heating or hot water production for residential purposes, and to amend chapter 35 of the laws of 2006 amending the tax law relating to a clean heating fuel

credit, in relation to applicable taxable years (Part AAA-1); to amend the general business law, in relation to increasing the maximum fee which may be imposed for the filing of a real estate syndication offering; to amend the state finance law, in relation to establishing the real estate finance bureau fund (Part BBB-1); and to amend the tax law, in relation to the empire zone wage tax credit and to amend the general municipal law, in relation to the responsibilities of the commissioner of economic development (Part CCC-1)

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. This act enacts into law major components of legislation
2 which are necessary to implement the state fiscal plan for the 2008-2009
3 state fiscal year. Each component is wholly contained within a Part
4 identified as Parts A through CCC-1. The effective date for each partic-
5 ular provision contained within such Part is set forth in the last
6 section of such Part. Any provision in any section contained within a
7 Part, including the effective date of the Part, which makes a reference
8 to a section "of this act", when used in connection with that particular
9 component, shall be deemed to mean and refer to the corresponding
10 section of the Part in which it is found. Section three of this act sets
11 forth the general effective date of this act.

12 PART A

13 Section 1. Intentionally omitted.

14 S 2. Subdivisions 1, 2 and 3 of section 211-d of the education law, as
15 added by section 12 of part A of chapter 57 of the laws of 2007, are
16 amended to read as follows:

17 1. A. Every school district that, AS OF APRIL FIRST OF THE BASE YEAR,
18 has at least one school {currently} identified as {requiring academic
19 progress or in need of improvement or} in corrective action or restruc-
20 turing status OR AS A SCHOOL REQUIRING ACADEMIC PROGRESS: YEAR TWO OR
21 ABOVE OR AS A SCHOOL IN NEED OF IMPROVEMENT: YEAR TWO shall be required
22 to prepare a contract for excellence if the school district {receives}
23 IS ESTIMATED TO RECEIVE an increase in total foundation aid FOR THE
24 CURRENT YEAR compared to the base year in an amount that equals or
25 exceeds either fifteen million dollars or ten percent of the amount
26 received in the base year, whichever is less, or receives a supplemental
27 educational improvement plan grant {is required to prepare a contract
28 for excellence for the district}. In school year two thousand seven--two
29 thousand eight such increase shall be the amount of the difference
30 between total foundation aid received for the current year and the total
31 foundation aid base, as defined in paragraph {(j)} J of subdivision one
32 of section thirty-six hundred two of this chapter.

33 B. IN ADDITION TO THE SCHOOL DISTRICTS REQUIRED TO PREPARE A CONTRACT
34 FOR EXCELLENCE UNDER PARAGRAPH A OF THIS SUBDIVISION, EVERY SCHOOL
35 DISTRICT THAT FILED A CONTRACT FOR EXCELLENCE IN THE BASE YEAR SHALL
36 FILE A CONTRACT FOR EXCELLENCE IN THE CURRENT YEAR IF SUCH DISTRICT IS
37 ESTIMATED TO RECEIVE A TWO-YEAR INCREASE, EQUAL TO THE POSITIVE DIFFER-
38 ENCE OF THE TOTAL FOUNDATION AID APPORTIONED FOR THE CURRENT YEAR LESS
39 THE TOTAL FOUNDATION AID BASE, AS DEFINED IN PARAGRAPH J OF SUBDIVISION
40 ONE OF SECTION THIRTY-SIX HUNDRED TWO OF THIS CHAPTER, FOR THE BASE
41 YEAR, IN AN AMOUNT THAT EQUALS OR EXCEEDS EITHER TWENTY-SEVEN MILLION

1 FIVE HUNDRED THOUSAND DOLLARS OR TWENTY PERCENT OF SUCH TOTAL FOUNDATION
2 AID BASE FOR THE BASE YEAR; PROVIDED HOWEVER, THAT THIS REQUIREMENT
3 SHALL APPLY ONLY TO A SCHOOL DISTRICT THAT, AS OF APRIL FIRST OF THE
4 BASE YEAR, HAS AT LEAST ONE SCHOOL THAT HAS BEEN IDENTIFIED AS IN
5 CORRECTIVE ACTION OR RESTRUCTURING STATUS OR AS A SCHOOL REQUIRING
6 ACADEMIC PROGRESS: YEAR TWO OR ABOVE OR AS A SCHOOL IN NEED OF IMPROVE-
7 MENT: YEAR TWO.

8 C. In a city school district located in a city of one million or more
9 inhabitants, a contract for excellence shall be prepared for the city
10 school district and each community district that meets the above crite-
11 ria.

12 D. ALL COMPUTATIONS PURSUANT TO PARAGRAPHS A AND B OF THIS SUBDIVISION
13 AND SUBDIVISION TWO OF THIS SECTION SHALL BE BASED UPON DATA INCLUDED IN
14 THE COMPUTERIZED SCHOOL AID RUN PRODUCED BY THE COMMISSIONER IN SUPPORT
15 OF THE ENACTED STATE BUDGET WHICH ESTABLISHED THE FOUNDATION AID FORMU-
16 LAS FOR THE CURRENT YEAR. FOR PURPOSES OF THIS SECTION, ACCOUNTABILITY
17 STATUS OF SCHOOLS SHALL BE DETERMINED AS OF APRIL FIRST OF THE BASE
18 YEAR, EXCEPT THAT IF THE COMMISSIONER DETERMINES THAT THE ACCOUNTABILITY
19 DATA ON FILE FOR A SCHOOL AS OF APRIL FIRST OF THE BASE YEAR WAS IN
20 ERROR AND OFFICIALLY ADJUSTS THE ACCOUNTABILITY STATUS OF THE SCHOOL
21 AFTER SUCH DATE, SUCH ADJUSTED DATA SHALL BE USED FOR THE PURPOSES OF
22 PARAGRAPHS A AND B OF THIS SUBDIVISION AND SUBDIVISION TWO OF THIS
23 SECTION.

24 2. a. {Each} (I) IN A COMMON, UNION FREE, CENTRAL, CENTRAL HIGH
25 SCHOOL, OR A CITY SCHOOL DISTRICT IN A CITY HAVING LESS THAN ONE HUNDRED
26 TWENTY-FIVE THOUSAND INHABITANTS, REQUIRED TO PREPARE A CONTRACT FOR
27 EXCELLENCE PURSUANT TO SUBDIVISION ONE OF THIS SECTION AND, AS OF APRIL
28 FIRST OF THE BASE YEAR, DOES NOT CONTAIN ANY SCHOOLS IDENTIFIED AS IN
29 CORRECTIVE ACTION OR RESTRUCTURING STATUS OR REQUIRING ACADEMIC
30 PROGRESS: YEAR THREE OR ABOVE, EACH contract for excellence shall
31 describe how the sum of the amounts apportioned to the school district
32 in the current year as total foundation aid {and as supplemental edu-
33 cational improvement plan grants for the two thousand seven--two thousand
34 eight school year and thereafter}, in excess of one hundred {three} FOUR
35 percent of the district's foundation aid base, as adjusted for addi-
36 tional amounts payable as charter school basic tuition over such amount
37 payable in the base year, shall be used to support new programs and new
38 activities or REDESIGN OR expand the use of programs and activities
39 demonstrated to improve student achievement; PROVIDED HOWEVER, UP TO
40 FIFTY PERCENT OF ADDITIONAL FUNDING RECEIVED IN THE CURRENT YEAR MAY BE
41 USED TO MAINTAIN INVESTMENTS IN PROGRAMS AND ACTIVITIES LISTED IN PARA-
42 GRAPH A OF SUBDIVISION THREE OF THIS SECTION.

43 (II) IN A COMMON, UNION FREE, CENTRAL, CENTRAL HIGH SCHOOL, OR A CITY
44 SCHOOL DISTRICT IN A CITY HAVING LESS THAN ONE HUNDRED TWENTY-FIVE THOU-
45 SAND INHABITANTS, REQUIRED TO PREPARE A CONTRACT FOR EXCELLENCE PURSUANT
46 TO SUBDIVISION ONE OF THIS SECTION AND, AS OF APRIL FIRST OF THE BASE
47 YEAR, HAS AT LEAST ONE SCHOOL IDENTIFIED AS IN CORRECTIVE ACTION OR
48 RESTRUCTURING STATUS OR REQUIRING ACADEMIC PROGRESS: YEAR THREE OR
49 ABOVE, EACH CONTRACT FOR EXCELLENCE SHALL DESCRIBE HOW THE SUM OF THE
50 AMOUNTS APPORTIONED TO THE SCHOOL DISTRICT IN THE CURRENT YEAR AS TOTAL
51 FOUNDATION AID, IN EXCESS OF ONE HUNDRED FOUR PERCENT OF THE DISTRICT'S
52 FOUNDATION AID BASE, AS ADJUSTED FOR ADDITIONAL AMOUNTS PAYABLE AS CHAR-
53 TER SCHOOL BASIC TUITION OVER SUCH AMOUNT PAYABLE IN THE BASE YEAR,
54 SHALL BE USED TO SUPPORT NEW PROGRAMS AND NEW ACTIVITIES OR REDESIGN OR
55 EXPAND THE USE OF PROGRAMS AND ACTIVITIES DEMONSTRATED TO IMPROVE
56 STUDENT ACHIEVEMENT; PROVIDED HOWEVER, UP TO THIRTY-FIVE PERCENT OF

1 ADDITIONAL FUNDING RECEIVED IN THE CURRENT YEAR MAY BE USED TO MAINTAIN
2 INVESTMENTS IN THE PROGRAMS AND ACTIVITIES LISTED IN PARAGRAPH A OF
3 SUBDIVISION THREE OF THIS SECTION.

4 (III) IN A CITY SCHOOL DISTRICT IN A CITY HAVING A POPULATION OF ONE
5 HUNDRED TWENTY-FIVE THOUSAND OR MORE INHABITANTS BUT LESS THAN ONE
6 MILLION INHABITANTS THAT EITHER RECEIVES A SUPPLEMENTAL EDUCATIONAL
7 IMPROVEMENT PLAN GRANT OR IS REQUIRED TO SUBMIT A CONTRACT FOR EXCEL-
8LENCE BASED SOLELY UPON THE CRITERIA SPECIFIED IN PARAGRAPH B OF SUBDI-
9VISION ONE OF THIS SECTION, EACH CONTRACT FOR EXCELLENCE SHALL DESCRIBE
10 HOW THE SUM OF THE AMOUNTS APPORTIONED TO THE SCHOOL DISTRICT IN THE
11 CURRENT YEAR AS TOTAL FOUNDATION AID, AND AS SUPPLEMENTAL EDUCATIONAL
12 IMPROVEMENT PLAN GRANTS, IN EXCESS OF ONE HUNDRED FOUR PERCENT OF SUCH
13 AID APPORTIONED TO THE DISTRICT IN THE BASE YEAR, AS ADJUSTED FOR ADDI-
14 TIONAL AMOUNTS PAYABLE AS CHARTER SCHOOL BASIC TUITION OVER SUCH AMOUNT
15 PAYABLE IN THE BASE YEAR, SHALL BE USED TO SUPPORT NEW PROGRAMS AND NEW
16 ACTIVITIES OR REDESIGN OR EXPAND THE USE OF PROGRAMS AND ACTIVITIES
17 DEMONSTRATED TO IMPROVE STUDENT ACHIEVEMENT; PROVIDED HOWEVER, UP TO
18 FIFTY PERCENT OF ADDITIONAL FUNDING RECEIVED IN THE CURRENT YEAR MAY BE
19 USED TO MAINTAIN INVESTMENTS IN THE PROGRAMS AND ACTIVITIES LISTED IN
20 PARAGRAPH A OF SUBDIVISION THREE OF THIS SECTION.

21 (IV) IN A CITY SCHOOL DISTRICT IN A CITY HAVING A POPULATION OF ONE
22 HUNDRED TWENTY-FIVE THOUSAND OR MORE INHABITANTS BUT LESS THAN ONE
23 MILLION INHABITANTS THAT SATISFIES THE CRITERIA SPECIFIED IN PARAGRAPH A
24 OF SUBDIVISION ONE OF THIS SECTION AND DOES NOT RECEIVE A SUPPLEMENTAL
25 EDUCATIONAL IMPROVEMENT PLAN GRANT, EACH CONTRACT FOR EXCELLENCE SHALL
26 DESCRIBE HOW THE SUM OF THE AMOUNTS APPORTIONED TO THE SCHOOL DISTRICT
27 IN THE CURRENT YEAR AS TOTAL FOUNDATION AID, IN EXCESS OF ONE HUNDRED
28 THREE PERCENT OF THE DISTRICT'S FOUNDATION AID BASE, AS ADJUSTED FOR
29 ADDITIONAL AMOUNTS PAYABLE AS CHARTER SCHOOL BASIC TUITION OVER SUCH
30 AMOUNT PAYABLE IN THE BASE YEAR, SHALL BE USED TO SUPPORT NEW PROGRAMS
31 AND NEW ACTIVITIES OR EXPAND THE USE OF PROGRAMS AND ACTIVITIES DEMON-
32 STRATED TO IMPROVE STUDENT ACHIEVEMENT; PROVIDED HOWEVER, UP TO TWENTY-
33 FIVE PERCENT OF ADDITIONAL FUNDING RECEIVED IN THE CURRENT YEAR MAY BE
34 USED TO MAINTAIN INVESTMENTS IN THE PROGRAMS AND ACTIVITIES LISTED IN
35 PARAGRAPH A OF SUBDIVISION THREE OF THIS SECTION.

36 (V) IN A CITY SCHOOL DISTRICT IN A CITY HAVING A POPULATION OF ONE
37 MILLION OR MORE INHABITANTS, EACH CONTRACT FOR EXCELLENCE SHALL DESCRIBE
38 HOW THE AMOUNTS APPORTIONED TO THE SCHOOL DISTRICT IN THE CURRENT YEAR
39 AS TOTAL FOUNDATION AID AND ACADEMIC ACHIEVEMENT GRANTS, IN EXCESS OF
40 ONE HUNDRED THREE PERCENT OF THE DISTRICT'S FOUNDATION AID BASE, AS
41 ADJUSTED FOR ADDITIONAL AMOUNTS PAYABLE AS CHARTER SCHOOL BASIC TUITION
42 OVER SUCH AMOUNT PAYABLE IN THE BASE YEAR, SHALL BE USED TO SUPPORT NEW
43 PROGRAMS AND NEW ACTIVITIES OR EXPAND THE USE OF PROGRAMS AND ACTIVITIES
44 DEMONSTRATED TO IMPROVE STUDENT ACHIEVEMENT; PROVIDED HOWEVER, UP TO
45 THIRTY MILLION DOLLARS OR TWENTY-FIVE PERCENT OF ADDITIONAL FUNDING
46 RECEIVED IN THE CURRENT YEAR, WHICHEVER IS LESS, MAY BE USED TO MAINTAIN
47 INVESTMENTS IN THE PROGRAMS AND ACTIVITIES LISTED IN PARAGRAPH A OF
48 SUBDIVISION THREE OF THIS SECTION.

49 (VII) EACH CONTRACT FOR EXCELLENCE FOR A SCHOOL DISTRICT THAT WAS
50 REQUIRED TO PREPARE A CONTRACT FOR EXCELLENCE IN THE BASE YEAR SHALL
51 PROVIDE FOR THE EXPENDITURE OF AN AMOUNT EQUIVALENT TO THE TOTAL BUDGET-
52 ED AMOUNT APPROVED BY THE COMMISSIONER IN THE DISTRICT'S APPROVED
53 CONTRACT FOR EXCELLENCE FOR THE BASE YEAR; PROVIDED THAT SUCH AMOUNT
54 SHALL BE EXPENDED TO SUPPORT AND MAINTAIN ALLOWABLE PROGRAMS AND ACTIV-
55 ITIES APPROVED IN THE BASE YEAR OR TO SUPPORT NEW OR EXPANDED ALLOWABLE
56 PROGRAMS AND ACTIVITIES IN THE CURRENT YEAR.

1 b. (i) The contract shall specify the new or expanded programs for
2 which additional amounts of such total foundation aid, or grant shall be
3 used and shall affirm that such programs shall predominately benefit
4 students with the greatest educational needs including, but not limited
5 to, those students with limited English proficiency, students in poverty
6 and students with disabilities.

7 (ii) In a city school district in a city having a population of one
8 million or more inhabitants such contract shall also include a plan to
9 reduce average class sizes, as defined by the commissioner, within five
10 years for the following grade ranges: (A) pre-kindergarten-third grade;
11 (B) fourth-eighth grade; and (C) high school. Such plan shall include
12 class size reduction for low performing and overcrowded schools and also
13 include the methods to be used to achieve such class sizes, such as the
14 creation or construction of more classrooms and school buildings, the
15 placement of more than one teacher in a classroom or methods to other-
16 wise reduce the student to teacher ratio; provided, however, that
17 notwithstanding any law, rule or regulation to the contrary, the sole
18 and exclusive remedy for a violation of the requirements of this para-
19 graph shall be pursuant to a petition to the commissioner under subdivi-
20 sion seven of section three hundred ten of this title, and the decision
21 of the commissioner on such petition shall be final and unreviewable.

22 c. The contract for excellence shall state, for all funding sources,
23 whether federal, state or local, the instructional expenditures per
24 pupil, the special education expenditures per pupil, and the total
25 expenditures per pupil, projected for the current year and actually
26 incurred in the base year.

27 3. a. The commissioner shall adopt regulations establishing allowable
28 programs and activities intended to improve student achievement which
29 shall be limited to: (I) class size reduction, (II) programs that
30 increase student time on task, INCLUDING BUT NOT LIMITED TO, ACADEMIC
31 AFTER-SCHOOL PROGRAMS, (III) teacher and principal quality initiatives,
32 (IV) middle school and high school re-structuring, (V) EXPANSION OR
33 REPLICATION OF EFFECTIVE MODEL PROGRAMS FOR STUDENTS WITH LIMITED
34 ENGLISH PROFICIENCY, and (VI) full-day kindergarten or prekindergarten.
35 Provided, however, that districts may use up to fifteen percent of the
36 additional funding they receive for experimental programs designed to
37 demonstrate the efficacy of other strategies to improve student achieve-
38 ment consistent with the intent of this section and, in school year two
39 thousand seven--two thousand eight, up to thirty million dollars or
40 twenty-five percent of such additional funding, whichever is less, may
41 be used to maintain investments in programs and activities listed in
42 this subdivision. Any such district seeking to implement an experimental
43 program shall first submit a plan to the commissioner setting forth the
44 need for such experimental program and how such program will improve
45 student performance.

46 b. The commissioner shall assist school districts that include in
47 their contract for excellence the implementation of incentives, devel-
48 oped in collaboration with teachers in the collective bargaining proc-
49 ess, for highly qualified and experienced teachers to work in low
50 performing schools to ensure that such incentives are effective.

51 S 3. Subdivision 39 of section 305 of the education law, as added by
52 section 2 of part A of chapter 57 of the laws of 2007, is amended to
53 read as follows:

54 39. The commissioner shall develop a school leadership report card and
55 a separate school progress report card to assist boards of education,
56 the state and the public in assessing the performance of school leaders,

1 including superintendents of schools and building principals, and the
2 schools that they lead. The report cards shall include an assessment of
3 the school's progress in achieving standards of excellence {including}.
4 BY JANUARY FIRST, TWO THOUSAND NINE, THE COMMISSIONER SHALL DEVELOP SUCH
5 STANDARDS OF EXCELLENCE WHICH SHALL INCLUDE, but not BE limited to,
6 parent involvement, curriculum, teacher quality, and accountability
7 measures as set forth in section {three hundred nineteen} TWO HUNDRED
8 ELEVEN-A of this {article} TITLE. The commissioner shall promulgate
9 regulations requiring the trustees or boards of education of every
10 common, union free, central, central high school and city school
11 district, and the chancellor of a city school district in a city of one
12 million or more inhabitants, to attach copies of such report cards to
13 the statement of estimated expenditures pursuant to section sixteen
14 hundred eight or seventeen hundred sixteen of this chapter, where appli-
15 cable, and to otherwise make the report cards publicly available in the
16 same manner as a school district report card.

17 S 4. Intentionally omitted.

18 S 5. Paragraph 1 of subdivision 2-a of section 3204 of the education
19 law, as amended by section 10 of part B of chapter 57 of the laws of
20 2007, is amended to read as follows:

21 1. Each school district which is receiving total foundation aid shall
22 develop a comprehensive plan consistent with requirements as the commis-
23 sioner may establish in regulations to meet the educational needs of
24 {such} pupils of limited English proficiency. Such plan shall include a
25 description of the programs, activities and services used to meet the
26 educational needs of pupils of limited English proficiency that comply
27 with the regulations of the commissioner governing such programs. BY
28 JULY FIRST, TWO THOUSAND EIGHT, THE COMMISSIONER SHALL DEVELOP GUIDE-
29 LINES FOR THE ENHANCEMENT OF SERVICES FOR SUCH PUPILS, WHICH SHALL
30 INCLUDE BUT NOT BE LIMITED TO THE REPLICATION OF EXISTING MODEL PROGRAMS
31 THAT HAVE BEEN EFFECTIVE IN MEETING THE NEEDS OF SUCH PUPILS, AND SHALL
32 ESTABLISH ELIGIBILITY STANDARDS FOR INCENTIVE GRANTS TO IMPROVE SERVICES
33 TO SUCH PUPILS AND THE COMPETITIVE PROCESS THAT WILL BE USED TO AWARD
34 SUCH GRANTS. On or before {November} MARCH first of each year commencing
35 with {November} MARCH first, two thousand {eight} NINE, the commissioner
36 shall submit a report to the governor, the director of the budget, the
37 speaker of the assembly, the {majority leader} TEMPORARY PRESIDENT of
38 the senate, the chair of the fiscal committees of the senate and assem-
39 bly on the expenditure of state, local and federal funds by school
40 districts in the prior school year on programs, activities and services
41 for pupils of limited English proficiency, along with recommendations
42 for improvement of such programs.

43 S 6. Intentionally omitted.

44 S 7. This act shall take effect immediately; provided, however, that
45 section two of this act shall be deemed to have been in full force and
46 effect on and after April 1, 2008; and provided further that the amend-
47 ments to section 211-d of the education law made by section two of this
48 act shall first apply to contracts for excellence for the 2008-2009
49 school year.

51 Section 1. Subdivision 12 of section 273 of the education law, as
52 amended by section 3 of part B of chapter 57 of the laws of 2007, is
53 amended to read as follows:

1 12. The commissioner is hereby authorized to expend in state fiscal
2 year two thousand six--two thousand seven three million dollars and in
3 state fiscal year two thousand seven--two thousand eight eight million
4 dollars AND IN STATE FISCAL YEAR TWO THOUSAND EIGHT--TWO THOUSAND NINE
5 SEVEN MILLION NINE HUNDRED FORTY THOUSAND DOLLARS for formula grants to
6 public library systems, reference and research library resources
7 systems, and school library systems operating under an approved plan of
8 service. Such formula grants shall be provided for the period commencing
9 July first and ending on June thirtieth next following. Such formula
10 grants will be distributed in the following manner:

11 a. Each public library system established pursuant to sections two
12 hundred fifty-five and two hundred seventy-two of this part and operat-
13 ing under a plan approved by the commissioner is entitled to receive
14 fifteen thousand dollars and an amount equal to four percent of the
15 amount of state aid received by such system in two thousand six--two
16 thousand seven and thirty-nine thousand dollars and an amount equal to
17 ten and ninety-four hundredths percent of the amount of state aid
18 received by such system in two thousand seven--two thousand eight AND
19 THIRTY-EIGHT THOUSAND SEVEN HUNDRED EIGHT DOLLARS AND AN AMOUNT EQUAL TO
20 TEN AND NINETY-FOUR HUNDREDTHS PERCENT OF THE AMOUNT OF STATE AID
21 RECEIVED BY SUCH SYSTEM IN TWO THOUSAND EIGHT--TWO THOUSAND NINE under
22 paragraphs a, c, d, e and n of subdivision one of this section;

23 b. Each reference and research library resources system established
24 pursuant to section two hundred seventy-two of this part and operating
25 under a plan approved by the commissioner is entitled to receive fifteen
26 thousand dollars and an amount equal to four percent of the amount of
27 state aid received by such system in two thousand six--two thousand
28 seven and thirty-nine thousand dollars and an amount equal to ten and
29 ninety-four hundredths percent of the amount of state aid received by
30 such system in two thousand seven--two thousand eight AND THIRTY-EIGHT
31 THOUSAND SEVEN HUNDRED EIGHT DOLLARS AND AN AMOUNT EQUAL TO TEN AND
32 NINETY-FOUR HUNDREDTHS PERCENT OF THE AMOUNT OF STATE AID RECEIVED BY
33 SUCH SYSTEM IN TWO THOUSAND EIGHT--TWO THOUSAND NINE under paragraph a
34 of subdivision four of this section; and

35 c. Each school library system established pursuant to section two
36 hundred eighty-two of this part and operating under a plan approved by
37 the commissioner is entitled to receive fifteen thousand dollars and an
38 amount equal to a four percent increase over the amount of state aid
39 received by such system in two thousand six--two thousand seven and
40 thirty-nine thousand dollars and an amount equal to ten and ninety-four
41 hundredths percent of the amount of state aid received by such system in
42 two thousand seven--two thousand eight AND THIRTY-EIGHT THOUSAND SEVEN
43 HUNDRED EIGHT DOLLARS AND AN AMOUNT EQUAL TO TEN AND NINETY-FOUR
44 HUNDREDTHS PERCENT OF THE AMOUNT OF STATE AID RECEIVED BY SUCH SYSTEM IN
45 TWO THOUSAND EIGHT--TWO THOUSAND NINE under paragraphs a, b, c, d, e and
46 f of subdivision one of section two hundred eighty-four of this part.

47 S 2. Subdivision 3 of section 40.05 of the arts and cultural affairs
48 law, as added by section 64 of part A1 of chapter 58 of the laws of
49 2006, is amended to read as follows:

50 3. The member of the board of regents appointed to the board shall
51 serve at the pleasure of the {commissioner of education} CHANCELLOR OF
52 THE BOARD OF REGENTS and shall serve a term equivalent to his or her
53 term as a member of the board of regents. The {commissioner} CHANCELLOR
54 may reappoint the same member of the board of regents as his or her
55 appointee for so long as such regent remains a member of the board of
56 regents.

1 S 3. Intentionally omitted.
2 S 4. Intentionally omitted.

3 S 5. Paragraph b-1 of subdivision 4 of section 2023 of the education
4 law, as added by section 22 of part B of chapter 57 of the laws of 2007,
5 is amended to read as follows:

6 b-1. Notwithstanding any other provision of this subdivision to the
7 contrary, in the event a state grant in aid provided to the district in
8 the prior year is eliminated and incorporated into a non-categorical
9 general state aid in the current school year, the amount of such grant
10 may be included in the computation of total spending for the prior
11 school year, provided that the commissioner has verified that the grant
12 in aid has been {incorporate} INCORPORATED into such non-categorical
13 general state aid.

14 S 6. Paragraph (a) of subdivision 3 of section 2851 of the education
15 law, as added by chapter 4 of the laws of 1998, is amended to read as
16 follows:

17 (a) The board of education of a school district eligible for an appor-
18 tionment of aid under subdivision {twelve} FOUR of section thirty-six
19 hundred two of this chapter, provided that a board of education shall
20 not approve an application for a school to be operated outside the
21 school district's geographic boundaries and further provided that in a
22 city having a population of one million or more, the chancellor of any
23 such city school district shall be the charter entity established by
24 this paragraph;

25 S 7. Subdivision 1 of section 3602 of the education law is amended by
26 adding a new paragraph h to read as follows:

27 H. "ADJUSTED GROSS INCOME" SHALL MEAN THE ADJUSTED GROSS INCOME OF A
28 SCHOOL DISTRICT FOR THE CALENDAR YEAR THREE YEARS PRIOR TO THE CALENDAR
29 YEAR IN WHICH THE CURRENT YEAR COMMENCES. THE INCOME DATA SHALL BE
30 COMPUTED IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE COMMISSIONER OF
31 TAXATION AND FINANCE BASED UPON PERSONAL INCOME TAX RETURNS FOR THE
32 CALENDAR YEAR THREE YEARS PRIOR TO THE CALENDAR YEAR IN WHICH THE
33 CURRENT SCHOOL YEAR COMMENCES, AS REPORTED TO THE COMMISSIONER BY
34 SEPTEMBER OF THE BASE YEAR, INCLUDING THE RESULTS OF THE PERMANENT
35 COMPUTERIZED STATEWIDE SCHOOL DISTRICT ADDRESS MATCH AND INCOME VERIFI-
36 CATION SYSTEM. THE ADJUSTED GROSS INCOME OF THE CITY SCHOOL DISTRICT OF
37 THE CITY OF NEW YORK SHALL BE THE SUM OF THE ADJUSTED GROSS INCOME OF
38 THE BOROUGHS OF THE CITY. THE ADJUSTED GROSS INCOME OF A CENTRAL HIGH
39 SCHOOL DISTRICT SHALL EQUAL THE SUM OF THE ADJUSTED GROSS INCOME OF EACH
40 OF ITS COMPONENT SCHOOL DISTRICTS. "SELECTED ADJUSTED GROSS INCOME"
41 SHALL MEAN THE LESSER OF ADJUSTED GROSS INCOME CALCULATED FOR AID PAYA-
42 BLE IN THE CURRENT YEAR OR THE TWO-YEAR AVERAGE OF THE ADJUSTED GROSS
43 INCOME CALCULATED FOR AID PAYABLE IN THE CURRENT YEAR AND THE ADJUSTED
44 GROSS INCOME CALCULATED FOR AID PAYABLE IN THE BASE YEAR.

45 S 8. Paragraph i of subdivision 1 of section 3602 of the education law
46 is amended by adding a new subparagraph 3-a to read as follows:

47 (3-A) "RESIDENT WEIGHTED PUPILS WITH DISABILITIES" SHALL MEAN WEIGHTED
48 PUPILS WITH DISABILITIES MINUS THE NONRESIDENT WEIGHTED PUPILS WITH
49 DISABILITIES PLUS THE RESIDENT WEIGHTED PUPILS WITH DISABILITIES TO WHOM
50 SPECIAL SERVICES OR PROGRAMS ARE PROVIDED BY ANOTHER PUBLIC SCHOOL
51 DISTRICT.

52 S 9. Clause (i) of subparagraph 4 of paragraph i of subdivision 1 of
53 section 3602 of the education law, as amended by section 11 of part B of
54 chapter 57 of the laws of 2007, is amended to read as follows:

55 (i) the full-time equivalent enrollment, as defined in the regulations
56 of the commissioner, of pupils with disabilities who have been deter-

1 mined by a school district committee on special education to require any
2 of the following types and levels of programs or services specified in
3 this subparagraph, and who receive such programs and services from the
4 school district of attendance {during the base year}, multiplied by a
5 special services weighting based on an analysis of costs of special
6 education and general education in successful school districts, provided
7 that the weighting for the two thousand seven--two thousand eight school
8 year and thereafter shall be one and forty-one hundredths (1.41):

9 S 10. Subparagraph 7 of paragraph n of subdivision 1 of section 3602
10 of the education law, as amended by section 11 of part B of chapter 57
11 of the laws of 2007, is amended to read as follows:

12 (7) In determining enrollment pursuant to subparagraphs two, three,
13 four, five and six of this paragraph for central high school districts
14 and all school districts located within the boundaries of a central high
15 school district, for the purposes of ANY apportionments payable TO BOTH
16 CENTRAL HIGH SCHOOL DISTRICTS AND TO OTHER SCHOOL DISTRICTS LOCATED
17 WITHIN THE BOUNDARIES OF SUCH CENTRAL HIGH SCHOOL DISTRICTS pursuant to
18 {subdivision six of section seven hundred one, subdivision four of
19 section seven hundred eleven and subdivision four of section seven
20 hundred fifty-one of} this chapter, {and subdivision thirteen of this
21 section,} and for the purposes of computing the {lunch} POVERTY count
22 pursuant to paragraph q of this subdivision{, the district sharing ratio
23 pursuant to subparagraph eight of paragraph a of subdivision ten of
24 section thirty-six hundred forty-one of this article,} and the school
25 district basic contribution pursuant to subdivision eight of section
26 forty-four hundred one of this chapter, only those children in the grade
27 levels maintained by a central high school district shall be included in
28 the enrollment used to apportion aid to such central high school
29 district and only those children of the grade levels maintained by a
30 component school district of a central high school district shall be
31 included in the public school district enrollment of such component
32 school district.

33 S 11. Subparagraph (i) of paragraph q of subdivision 1 of section 3602
34 of the education law, as amended by section 11 of part B of chapter 57
35 of the laws of 2007, is amended to read as follows:

36 (i) "Lunch count" shall mean the product of the public school enrollment
37 of the school district on the date enrollment was counted in
38 accordance with this subdivision for the base year multiplied by the
39 quotient of (A) the sum of {the percent of eligible applicants for the}
40 THE NUMBER OF PUPILS IN KINDERGARTEN THROUGH GRADE SIX ATTENDING THE
41 PUBLIC SCHOOLS OF THE DISTRICT WHO HAVE APPLICATIONS ON FILE OR WHO ARE
42 LISTED ON A DIRECT CERTIFICATION LETTER CONFIRMING THEIR ELIGIBILITY FOR
43 PARTICIPATION IN THE STATE AND FEDERALLY FUNDED free and reduced price
44 lunch program {as defined in this subdivision computed for the current
45 year} ON THE DATE ENROLLMENT WAS COUNTED IN ACCORDANCE WITH THIS SUBDI-
46 VISION FOR THE YEAR PRIOR TO THE BASE YEAR, plus such {percent} NUMBER
47 of eligible applicants for the free and reduced price lunch program
48 computed for THE YEAR TWO YEARS PRIOR TO the base year, plus such
49 {percent} NUMBER of eligible applicants for the free and reduced price
50 lunch program computed for the year THREE YEARS prior to the base year,
51 divided by {three} (B) THE SUM OF THE NUMBER OF PUPILS IN KINDERGARTEN
52 THROUGH GRADE SIX ON A REGULAR ENROLLMENT REGISTER OF A PUBLIC SCHOOL
53 DISTRICT ON THE DATE ENROLLMENT WAS COUNTED IN ACCORDANCE WITH THIS
54 SUBDIVISION FOR THE YEAR PRIOR TO THE BASE YEAR, PLUS SUCH NUMBER OF
55 PUPILS IN KINDERGARTEN THROUGH GRADE SIX ON A REGULAR ENROLLMENT REGIS-
56 TER OF A PUBLIC SCHOOL DISTRICT COMPUTED FOR THE YEAR TWO YEARS PRIOR TO

1 THE BASE YEAR, PLUS SUCH NUMBER OF PUPILS IN KINDERGARTEN THROUGH GRADE
2 SIX ON A REGULAR ENROLLMENT REGISTER OF A PUBLIC SCHOOL DISTRICT
3 COMPUTED FOR THE YEAR THREE YEARS PRIOR TO THE BASE YEAR; and

4 S 12. Paragraphs c, d, g and subparagraph 1 of paragraph f of subdivision
5 2 of section 3602 of the education law, paragraphs c, d and g as
6 added and subparagraph 1 of paragraph f as amended by section 13 of part
7 B of chapter 57 of the laws of 2007, are amended to read as follows:

8 c. Computation of additional aidable pupil units. The additional aidable
9 pupil units used to compute total aidable pupil units pursuant to
10 paragraph e of this subdivision shall be the sum of the attendance of
11 summer session pupils multiplied by twelve per centum and the weighted
12 pupils with special educational needs. THE ADDITIONAL AIDABLE PUPIL
13 UNITS USED TO COMPUTE TOTAL WEALTH PUPIL UNITS PURSUANT TO PARAGRAPH F
14 OF THIS SUBDIVISION SHALL BE THE SUM OF THE YEAR PRIOR TO THE BASE YEAR
15 RESIDENT WEIGHTED PUPILS WITH SPECIAL EDUCATIONAL NEEDS AND RESIDENT
16 WEIGHTED PUPILS WITH HANDICAPPING CONDITIONS. Nothing contained in this
17 paragraph shall be construed to result in the inclusion of the attendance
18 of summer session pupils in the computation of weighted or adjusted
19 average daily attendance pursuant to this subdivision.

20 d. Secondary school weighting. There shall be added to the total aidable
21 pupil units computed in paragraph e of this subdivision AND THE
22 TOTAL WEALTH PUPIL UNITS COMPUTED IN PARAGRAPH F OF THIS SUBDIVISION, a
23 number equal to the product of: (1) twenty-five per centum, (2) the
24 adjusted average daily attendance in grades seven through twelve for the
25 year prior to the base year, excluding attendance of pupils who receive
26 a weighting for disabilities, and (3) FOR TOTAL AIDABLE PUPIL UNITS, the
27 enrollment index computed pursuant to this section for the base year,
28 PROVIDED, HOWEVER, THAT ONLY RESIDENT SECONDARY PUPILS SHALL BE USED FOR
29 THE COMPUTATION OF TOTAL WEALTH PUPIL UNITS.

30 (1) Total wealth pupil units will be computed using the adjusted average
31 daily attendance for the year prior to the base year as computed in
32 this section, plus the attendance of resident pupils attending public
33 school elsewhere, less the attendance of nonresident pupils plus the
34 attendance of resident pupils attending full-time in board of cooperative
35 educational services (not otherwise specifically included), plus
36 the additional aidable pupil units as computed pursuant to paragraphs c
37 and d of this subdivision, excluding summer school pupils, PLUS THE YEAR
38 PRIOR TO THE BASE YEAR RESIDENT WEIGHTED PUPILS WITH DISABILITIES. The
39 attendance of nonresident pupils attending public school in the district
40 and resident pupils attending such schools outside of the district shall
41 be determined by applying to the number of such pupils registered during
42 the school year in each case the ratio of aggregate days attendance to
43 the possible aggregate days attendance of all pupils in attendance in
44 the district. Native American pupils of a reservation attending public
45 school, or pupils living on the United States military reservation at
46 West Point attending public school, shall be deemed to be resident
47 pupils of the district providing such school, for purposes of this para-
48 graph. Where a school district has entered into a contract with state
49 university pursuant to subdivision two of section three hundred fifty-
50 five of this chapter under which the school district makes payment in
51 the nature of tuition for the education of certain children residing in
52 the district, such children for whom such tuition payments are made
53 shall be deemed to be resident pupils of such district for the purposes
54 of this paragraph.

55 g. Computation of total aidable foundation pupil units. Total aidable
56 foundation pupil units shall be the sum of (1) the district's average

1 daily membership computed pursuant to this section for the year prior to
2 the base year multiplied by the enrollment index computed pursuant to
3 this section for the base year plus (2) the product of the average daily
4 membership of summer session pupils and twelve percent plus (3) the YEAR
5 PRIOR TO THE BASE YEAR weighted foundation pupils with disabilities. For
6 the purposes of computing total foundation aid a district may use either
7 total aidable foundation pupil units for the current aid year or the
8 average of total foundation aidable pupil units for the current aid year
9 and the prior aid year, using current aid year definitions of total
10 aidable foundation pupil units for both years.

11 S 13. Paragraphs a, b, c, d and g of subdivision 3 of section 3602 of
12 the education law, as added by section 13 of part B of chapter 57 of the
13 laws of 2007, are amended to read as follows:

14 a. (1) "Pupil wealth ratio" shall mean the number computed to three
15 decimals without rounding obtained when actual valuation of a school
16 district divided by the total wealth pupil units is divided by the
17 statewide average actual valuation per total wealth pupil unit as
18 computed by the commissioner in accordance with the provisions of this
19 section. Such statewide average actual valuation per total wealth pupil
20 unit shall be established each year by the commissioner using the latest
21 single year actual valuation computed under paragraph c of subdivision
22 one of this section. Such statewide average shall be transmitted to the
23 school districts. Such statewide average shall be rounded to the nearest
24 hundredth and shall include the actual valuation and total wealth pupil
25 units of all school districts eligible for aid pursuant to this section
26 except central high school districts. For the purposes of calculating
27 such statewide average the data for the city school district of the city
28 of New York shall be citywide data.

29 (2) "PUPIL WEALTH RATIO FOR TOTAL FOUNDATION AID" SHALL MEAN THE
30 NUMBER COMPUTED TO THREE DECIMALS WITHOUT ROUNDING OBTAINED WHEN THE
31 SELECTED ACTUAL VALUATION OF A SCHOOL DISTRICT DIVIDED BY THE TOTAL
32 WEALTH PUPIL UNITS IS DIVIDED BY THE STATEWIDE AVERAGE SELECTED ACTUAL
33 VALUATION PER TOTAL WEALTH PUPIL UNIT AS COMPUTED BY THE COMMISSIONER IN
34 ACCORDANCE WITH THE PROVISIONS OF THIS SECTION. SUCH STATEWIDE AVERAGE
35 SELECTED ACTUAL VALUATION PER TOTAL WEALTH PUPIL UNIT SHALL BE ESTAB-
36 LISHED EACH YEAR BY THE COMMISSIONER USING THE SELECTED ACTUAL VALUATION
37 COMPUTED UNDER PARAGRAPH C OF SUBDIVISION ONE OF THIS SECTION. SUCH
38 STATEWIDE AVERAGE SHALL BE TRANSMITTED TO THE SCHOOL DISTRICTS. SUCH
39 STATEWIDE AVERAGE SHALL BE ROUNDED TO THE NEAREST HUNDREDTH AND SHALL
40 INCLUDE THE SELECTED ACTUAL VALUATION AND TOTAL WEALTH PUPIL UNITS OF
41 ALL SCHOOL DISTRICTS ELIGIBLE FOR AID PURSUANT TO THIS SECTION EXCEPT
42 CENTRAL HIGH SCHOOL DISTRICTS. FOR THE PURPOSES OF CALCULATING SUCH
43 STATEWIDE AVERAGE THE DATA FOR THE CITY SCHOOL DISTRICT OF THE CITY OF
44 NEW YORK SHALL BE CITYWIDE DATA.

45 b. (1) "Alternate pupil wealth ratio" shall mean the number computed
46 to three decimals without rounding obtained when the adjusted gross
47 income of a school district for the calendar year two years prior to the
48 calendar year in which the base year began divided by the total wealth
49 pupil units of such district is divided by the statewide adjusted gross
50 income per total wealth pupil unit. Such statewide average gross income
51 per pupil shall be established each year by the commissioner and shall
52 be transmitted to school districts. {For the purposes of this paragraph,
53 the income data shall be computed in accordance with regulations adopted
54 by the commissioner of taxation and finance based upon personal income
55 tax returns for the calendar year three years prior to the calendar year
56 in which the current school year commences, as reported to the commis-

1 sioner by September of the base year, including the results of the
2 permanent computerized statewide school district address match and
3 income verification system. The income of the city school district of
4 the city of New York shall be the sum of the income of the boroughs of
5 the city.} Such statewide average shall be rounded to the nearest
6 hundredth and shall include the adjusted gross income and total wealth
7 pupil units of all school districts eligible for aid pursuant to this
8 section except central high school districts. For the purposes of calcu-
9 lating such statewide average the data for the city school district of
10 the city of New York shall be citywide data. {The adjusted gross income
11 of a central high school district shall equal the sum of the adjusted
12 gross income of each of its component school districts.}

13 (2) "ALTERNATE PUPIL WEALTH RATIO FOR TOTAL FOUNDATION AID" SHALL MEAN
14 THE NUMBER COMPUTED TO THREE DECIMALS WITHOUT ROUNDING OBTAINED WHEN THE
15 SELECTED ADJUSTED GROSS INCOME OF A SCHOOL DISTRICT FOR THE CALENDAR
16 YEAR TWO YEARS PRIOR TO THE CALENDAR YEAR IN WHICH THE BASE YEAR BEGAN
17 DIVIDED BY THE TOTAL WEALTH PUPIL UNITS OF SUCH DISTRICT IS DIVIDED BY
18 THE STATEWIDE SELECTED ADJUSTED GROSS INCOME PER TOTAL WEALTH PUPIL
19 UNIT. SUCH STATEWIDE AVERAGE SELECTED ADJUSTED GROSS INCOME PER PUPIL
20 SHALL BE ESTABLISHED EACH YEAR BY THE COMMISSIONER AND SHALL BE TRANS-
21 MITTED TO SCHOOL DISTRICTS. SUCH STATEWIDE AVERAGE SHALL BE ROUNDED TO
22 THE NEAREST HUNDREDTH AND SHALL INCLUDE THE SELECTED ADJUSTED GROSS
23 INCOME AND TOTAL WEALTH PUPIL UNITS OF ALL SCHOOL DISTRICTS ELIGIBLE FOR
24 AID PURSUANT TO THIS SECTION EXCEPT CENTRAL HIGH SCHOOL DISTRICTS. FOR
25 THE PURPOSES OF CALCULATING SUCH STATEWIDE AVERAGE THE DATA FOR THE CITY
26 SCHOOL DISTRICT OF THE CITY OF NEW YORK SHALL BE CITYWIDE DATA.

27 c. (1) "Combined wealth ratio" shall mean the number computed to three
28 decimals without rounding obtained when fifty per centum of the pupil
29 wealth ratio is added to fifty per centum of the alternate pupil wealth
30 ratio.

31 (2) "COMBINED WEALTH RATIO FOR TOTAL FOUNDATION AID" SHALL MEAN THE
32 NUMBER COMPUTED TO THREE DECIMALS WITHOUT ROUNDING OBTAINED WHEN FIFTY
33 PER CENTUM OF THE PUPIL WEALTH RATIO FOR TOTAL FOUNDATION AID IS ADDED
34 TO FIFTY PER CENTUM OF THE ALTERNATE PUPIL WEALTH RATIO FOR TOTAL FOUN-
35 DATION AID.

36 d. "Income wealth index" shall mean the number computed to three deci-
37 mals without rounding obtained when the adjusted gross income of a
38 school district for the calendar year two years prior to the calendar
39 year in which the base year began divided by the total wealth foundation
40 pupil units of such district is divided by the statewide adjusted gross
41 income per total wealth foundation pupil units. Such statewide average
42 gross income per pupil shall be established each year by the commis-
43 sioner and shall be transmitted to school districts. For the purposes of
44 this paragraph, the income data shall be computed in accordance with
45 {regulations adopted by the commissioner of taxation and finance based
46 upon personal income tax returns for the calendar year two years prior
47 to the calendar year in which the current school year commences, as
48 reported to the commissioner in February of the base year, including the
49 results of the computerized statewide school district address match and
50 income verification system. The income of the city school district of
51 the city of New York shall be the sum of the income of the boroughs of
52 the city} PARAGRAPH H OF SUBDIVISION ONE OF THIS SECTION. Such state-
53 wide average shall be rounded to the nearest hundredth and shall include
54 the adjusted gross income and total wealth foundation pupil units of all
55 school districts eligible for aid pursuant to this section except
56 central high school districts. For the purposes of calculating such

1 statewide average the data for the city school district of the city of
2 New York shall be citywide data. The adjusted gross income of a central
3 high school district shall equal the sum of the adjusted gross income of
4 each of its component school districts.

5 g. Computation of the state sharing ratio. The state sharing ratio
6 shall be the higher of:

7 (1) a value computed by subtracting from one and thirty-seven
8 hundredths the product obtained by multiplying the combined wealth ratio
9 by one and twenty-three hundredths; or

10 (2) a value computed by subtracting from one the product obtained by
11 multiplying the combined wealth ratio by sixty-four hundredths; or

12 (3) a value computed by subtracting from eighty hundredths the product
13 obtained by multiplying the combined wealth ratio by thirty-nine
14 hundredths; or

15 (4) a value computed by subtracting from fifty-one hundredths the
16 product obtained by multiplying the combined wealth ratio by twenty-two
17 hundredths, provided, however, that for the purpose of computing the
18 state sharing ratio for total foundation aid, the tier four value shall
19 be computed by subtracting from fifty-one hundredths the product
20 obtained by multiplying the combined wealth ratio by one hundred seven-
21 ty-three thousandths AND SUCH VALUES SHALL BE COMPUTED USING THE
22 COMBINED WEALTH RATIO FOR TOTAL FOUNDATION AID IN PLACE OF THE COMBINED
23 WEALTH RATIO, AND, FOR HIGH NEED SCHOOL DISTRICTS, AS DETERMINED PURSU-
24 ANT TO CLAUSE (C) OF SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDIVISION SIX
25 OF THIS SECTION FOR THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE
26 COMMISSIONER IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND
27 SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR AND ENTITLED "SA0708", SUCH VALUES
28 SHALL BE MULTIPLIED BY ONE HUNDRED FIVE PERCENT.

29 Such result shall be expressed as a decimal carried to three places
30 without rounding, but shall not be greater than ninety hundredths nor
31 less than zero.

32 S 14. Subdivision 4 of section 3602 of the education law, as added by
33 section 13 of part B of chapter 57 of the laws of 2007, is amended to
34 read as follows:

35 4. Total foundation aid. In addition to any other apportionment pursu-
36 ant to this chapter, a school district, other than a special act school
37 district as defined in subdivision eight of section four thousand one of
38 this chapter, shall be eligible for total foundation aid equal to the
39 product of total aidable foundation pupil units multiplied by the
40 district's selected foundation aid, which shall be the greater of five
41 hundred dollars (\$500) or foundation formula aid, provided, however that
42 for the two thousand seven--two thousand eight through two thousand
43 nine--two thousand ten school years, no school district shall receive
44 total foundation aid in excess of the sum of the total foundation aid
45 base FOR AID PAYABLE IN THE TWO THOUSAND SEVEN--TWO THOUSAND EIGHT
46 SCHOOL YEAR computed pursuant to SUBPARAGRAPH (I) OF paragraph j of
47 subdivision one of this section, plus the phase-in foundation increase
48 computed pursuant to paragraph b of this subdivision, and provided
49 further that total foundation aid shall not be less than the product of
50 the total foundation aid base COMPUTED PURSUANT TO PARAGRAPH J OF SUBDI-
51 VISION ONE OF THIS SECTION and one hundred three percent, nor more than
52 the product of {the} SUCH total foundation aid base and one hundred
53 {twenty-five} FIFTEEN percent. Total aidable foundation pupil units
54 shall be calculated pursuant to paragraph g of subdivision two of this
55 section. For the purposes of calculating aid pursuant to this subdivi-

1 sion, aid for the city school district of the city of New York shall be
 2 calculated on a citywide basis.

3 a. Foundation formula aid. Foundation formula aid shall equal the
 4 remainder when the expected minimum local contribution is subtracted
 5 from the product of the foundation amount, the regional cost index, and
 6 the pupil need index, or: (foundation amount x regional cost index x
 7 pupil need index) - expected minimum local contribution.

8 (1) The foundation amount shall reflect the average per pupil cost of
 9 general education instruction in successful school districts, as deter-
 10 mined by a statistical analysis of the costs of special education and
 11 general education in successful school districts, provided that the
 12 foundation amount shall be adjusted annually to reflect the percentage
 13 increase in the consumer price index as computed pursuant to section two
 14 thousand twenty-two of this chapter, PROVIDED THAT FOR THE TWO THOUSAND
 15 EIGHT--TWO THOUSAND NINE SCHOOL YEAR, FOR THE PURPOSE OF SUCH ADJUST-
 16 MENT, THE PERCENTAGE INCREASE IN THE CONSUMER PRICE INDEX SHALL BE
 17 DEEMED TO BE TWO AND NINE-TENTHS PERCENT (0.029), and provided further
 18 that the foundation amount for the two thousand seven--two thousand
 19 eight school year shall be five thousand two hundred fifty-eight
 20 dollars, and provided further that for the two thousand seven--two thou-
 21 sand eight through two thousand nine--two thousand ten school years,
 22 such foundation amount shall be further adjusted by the phase-in founda-
 23 tion percent established pursuant to paragraph b of this subdivision.

24 (2) The regional cost index shall reflect an analysis of labor market
 25 costs based on median salaries in professional occupations that require
 26 similar credentials to those of positions in the education field, but
 27 not including those occupations in the education field, provided that
 28 the regional cost indices for the two thousand seven--two thousand eight
 29 school year and thereafter shall be as follows:

Labor Force Region	Index
Capital District	1.124
Southern Tier	1.045
Western New York	1.091
Hudson Valley	1.314
Long Island/NYC	1.425
Finger Lakes	1.141
Central New York	1.103
Mohawk Valley	1.000
North Country	1.000

40 (3) The pupil need index shall equal the sum of one plus the extraor-
 41 dinary needs percent, provided, however, that the pupil need index shall
 42 not be less than one nor more than two. The extraordinary needs percent
 43 shall be calculated pursuant to paragraph w of subdivision one of this
 44 section.

45 (4) The expected minimum local contribution shall equal THE LESSER OF
 46 (I) the product of {(i)} (A) the quotient arrived at when the selected
 47 actual valuation is divided by total wealth foundation pupil units,
 48 multiplied by {(ii)} the lesser of (A) (B) the product of the local tax
 49 factor, multiplied by the income wealth index, or {(B)} (II) THE PRODUCT
 50 OF (A) THE PRODUCT OF THE FOUNDATION AMOUNT, THE REGIONAL COST INDEX,
 51 AND THE PUPIL NEED INDEX, MULTIPLIED BY (B) the positive difference, if
 52 any, of one minus the state sharing ratio for total foundation aid. The
 53 local tax factor shall be established by May first of each year by
 54 determining the product, computed to four decimal places without round-
 55 ing, of ninety percent multiplied by the quotient of the sum of the
 56 statewide average tax rate as computed by the commissioner for the

1 current year in accordance with the provisions of paragraph e of subdivision
2 one of section thirty-six hundred nine-e of this part plus the statewide average tax rate computed by the commissioner for the base
3 year in accordance with such provisions plus the statewide average tax rate computed by the commissioner for the year prior to the base year in accordance with such provisions, divided by three, provided however that for the two thousand seven--two thousand eight school year, such local tax factor shall be sixteen thousandths (0.016), AND PROVIDED FURTHER THAT FOR THE TWO THOUSAND EIGHT--TWO THOUSAND NINE SCHOOL YEAR, SUCH LOCAL TAX FACTOR SHALL BE ONE HUNDRED FIFTY-FOUR TEN THOUSANDTHS (0.0154). The income wealth index shall be calculated pursuant to paragraph d of subdivision three of this section, provided, however, that for the purposes of computing the expected minimum local contribution the income wealth index shall not be less than sixty-five percent (0.65) and shall not be more than two hundred percent (2.0) AND PROVIDED HOWEVER THAT SUCH INCOME WEALTH INDEX SHALL NOT BE MORE THAN NINETY-FIVE PERCENT (0.95) FOR THE TWO THOUSAND EIGHT--TWO THOUSAND NINE SCHOOL YEAR. The selected actual valuation shall be calculated pursuant to paragraph c of subdivision one of this section. Total wealth foundation pupil units shall be calculated pursuant to paragraph h of subdivision two of this section.

22 b. Phase-in foundation increase. (1) The phase-in foundation increase shall equal the product of the phase-in foundation increase factor multiplied by the greater of (i) the positive difference, if any, of (A) the product of the total aidable foundation pupil units multiplied by the district's selected foundation aid less (B) the total foundation aid base FOR AID PAYABLE IN THE TWO THOUSAND SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR COMPUTED PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH J OF SUBDIVISION ONE OF THIS SECTION or (ii) the product of the phase-in due-minimum percent multiplied by the total foundation aid base FOR AID PAYABLE IN THE TWO THOUSAND SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR COMPUTED PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH J OF SUBDIVISION ONE OF THIS SECTION.

34 (2) For the two thousand seven--two thousand eight school year, the phase-in foundation percent shall equal one hundred seven and sixty-eight hundredths percent (1.0768), the phase-in foundation increase factor shall equal twenty percent (0.20), and the phase-in due-minimum percent shall equal twelve and fifty-five hundredths percent (0.1255);

39 for the two thousand eight--two thousand nine school year, the phase-in foundation percent shall equal one hundred five and {six} TWENTY-SIX hundredths percent ({1.0506}) (1.0526), the phase-in foundation increase factor shall equal {forty-two} THIRTY-SEVEN and one-half percent {(0.425)} (0.375), and the phase-in due-minimum percent shall equal {nine} TWELVE and {twenty-seven} FIFTY-FIVE hundredths percent {(0.0927)} (0.1255);

46 for the two thousand nine--two thousand ten school year, the phase-in foundation percent shall equal one hundred two and {forty-nine hundredths} FIVE TENTHS percent {(1.0249)} (1.025), the phase-in foundation increase factor shall equal {seventy} SIXTY-FIVE percent {(0.70)} (0.65), and the phase-in due-minimum percent shall equal {six} TWELVE and {nine} FIFTY-FIVE hundredths percent {(0.0609)} (0.1255).

52 b-1. Notwithstanding any other provision of law to the contrary, for the two thousand seven--two thousand eight through two thousand ten--two thousand eleven school years, the additional amount payable to each school district pursuant to this subdivision in the current year as total foundation aid, after deducting the total foundation aid base,

1 shall be deemed a state grant in aid identified by the commissioner for
2 general use for purposes of sections seventeen hundred eighteen and two
3 thousand twenty-three of this chapter.

4 c. Public excess cost aid setaside. Each school district shall set
5 aside from its total foundation aid computed for the current year pursuant
6 to this subdivision an amount equal to the product of: (i) the
7 difference between the amount the school district was eligible to
8 receive in the two thousand six--two thousand seven school year pursuant
9 to or in lieu of paragraph six of subdivision nineteen of this section
10 AS SUCH PARAGRAPH EXISTED ON JUNE THIRTIETH, TWO THOUSAND SEVEN, minus
11 the amount such district was eligible to receive pursuant to or in lieu
12 of paragraph five of subdivision nineteen of this section AS SUCH PARA-
13 GRAPH EXISTED ON JUNE THIRTIETH, TWO THOUSAND SEVEN, in such school
14 year, and (ii) the sum of one and the percentage increase in the consumer
15 price index for the current year over such consumer price index for
16 the two thousand six--two thousand seven school year, as computed pursuant
17 to section two thousand twenty-two of this chapter. Notwithstanding
18 any other provision of law to the contrary, the public excess cost aid
19 setaside shall be paid pursuant to section thirty-six hundred nine-b of
20 this part.

21 S 15. Clause (b) of subparagraph 2 of paragraph c of subdivision 6 of
22 section 3602 of the education law, as amended by section 12-b of part L
23 of chapter 57 of the laws of 2005, subclause (iii) as separately amended
24 by section 3 of part R of chapter 57 of the laws of 2005, is amended to
25 read as follows:

26 (b) For aid payable in the school years two thousand--two thousand one
27 and thereafter for all school building projects approved by the voters
28 of the school district or by the board of education of a city school
29 district in a city with more than one hundred twenty-five thousand
30 inhabitants, and/or the chancellor in a city school district in a city
31 having a population of one million or more, on or after July first, two
32 thousand, any school district shall compute aid under the provisions of
33 this subdivision using the sum of the high-need supplemental building
34 aid ratio, if any, computed pursuant to clause (c) of this subparagraph
35 and the greater of (i) the building aid ratio computed for use in the
36 current year; or (ii) a building aid ratio equal to the difference of
37 the aid ratio that was used or that would have been used to compute an
38 apportionment pursuant to this subdivision in the nineteen hundred nine-
39 ty-nine--two thousand school year as such aid ratio is computed by the
40 commissioner based on data on file with the department on or before July
41 first of the third school year following the school year in which aid is
42 first payable, less one-tenth; or (iii) for all such school building
43 projects approved by the voters of the school district or by the board
44 of education of a city school district in a city with more than one
45 hundred twenty-five thousand inhabitants, and/or the chancellor in a
46 city school district in a city having a population of one million or
47 more, on or after July first, two thousand and on or before June thirti-
48 eth, two thousand four, for any school district for which the pupil
49 wealth ratio is greater than two and five-tenths in the school year in
50 which such school building project was approved by the voters of the
51 school district or by the board of education of a city school district
52 in a city with more than one hundred twenty-five thousand inhabitants,
53 and/or the chancellor in a city school district in a city having a popu-
54 lation of one million or more and for which the alternate pupil wealth
55 ratio is less than eighty-five hundredths in such school year, and for
56 all such school building projects approved by the voters of the school

1 district or by the board of education of a city school district in a
2 city with more than one hundred twenty-five thousand inhabitants, and/or
3 the chancellor in a city school district in a city having a population
4 of one million or more, on or after July first, two thousand five and on
5 or before June thirtieth, two thousand {seven} EIGHT, for any school
6 district for which the pupil wealth ratio was greater than two and five-
7 tenths in the two thousand--two thousand one school year and for which
8 the alternate pupil wealth ratio was less than eighty-five hundredths in
9 the two thousand--two thousand one school year, the additional building
10 aid ratio; provided that, school districts who are eligible for aid
11 under paragraph f of subdivision fourteen of this section may compute
12 aid under the provisions of this subdivision using the difference of the
13 highest of the aid ratios so computed for the reorganized district or
14 the highest of the aid ratios so computed for any of the individual
15 school districts which existed prior to the date of the reorganized
16 school district less one-tenth.

17 S 15-a. Paragraphs b, e and f of subdivision 5-a of section 3602 of
18 the education law, as added by section 13 of part B of chapter 57 of the
19 laws of 2007, are amended and a new closing paragraph is added to read
20 as follows:

21 b. Basic excess cost amount shall equal the product of the total
22 excess cost amount per pupil and the resident weighted SUPPLEMENTAL
23 pupils with disabilities computed pursuant to subparagraph five of para-
24 graph i of subdivision one of this section.

25 e. Total supplemental public excess cost amount shall be equal to the
26 sum of the basic excess cost aid amount, the integrated settings excess
27 cost amount {and}, the declassification support services amount AND THE
28 PUBLIC HIGH COST EXCESS COST AID COMPUTED PURSUANT TO SUBDIVISION FIVE
29 OF THIS SECTION FOR THE CURRENT YEAR.

30 f. The supplemental public excess cost aid base shall equal for the
31 two thousand seven--two thousand eight school year, the {difference
32 between the} amount the school district was eligible to receive in the
33 two thousand six--two thousand seven school year pursuant to or in lieu
34 of paragraph six of former subdivision nineteen of this section {minus
35 the amount such district was eligible to receive pursuant to or in lieu
36 of paragraph five of former subdivision nineteen of this section in such
37 school year}.

38 FOR THE TWO THOUSAND EIGHT--TWO THOUSAND NINE SCHOOL YEAR, EACH SCHOOL
39 DISTRICT SHALL BE ENTITLED TO AN APPORTIONMENT EQUAL TO THE PRODUCT OF
40 FIFTEEN PERCENT AND THE ADDITIONAL APPORTIONMENT COMPUTED PURSUANT TO
41 THIS SUBDIVISION FOR THE TWO THOUSAND SEVEN--TWO THOUSAND EIGHT SCHOOL
42 YEAR.

43 S 16. Subparagraph 2 of paragraph e of subdivision 6 of section 3602
44 of the education law, as amended by section 1 of part F of chapter 383
45 of the laws of 2001, is amended to read as follows:

46 (2) Apportionments payable for the two thousand two--two thousand
47 three school year and thereafter to the city school district of the city
48 of New York.

49 (a) For the purposes of calculating the apportionment payable to the
50 city school district of the city of New York pursuant to this subdivi-
51 sion for the two thousand two--two thousand three school year and there-
52 after, current year approved expenditures for debt service shall mean
53 expenditures for debt service, including expenditures for any lease-pur-
54 chase or other annual payments under a lease-purchase agreement or the
55 equivalent that are eligible for aid under the opening paragraph of this
56 subdivision, that would be incurred during the current year based on:

1 (i) an assumed amortization to be established by the commissioner
2 pursuant to this subparagraph for a period of thirty years of the total
3 approved costs relating to the construction, acquisition, recon-
4 struction, rehabilitation or improvement of any school building for
5 which a general construction contract was awarded on or after the first
6 day of July, two thousand two, and

7 (ii) an assumed amortization to be established by the commissioner
8 pursuant to this subparagraph of any assumed unpaid principal, or the
9 equivalent amount in the case of a lease-purchase agreement or its
10 equivalent, remaining as of the first day of July, two thousand two
11 pursuant to subparagraph one of this paragraph. Each such amortization
12 shall be based on an assumed rate of annual interest applied to such
13 amortization to be established by the commissioner pursuant to this
14 subparagraph and pursuant to clause (c) of subparagraph one of this
15 paragraph.

16 (b)(i) For approved costs relating to the construction, acquisition,
17 reconstruction, rehabilitation or improvement of any school building for
18 which a general construction contract was awarded on or after the first
19 day of July, two thousand two, the commissioner shall establish an
20 assumed amortization for a period of thirty years commencing on the date
21 of receipt by the commissioner of a certification by the district that
22 such general construction contract has been awarded by the school
23 construction authority of the city of New York, or by another body or
24 official designated by law, relating to the construction, acquisition,
25 reconstruction, rehabilitation or improvement of any school building
26 within the city school district of the city of New York. Such assumed
27 amortization shall provide for equal semiannual payments of principal
28 and interest based on an interest rate established by the commissioner
29 for such purpose for the school year during which such certification was
30 received. Such estimated average interest rate and such actual average
31 interest rate shall be expressed as a decimal to five places rounded to
32 the nearest eighth of one-one hundredth.

33 (ii) For any assumed unpaid principal or the equivalent amount in the
34 case of a lease-purchase agreement or its equivalent, remaining as of
35 the first day of July, two thousand two pursuant to subparagraph one of
36 this paragraph, the commissioner shall establish a new assumed amorti-
37 zation commencing on such date for the unexpired term of the original
38 assumed amortization as of such date. Such assumed amortization shall
39 provide for equal semiannual payments of principal and interest based on
40 the interest rate applied to the original amortization as established by
41 the commissioner pursuant to subparagraph one of this paragraph.
42 PROVIDED, HOWEVER, THAT, NOTWITHSTANDING ANY PROVISION OF LAW TO THE
43 CONTRARY, FOR AID PAYABLE IN THE TWO THOUSAND NINE--TWO THOUSAND TEN
44 SCHOOL YEAR AND THEREAFTER, THE TOTAL OF SUCH CURRENT YEAR APPROVED
45 EXPENDITURES FOR DEBT SERVICE SHALL NOT EXCEED THE ESTIMATED CURRENT
46 YEAR APPROVED EXPENDITURES FOR DEBT SERVICE ON FILE WITH THE COMMISSION-
47 ER AS OF THE DATE UPON WHICH AN ELECTRONIC DATA FILE WAS CREATED FOR THE
48 PURPOSES OF COMPLIANCE WITH PARAGRAPH B OF SUBDIVISION TWENTY-ONE OF
49 SECTION THREE HUNDRED FIVE OF THIS CHAPTER ON NOVEMBER FIFTEENTH OF THE
50 BASE YEAR, AND THE POSITIVE REMAINDER, IF ANY, OF SUCH DEBT SERVICE OR
51 LEASE-PURCHASE OR OTHER ANNUAL PAYMENTS UNDER A LEASE-PURCHASE AGREEMENT
52 OR AN EQUIVALENT AGREEMENT THAT WOULD BE INCURRED DURING THE CURRENT
53 YEAR BASED ON AN ASSUMED AMORTIZATION TO BE ESTABLISHED BY THE COMMIS-
54 SIONER PURSUANT TO THIS SUBPARAGRAPH OF THE APPROVED PROJECT COSTS TO BE
55 FINANCED LESS SUCH ESTIMATED CURRENT YEAR APPROVED EXPENDITURES FOR DEBT
56 SERVICE ON FILE WITH THE COMMISSIONER AS OF THE DATE UPON WHICH AN ELEC-

1 TRONIC DATA FILE WAS CREATED FOR THE PURPOSES OF COMPLIANCE WITH PARA-
2 GRAPH B OF SUBDIVISION TWENTY-ONE OF SECTION THREE HUNDRED FIVE OF THIS
3 CHAPTER ON NOVEMBER FIFTEENTH OF THE BASE YEAR SHALL NOT BE CURRENT YEAR
4 APPROVED EXPENDITURES FOR DEBT SERVICE, BUT SHALL BE DEEMED TO BE DEBT
5 SERVICE ON NEW BONDS AND CAPITAL NOTES AIDABLE IN JULY FOLLOWING THE
6 CURRENT YEAR AS DEFINED IN CLAUSE (B) OF SUBPARAGRAPH ONE OF PARAGRAPH F
7 OF THIS SUBDIVISION. SUCH ESTIMATE SHALL BE DONE IN CONSULTATION WITH
8 THE COMMISSIONER.

9 S 17. Subdivision 10 of section 3602 of the education law is amended
10 by adding a new paragraph d to read as follows:

11 D. AID FOR ACADEMIC IMPROVEMENT. THERE SHALL BE APPORTIONED TO SUCH
12 CITY SCHOOL DISTRICTS AND OTHER SCHOOL DISTRICTS WHICH WERE NOT COMPO-
13 NENTS OF A BOARD OF COOPERATIVE EDUCATIONAL SERVICES IN THE BASE YEAR,
14 AN AMOUNT PER PUPIL FOR EACH PUPIL ELIGIBLE FOR AID PURSUANT TO PARA-
15 GRAPH B OF THIS SUBDIVISION TO BE COMPUTED BY MULTIPLYING THE CAREER
16 EDUCATION AID RATIO COMPUTED PURSUANT TO SUCH PARAGRAPH B OF THIS SUBDI-
17 VISION BY THE SUM OF (1) ONE HUNDRED DOLLARS PLUS (2) THE QUOTIENT OF
18 ONE THOUSAND DOLLARS DIVIDED BY THE LESSER OF ONE OR THE COMBINED WEALTH
19 RATIO. AID FOR ACADEMIC IMPROVEMENT SHALL BE UNRESTRICTED GENERAL AID
20 AVAILABLE TO SUPPORT ANY ACADEMIC PROGRAMS OF THE SCHOOL DISTRICT.

21 S 18. Subdivision 16 of section 3602 of the education law, as added by
22 section 16-a of part B of chapter 57 of the laws of 2007, is amended to
23 read as follows:

24 16. High tax aid. Each school district shall be eligible to receive a
25 high tax aid apportionment in the {two thousand seven--two thousand
26 eight} TWO THOUSAND EIGHT--TWO THOUSAND NINE school year, which shall
27 equal the GREATER OF (I) THE sum of the tier 1 high tax aid apportion-
28 ment {and}, the tier 2 high tax aid apportionment AND THE TIER 3 HIGH
29 TAX AID APPORTIONMENT OR (II) THE PRODUCT OF THE APPORTIONMENT RECEIVED
30 BY THE SCHOOL DISTRICT PURSUANT TO THIS SUBDIVISION IN THE TWO THOUSAND
31 SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR, MULTIPLIED BY THE DUE-MINIMUM
32 FACTOR, WHICH SHALL EQUAL, FOR DISTRICTS WITH AN ALTERNATE PUPIL WEALTH
33 RATIO COMPUTED PURSUANT TO PARAGRAPH B OF SUBDIVISION THREE OF THIS
34 SECTION THAT IS LESS THAN TWO, SEVENTY PERCENT (0.70), AND FOR ALL OTHER
35 DISTRICTS, FIFTY PERCENT (0.50).

36 a. Definitions. (1) "Residential real property tax levy" shall mean
37 the school tax levy imposed on residential property, including condominium
38 properties, in the year commencing in the calendar year two years
39 prior to the calendar year in which the base year began. The final
40 update of such data shall be reported by the state office of real prop-
41 erty tax services to the commissioner by February fifteenth of the base
42 year. The state office of real property tax services shall adopt regu-
43 lations as appropriate to assure the appropriate collection, classifica-
44 tion and reporting of such data for the purposes of paying state aid to
45 the schools.

46 (2) "Adjusted gross income" shall mean the adjusted gross income of a
47 school district as used in computation of the district's alternate pupil
48 wealth ratio pursuant to paragraph b of subdivision three of this
49 section, provided, however, that for the computation of apportionments
50 pursuant to this subdivision, the adjusted gross income of a central
51 high school district shall not equal the sum of the adjusted gross
52 income of each of its component school districts.

53 (3) "TAX EFFORT RATIO" SHALL MEAN THE QUOTIENT OF THE DISTRICT'S RESI-
54 DENTIAL REAL PROPERTY TAX LEVY DIVIDED BY THE DISTRICT'S ADJUSTED GROSS
55 INCOME COMPUTED TO FIVE DECIMALS WITHOUT ROUNDING.

1 (4) "TIER 1 ELIGIBLE SCHOOL DISTRICT" SHALL MEAN ANY SCHOOL DISTRICT
2 IN WHICH (I) THE INCOME WEALTH INDEX, AS COMPUTED PURSUANT TO PARAGRAPH
3 D OF SUBDIVISION THREE OF THIS SECTION, IS LESS THAN TWO AND ONE-HALF,
4 AND (II) THE EXPENSE PER PUPIL, AS COMPUTED PURSUANT TO PARAGRAPH F OF
5 SUBDIVISION ONE OF THIS SECTION, IS GREATER THAN THE STATEWIDE AVERAGE
6 EXPENSE PER PUPIL AS COMPUTED PURSUANT TO SUBDIVISION FIVE OF THIS
7 SECTION, AND (III) THE TAX EFFORT RATIO IS GREATER THAN THREE AND
8 TWO-TENTHS PERCENT (0.032). FOR THE TWO THOUSAND EIGHT--TWO THOUSAND
9 NINE SCHOOL YEAR, FOR THE PURPOSE OF COMPUTING AID PURSUANT TO THIS
10 SUBDIVISION, THE STATEWIDE AVERAGE EXPENSE PER PUPIL SHALL BE TEN THOU-
11 SAND SIX HUNDRED FIFTY DOLLARS.

12 (5) "TIER 2 ELIGIBLE SCHOOL DISTRICT" SHALL MEAN ANY SCHOOL DISTRICT
13 IN WHICH THE TAX EFFORT RATIO IS GREATER THAN FIVE PERCENT.

14 (6) "TIER 3 ELIGIBLE SCHOOL DISTRICT" SHALL MEAN ANY SCHOOL DISTRICT
15 IN WHICH (I) THE QUOTIENT OF (A) THE ACTUAL VALUATION OF THE SCHOOL
16 DISTRICT DIVIDED BY ITS TOTAL WEALTH PUPIL UNITS COMPUTED PURSUANT TO
17 SUBPARAGRAPH ONE OF PARAGRAPH A OF SUBDIVISION THREE OF THIS SECTION,
18 DIVIDED BY (B) THE ADJUSTED GROSS INCOME OF A SCHOOL DISTRICT DIVIDED BY
19 ITS TOTAL WEALTH PUPIL UNITS COMPUTED PURSUANT TO SUBPARAGRAPH ONE OF
20 PARAGRAPH B OF SUBDIVISION THREE OF THIS SECTION, IS GREATER THAN FOUR
21 AND SIXTY-TWO HUNDREDTHS (4.62), (II) THE COMBINED WEALTH RATIO COMPUTED
22 PURSUANT TO SUBPARAGRAPH ONE OF PARAGRAPH C OF SUBDIVISION THREE OF THIS
23 SECTION IS LESS THAN SIX, AND (III) THE REGIONAL COST INDEX DETERMINED
24 PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH A OF SUBDIVISION FOUR OF THIS
25 SECTION IS GREATER THAN ONE AND THREE-TENTHS (1.3).

26 b. Tier 1 high tax aid apportionment. {For any school district with
27 its administrative headquarters located in an eligible county, the tier
28 1 high tax aid apportionment shall be the greater of (1) the product of
29 the public school district enrollment of the district in the base year,
30 as computed pursuant to subparagraph two of paragraph n of subdivision
31 one of this section, multiplied by one hundred forty-seven dollars and
32 twenty-nine cents, or (2) one hundred thousand dollars. For the purposes
33 of such tier 1 high tax aid apportionment, "eligible county" shall mean
34 any county in which the quotient of the sum for all school districts
35 with administrative headquarters located in such county of the residen-
36 tial real property tax levy, divided by the sum for all such school
37 districts of the adjusted gross income, computed to five decimals with-
38 out rounding, is greater than four and two-tenths percent, and

39 c. Tier 2 high tax aid apportionment.} For any TIER 1 eligible school
40 district, the tier {2} 1 high tax aid apportionment shall be THE GREATER
41 OF (1) the product of the public school district enrollment of the
42 district in the base year, as computed pursuant to subparagraph two of
43 paragraph n of subdivision one of this section, multiplied by {thirty}
44 THE PRODUCT OF FOUR HUNDRED FIFTY dollars MULTIPLIED BY THE STATE SHAR-
45 ING RATIO, OR (2) ONE HUNDRED THOUSAND DOLLARS. {For the purposes of
46 such tier 2 high tax aid apportionment, "eligible school district" shall
47 mean any school district with a regional cost index, as computed pursu-
48 ant to subparagraph two of paragraph a of subdivision four of this
49 section, in excess of one and three-tenths, in which the quotient of the
50 residential real property tax levy, divided by the adjusted gross
51 income, computed to five decimals without rounding, is greater than four
52 percent, where such district does not receive an apportionment of tier 1
53 high tax aid.

54 All computations pursuant to this provision shall be based on the data
55 on file with the commissioner as of the date upon which an electronic
56 data file was created for the purposes of the estimated apportionments

1 due and owing during the current school year produced by the commission-
2 er in February, two thousand seven.}

3 C. TIER 2 HIGH TAX AID APPORTIONMENT. FOR ANY TIER 2 ELIGIBLE SCHOOL
4 DISTRICT, THE TIER 2 HIGH TAX AID APPORTIONMENT SHALL BE THE PRODUCT OF
5 (I) THE PUBLIC SCHOOL DISTRICT ENROLLMENT OF THE DISTRICT IN THE BASE
6 YEAR, AS COMPUTED PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH N OF SUBDI-
7 VISION ONE OF THIS SECTION, MULTIPLIED BY (II) ONE HUNDRED EIGHTY-ONE
8 THOUSANDTHS (0.181) MULTIPLIED BY (III) THE POSITIVE DIFFERENCE, IF ANY,
9 OF THE EXPENSE PER PUPIL, AS COMPUTED PURSUANT TO PARAGRAPH F OF SUBDI-
10 VISION ONE OF THIS SECTION, LESS TEN THOUSAND SIX HUNDRED SIXTY DOLLARS,
11 MULTIPLIED BY (IV) AN AID RATIO COMPUTED BY SUBTRACTING FROM ONE THE
12 PRODUCT OBTAINED BY MULTIPLYING THE ALTERNATE PUPIL WEALTH RATIO
13 COMPUTED PURSUANT TO SUBPARAGRAPH ONE OF PARAGRAPH B OF SUBDIVISION
14 THREE OF THIS SECTION BY SIXTY PERCENT, PROVIDED, HOWEVER, THAT SUCH AID
15 RATIO SHALL NOT BE LESS THAN ZERO NOR GREATER THAN ONE, MULTIPLIED BY
16 (V) THE REGIONAL COST INDEX.

17 D. TIER 3 HIGH TAX AID APPORTIONMENT. FOR ANY TIER 3 ELIGIBLE SCHOOL
18 DISTRICT, THE TIER 3 HIGH TAX AID APPORTIONMENT SHALL BE THE PRODUCT OF
19 (I) THE PUBLIC SCHOOL DISTRICT ENROLLMENT OF THE DISTRICT IN THE BASE
20 YEAR, AS COMPUTED PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH N OF SUBDI-
21 VISION ONE OF THIS SECTION, MULTIPLIED BY (II) FIFTY-TWO DOLLARS, MULTI-
22 PLIED BY (III) THE REGIONAL COST INDEX.

23 S 19. Section 3602 of the education law is amended by adding a new
24 subdivision 12 to read as follows:

25 12. ACADEMIC ENHANCEMENT AID. A SCHOOL DISTRICT THAT AS OF APRIL FIRST
26 OF THE BASE YEAR HAS BEEN CONTINUOUSLY IDENTIFIED AS A DISTRICT IN NEED
27 OF IMPROVEMENT FOR AT LEAST FIVE YEARS SHALL, FOR THE TWO THOUSAND
28 EIGHT--TWO THOUSAND NINE SCHOOL YEAR, BE ENTITLED TO AN ADDITIONAL
29 APPORTIONMENT EQUAL TO THE POSITIVE REMAINDER, IF ANY, OF (A) THE LESSER
30 OF FIFTEEN MILLION DOLLARS OR THE PRODUCT OF THE TOTAL FOUNDATION AID
31 BASE, AS DEFINED BY PARAGRAPH J OF SUBDIVISION ONE OF THIS SECTION,
32 MULTIPLIED BY TEN PERCENT (0.10), LESS (B) THE POSITIVE REMAINDER OF (I)
33 THE SUM OF THE TOTAL FOUNDATION AID APPORTIONED PURSUANT TO SUBDIVISION
34 FOUR OF THIS SECTION AND THE SUPPLEMENTAL EDUCATIONAL IMPROVEMENT GRANTS
35 APPORTIONED PURSUANT TO SUBDIVISION EIGHT OF SECTION THIRTY-SIX HUNDRED
36 FORTY-ONE OF THIS ACT, LESS (II) THE TOTAL FOUNDATION AID BASE.

37 S 20. The opening paragraph of subdivision 41 of section 3602 of the
38 education law, as added by section 18 of part B of chapter 57 of the
39 laws of 2007, is amended to read as follows:

40 Transitional aid for charter school payments. In addition to any other
41 apportionment under this section, for the two thousand seven--two thou-
42 sand eight school year and thereafter, a school district OTHER THAN A
43 CITY SCHOOL DISTRICT IN A CITY HAVING A POPULATION OF ONE MILLION OR
44 MORE shall be eligible for an apportionment in an amount equal to the
45 sum of

46 S 21. The opening paragraph of subdivision 9 of section 3602-e of the
47 education law, as amended by section 19 of part B of chapter 57 of the
48 laws of 2007, is amended to read as follows:

49 A. Each year, the commissioner shall determine the maximum allocation
50 that each district would be eligible to receive pursuant to this section
51 in the following school year based on pupil data on file with the
52 commissioner on a date prescribed by the commissioner, and applying the
53 formula specified in subdivision ten of this section. No later than
54 April thirtieth of the base year, the commissioner shall notify
55 districts of the maximum allocations they may be eligible for pursuant

1 to this section in the following school year, and such maximum allocations shall be deemed final and not subject to change thereafter.

3 S 22. Subdivision 10 of section 3602-e of the education law, as
4 amended by section 19 of part B of chapter 57 of the laws of 2007, is
5 amended to read as follows:

6 10. Universal prekindergarten aid. Notwithstanding any provision of
7 law to the contrary, for aid payable in the {two thousand seven--two
8 thousand eight} TWO THOUSAND EIGHT--TWO THOUSAND NINE school year, the
9 grant to each eligible school district for universal prekindergarten aid
10 shall be computed pursuant to this subdivision.

11 a. Each school district shall be eligible to receive a grant amount
12 equal to {the lesser of (i)} the sum of (I) its prekindergarten aid base
13 plus (II) the product of its selected aid per prekindergarten pupil
14 multiplied by the POSITIVE DIFFERENCE, IF ANY OF THE number of {addi-
15 tional} aidable prekindergarten pupils served in the current year, as
16 determined pursuant to regulations of the commissioner, LESS THE BASE
17 AIDABLE PREKINDERGARTEN PUPILS CALCULATED PURSUANT TO THIS SUBDIVISION
18 FOR THE TWO THOUSAND SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR, BASED ON
19 DATA ON FILE FOR THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMIS-
20 SIONER IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND SEVEN--TWO
21 THOUSAND EIGHT SCHOOL YEAR AND ENTITLED "SA070-8". PROVIDED, HOWEVER,
22 THAT IN COMPUTING AN APPORTIONMENT PURSUANT TO THIS PARAGRAPH, FOR
23 DISTRICTS WHERE THE NUMBER OF AIDABLE PREKINDERGARTEN PUPILS SERVED IS
24 LESS THAN THE NUMBER OF UNSERVED PREKINDERGARTEN PUPILS, SUCH GRANT
25 AMOUNT SHALL BE THE LESSER OF SUCH SUM COMPUTED PURSUANT TO THIS PARA-
26 GRAPH or {(ii)} the maximum allocation computed pursuant to subdivision
27 nine of this section.

28 b. For purposes of paragraph a of this subdivision:

29 (i) "Selected aid per prekindergarten pupil" shall equal the greater
30 of (A) the product of five-tenths and the school district's selected
31 foundation aid for the current year, or (B) the aid per prekindergarten
32 pupil calculated pursuant to this subdivision for the two thousand six-
33 two thousand seven school year, based on data on file for the school aid
34 computer listing produced by the commissioner in support of the enacted
35 budget for the two thousand six--two thousand seven school year and
36 entitled "SA060-7"; PROVIDED, HOWEVER, THAT IN THE TWO THOUSAND
37 EIGHT--TWO THOUSAND NINE SCHOOL YEAR, A CITY SCHOOL DISTRICT IN A CITY
38 HAVING A POPULATION OF ONE MILLION INHABITANTS OR MORE SHALL NOT BE
39 ELIGIBLE TO SELECT AID PER PREKINDERGARTEN PUPIL PURSUANT TO CLAUSE (A)
40 OF THIS SUBPARAGRAPH;

41 (ii) "Base aidable prekindergarten pupils". {For the two thousand
42 seven--two thousand eight school year, "based} "BASE aidable prekinder-
43 garten pupils" shall equal the {lesser of (A) the} sum of the {number of
44 eligible children served in the two thousand six--two thousand seven
45 school year in state-funded} BASE AIDABLE prekindergarten {programs
46 other than prekindergarten programs approved} PUPILS CALCULATED pursuant
47 to this subdivision {or pursuant to section forty-four hundred ten of
48 this chapter} FOR THE BASE YEAR, BASED ON DATA ON FILE FOR THE SCHOOL
49 AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE
50 ENACTED BUDGET FOR THE BASE YEAR, plus the {number of eligible children
51 served in the two thousand five--two thousand six school year in state
52 funded prekindergarten programs approved} ADDITIONAL AIDABLE PREKINDER-
53 GARTEN PUPILS CALCULATED pursuant to this subdivision{, or (B) the
54 quotient of the prekindergarten aid base divided by the selected aid per
55 prekindergarten pupil} FOR THE BASE YEAR, BASED ON DATA ON FILE FOR THE

1 SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF
2 THE ENACTED BUDGET FOR THE BASE YEAR;

3 (iii) "Unserved prekindergarten pupils" shall mean the PRODUCT OF
4 EIGHTY-FIVE PERCENT MULTIPLIED BY THE POSITIVE DIFFERENCE, IF ANY,
5 BETWEEN THE SUM OF THE PUBLIC SCHOOL ENROLLMENT AND THE NONPUBLIC SCHOOL
6 ENROLLMENT OF CHILDREN ATTENDING FULL DAY AND HALF DAY KINDERGARTEN
7 PROGRAMS IN THE DISTRICT IN THE YEAR PRIOR TO THE BASE YEAR LESS THE
8 number of resident children who attain the age of four before December
9 first of the {school} BASE year, {but} who {will not be} WERE served
10 during such school year by a prekindergarten program approved pursuant
11 to section forty-four hundred ten of this chapter, where such services
12 are provided for more than four hours per day;

13 (iv) "Additional aidable prekindergarten pupils". For the two thousand
14 seven--two thousand eight THROUGH TWO THOUSAND EIGHT--TWO THOUSAND NINE
15 school {year} YEARS, "additional aidable prekindergarten pupils" shall
16 equal {the greater of (A)} the product of {(1)} (A) the positive differ-
17 ence, if any, of the unserved prekindergarten pupils less the base aida-
18 ble prekindergarten pupils multiplied by {(2)} the percent of eligible
19 applicants for the free and reduced price lunch program computed pursu-
20 ant to paragraph p of subdivision one of section thirty-six hundred two
21 of this article, but not less than eighteen percent nor more than thirty
22 percent, or (B) the positive difference, if any, or (1) the lesser of
23 twenty pupils or the unserved prekindergarten pupils less (2) the base
24 aidable prekindergarten pupils.} (B) THE PREKINDERGARTEN PHASE-IN
25 FACTOR;

26 (v) the "prekindergarten aid base" shall mean the sum of the amounts
27 the school district received for the two thousand six--two thousand
28 seven school year for grants awarded pursuant to this section and for
29 targeted prekindergarten grants{.};

30 (VI) THE "PREKINDERGARTEN PHASE-IN FACTOR". FOR THE TWO THOUSAND
31 EIGHT--TWO THOUSAND NINE SCHOOL YEAR, THE PREKINDERGARTEN PHASE-IN
32 FACTOR SHALL EQUAL THE POSITIVE DIFFERENCE, IF ANY, OF THE PUPIL NEED
33 INDEX COMPUTED PURSUANT TO SUBPARAGRAPH THREE OF PARAGRAPH A OF SUBDIVI-
34 SION FOUR OF SECTION THIRTY-SIX HUNDRED TWO OF THIS PART LESS ONE,
35 PROVIDED, HOWEVER, THAT: (A) FOR ANY DISTRICT WHERE (1) THE MAXIMUM
36 ALLOCATION COMPUTED PURSUANT TO SUBDIVISION NINE OF THIS SECTION FOR THE
37 BASE YEAR IS GREATER THAN ZERO AND (2) THE AMOUNT ALLOCATED PURSUANT TO
38 THIS SUBDIVISION FOR THE BASE YEAR, BASED ON DATA ON FILE FOR THE SCHOOL
39 AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER ON FEBRUARY FIFTEENTH
40 OF THE BASE YEAR, PURSUANT TO PARAGRAPH B OF SUBDIVISION TWENTY-ONE OF
41 SECTION THREE HUNDRED FIVE OF THIS CHAPTER, IS GREATER THAN THE POSITIVE
42 DIFFERENCE, IF ANY, OF SUCH MAXIMUM ALLOCATION FOR THE BASE YEAR LESS
43 TWENTY-SEVEN HUNDRED, THE PREKINDERGARTEN PHASE-IN FACTOR SHALL NOT
44 EXCEED EIGHTEEN PERCENT, AND SHALL NOT BE LESS THAN TEN PERCENT, AND (B)
45 FOR ANY DISTRICT NOT SUBJECT TO THE PROVISIONS OF CLAUSE (A) OF THIS
46 SUBPARAGRAPH WHERE (1) THE AMOUNT ALLOCATED PURSUANT TO THIS SUBDIVISION
47 FOR THE BASE YEAR IS EQUAL TO ZERO OR (2) THE AMOUNT ALLOCATED PURSUANT
48 TO THIS SECTION FOR THE BASE YEAR, BASED ON DATA ON FILE FOR THE SCHOOL
49 AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER ON FEBRUARY FIFTEENTH
50 OF THE BASE YEAR, PURSUANT TO PARAGRAPH B OF SUBDIVISION TWENTY-ONE OF
51 SECTION THREE HUNDRED FIVE OF THIS CHAPTER, IS LESS THAN OR EQUAL TO THE
52 AMOUNT ALLOCATED PURSUANT TO THIS SECTION FOR THE YEAR PRIOR TO THE BASE
53 YEAR, BASED ON DATA ON FILE FOR THE SCHOOL AID COMPUTER LISTING PRODUCED
54 BY THE COMMISSIONER ON FEBRUARY FIFTEENTH OF THE BASE YEAR, PURSUANT TO
55 PARAGRAPH B OF SUBDIVISION TWENTY-ONE OF SECTION THREE HUNDRED FIVE OF
56 THIS CHAPTER, THE PREKINDERGARTEN PHASE-IN FACTOR SHALL EQUAL ZERO, AND

1 (C) FOR ANY DISTRICT NOT SUBJECT TO THE PROVISIONS OF CLAUSE (A) OR (B)
2 OF THIS SUBPARAGRAPH, THE PREKINDERGARTEN PHASE-IN FACTOR SHALL NOT
3 EXCEED THIRTEEN PERCENT, AND SHALL NOT BE LESS THAN SEVEN PERCENT;

4 (VII) "BASE YEAR" SHALL MEAN THE BASE YEAR AS DEFINED PURSUANT TO
5 SUBDIVISION ONE OF SECTION THIRTY-SIX HUNDRED TWO OF THIS PART.

6 c. Notwithstanding any other provision of this section, the total
7 grant payable pursuant to this section shall equal the lesser of: (i)
8 the total grant amounts computed pursuant to this subdivision for the
9 current year, based on data on file with the commissioner as of Septem-
10 ber first of the school year immediately following or (ii) the total
11 actual grant expenditures incurred by the school district as approved by
12 the commissioner.

13 S 23. Paragraph d of subdivision 12 of section 3602-e of the education
14 law, as amended by section 19 of part B of chapter 57 of the laws of
15 2007, is amended and two new paragraphs d-1 and d-2 are added to read as
16 follows:

17 {d. transitional guidelines and rules which allow a program to meet
18 the required staff qualifications and any other requirements set forth
19 pursuant to this section and regulations adopted by the board of regents
20 and the commissioner;} D-1. GUIDELINES WHICH ALLOW PERSONNEL EMPLOYED BY
21 AN ELIGIBLE AGENCY THAT IS COLLABORATING WITH A SCHOOL DISTRICT TO
22 PROVIDE PREKINDERGARTEN SERVICES AND LICENSED BY AN AGENCY OTHER THAN
23 THE DEPARTMENT, TO MEET THE STAFF QUALIFICATIONS PRESCRIBED BY THE
24 LICENSING OR REGISTERING AGENCY; PROVIDED HOWEVER, A WRITTEN PLAN IS
25 ESTABLISHED FOR PREKINDERGARTEN TEACHERS TO OBTAIN A CERTIFICATE VALID
26 FOR SERVICE IN EARLY CHILDHOOD GRADES WITHIN FIVE YEARS AFTER COMMENCING
27 EMPLOYMENT, OR BY JANUARY THIRD, TWO THOUSAND THIRTEEN, WHICHEVER IS
28 LATER;

29 D-2. GUIDELINES WHICH ALLOW PERSONNEL EMPLOYED BY AN ELIGIBLE AGENCY
30 THAT IS COLLABORATING WITH A SCHOOL DISTRICT TO PROVIDE PREKINDERGARTEN
31 SERVICES AND NOT LICENSED OR REGISTERED BY THE DEPARTMENT OR OTHER AGEN-
32 CY, TO MEET THE STAFF QUALIFICATIONS PRESCRIBED BY SUCH ELIGIBLE AGENCY;
33 PROVIDED HOWEVER, A WRITTEN PLAN IS ESTABLISHED FOR PREKINDERGARTEN
34 TEACHERS TO OBTAIN A CERTIFICATE VALID FOR SERVICE IN EARLY CHILDHOOD
35 GRADES WITHIN FIVE YEARS AFTER COMMENCING EMPLOYMENT, OR BY JANUARY
36 THIRD, TWO THOUSAND THIRTEEN, WHICHEVER IS LATER;

37 S 24. Subdivision 13 of section 3602-e of the education law, as
38 amended by section 19 of part B of chapter 57 of the laws of 2007, is
39 amended to read as follows:

40 13. Each school district that has implemented a prekindergarten
41 program shall on an annual basis report to the board of regents, the
42 commissioner, parents, teachers and the public on the status of such
43 program. SUCH ANNUAL REPORT SHALL INCLUDE A FINANCIAL SUMMARY OF THE
44 APPROVED EXPENDITURES OF THE PROGRAM, AS DEFINED PURSUANT TO PARAGRAPH L
45 OF SUBDIVISION TWELVE OF THIS SECTION, SETTING FORTH THE EXPENDITURES
46 FROM STATE, LOCAL AND OTHER REVENUE SOURCES, AND THE DISTRICT SHALL
47 MAINTAIN DOCUMENTATION TO INSURE THAT ALL GRANT FUNDS ARE USED FOR SUCH
48 APPROVED EXPENDITURES.

49 S 24-a. Intentionally omitted.

50 S 25. The opening paragraph of section 3609-a of the education law, as
51 amended by section 32 of part B of chapter 57 of the laws of 2007, is
52 amended to read as follows:

53 For aid payable in the two thousand seven--two thousand eight school
54 year and thereafter, "moneys apportioned" shall mean the lesser of (i)
55 the sum of one hundred percent of the respective amount set forth for
56 each school district as payable pursuant to this section in the school

1 aid computer listing for the current year produced by the commissioner
2 in support of the budget which includes the appropriation for the gener-
3 al support for public schools for the prescribed payments and individ-
4 ualized payments due prior to April first for the current year plus the
5 apportionment payable during the current school year pursuant to subdivi-
6 sion six-a and subdivision fifteen of section thirty-six hundred two
7 of this part minus any reductions to current year aids pursuant to
8 subdivision seven of section thirty-six hundred four of this part or any
9 deduction from apportionment payable pursuant to this chapter for
10 collection of a school district basic contribution as defined in subdivi-
11 sion eight of section forty-four hundred one of this chapter, less any
12 grants provided pursuant to subparagraph two-a of paragraph b of subdivi-
13 sion four of section ninety-two-c of the state finance law, less any
14 grants provided pursuant to subdivision twelve of section thirty-six
15 hundred forty-one of this article, or (ii) the apportionment calculated
16 by the commissioner based on data on file at the time the payment is
17 processed; provided however, that for the purposes of any payments made
18 pursuant to this section prior to the first business day of June of the
19 current year, moneys apportioned shall not include any aids payable
20 pursuant to subdivisions six and fourteen, if applicable, of section
21 thirty-six hundred two of this part as current year aid for debt service
22 on bond anticipation notes and/or bonds first issued in the current year
23 or any aids payable for full-day kindergarten for the current year
24 pursuant to subdivision nine of section thirty-six hundred two of this
25 part. The definitions of "base year" and "current year" as set forth in
26 subdivision one of section thirty-six hundred two of this part shall
27 apply to this section. For aid payable in the {two thousand seven--two
28 thousand eight} TWO THOUSAND EIGHT--TWO THOUSAND NINE school year,
29 reference to such "school aid computer listing for the current year"
30 shall mean the printouts entitled {"SA0708"} "SA0809".

31 S 26. Subdivision 2 of section 3609-e of the education law, as amended
32 by section 50 of part H of chapter 83 of the laws of 2002, paragraphs a,
33 b, c, d, e and f as amended by section 34-a of part B of chapter 57 of
34 the laws of 2007, is amended to read as follows:

35 2. Prescribed payments. a. October payment for aids payable in the
36 nineteen hundred ninety-eight--ninety-nine through two thousand two--two
37 thousand three school years and the two thousand four--two thousand five
38 through {two thousand seven--two thousand eight} TWO THOUSAND EIGHT--TWO
39 THOUSAND NINE school years. On or before October fifteenth, a portion of
40 the school tax relief aid payable to the school district for the current
41 year shall be paid equal to the product of the TOTAL school tax relief
42 aid FOR THE CURRENT SCHOOL YEAR ADJUSTED TO REFLECT ADJUSTMENTS TO
43 PAYMENTS FOR PRIOR YEARS and thirty-five one-hundredths.

44 b. October payment for aids payable in the two thousand three--two
45 thousand four school year, and the {two thousand eight--two thousand
46 nine} TWO THOUSAND NINE--TWO THOUSAND TEN school year and thereafter. On
47 or before October fifteenth, a portion of the school tax relief aid
48 payable to the school district for the current year ADJUSTED TO REFLECT
49 ADJUSTMENTS TO PAYMENTS FOR PRIOR YEARS, not to exceed one hundred
50 percent of such aid payable, shall be paid equal to the product of the
51 amount of tax levy and the positive difference, if any, of the STAR
52 portion of the tax levy minus the product of twenty-five one-hundredths
53 and the phase-in factor.

54 c. November payment for the aids payable in the nineteen hundred nine-
55 ty-eight--ninety-nine through two thousand two--two thousand three
56 school years and the two thousand four--two thousand five through {two

1 thousand seven--two thousand eight} TWO THOUSAND EIGHT--TWO THOUSAND
2 NINE school years. On or before November fifteenth, a portion of the
3 school tax relief aid payable to the school district for the current
4 year shall be paid equal to the product of the TOTAL school tax relief
5 aid FOR THE CURRENT SCHOOL YEAR ADJUSTED TO REFLECT ADJUSTMENTS TO
6 PAYMENTS FOR PRIOR YEARS and seventy-one hundredths less any payments
7 made pursuant to paragraph a of this subdivision.

8 d. November payment for aids payable in the two thousand three--two
9 thousand four school year, and the {two thousand eight--two thousand
10 nine} TWO THOUSAND NINE--TWO THOUSAND TEN school year and thereafter. On
11 or before November fifteenth, a portion of the school tax relief aid
12 payable to the school district for the current year ADJUSTED TO REFLECT
13 ADJUSTMENTS TO PAYMENTS FOR PRIOR YEARS, not to exceed one hundred
14 percent of such aid payable, shall be paid equal to: (i) the product of
15 the amount of tax levy and the positive difference, if any, of the STAR
16 portion of the tax levy minus the product of twenty one hundredths and
17 the phase-in factor less (ii) any payments made pursuant to paragraph b
18 of this subdivision.

19 e. December payment for aids payable in the nineteen hundred ninety-
20 eight--ninety-nine through two thousand two--two thousand three school
21 years and the two thousand four--two thousand five through {two thousand
22 seven--two thousand eight} TWO THOUSAND EIGHT--TWO THOUSAND NINE school
23 years. On or before December fifteenth, a portion of the school tax
24 relief aid payable to the school district for the current year shall be
25 paid equal to the product of the TOTAL school tax relief aid FOR THE
26 CURRENT SCHOOL YEAR ADJUSTED TO REFLECT ADJUSTMENTS TO PAYMENTS FOR
27 PRIOR YEARS and eighty one-hundredths less any payments made pursuant to
28 paragraphs a and c of this subdivision.

29 f. December payment for aids payable in the two thousand three--two
30 thousand four school year, and the {two thousand eight--two thousand
31 nine} TWO THOUSAND NINE--TWO THOUSAND TEN school year and thereafter. On
32 or before December fifteenth, a portion of the school tax relief aid
33 payable to the school district for the current year ADJUSTED TO REFLECT
34 ADJUSTMENTS TO PAYMENTS FOR PRIOR YEARS, not to exceed one hundred
35 percent of such aid payable, shall be paid equal to: (i) the product of
36 the amount of tax levy and the positive difference, if any, of the STAR
37 portion of the tax levy minus the product of fifteen one-hundredths and
38 the phase-in factor less (ii) any payments made pursuant to paragraphs b
39 and d of this subdivision.

40 g. January payment. On or before the first business day of January, a
41 portion of the school tax relief aid payable to the school district for
42 the current year shall be paid equal to one hundred percent of such
43 TOTAL school tax relief aid payable FOR THE CURRENT SCHOOL YEAR ADJUSTED
44 TO REFLECT ADJUSTMENTS TO PAYMENTS FOR PRIOR YEARS less any payments
45 made pursuant to paragraph a, b, c, d, e or f of this subdivision.

46 h. On or before March thirty-first a portion of the school tax relief
47 aid payable to the school district for the current year shall be paid
48 equal to one hundred percent of any increase in such aid over the total
49 of such aids paid through the first business day of January, ADJUSTED TO
50 REFLECT ADJUSTMENTS TO PAYMENTS FOR PRIOR YEARS, as certified to the
51 commissioner by the office of real property services on or before March
52 first.

53 S 27. Paragraph b of subdivision 2 of section 3612 of the education
54 law, as added by chapter 62 of the laws of 2000, is amended to read as
55 follows:

1 b. Such grants shall be awarded to school districts, within the limits
2 of funds appropriated therefor, through a competitive process that takes
3 into consideration the magnitude of any shortage of teachers in the
4 school district, the number of teachers employed in the school district
5 who hold temporary licenses to teach in the public schools of the state,
6 the number of provisionally certified teachers, the fiscal capacity and
7 geographic sparsity of the district, the number of new teachers the
8 school district intends to hire in the coming school year and the number
9 of summer in the city student internships proposed by an eligible school
10 district, if applicable. Grants provided pursuant to this section shall
11 be used only for the purposes enumerated in this section. NOTWITHSTAND-
12 ING ANY OTHER PROVISION OF LAW TO THE CONTRARY, A CITY SCHOOL DISTRICT
13 IN A CITY HAVING A POPULATION OF ONE MILLION OR MORE INHABITANTS RECEIV-
14 ING A GRANT PURSUANT TO THIS SECTION MAY USE NO MORE THAN EIGHTY PERCENT
15 OF SUCH GRANT FUNDS FOR ANY RECRUITMENT, RETENTION AND CERTIFICATION
16 COSTS ASSOCIATED WITH TRANSITIONAL CERTIFICATION OF TEACHER CANDIDATES
17 FOR THE SCHOOL YEARS TWO THOUSAND ONE--TWO THOUSAND TWO THROUGH TWO
18 THOUSAND EIGHT--TWO THOUSAND NINE.

19 S 27-a. Subdivision 9 of section 3612 of the education law, as added
20 by section 36 of part B of chapter 57 of the laws of 2007, is amended to
21 read as follows:

22 9. Science {and}, mathematics AND BILINGUAL EDUCATION tuition
23 reimbursement program. Of the amount appropriated for purposes of this
24 section for grants to school districts for the two thousand seven--two
25 thousand eight school year and thereafter, five million dollars
26 (\$5,000,000) shall be made available for a science {and}, mathematics
27 AND BILINGUAL EDUCATION tuition reimbursement program developed by the
28 commissioner to attract qualified teachers who have received or will
29 receive a transitional teaching certificate, to teach mathematics {or},
30 science, OR BILINGUAL EDUCATION in a low-performing school.

31 S 28. Subdivision 4 of section 1124 of the education law, as amended
32 by chapter 479 of the laws of 2000, is amended to read as follows:

33 4. Additional service centers shall be located in the cities of
34 Niagara Falls, Olean, Troy, Amsterdam, Newburgh, Corning, Ithaca, Cort-
35 land, Auburn, Watertown, Plattsburgh, Batavia, Massena and Glens Falls,
36 the counties of Delaware and Rockland, the county of Orange, in either
37 the city of Middletown or Port Jervis or in the town of Deerpark, Green-
38 ville, Mount Hope, Warwick or Wawayanda or in the village of Goshen,
39 {and} in the county of New York to serve the Harlem community, AND IN
40 THE COUNTIES OF PUTNAM, SULLIVAN AND HERKIMER.

41 S 29. Paragraph b of subdivision 8 of section 3641 of the education
42 law, as added by section 38 of part B of chapter 57 of the laws of 2007,
43 is amended to read as follows:

44 b. To the Yonkers city school district there shall be paid {eight}
45 SEVENTEEN million five hundred thousand dollars {(\$8,500,000)}
46 (\$17,500,000) on an annual basis. Such grant shall be payable from funds
47 appropriated for such purpose and shall be apportioned to the Yonkers
48 city school district in accordance with the payment schedules contained
49 in section thirty-six hundred nine-a of this article, notwithstanding
50 any provision of law to the contrary.

51 S 29-a. Section 3641 of the education law is amended by adding a new
52 subdivision 3 to read as follows:

53 3. SUPPLEMENTAL VALUATION IMPACT GRANTS. A. IN ADDITION TO APPORTION-
54 MENTS OTHERWISE PROVIDED BY SECTION THIRTY-SIX HUNDRED TWO OF THIS ARTI-
55 CLE, FOR AID PAYABLE IN THE TWO THOUSAND EIGHT--TWO THOUSAND NINE SCHOOL
56 YEAR, THE AMOUNTS SPECIFIED IN PARAGRAPHS C AND D OF THIS SUBDIVISION

1 SHALL BE PAID FOR THE PURPOSE OF PROVIDING ADDITIONAL FUNDING FOR SCHOOL
2 DISTRICTS WHICH HAVE EXPERIENCED A SIGNIFICANT FINANCIAL HARSHSHIP CAUSED
3 BY AN EXTRAORDINARY CHANGE IN THE TAXABLE PROPERTY VALUATION OR EXTRAOR-
4 DINARY JUDGMENTS RESULTING FROM TAX CERTIORARI PROCEEDINGS.

5 B. THE PURPOSE OF THIS SUBDIVISION IS TO PROVIDE FINANCIAL ASSISTANCE
6 TO SCHOOL DISTRICTS WHICH HAVE EXPERIENCED A SIGNIFICANT REDUCTION IN
7 THE TAXABLE FULL VALUE OF THE SCHOOL DISTRICT OR EXTRAORDINARY TAX
8 CERTIORARI JUDGMENTS. THE LEGISLATURE FINDS THAT SCHOOL DISTRICTS FOR
9 WHICH A JUDGMENT WAS MADE RESULTING FROM A TAX CERTIORARI PROCEEDING
10 WHICH IS LARGER THAN THE TOTAL BUDGET OF THE SCHOOL DISTRICT FOR SCHOOL
11 YEAR TWO THOUSAND SEVEN--TWO THOUSAND EIGHT OR FOR SCHOOL DISTRICTS
12 WHICH HAVE OBSERVED A REDUCTION OF TAXABLE REAL PROPERTY OF MORE THAN
13 SEVENTY-FIVE PERCENT BETWEEN SCHOOL YEAR TWO THOUSAND FIVE--TWO THOUSAND
14 SIX AND SCHOOL YEAR TWO THOUSAND EIGHT--TWO THOUSAND NINE MAY BENEFIT
15 FROM TEMPORARY ADDITIONAL ASSISTANCE.

16 C. TO THE BARKER CENTRAL SCHOOL DISTRICT, THERE SHALL BE PAID ONE
17 MILLION THREE HUNDRED THOUSAND DOLLARS (\$1,300,000). SUCH GRANT SHALL BE
18 PAYABLE TO THE BARKER CENTRAL SCHOOL DISTRICT IN ACCORDANCE WITH THE
19 PAYMENT SCHEDULES CONTAINED IN SECTION THIRTY-SIX HUNDRED NINE-A OF THIS
20 ARTICLE, NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY.

21 D. TO THE HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT, THERE SHALL
22 BE PAID TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000). SUCH
23 GRANT SHALL BE PAYABLE TO THE HAVERSTRAW-STONY POINT CENTRAL SCHOOL
24 DISTRICT IN ACCORDANCE WITH THE PAYMENT SCHEDULES CONTAINED IN SECTION
25 THIRTY-SIX HUNDRED NINE-A OF THIS ARTICLE, NOTWITHSTANDING ANY PROVISION
26 OF LAW TO THE CONTRARY.

27 S 30. Subdivision 2 of section 4101 of the education law, as amended
28 by chapter 387 of the laws of 1954, is amended to read as follows:

29 2. The commissioner {of education} in his discretion may, instead of
30 establishing schools and maintaining courses of instruction therein for
31 the education of the Indian children of the state, contract with any
32 school district for the education of such Indian children. The consider-
33 ation for any such contract shall not exceed the total cost to the
34 school district of the education of Indian children pursuant to such
35 contract, less any public moneys received by the school district by
36 reason of the attendance of such Indian children in regular day school,
37 except any public moneys received by the district as a building quota
38 pursuant to the provisions of SUBDIVISION SIX-A OF section {eighteen}
39 THIRTY-SIX hundred {six} TWO of this chapter. The commissioner of taxa-
40 tion and finance shall pay on the warrant of the comptroller bills, for
41 the costs and expenses attending such contract, approved by the commis-
42 sioner of education from the appropriation for the support and education
43 of Indian children. In carrying out the provisions of this article the
44 commissioner {of education}, notwithstanding any other provision of law,
45 may lease any school ground, site or building established for a reserva-
46 tion and owned by the state of New York to any school district upon such
47 terms and conditions as he shall deem necessary, convenient and proper.
48 Nothing herein contained shall alter the title of the Indians to their
49 lands.

50 S 31. Subdivision 6 of section 4402 of the education law, as amended
51 by section 40 of part B of chapter 57 of the laws of 2007, is amended to
52 read as follows:

53 6. Notwithstanding any other law, rule or regulation to the contrary,
54 the board of education of a city school district with a population of
55 one hundred twenty-five thousand or more inhabitants shall be permitted
56 to establish maximum class sizes for special classes for certain

1 students with disabilities in accordance with the provisions of this
2 subdivision. For the purpose of obtaining relief from any adverse fiscal
3 impact from under-utilization of special education resources due to low
4 student attendance in special education classes at the middle and
5 secondary level as determined by the commissioner, such boards of education
6 shall, during the school years nineteen hundred ninety-five--ninety-
7 six through June thirtieth, two thousand {eight} NINE of the {two
8 thousand seven--two thousand eight} TWO THOUSAND EIGHT--TWO THOUSAND
9 NINE school year, be authorized to increase class sizes in special
10 classes containing students with disabilities whose age ranges are
11 equivalent to those of students in middle and secondary schools as
12 defined by the commissioner for purposes of this section by up to but
13 not to exceed one and two tenths times the applicable maximum class size
14 specified in regulations of the commissioner rounded up to the nearest
15 whole number, provided that in a city school district having a popu-
16 lation of one million or more, classes that have a maximum class size of
17 fifteen may be increased by no more than one student and provided that
18 the projected average class size shall not exceed the maximum specified
19 in the applicable regulation, provided that such authorization shall
20 terminate on June thirtieth, two thousand. Such authorization shall be
21 granted upon filing of a notice by such a board of education with the
22 commissioner stating the board's intention to increase such class sizes
23 and a certification that the board will conduct a study of attendance
24 problems at the secondary level and will implement a corrective action
25 plan to increase the rate of attendance of students in such classes to
26 at least the rate for students attending regular education classes in
27 secondary schools of the district. Such corrective action plan shall be
28 submitted for approval by the commissioner by a date during the school
29 year in which such board increases class sizes as provided pursuant to
30 this subdivision to be prescribed by the commissioner. Upon at least
31 thirty days notice to the board of education, after conclusion of the
32 school year in which such board increases class sizes as provided pursuant
33 to this subdivision, the commissioner shall be authorized to terminate
34 such authorization upon a finding that the board has failed to
35 develop or implement an approved corrective action plan.

36 S 32. Subdivision 2 of section 3641 of the education law, as added by
37 section 38 of part B of chapter 57 of the laws of 2007, is amended to
38 read as follows:

39 2. Full-day kindergarten transition AND PRE-KINDERGARTEN planning
40 grants. Within the amount appropriated for such purpose, the commission-
41 er is hereby authorized to award grants to: (I) school districts that
42 operated half-day kindergarten programs in the two thousand six--two
43 thousand seven school year and will continue to operate such half-day
44 programs in the two thousand seven--two thousand eight school year to
45 plan for conversion to full-day kindergartens only in the school year
46 next following the school year in which the planning grant is received,
47 but no later than the two thousand ten--two thousand eleven school year,
48 AND (II) SCHOOL DISTRICTS FOR PLANNING GRANTS FOR THE IMPLEMENTATION OR
49 EXPANSION OF UNIVERSAL PREKINDERGARTEN PROGRAMS. The commissioner shall
50 prescribe the procedures and criteria for the award of such grants,
51 which shall be available to school districts to defray their additional
52 costs for planning time, the cost of classroom materials, equipment,
53 furniture and supplies not eligible for aid pursuant to subdivisions
54 six, six-a, six-b, six-c or six-f of section thirty-six hundred two of
55 this article, where such additional costs are incurred in planning for
56 the facilities and staffing that will be needed for such conversion,

1 IMPLEMENTATION OR EXPANSION. No school district may receive more than
2 one planning grant pursuant to this subdivision FOR CONVERSION TO FULL-
3 DAY KINDERGARTEN. The commissioner shall be authorized to adopt regu-
4 lations to implement the provisions of this subdivision.

5 S 33. Paragraph a-1 of subdivision 11 of section 3602 of the education
6 law, as amended by section 15 of part B of chapter 57 of the laws of
7 2007, are amended to read as follows:

8 a-1. Notwithstanding the provisions of paragraph a of this subdivi-
9 sion, for aid payable in the school years two thousand--two thousand one
10 through {two thousand seven--two thousand eight} TWO THOUSAND EIGHT--TWO
11 THOUSAND NINE, the commissioner may set aside an amount not to exceed
12 two million five hundred thousand dollars from the funds appropriated
13 for purposes of this subdivision for the purpose of serving persons
14 twenty-one years of age or older who have not been enrolled in any
15 school for the preceding school year, including persons who have
16 received a high school diploma or high school equivalency diploma but
17 fail to demonstrate basic educational competencies as defined in regu-
18 lation by the commissioner, when measured by accepted standardized
19 tests, and who shall be eligible to attend employment preparation educa-
20 tion programs operated pursuant to this subdivision.

21 S 34. Clause (vi) of subparagraph 1 of paragraph c of subdivision 14
22 of section 3602 of the education law, as amended by section 13 of part
23 A-1 of chapter 58 of the laws of 2006, is amended to read as follows:

24 (vi) where such proposed reorganization includes at least two school
25 districts employing eight or more teachers forming a central high school
26 district pursuant to section nineteen hundred thirteen of this chapter,
27 beginning with July first, nineteen hundred sixty-five or the first
28 school year of operation as a reorganized district after such date, such
29 reorganized school district shall be entitled to an additional appor-
30 tionment of twenty-five per centum of the sum of: (A) its apportionment
31 as provided in subdivision six of this section whenever such apportion-
32 ment is computed on the basis of its approved base year expenditures for
33 capital outlay from its general, capital, or a reserve fund incurred
34 prior to July first, two thousand one, or on the basis of its approved
35 base year expenditures for capital outlay from its general, capital or a
36 reserve fund incurred in the two thousand one--two thousand two school
37 year and computed pursuant to subdivision six of this section as if such
38 expenditures were aidable under such subdivision, and current year
39 approved expenditures for debt service for school building purposes and
40 (B) its apportionment as provided in subdivision six of this section,
41 the general contracts for which shall have been awarded on or after the
42 date this act takes effect and prior to July first, two thousand {eight}
43 TEN or within ten years from the effective date of reorganization,
44 whichever is later as provided in subdivision six of this section, and
45 which said sum shall be payable for and during the terms of any indebt-
46 edness created for the purpose of financing such construction or other
47 facility as aforesaid, provided however, that in no event may the total
48 apportionment under this paragraph, under subdivision twelve of section
49 thirty-six hundred forty-one of this article, and under subdivisions six
50 and six-f of this section for any project exceed the product of (1)
51 ninety-eight percent for a high need school district, as defined pursu-
52 ant to guidelines of the commissioner for the two thousand five--two
53 thousand six school year, for all school building projects approved by
54 the voters of the school district or by the board of education of a city
55 school district in a city with more than one hundred twenty-five thou-
56 sand inhabitants, and/or the chancellor in a city school district in a

1 city having a population of one million or more, on or after July first,
2 two thousand five, or ninety-five per cent for any other school building
3 project or school district, multiplied by (2) the sum of the base year
4 approved expenditures for capital outlay for school building purposes
5 from the general fund, capital fund or from a reserve fund, and current
6 year approved expenditures for debt service for such purposes for such
7 project.

8 S 35. Intentionally omitted.

9 S 36. Subdivision b of section 2 of chapter 756 of the laws of 1992,
10 relating to funding a program for work force education conducted by the
11 consortium for worker education in New York city, as amended by section
12 47 of part B of chapter 57 of the laws of 2007, is amended to read as
13 follows:

14 b. Reimbursement for programs approved in accordance with subdivision
15 a of this section for the {2005-06 school year shall not exceed 64.4
16 percent of the lesser of such approvable costs per contact hour or eight
17 dollars and fifty cents per contact hour, reimbursement for the} 2006-07
18 school year shall not exceed 64.7 percent of the lesser of such approva-
19 ble costs per contact hour or nine dollars and twenty-five cents per
20 contact hour where a contact hour represents sixty minutes of instruc-
21 tion services provided to an eligible adult {and}, reimbursement for the
22 2007-08 school year shall not exceed 63.3 percent of the lesser of such
23 approvable costs per contact hour or nine dollars and ninety cents per
24 contact hour where a contact hour represents sixty minutes of instruc-
25 tion services provided to an eligible adult, AND REIMBURSEMENT FOR THE
26 2008-09 SCHOOL YEAR SHALL NOT EXCEED 62.8 PERCENT OF THE LESSER OF SUCH
27 APPROVABLE COSTS PER CONTACT HOUR OR TEN DOLLARS AND SIXTY-FIVE CENTS
28 PER CONTACT HOUR WHERE A CONTACT HOUR REPRESENTS SIXTY MINUTES OF
29 INSTRUCTION SERVICES PROVIDED TO AN ELIGIBLE ADULT. Notwithstanding any
30 other provision of law to the contrary, for the {2005-06 school year
31 such contact hours shall not exceed two million one hundred two thousand
32 three hundred seventy-six (2,102,376) hours; whereas for the} 2006-07
33 school year such contact hours shall not exceed one million nine hundred
34 twenty-three thousand seventy-six (1,923,076) hours; whereas for the
35 2007-08 school year such contact hours shall not exceed one million
36 eight hundred thirty-seven thousand sixty (1,837,060) hours; WHEREAS FOR
37 THE 2008-09 SCHOOL YEAR SUCH CONTACT HOURS SHALL NOT EXCEED ONE MILLION
38 NINE HUNDRED FORTY-SIX THOUSAND ONE HUNDRED SEVEN (1,946,107) HOURS.

39 S 37. Section 4 of chapter 756 of the laws of 1992, relating to fund-
40 ing a program for work force education conducted by the consortium for
41 worker education in New York city, is amended by adding a new subdivi-
42 sion n to read as follows:

43 N. THE PROVISIONS OF THIS SUBDIVISION SHALL NOT APPLY AFTER THE
44 COMPLETION OF PAYMENTS FOR THE 2008-2009 SCHOOL YEAR. NOTWITHSTANDING
45 ANY INCONSISTENT PROVISIONS OF LAW, THE COMMISSIONER OF EDUCATION SHALL
46 WITHHOLD A PORTION OF EMPLOYMENT PREPARATION EDUCATION AID DUE TO THE
47 CITY SCHOOL DISTRICT OF THE CITY OF NEW YORK TO SUPPORT A PORTION OF THE
48 COSTS OF THE WORK FORCE EDUCATION PROGRAM. SUCH MONEYS SHALL BE CREDITED
49 TO THE ELEMENTARY AND SECONDARY EDUCATION FUND-LOCAL ASSISTANCE ACCOUNT
50 AND SHALL NOT EXCEED THIRTEEN MILLION DOLLARS (\$13,000,000).

51 S 38. Section 6 of chapter 756 of the laws of 1992, relating to fund-
52 ing a program for work force education conducted by the consortium for
53 worker education in New York city, as amended by section 49 of part B of
54 chapter 57 of the laws of 2007, is amended to read as follows:

55 S 6. This act shall take effect July 1, 1992, and shall be deemed
56 repealed on June 30, {2008} 2009.

1 S 39. Subdivision 1 of section 167 of chapter 169 of the laws of 1994,
2 relating to certain provisions related to the 1994-95 state operations,
3 aid to localities, capital projects and debt service budgets, as amended
4 by section 50 of part B of chapter 57 of the laws of 2007, is amended to
5 read as follows:

6 1. Sections one through seventy of this act shall be deemed to have
7 been in full force and effect as of April 1, 1994 provided, however,
8 that sections one, two, twenty-four, twenty-five and twenty-seven
9 through seventy of this act shall expire and be deemed repealed on March
10 31, 2000; provided, however, that section twenty of this act shall apply
11 only to hearings commenced prior to September 1, 1994, and provided
12 further that section twenty-six of this act shall expire and be deemed
13 repealed on March 31, 1997; and provided further that sections four
14 through fourteen, sixteen, and eighteen, nineteen and twenty-one through
15 twenty-one-a of this act shall expire and be deemed repealed on March
16 31, 1997; and provided further that sections three, fifteen, seventeen,
17 twenty, twenty-two and twenty-three of this act shall expire and be
18 deemed repealed on March 31, {2009} 2010.

19 S 40. Subdivisions 22 and 24 of section 140 of chapter 82 of the laws
20 of 1995, amending the education law and certain other laws relating to
21 state aid to school districts and the appropriation of funds for the
22 support of government, as amended by section 52 of part B of chapter 57
23 of the laws of 2007, are amended to read as follows:

24 (22) sections one hundred twelve, one hundred thirteen, one hundred
25 fourteen, one hundred fifteen and one hundred sixteen of this act shall
26 take effect on July 1, 1995; provided, however, that section one hundred
27 thirteen of this act shall remain in full force and effect until July 1,
28 {2008} 2009 at which time it shall be deemed repealed;

29 (24) sections one hundred eighteen through one hundred thirty of this
30 act shall be deemed to have been in full force and effect on and after
31 July 1, 1995; provided further, however, that the amendments made pursuant
32 to section one hundred nineteen of this act shall be deemed to be
33 repealed on and after July 1, {2008} 2009;

34 S 41. Intentionally omitted.

35 S 41-a. Section 101 of part H of chapter 83 of the laws of 2002,
36 amending the real property tax law and other laws relating to improving
37 the administration of the school tax relief (STAR) program, as amended
38 by chapter 327 of the laws of 2005, is amended to read as follows:

39 S 101. Notwithstanding any contrary provision of law, the employment
40 preparation education aid payments made to the Rochester city school
41 district in the 1997-98, 1998-99 and 1999-00 school years, which
42 included excess payments of which the district has been notified, and
43 for which a recovery must be made by the state through deduction of
44 future aid payments, shall be reduced through aid deductions totaling
45 the excess, by deducting one-sixth of the excess payments first, to the
46 extent possible from each of the payments due for employment preparation
47 education programs to be operated by such city school district and payable
48 in the months of October 2007, {2008,} 2009, 2010, 2011 {and}, 2012
49 AND 2013, and then, if such scheduled aid deduction shall exceed such
50 designated payment for employment preparation education programs, from
51 any other moneys due the school district, provided, however, there shall
52 be no interest penalty against such district assessed or collected by
53 the state.

54 S 42. Subdivision e of section 1 of part B of chapter 88 of the laws
55 of 2000, amending the tax law and other laws relating to authorizing the
56 accelerated payment of certain state apportionments to the city school

1 districts of the cities of Buffalo and Yonkers, is amended to read as
2 follows:

3 e. Of the apportionment payable for the 1999-2000 school year pursuant
4 to subdivisions a and b of this section, the sum of ten million dollars
5 (\$10,000,000) shall be paid into a special fiscal stabilization reserve
6 fund to be established and maintained by the board of education of the
7 city school district pursuant to this subdivision. Notwithstanding any
8 other provision of law, rule or regulation to the contrary, the board of
9 education shall be authorized to establish a special fiscal stabiliza-
10 tion reserve fund for the purpose of maintaining the fiscal stability of
11 the city school district. Expenditures may be made from such fund for
12 services and expenses of the city school district of the city of Buffalo
13 incurred in support of its educational programs and any liability
14 incurred by such city school district in carrying out its functions and
15 responsibilities under the education law. The provisions of section 3651
16 of the education law shall be deemed to apply to such reserve fund,
17 except that the board of education shall not be authorized to liquidate
18 such fund during the period in which an apportionment is available
19 pursuant to paragraphs a and b of this subdivision UNLESS THE BOARD OF
20 EDUCATION DETERMINES THAT FISCAL STABILITY OF THE CITY SCHOOL DISTRICT
21 WOULD BE MAINTAINED THROUGH THE USE OF EXPENDITURES FROM SUCH RESERVE
22 FUND TO ACHIEVE RECURRING SAVINGS AS PART OF A COLLECTIVE BARGAINING
23 AGREEMENT WITH SCHOOL DISTRICT EMPLOYEES. The board of education shall
24 invest funds deposited in such reserve fund pending their future appro-
25 priation and expenditure in support of the operating expenditures of the
26 city school district, and any interest or capital gains realized on the
27 money so deposited or so invested shall accrue to and become a part of
28 such fund.

29 Notwithstanding any other provision of law, all monies in the revenue
30 fund shall be invested: (i) in general obligations of, or obligations
31 guaranteed by, any state of the United States of America or political
32 subdivision thereof or the District of Columbia receiving one of the two
33 highest long-term unsecured debt rating categories available for such
34 securities by two independent rating services, or (ii) notwithstanding
35 the provisions of paragraph (i) of this subdivision, in accordance with
36 the provisions of section 11 of the general municipal law.

37 S 43. School bus driver training. In addition to apportionments other-
38 wise provided by section 3602 of the education law, for aid payable in
39 the 2008-2009 school year, the commissioner of education shall allocate
40 school bus driver training grants to school districts and boards of
41 cooperative education services pursuant to sections 3650-a, 3650-b and
42 3650-c of the education law, or for contracts directly with not-for-pro-
43 fit educational organizations for the purposes of this section. Such
44 payments shall not exceed four hundred thousand dollars (\$400,000).

45 S 44. Support of public libraries. The moneys appropriated for the
46 support of public libraries by a chapter of the laws of 2008 enacting
47 the education, labor and family assistance budget shall be apportioned
48 for 2008-2009 in an amount equal to the sum of the amount computed
49 pursuant to subdivision 12 of section 273 of the education law, as
50 amended by section one of this act plus ninety-eight percent of the
51 amount computed in accordance with the provisions of chapter 917 of the
52 laws of 1990, as otherwise amended by chapter 625 of the laws of 1991,
53 chapter 260 of the laws of 1993, chapter 524 of the laws of 1998, chap-
54 ters 571 and 572 of the laws of 2003, part 0 of chapter 57 of the laws
55 of 2005, chapter 58 of the laws of 2006, and chapter 57 of the laws of
56 2007 taking into account the provisions of section 483 of chapter 170 of

1 the laws of 1994, chapter 82 of the laws of 1995 and the provisions of
2 this section, provided that no member library shall receive less than
3 ninety-eight percent of the local services aid that it received in 2001
4 and provided further, that no system or program, as defined by the
5 commissioner of education, shall receive less than ninety-eight percent
6 of the highest total system or program aid it received for the year
7 2001-2002 after taking into account any reduction adjustments necessary
8 due to the appropriation being less than the full statutory amount, and
9 provided further, notwithstanding any provisions of law to the contrary,
10 no library or library system shall receive less aid pursuant to section
11 271, 272, 273 or 273-a of the education law than ninety-eight percent of
12 the amount it received for the year 2001-2002 by reason of a decrease in
13 the population of the area served, or the ratio of the area served to
14 the population of the state, as a result of the latest federal census.

15 S 45. Special apportionment for salary expenses. a. Notwithstanding
16 any other provision of law, upon application to the commissioner of
17 education, not sooner than the first day of the second full business
18 week of June, 2009 and not later than the last day of the third full
19 business week of June, 2009, a school district eligible for an appor-
20 tionment pursuant to section 3602 of the education law shall be eligible
21 to receive an apportionment pursuant to this section, for the school
22 year ending June 30, 2009, for salary expenses incurred between April 1
23 and June 30, 2009, and such apportionment shall not exceed the deficit
24 reduction assessment of 1990-91 as determined by the commissioner of
25 education, pursuant to paragraph f of subdivision 1 of section 3602 of
26 the education law, as in effect through June 30, 1993, plus 186 percent
27 of such amount for a city school district in a city with a population in
28 excess of 1,000,000 inhabitants and plus 209 percent of such amount for
29 a city school district in a city with a population of more than 195,000
30 inhabitants and less than 219,000 inhabitants according to the latest
31 federal census, and shall not exceed such salary expenses. Such applica-
32 tion shall be made by a school district, after the board of education or
33 trustees have adopted a resolution to do so and in the case of a city
34 school district in a city with a population in excess of 125,000 inhab-
35 itants, with the approval of the mayor of such city.

36 b. The claim for an apportionment to be paid to a school district
37 pursuant to subdivision a of this section shall be submitted to the
38 commissioner of education on a form prescribed for such purpose, and
39 shall be payable upon determination by such commissioner that the form
40 has been submitted as prescribed. Such approved amounts shall be payable
41 on the same day on or before September, 2009, as funds provided pursuant
42 to subparagraph (4) of paragraph b of subdivision 4 of section 92-c of
43 the state finance law, on the audit and warrant of the state comptroller
44 on vouchers certified or approved by the commissioner of education in
45 the manner prescribed by law from moneys in the state lottery fund and
46 from the general fund to the extent that the amount paid to a school
47 district pursuant to this section exceeds the amount, if any, due such
48 school district pursuant to subparagraph (2) of paragraph a of subdivi-
49 sion 1 of section 3609-a of the education law in the 2009-2010 school
50 year.

51 c. Notwithstanding the provisions of section 3609-a of the education
52 law, an amount equal to the amount paid to a school district pursuant to
53 subdivisions a and b of this section shall first be deducted from the
54 following payments due the school district during the 2008-2009 school
55 year pursuant to subparagraphs (1), (2), (3), (4) and (5) of paragraph a
56 of subdivision 1 of section 3609-a of the education law in the following

1 order: the lottery apportionment payable pursuant to subparagraph (2) of
2 such paragraph followed by the fixed fall payments payable pursuant to
3 subparagraph (4) of such paragraph and then followed by the district's
4 payments to the teachers' retirement system pursuant to subparagraph (1)
5 of such paragraph, and any remainder to be deducted from the individual-
6 ized payments due the district pursuant to paragraph b of such subdivi-
7 sion shall be deducted on a chronological basis starting with the earli-
8 est payment due the district.

9 S 46. Special apportionment for public pension accruals. a. Notwith-
10 standing any other provision of law, upon application to the commis-
11 sioner of education, not later than June 30, 2009, a school district eligi-
12 ble for an apportionment pursuant to section 3602 of the education law
13 shall be eligible to receive an apportionment pursuant to this section,
14 for the school year ending June 30, 2009, and such apportionment shall
15 not exceed the additional accruals required to be made by school
16 districts in the 2004-05 and 2005-06 school years associated with chang-
17 es for such public pension liabilities. The amount of such additional
18 accrual shall be certified to the commissioner of education by the pres-
19 ident of the board of education or the trustees or, in the case of a
20 city school district in a city with a population in excess of 125,000
21 inhabitants, the mayor of such city. Such application shall be made by a
22 school district, after the board of education or trustees have adopted a
23 resolution to do so and in the case of a city school district in a city
24 with a population in excess of 125,000 inhabitants, with the approval of
25 the mayor of such city.

26 b. The claim for an apportionment to be paid to a school district
27 pursuant to subdivision a of this section shall be submitted to the
28 commissioner of education on a form prescribed for such purpose, and
29 shall be payable upon determination by such commissioner that the form
30 has been submitted as prescribed. Such approved amounts shall be payable
31 on the same day in September of the school year following the year in
32 which application was made as funds provided pursuant to subparagraph
33 (4) of paragraph b of subdivision 4 of section 92-c of the state finance
34 law, on the audit and warrant of the state comptroller on vouchers
35 certified or approved by the commissioner of education in the manner
36 prescribed by law from moneys in the state lottery fund and from the
37 general fund to the extent that the amount paid to a school district
38 pursuant to this section exceeds the amount, if any, due such school
39 district pursuant to subparagraph (2) of paragraph a of subdivision 1 of
40 section 3609-a of the education law in the school year following the
41 year in which application was made.

42 c. Notwithstanding the provisions of section 3609-a of the education
43 law, an amount equal to the amount paid to a school district pursuant to
44 subdivisions a and b of this section shall first be deducted from the
45 following payments due the school district during the school year
46 following the year in which application was made pursuant to subpara-
47 graphs (1), (2), (3), (4) and (5) of paragraph a of subdivision 1 of
48 section 3609-a of the education law in the following order: the lottery
49 apportionment payable pursuant to subparagraph (2) of such paragraph
50 followed by the fixed fall payments payable pursuant to subparagraph (4)
51 of such paragraph and then followed by the district's payments to the
52 teachers' retirement system pursuant to subparagraph (1) of such para-
53 graph, and any remainder to be deducted from the individualized payments
54 due the district pursuant to paragraph b of such subdivision shall be
55 deducted on a chronological basis starting with the earliest payment due
56 the district.

1 S 47. Suballocation of certain education department monies. a.
2 Notwithstanding any other law, rule or regulation to the contrary, any
3 moneys appropriated to the state education department may be suballo-
4 cated to other state departments or agencies, as needed, to accomplish
5 the intent of the specific appropriations contained therein.

6 b. Notwithstanding any other law, rule or regulation to the contrary,
7 moneys appropriated to the state education department from the general
8 fund/aid to localities, local assistance account-001, shall be for
9 payment of financial assistance, as scheduled, net of disallowances,
10 refunds, reimbursement and credits.

11 c. Notwithstanding any other law, rule or regulation to the contrary,
12 all moneys appropriated to the state education department for aid to
13 localities shall be available for payment of aid heretofore or hereafter
14 to accrue and may be suballocated to other departments and agencies to
15 accomplish the intent of the specific appropriations contained therein.

16 d. Notwithstanding any other law, rule or regulation to the contrary,
17 moneys appropriated to the state education department for general
18 support for public schools may be interchanged with any other item of
19 appropriation for general support for public schools within the general
20 fund local assistance account elementary, middle, secondary and continu-
21 ing education program.

22 S 48. Notwithstanding the provision of any law, rule, or regulation to
23 the contrary, the city school district of the city of Rochester, upon
24 the consent of the board of cooperative educational services of the
25 supervisory district serving its geographic region may purchase from
26 such board for the 2008-09 school year, as a non-component school
27 district, services required by article 19 of the education law.

28 S 49. The amounts specified in this section shall be a setaside from
29 the state funds which each such district is receiving from the total
30 foundation aid:

31 a. for the purpose of the development, maintenance or expansion of
32 magnet schools or magnet school programs for the 2008-2009 school year.

33 To the city school district of the city of New York there shall be
34 paid forty-eight million one hundred seventy-five thousand dollars
35 (\$48,175,000) including five hundred thousand dollars (\$500,000) for the
36 Andrew Jackson High School; to the Buffalo city school district, twen-
37 ty-one million twenty-five thousand dollars (\$21,025,000); to the
38 Rochester city school district, fifteen million dollars (\$15,000,000);
39 to the Syracuse city school district, thirteen million dollars
40 (\$13,000,000); to the Yonkers city school district, forty-nine million
41 five hundred thousand dollars, (\$49,500,000); to the Newburgh city
42 school district, four million six hundred forty-five thousand dollars
43 (\$4,645,000); to the Poughkeepsie city school district, two million four
44 hundred seventy-five thousand dollars (\$2,475,000); to the Mount Vernon
45 city school district, two million dollars (\$2,000,000); to the New
46 Rochelle city school district, one million four hundred ten thousand
47 dollars (\$1,410,000); to the Schenectady city school district, one
48 million eight hundred thousand dollars (\$1,800,000); to the Port Chester
49 city school district, one million one hundred fifty thousand dollars
50 (\$1,150,000); to the White Plains city school district, nine hundred
51 thousand dollars (\$900,000); to the Niagara Falls city school district,
52 six hundred thousand dollars (\$600,000); to the Albany city school
53 district, three million five hundred fifty thousand dollars
54 (\$3,550,000); to the Utica city school district, two million dollars
55 (\$2,000,000); to the Beacon city school district, five hundred sixty-six
56 thousand dollars (\$566,000); to the Middletown city school district,

1 four hundred thousand dollars (\$400,000); to the Freeport union free
2 school district, four hundred thousand dollars (\$400,000); to the Green-
3 burgh central school district, three hundred thousand dollars
4 (\$300,000); to the Amsterdam city school district, eight hundred thou-
5 sand dollars (\$800,000); to the Peekskill city school district, two
6 hundred thousand dollars (\$200,000); and to the Hudson city school
7 district, four hundred thousand dollars (\$400,000).

8 b. notwithstanding the provisions of paragraph a of this subdivision,
9 a school district receiving a grant pursuant to this subdivision may use
10 such grant funds for: (i) any instructional or instructional support
11 costs associated with the operation of a magnet school; or (ii) any
12 instructional or instructional support costs associated with implementa-
13 tion of an alternative approach to reduction of racial isolation and/or
14 enhancement of the instructional program and raising of standards in
15 elementary and secondary schools of school districts having substantial
16 concentrations of minority students. The commissioner of education shall
17 not be authorized to withhold magnet grant funds from a school district
18 that used such funds in accordance with this paragraph, notwithstanding
19 any inconsistency with a request for proposals issued by such commis-
20 sioner.

21 c. for the purpose of attendance improvement and dropout prevention.

22 For aid payable in the two thousand eight--two thousand nine school
23 year, for any city school district in a city having a population of more
24 than one million, the setaside for attendance improvement and dropout
25 prevention shall equal the amount set aside in the base year.

26 For the two thousand eight--two thousand nine school year, it is
27 further provided that any city school district in a city having a popu-
28 lation of more than one million shall allocate at least one-third of any
29 increase from base year levels in funds set aside pursuant to the
30 requirements of this subdivision to community-based organizations. Any
31 increase required pursuant to this subparagraph to community-based
32 organizations must be in addition to allocations provided to community-
33 based organizations in the base year.

34 d. for the purpose of teacher support:

35 to the city school district of the city of New York, sixty-two million
36 seven hundred seven thousand dollars (\$62,707,000); to the Buffalo city
37 school district, one million seven hundred forty-one thousand dollars
38 (\$1,741,000); to the Rochester city school district, one million seven-
39 ty-six thousand dollars (\$1,076,000); to the Yonkers city school
40 district, one million one hundred forty-seven thousand dollars
41 (\$1,147,000); and to the Syracuse city school district, eight hundred
42 nine thousand dollars (\$809,000). All funds made available to a school
43 district pursuant to this subdivision shall be distributed among teach-
44 ers including prekindergarten teachers and teachers of adult vocational
45 and academic subjects in accordance with this subdivision and shall be
46 in addition to salaries heretofore or hereafter negotiated or made
47 available; provided, however, that all funds distributed pursuant to
48 this section for the current year shall be deemed to incorporate all
49 funds distributed pursuant to former subdivision 27 of section 3602 of
50 the education law for prior years. In school districts where the teach-
51 ers are represented by certified or recognized employee organizations,
52 all salary increases funded pursuant to this section shall be determined
53 by separate collective negotiations conducted pursuant to the provisions
54 and procedures of article 14 of the civil service law, notwithstanding
55 the existence of a negotiated agreement between a school district and a
56 certified or recognized employee organization.

1 S 49-a. Section 20 of part B of chapter 57 of the laws of 2007, amending
2 the arts and cultural affairs law, the education law and other laws
3 relating to aid for education, is REPEALED.

4 S 49-b. Subdivision 11 of section 94 of part C of chapter 57 of the
5 laws of 2004, amending the labor law and other laws relating to imple-
6 mentation of the state fiscal plan for the 2004-2005 state fiscal year,
7 as amended by section 57-a of part B of chapter 57 of the laws of 2007,
8 is amended to read as follows:

9 11. section seventy-one of this act shall expire and be deemed
10 repealed June 30, {2008} 2009;

11 S 50. Severability. The provisions of this act shall be severable, and
12 if the application of any clause, sentence, paragraph, subdivision,
13 section or part of this act to any person or circumstance shall be
14 adjudged by any court of competent jurisdiction to be invalid, such
15 judgment shall not necessarily affect, impair or invalidate the applica-
16 tion of any such clause, sentence, paragraph, subdivision, section, part
17 of this act or remainder thereof, as the case may be, to any other
18 person or circumstance, but shall be confined in its operation to the
19 clause, sentence, paragraph, subdivision, section or part thereof
20 directly involved in the controversy in which such judgment shall have
21 been rendered.

22 S 51. This act shall take effect immediately and shall be deemed to
23 have been in full force and effect on and after April 1, 2008; provided,
24 however, that:

25 1. sections seven, thirteen, sixteen, seventeen, eighteen, nineteen,
26 twenty-two, twenty-four, twenty-five, twenty-six, twenty-eight, twenty-
27 nine, twenty-nine-a, thirty-one, thirty-two, thirty-six, thirty-seven,
28 forty-three, forty-five, forty-six, and forty-nine of this act shall
29 take effect July 1, 2008, provided, however, that the amendments to
30 subdivision 6 of section 4402 of the education law made by section thir-
31 ty-one of this act shall not affect the repeal of such subdivision and
32 shall be deemed repealed therewith; provided, further, that the amend-
33 ments to chapter 756 of the laws of 1992, relating to funding a program
34 for work force education conducted by the consortium for worker educa-
35 tion in New York city, made by sections thirty-six and thirty-seven of
36 this act shall not affect the repeal of such chapter and shall be deemed
37 repealed therewith;

38 2. sections five, six, eight through twelve, fifteen-a, twenty-one and
39 forty-nine-a of this act shall be deemed to have been in full force and
40 effect on and after July 1, 2007;

41 3. intentionally omitted;

42 4. section 23 of this act shall take effect July 1, 2008 and shall
43 expire and be deemed repealed June 30, 2010;

44 5. section twenty-seven of this act shall take effect on the same date
45 as the reversion of paragraph b of subdivision 2 of section 3612 of the
46 education law, as provided in section 61 of part B of chapter 57 of the
47 laws of 2007; and

48 6. section forty-seven of this act shall be deemed to have been in
49 full force and effect on and after April 1, 2008 and be deemed repealed
50 March 31, 2009.

52 Section 1. Section 3012-b of the education law, as added by section 9
53 of part A of chapter 57 of the laws of 2007, is amended to read as
54 follows:

1 S 3012-b. Tenure determinations. 1. The regents shall promulgate rules
2 establishing minimum standards {and procedures} for tenure determi-
3 nations for {members of the teaching staff} TEACHERS of all school
4 districts and boards of cooperative educational services {made} WHOSE
5 PROBATIONARY PERIOD COMMENCES on or after July first, two thousand
6 eight. Such rules shall require a superintendent of schools or district
7 superintendent of schools, prior to recommending tenure, to evaluate all
8 relevant factors, including the candidate's effectiveness over the
9 applicable probationary period, or over three years in the case of a
10 regular substitute with a one-year probationary period, in contributing
11 to the successful academic performance of his or her students, using a
12 process that complies with subdivision two of this section.

13 2. The REGENTS SHALL, PRESCRIBE RULES FOR THE MANNER IN WHICH THE
14 process for evaluation of a candidate for tenure {shall} IS TO be
15 conducted {in the manner prescribed in the regents'}. SUCH rules {and}
16 shall include{, but need not be limited to,} a combination of THE
17 FOLLOWING MINIMUM STANDARDS:

18 a. evaluation of the extent to which the teacher successfully utilized
19 analysis of available student performance data and other relevant infor-
20 mation when providing instruction BUT THE TEACHER SHALL NOT BE GRANTED
21 OR DENIED TENURE BASED ON STUDENT PERFORMANCE DATA;

22 b. peer review by other teachers, as far as practicable; and

23 c. an assessment of the teacher's performance by the teacher's build-
24 ing principal or other building administrator in charge of the school or
25 program.

26 3. The trustees and board of education of every school district and
27 every board of cooperative educational services, and the chancellor of a
28 city school district of a city with a population of one million or more
29 shall, consistent with existing contractual provisions, make any changes
30 in local rules, regulations{,} AND policies {and procedures} that are
31 necessary to ensure that tenure determinations made FOR TEACHERS WHOSE
32 PROBATIONARY PERIOD COMMENCES on or after July first, two thousand eight
33 shall be made in compliance with this section.

34 S 2. Section 3012-b of the education law is REPEALED.

35 S 3. Legislative commission on value added. Pursuant to a chapter of
36 the laws of 2008, the legislative commission on value added is hereby
37 established to study the merits of value added assessment models in
38 school accountability, including improving instruction, evaluating
39 teacher practice standards and informing the best methods of profes-
40 sional development.

41 S 4. This act shall take effect immediately, except that section two
42 of this act shall take effect July 1, 2010, when upon such date all
43 authority vested in the board of regents immediately prior to the effec-
44 tive date of 3012-b of the education law shall be reinstated thereto.

45

PART D

46 Intentionally omitted.

47

PART E

48 Intentionally omitted.

49

PART F

50 Intentionally omitted.

1

PART G

2 Section 1. Subdivision 8 of section 6524 of the education law, as
3 amended by chapter 474 of the laws of 1996, is amended to read as
4 follows:

5 (8) Fees: pay a fee of two hundred sixty dollars to the department for
6 admission to a department conducted examination and for an initial
7 license, a fee of one hundred seventy-five dollars for each reexamina-
8 tion, a fee of one hundred thirty-five dollars for an initial license
9 for persons not requiring admission to a department conducted examina-
10 tion, a fee of five hundred seventy dollars for any biennial registra-
11 tion period commencing August first, nineteen hundred ninety-six and
12 thereafter. The comptroller is hereby authorized and directed to deposit
13 the fee for each biennial registration period into the special revenue
14 funds-other entitled "professional medical conduct account" for the
15 purpose of offsetting any expenditures made pursuant to section two
16 hundred thirty of the public health law in relation to the operation of
17 the office of professional medical conduct within the department of
18 health, PROVIDED THAT FOR EACH BIENNIAL REGISTRATION FEE PAID BY THE
19 LICENSEE USING A CREDIT CARD, THE AMOUNT OF THE ADMINISTRATIVE FEE
20 INCURRED BY THE DEPARTMENT IN PROCESSING SUCH CREDIT CARD TRANSACTION
21 SHALL BE DEPOSITED BY THE COMPTROLLER IN THE OFFICE OF THE PROFESSIONS
22 ACCOUNT ESTABLISHED BY SECTION NINETY-SEVEN-NNN OF THE STATE FINANCE
23 LAW. The amount of the funds expended as a result of such increase shall
24 not be greater than such fees collected over the registration period.

25 S 2. This act shall take effect immediately and shall be deemed to
26 have been in full force and effect on and after April 1, 2008.

27

PART H

28 Intentionally omitted.

29

PART I

30 Section 1. Section 17 of chapter 31 of the laws of 1985, amending the
31 education law relating to regents scholarships in certain professions,
32 as amended by section 1 of part S of chapter 58 of the laws of 2006, is
33 amended to read as follows:

34 S 17. This act shall take effect immediately; provided, however, that
35 the scholarship and loan forgiveness programs established pursuant to
36 the provisions of this act shall terminate upon the granting of such
37 awards for the {2007-2008} 2008-2009 school year.

38 S 2. Subparagraph (iv) of paragraph c of subdivision 6 of section 665
39 of education law, as added by section 3 of part E1 of chapter 57 of the
40 laws of 2007, is amended to read as follows:

41 (iv) For students first receiving aid in two thousand seven--two thou-
42 sand eight, and thereafter, and enrolled in two-year undergraduate
43 programs whose terms are organized on a trimester basis:

44 Before Being 1 2 3 4 5 6 7 8 9
45 Certified
46 for This
47 Payment

48 A Student 0 2 4 9 15 21 30 37 45
49 Must Have

1 Accrued at
2 Least This
3 Many Credits
4 With At Least 0 .5 .5 .75 .75 {2.0} 2.0 2.0 2.0
5 This Grade 1.3
6 Point Average

7 S 3. This act shall take effect immediately.

PART J

9 Intentionally omitted.

PART K

11 Section 1. Section 39 of part P2 of chapter 62 of the laws of 2003
12 amending the state finance law and other laws relating to authorizing
13 and directing the state comptroller to loan money to certain funds and
14 accounts, as amended by chapter 641 of the laws of 2006, is amended to
15 read as follows:

16 S 39. This act shall take effect immediately and shall be deemed to
17 have been in full force and effect on and after April 1, 2003; provided,
18 however, that sections one, three, four, six, seven through fifteen, and
19 seventeen of this act shall expire March 31, 2004, when upon such date
20 the provisions of such sections shall be deemed repealed; and sections
21 thirty and thirty-one of this act shall expire December 31, {2007} 2009
22 and the amendments made to section 69-c of the state finance law by
23 section thirty-two of this act shall not affect the expiration and
24 repeal of such section and shall be deemed to be expired therewith.

25 S 2. This act shall take effect immediately and shall be deemed to
26 have been in full force and effect on and after December 31, 2007.

PART L

28 Intentionally omitted.

PART M

30 Section 1. Paragraph 3 of subsection (e) of section 697 of the tax
31 law, as amended by section 43 of part C of chapter 58 of the laws of
32 2007, is amended to read as follows:

33 (3) Nothing herein shall be construed to prohibit the department, its
34 officers or employees from furnishing information to the office of
35 temporary and disability assistance relating to the payment of the cred-
36 it for certain household and dependent care services necessary for gain-
37 ful employment under subsection (c) of section six hundred six of this
38 article and the earned income credit under subsection (d) of section six
39 hundred six of this article, or pursuant to a local law enacted by a
40 city having a population of one million or more pursuant to subsection
41 (f) of section thirteen hundred ten of this chapter, only to the extent
42 necessary to calculate qualified state expenditures under paragraph
43 seven of subdivision (a) of section four hundred nine of the federal
44 social security act or to document the proper expenditure of federal
45 temporary assistance for needy families funds under section four hundred
46 three of such act. The office of temporary and disability assistance may

1 redisclose such information to the United States department of health
2 and human services only to the extent necessary to calculate such qual-
3 fied state expenditures or to document the proper expenditure of such
4 federal temporary assistance for needy families funds. Nothing herein
5 shall be construed to prohibit the delivery by the commissioner to a
6 commissioner of jurors, appointed pursuant to section five hundred four
7 of the judiciary law, or, in counties within cities having a population
8 of one million or more, to the county clerk of such county, of a mailing
9 list of individuals to whom income tax forms are mailed by the commis-
10 sioner for the sole purpose of compiling a list of prospective jurors as
11 provided in article sixteen of the judiciary law. Provided, however,
12 such delivery shall only be made pursuant to an order of the chief
13 administrator of the courts, appointed pursuant to section two hundred
14 ten of the judiciary law. No such order may be issued unless such chief
15 administrator is satisfied that such mailing list is needed to compile a
16 proper list of prospective jurors for the county for which such order is
17 sought and that, in view of the responsibilities imposed by the various
18 laws of the state on the department, it is reasonable to require the
19 commissioner to furnish such list. Such order shall provide that such
20 list shall be used for the sole purpose of compiling a list of prospec-
21 tive jurors and that such commissioner of jurors, or such county clerk,
22 shall take all necessary steps to insure that the list is kept confiden-
23 tial and that there is no unauthorized use or disclosure of such list.
24 Furthermore, nothing herein shall be construed to prohibit the delivery
25 to a taxpayer or his or her duly authorized representative of a certi-
26 fied copy of any return or report filed in connection with his or her
27 tax or to prohibit the publication of statistics so classified as to
28 prevent the identification of particular reports or returns and the
29 items thereof, or the inspection by the attorney general or other legal
30 representatives of the state of the report or return of any taxpayer or
31 of any employer filed under section one hundred seventy-one-h of this
32 chapter, where such taxpayer or employer shall bring action to set aside
33 or review the tax based thereon, or against whom an action or proceeding
34 under this chapter or under this chapter and article eighteen of the
35 labor law has been recommended by the commissioner, the commissioner of
36 labor with respect to unemployment insurance matters, or the attorney
37 general or has been instituted, or the inspection of the reports or
38 returns required under this article by the comptroller or duly design-
39 ated officer or employee of the state department of audit and control,
40 for purposes of the audit of a refund of any tax paid by a taxpayer
41 under this article, or the furnishing to the state department of labor
42 of unemployment insurance information obtained or derived from quarterly
43 combined withholding, wage reporting and unemployment insurance returns
44 required to be filed by employers pursuant to paragraph four of
45 subsection (a) of section six hundred seventy-four of this article, for
46 purposes of administration of such department's unemployment insurance
47 program, employment services program, federal and state employment and
48 training programs, employment statistics and labor market information
49 programs, worker protection programs, federal programs for which the
50 department has administrative responsibility or for other purposes
51 deemed appropriate by the commissioner of labor consistent with the
52 provisions of the labor law, and redisclosure of such information in
53 accordance with the provisions of sections five hundred thirty-six and
54 five hundred thirty-seven of the labor law or any other applicable law,
55 or the furnishing to the state office of temporary and disability
56 assistance of information obtained or derived from New York state

1 personal income tax returns as described in paragraph (b) of subdivision
2 two of section one hundred seventy-one-g of this chapter for the purpose
3 of reviewing support orders enforced pursuant to title six-A of article
4 three of the social services law to aid in the determination of whether
5 such orders should be adjusted, or the furnishing of information
6 obtained from the reports required to be submitted by employers regard-
7 ing newly hired or re-hired employees pursuant to section one hundred
8 seventy-one-h of this chapter to the state office of temporary and dis-
9 ability assistance, the state department of health, the state department
10 of labor and the workers' compensation board for purposes of adminis-
11 tration of the child support enforcement program, verification of indi-
12 viduals' eligibility for one or more of the programs specified in
13 subsection (b) of section eleven hundred thirty-seven of the federal
14 social security act and for other public assistance programs authorized
15 by state law, and administration of the state's employment security and
16 workers' compensation programs, and to the national directory of new
17 hires established pursuant to section four hundred fifty-three-A of the
18 federal social security act for the purposes specified in such section,
19 or the furnishing to the state office of temporary and disability
20 assistance of the amount of an overpayment of income tax and interest
21 thereon certified to the comptroller to be credited against past-due
22 support pursuant to section one hundred seventy-one-c of this chapter
23 and of the name and social security number of the taxpayer who made such
24 overpayment, or the disclosing to the commissioner of finance of the
25 city of New York, pursuant to section one hundred seventy-one-l of this
26 chapter, of the amount of an overpayment and interest thereon certified
27 to the comptroller to be credited against a city of New York tax warrant
28 judgment debt and of the name and social security number of the taxpayer
29 who made such overpayment, or the furnishing to the New York state high-
30 er education services corporation of the amount of an overpayment of
31 income tax and interest thereon certified to the comptroller to be cred-
32 ited against the amount of a default in repayment of {a guaranteed
33 student loan pursuant to section one hundred seventy-one-d of this chap-
34 ter} ANY EDUCATION LOAN DEBT, INCLUDING JUDGMENTS, OWED TO THE FEDERAL
35 OR NEW YORK STATE GOVERNMENT THAT IS BEING COLLECTED BY THE NEW YORK
36 STATE HIGHER EDUCATION SERVICES CORPORATION, and of the name and social
37 security number of the taxpayer who made such overpayment, or the
38 furnishing to the state department of health of the information required
39 by subdivision two-a of section two thousand five hundred eleven of the
40 public health law, or the furnishing to the state university of New York
41 or the city university of New York respectively or the attorney general
42 on behalf of such state or city university the amount of an overpayment
43 of income tax and interest thereon certified to the comptroller to be
44 credited against the amount of a default in repayment of a state univer-
45 sity loan pursuant to section one hundred seventy-one-e of this chapter
46 and of the name and social security number of the taxpayer who made such
47 overpayment, or the disclosing to a state agency, pursuant to section
48 one hundred seventy-one-f of this chapter, of the amount of an overpay-
49 ment and interest thereon certified to the comptroller to be credited
50 against a past-due legally enforceable debt owed to such agency and of
51 the name and social security number of the taxpayer who made such over-
52 payment, or the furnishing of employee and employer information obtained
53 through the wage reporting system, pursuant to section one hundred
54 seventy-one-a of this chapter, as added by chapter five hundred forty-
55 five of the laws of nineteen hundred seventy-eight, to the state office
56 of temporary and disability assistance, the department of health or to

1 the state office of the medicaid inspector general for the purpose of
2 verifying eligibility for and entitlement to amounts of benefits under
3 the social services law or similar law of another jurisdiction, locating
4 absent parents or other persons legally responsible for the support of
5 applicants for or recipients of public assistance and care under the
6 social services law and persons legally responsible for the support of a
7 recipient of services under section one hundred eleven-g of the social
8 services law and, in appropriate cases, establishing support obligations
9 pursuant to the social services law and the family court act or similar
10 provision of law of another jurisdiction for the purpose of evaluating
11 the effect on earnings of participation in employment, training or other
12 programs designed to promote self-sufficiency authorized pursuant to the
13 social services law by current recipients of public assistance and care
14 and by former applicants and recipients of public assistance and care,
15 (except that with regard to former recipients, information which relates
16 to a particular former recipient shall be provided with client identify-
17 ing data deleted), and to the state department of labor, or other indi-
18 viduals designated by the commissioner of labor, for the purpose of the
19 administration of such department's unemployment insurance program,
20 employment services program, federal and state employment and training
21 programs, employment statistics and labor market information programs,
22 worker protection programs, federal programs for which the department
23 has administrative responsibility or for other purposes deemed appropri-
24 ate by the commissioner of labor consistent with the provisions of the
25 labor law, and redisclosure of such information in accordance with the
26 provisions of sections five hundred thirty-six and five hundred thirty-
27 seven of the labor law, or the furnishing of information, which is
28 obtained from the wage reporting system operated pursuant to section one
29 hundred seventy-one-a of this chapter, as added by chapter five hundred
30 forty-five of the laws of nineteen hundred seventy-eight, to the state
31 office of temporary and disability assistance so that it may furnish
32 such information to public agencies of other jurisdictions with which
33 the state office of temporary and disability assistance has an agreement
34 pursuant to paragraph (h) or (i) of subdivision three of section twenty
35 of the social services law, and to the state office of temporary and
36 disability assistance for the purpose of fulfilling obligations and
37 responsibilities otherwise incumbent upon the state department of labor,
38 under section one hundred twenty-four of the federal family support act
39 of nineteen hundred eighty-eight, by giving the federal parent locator
40 service, maintained by the federal department of health and human
41 services, prompt access to such information as required by such act, or
42 to the state department of health to establish eligibility under the
43 child health insurance plan pursuant to subdivision two-a of section two
44 thousand five hundred eleven of the public health law and to verify
45 eligibility for the program for elderly pharmaceutical insurance cover-
46 age under title three of article two of the elder law, or to the office
47 of vocational and educational services for individuals with disabilities
48 of the education department, the commission for the blind and visually
49 handicapped and any other state vocational rehabilitation agency, for
50 purposes of obtaining reimbursement from the federal social security
51 administration for expenditures made by such office, commission or agen-
52 cy on behalf of disabled individuals who have achieved economic self-
53 sufficiency or to the higher education services corporation for the
54 purpose of assisting the corporation in default prevention and default
55 collection of {federal guaranteed student loans through the federal
56 family education loan program as codified in chapter twenty-eight of

1 title twenty of the United States code} EDUCATION LOAN DEBT, INCLUDING
2 JUDGMENTS, OWED TO THE FEDERAL OR NEW YORK STATE GOVERNMENT; provided,
3 however, that such information shall be limited to the names, social
4 security numbers, home and/or business addresses, and employer names of
5 defaulted or delinquent student loan borrowers.

6 Provided, however, that with respect to employee information the
7 office of temporary and disability assistance shall only be furnished
8 with the names, social security account numbers and gross wages of those
9 employees who are (A) applicants for or recipients of benefits under the
10 social services law, or similar provision of law of another jurisdiction
11 (pursuant to an agreement under subdivision three of section twenty of
12 the social services law) or, (B) absent parents or other persons legally
13 responsible for the support of applicants for or recipients of public
14 assistance and care under the social services law or similar provision
15 of law of another jurisdiction (pursuant to an agreement under subdivi-
16 sion three of section twenty of the social services law), or (C) persons
17 legally responsible for the support of a recipient of services under
18 section one hundred eleven-g of the social services law or similar
19 provision of law of another jurisdiction (pursuant to an agreement under
20 subdivision three of section twenty of the social services law), or (D)
21 employees about whom wage reporting system information is being
22 furnished to public agencies of other jurisdictions, with which the
23 state office of temporary and disability assistance has an agreement
24 pursuant to paragraph (h) or (i) of subdivision three of section twenty
25 of the social services law, or (E) employees about whom wage reporting
26 system information is being furnished to the federal parent locator
27 service, maintained by the federal department of health and human
28 services, for the purpose of enabling the state office of temporary and
29 disability assistance to fulfill obligations and responsibilities other-
30 wise incumbent upon the state department of labor, under section one
31 hundred twenty-four of the federal family support act of nineteen
32 hundred eighty-eight, and, only if, the office of temporary and disabil-
33 ity assistance certifies to the commissioner that such persons are such
34 applicants, recipients, absent parents or persons legally responsible
35 for support or persons about whom information has been requested by a
36 public agency of another jurisdiction or by the federal parent locator
37 service and further certifies that in the case of information requested
38 under agreements with other jurisdictions entered into pursuant to
39 subdivision three of section twenty of the social services law, that
40 such request is in compliance with any applicable federal law. Provided,
41 further, that where the office of temporary and disability assistance
42 requests employee information for the purpose of evaluating the effects
43 on earnings of participation in employment, training or other programs
44 designed to promote self-sufficiency authorized pursuant to the social
45 services law, the office of temporary and disability assistance shall
46 only be furnished with the quarterly gross wages (excluding any refer-
47 ence to the name, social security number or any other information which
48 could be used to identify any employee or the name or identification
49 number of any employer) paid to employees who are former applicants for
50 or recipients of public assistance and care and who are so certified to
51 the commissioner by the commissioner of the office of temporary and
52 disability assistance. Provided, further, that with respect to employee
53 information, the department of health shall only be furnished with the
54 information required pursuant to subdivision two-a of section two thou-
55 sand five hundred eleven of the public health law with respect to those
56 children whose eligibility under the child health insurance plan is to

1 be determined pursuant to such subdivision two-a and with respect to
2 those members of any such child's household whose income affects such
3 child's eligibility and who are so certified to the commissioner or by
4 the department of health. Provided, further, that wage reporting infor-
5 mation shall be furnished to the office of vocational and educational
6 services for individuals with disabilities of the education department,
7 the commission for the blind and visually handicapped and any other
8 state vocational rehabilitation agency only if such office, commission
9 or agency, as applicable, certifies to the commissioner that such infor-
10 mation is necessary to obtain reimbursement from the federal social
11 security administration for expenditures made on behalf of disabled
12 individuals who have achieved self-sufficiency. Reports and returns
13 shall be preserved for three years and thereafter until the commissioner
14 orders them to be destroyed.

15 S 2. Section 171-d of the tax law, as added by chapter 545 of the laws
16 of 1982, subdivision 1 as amended by chapter 222 of the laws of 1985,
17 subdivision 2, paragraph (b) of subdivision 3, the opening paragraph of
18 paragraph (i) of subdivision 4 as amended and subparagraph (F) of para-
19 graph (i) of subdivision 4 as added by chapter 55 of the laws of 1992,
20 subdivisions 3 and 6 as amended by chapter 686 of the laws of 1989,
21 subparagraph (C) of paragraph (i) of subdivision 4 as amended by chapter
22 639 of the laws of 1986, subparagraph (D) of paragraph (i) and paragraph
23 (ii) of subdivision 4 as amended, subdivision 7 as added and subdivision
24 8 as renumbered by chapter 546 of the laws of 1982, subparagraph (E) of
25 paragraph (i) of subdivision 4 as amended by chapter 638 of the laws of
26 1985 and subparagraph (G) of paragraph (i) of subdivision 4 as added by
27 section 3 of part R of chapter 60 the laws of 2004, is amended to read
28 as follows:

29 S 171-d. Certain overpayments credited against defaulted {guaranteed
30 student} GOVERNMENTAL EDUCATION loans. (1) The commissioner {of taxa-
31 tion and finance}, on behalf of the tax commission, shall enter into a
32 written agreement with the president of the New York state higher educa-
33 tion services corporation, on behalf of such corporation, which shall
34 set forth the procedures for crediting any overpayment by an individual,
35 estate or trust of income tax imposed by article twenty-two of this
36 chapter, city personal income tax on residents imposed pursuant to the
37 authority of article thirty of this chapter, city income tax surcharge
38 on residents imposed pursuant to the authority of article thirty-A of
39 this chapter, city earnings tax on nonresidents imposed pursuant to the
40 authority of FORMER article two-E of the general city law and city earn-
41 ings tax on nonresidents imposed pursuant to the authority of article
42 thirty-B of this chapter and the interest on such overpayments against
43 the amount of any default in repayment of {a guaranteed student} ANY
44 GOVERNMENTAL EDUCATION loan owed by such individual, estate or trust of
45 which the commissioner {of taxation and finance} has been notified by
46 the president of the New York state higher education services corpo-
47 ration pursuant to the provisions of such agreement. FOR PURPOSES OF
48 THIS SECTION, "GOVERNMENTAL EDUCATION LOAN" SHALL MEAN ANY EDUCATION
49 LOAN DEBT, INCLUDING JUDGMENTS, OWED TO THE FEDERAL OR NEW YORK STATE
50 GOVERNMENT THAT IS BEING COLLECTED BY THE NEW YORK STATE HIGHER EDUCA-
51 TION SERVICES CORPORATION.

52 (2) Such agreement shall apply only to the amount of a default in
53 repayment of {a guaranteed student loan as to which the New York state
54 higher education services corporation has obtained a judgment or has
55 made a determination that satisfies} ANY GOVERNMENTAL EDUCATION LOAN
56 DEBT, INCLUDING JUDGMENTS, BEING COLLECTED BY THE NEW YORK STATE HIGHER

1 EDUCATION SERVICES CORPORATION. SUCH AGREEMENT SHALL REQUIRE THE NEW
2 YORK STATE HIGHER EDUCATION SERVICES CORPORATION TO SATISFY the require-
3 ments of subdivision three of section one hundred seventy-one-f of this
4 article.

5 (3) Such agreement shall include:

6 (a) the procedure under which the New York state higher education
7 services corporation shall notify the commissioner {of taxation and
8 finance} of a default in repayment of {a guaranteed student} A GOVERN-
9 MENTAL EDUCATION loan, such procedure to specify when the commissioner
10 {of taxation and finance} shall be notified and the content of such
11 notification;

12 (b) the minimum amount outstanding on a default in repayment of {a
13 guaranteed student} A GOVERNMENTAL EDUCATION loan against which the
14 commissioner {of taxation and finance} shall, pursuant to this section,
15 credit an overpayment;

16 (c) the procedure for reimbursement of the commissioner {of taxation
17 and finance} by the New York state higher education services corporation
18 for the full cost of carrying out the procedures authorized by this
19 section;

20 (d) such other matters as the parties to such agreement shall deem
21 necessary to carry out the provisions of this section; and

22 (e) the procedure for reimbursement of the comptroller by the New York
23 state higher education services corporation for overpayment and interest
24 thereon which has been credited against the amount of default in repay-
25 ment of {a guaranteed student} A GOVERNMENTAL EDUCATION loan owed by a
26 taxpayer filing a joint return, but which has been refunded by the comp-
27 trroller, pursuant to paragraph six of subsection (b) of section six
28 hundred fifty-one of this chapter, to a spouse not liable for the amount
29 of default in repayment of {a guaranteed student} A GOVERNMENTAL EDUCA-
30 TION loan owed by such taxpayer.

31 (4) (i) In calculating the amount of an overpayment and interest ther-
32 on which shall be credited against the amount of a default in repayment
33 of {a guaranteed student} A GOVERNMENTAL EDUCATION loan owed by a
34 taxpayer, the commissioner {of taxation and finance} shall first credit
35 the overpayment and interest thereon against any:

36 (A) liability of such taxpayer in respect of any tax imposed by this
37 chapter;

38 (B) liability of such taxpayer for any tax imposed pursuant to the
39 authority of this chapter or any other law if such tax is administered
40 by the tax commission;

41 (C) estimated tax for the succeeding taxable year if such taxpayer
42 claims such overpayment or a portion thereof as a credit against esti-
43 mated tax for such succeeding taxable year pursuant to subsection (e) of
44 section six hundred eighty-six of this chapter or subdivision (e) of
45 section 11-1786 of the administrative code of the city of New York for
46 any tax imposed pursuant to the authority of this chapter or any other
47 law if such tax is administered by the tax commission; and

48 (D) past-due support owed by the taxpayer pursuant to section one
49 hundred seventy-one-c of this {chapter} ARTICLE.

50 (E) the amount of a default in repayment of a state university loan or
51 city university loan pursuant to section one hundred seventy-one-e of
52 this {chapter} ARTICLE.

53 (F) the amount of a past-due legally enforceable debt owed to a state
54 agency pursuant to section one hundred seventy-one-f of this article.

1 (G) the amount of a city of New York tax warrant judgment debt owed to
2 the city of New York pursuant to section one hundred seventy-one-l of
3 this article.

4 (iii) Only the balance remaining, after such overpayment and the inter-
5 est thereon has been credited as described in paragraph (i) of this
6 subdivision, shall be certified as an overpayment plus any interest to
7 be credited against the amount of a default in repayment of {a guaran-
8 teed student} A GOVERNMENTAL EDUCATION loan, with the remainder to be
9 refunded to the taxpayer.

10 (5) The tax commission shall certify to the comptroller the total
11 amount of the overpayment and the interest on such overpayment, the
12 amount of such overpayment and the interest on such amount to be credit-
13 ed against the amount of the default in repayment of {a guaranteed
14 student} A GOVERNMENTAL EDUCATION loan and the balance of such overpay-
15 ment and interest to be refunded to the taxpayer.

16 (6) The commissioner {of taxation and finance} shall notify the
17 taxpayer making the overpayment, in writing, of the amount of such over-
18 payment and the interest thereon certified to the comptroller as the
19 amount to be credited against the amount of a default in repayment of {a
20 guaranteed student} A GOVERNMENTAL EDUCATION loan. Such notice shall
21 include notification to any other person who may have filed a joint
22 return with the taxpayer of the steps such other person may take in
23 order to secure his or her proper share of the refund.

24 (7) From the time the state tax commission is notified by the New York
25 state higher education services corporation of an individual`s, estate`s
26 or trust`s default in repayment of {a guaranteed student} A GOVERNMENTAL
27 EDUCATION loan under the agreement provided for in this section, the
28 state tax commission and the department {of taxation and finance} shall
29 be relieved from all liability to such individual, estate or trust,
30 their assigns, successors, heirs or representatives for the amount of an
31 overpayment and interest on such amount certified to the comptroller to
32 be credited against the amount of default in repayment of {a guaranteed
33 student} A GOVERNMENTAL EDUCATION loan and such individual, estate or
34 trust shall have no right to commence a court action or proceeding or to
35 any other legal recourse against the state tax commission or the depart-
36 ment {of taxation and finance} to recover such overpayment or such
37 interest certified to the comptroller to be credited against the amount
38 of default in repayment of {a guaranteed student} A GOVERNMENTAL EDUCA-
39 TION loan. Provided, however, nothing herein shall be construed to
40 prohibit such individual, estate or trust from proceeding against the
41 New York state higher education services corporation to recover that
42 part of such overpayment or interest thereon so certified to the comp-
43 troller to be credited against the amount of a default in repayment of
44 {a guaranteed student} A GOVERNMENTAL EDUCATION loan which is greater
45 than the amount of such default owed by such individual, estate or trust
46 on the date of such certification.

47 (8) The tax commission shall promulgate such rules and regulations as
48 it deems necessary to carry out the provisions of this section.

49 S 3. Section 171-a of the tax law, as added by chapter 545 of the laws
50 of 1978, is amended by adding a new subdivision 6-a to read as follows:

51 (6-A) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, THE
52 COMMISSIONER SHALL ENTER INTO A COOPERATIVE AGREEMENT WITH THE NEW YORK
53 STATE HIGHER EDUCATION SERVICES CORPORATION, WHICH AGREEMENT SHALL
54 PROVIDE FOR THE UTILIZATION OF INFORMATION OBTAINED PURSUANT TO SUBDIVI-
55 SION ONE OF THIS SECTION, FOR PURPOSES OF DEFAULT PREVENTION AND
56 COLLECTION OF DEFAULTED EDUCATION LOAN DEBT, INCLUDING JUDGMENTS, OWED

1 TO THE FEDERAL OR NEW YORK STATE GOVERNMENT THAT IS BEING COLLECTED BY
2 THE NEW YORK STATE HIGHER EDUCATION SERVICES CORPORATION.

3 S 4. This act shall take effect immediately.

4

PART N

5 Section 1. The section heading of section 669-a of the education law,
6 as amended by chapter 418 of the laws of 2004, is amended to read as
7 follows:

8 {Tuition awards for Vietnam, Persian Gulf and Afghanistan veterans
9 enrolled in approved undergraduate or graduate programs at degree grant-
10 ing institutions and approved vocational training programs} VETERANS
11 TUITION AWARDS PROGRAM.

12 S 2. Subdivision 1 of section 669-a of the education law, as amended
13 by chapter 418 of the laws of 2004, is amended to read as follows:

14 1. As used in this section, the following terms shall have the follow-
15 ing meanings:

16 a. "Vietnam veteran" means (i) a person who is a resident of this
17 state, {and} (ii) who served in the armed forces of the United States in
18 Indochina at any time from the {twenty-second day of December}
19 TWENTY-EIGHTH DAY OF FEBRUARY, nineteen hundred sixty-one, to and
20 including the seventh day of May, nineteen hundred seventy-five, {who
21 was discharged therefrom under other than dishonorable conditions} AND
22 (III) WHO WAS DISCHARGED THEREFROM UNDER HONORABLE CONDITIONS, INCLUDING
23 BUT NOT LIMITED TO HONORABLE DISCHARGE, DISCHARGE UNDER HONORABLE CONDI-
24 TIONS, OR GENERAL DISCHARGE.

25 b. "Persian Gulf veteran" {, for the purposes of this section,} means
26 (i) a person who is a resident of this state {and}, (II) who served in
27 the armed forces of the United States in the HOSTILITIES THAT OCCURRED
28 IN THE Persian Gulf from the second day of August, nineteen hundred
29 ninety through {September tenth, two thousand one, who was discharged
30 therefrom under other than dishonorable conditions; or (ii) a person who
31 is a resident of this state and who served in the armed forces of the
32 United States in the hostilities that occurred in the Persian Gulf from
33 the eleventh day of September, two thousand one, to the end of such
34 hostilities, who was discharged therefrom under other than dishonorable
35 conditions} THE END OF SUCH HOSTILITIES, AND (III) WHO WAS DISCHARGED
36 THEREFROM UNDER HONORABLE CONDITIONS, INCLUDING BUT NOT LIMITED TO
37 HONORABLE DISCHARGE, DISCHARGE UNDER HONORABLE CONDITIONS, OR GENERAL
38 DISCHARGE.

39 c. "Afghanistan veteran" means (I) a person who is a resident of this
40 state {and}, (II) who served in the armed forces of the United States in
41 the hostilities that occurred in Afghanistan from the eleventh day of
42 September, two thousand one, to the end of such hostilities, {who was
43 discharged therefrom under other than dishonorable conditions} AND (III)
44 WHO WAS DISCHARGED THEREFROM UNDER HONORABLE CONDITIONS, INCLUDING BUT
45 NOT LIMITED TO HONORABLE DISCHARGE, DISCHARGE UNDER HONORABLE CONDI-
46 TIONS, OR GENERAL DISCHARGE.

47 D. "OTHER ELIGIBLE COMBAT VETERAN" MEANS: AN INDIVIDUAL WHO (I) IS A
48 RESIDENT OF THIS STATE, (II) SERVED IN THE ARMED FORCES OF THE UNITED
49 STATES IN HOSTILITIES THAT OCCURRED AFTER FEBRUARY TWENTY-EIGHTH, NINE-
50 TEEN HUNDRED SIXTY-ONE, AS EVIDENCED BY THEIR RECEIPT OF AN ARMED FORCES
51 EXPEDITIONARY MEDAL, NAVY EXPEDITIONARY MEDAL, OR MARINE CORPS EXPEDI-
52 TIONARY MEDAL, AND (III) WAS DISCHARGED UNDER HONORABLE CONDITIONS,
53 INCLUDING BUT NOT LIMITED TO HONORABLE DISCHARGE, DISCHARGE UNDER HONOR-
54 ABLE CONDITIONS, OR GENERAL DISCHARGE.

1 {d} E. "Part time study" means enrollment for at least three but less
2 than twelve semester hours per semester, or the equivalent, in an
3 approved undergraduate or graduate program.

4 {e} F. "Approved vocational training programs" means programs offered
5 by agencies approved by the commissioner for funding pursuant to this
6 section. The commissioner shall approve only such non-credit programs
7 which are at least three hundred twenty clock hours in length, and which
8 meet standards of instructional quality established in regulations by
9 the commissioner. These standards shall include, but not be limited to,
10 qualifications of administrative and instructional personnel, quality of
11 facilities and equipment, recordkeeping, admission, grading, attendance,
12 and record of placement of completers which meets standards of accepta-
13 bility as established by the commissioner.

14 S 3. Subdivision 2 of section 669-a of the education law, as amended
15 by chapter 418 of the laws of 2004, paragraph b as amended by chapter
16 208 of the laws of 2006, is amended to read as follows:

17 2. a. Tuition awards are available for all Vietnam, Persian Gulf
18 {and}, Afghanistan AND OTHER ELIGIBLE COMBAT veterans, as defined in
19 subdivision one of this section, who are enrolled, pursuant to paragraph
20 a of subdivision four of section six hundred sixty-one of this part, in
21 approved undergraduate or graduate programs at degree granting insti-
22 tutions or enrolled in approved vocational training programs and who
23 apply for a tuition assistance program award pursuant to section six
24 hundred sixty-seven of this subpart {and, in the case of undergraduates,
25 for a Pell grant pursuant to section one thousand seventy-a of title
26 twenty of the United States code}.

27 b. {No Vietnam, Persian Gulf or Afghanistan veteran shall be eligible
28 whose application has not been received by the corporation on or before
29 the first day of September, two thousand eight.} ELIGIBILITY FOR AWARDS
30 UNDER THIS SECTION SHALL BE ESTABLISHED AS OF THE DATE THE APPLICATION
31 IS RECEIVED BY THE CORPORATION. ALL ELIGIBLE RECIPIENTS SHALL RECEIVE AN
32 AWARD IN AN AMOUNT AS SET FORTH IN SUBDIVISION FOUR OF THIS SECTION.

33 S 4. Subdivision 4 of section 669-a of the education law, as separately
34 amended by chapters 230 and 603 of the laws of 1996, is amended to
35 read as follows:

36 4. Every recipient shall receive an award {of one thousand dollars}
37 EQUAL TO THE AMOUNT OF UNDERGRADUATE TUITION FOR RESIDENTS OF NEW YORK
38 STATE CHARGED BY THE STATE UNIVERSITY OF NEW YORK or ACTUAL tuition
39 CHARGED, whichever is less, for each semester, or the equivalent, of
40 full time study, or {an award of five hundred dollars or tuition, which-
41 ever is less, for each semester, or the equivalent, of part time study.
42 No recipient shall receive awards exceeding, in the aggregate, ten thou-
43 sand dollars} A PRO-RATED AMOUNT FOR PART-TIME STUDY; PROVIDED, HOWEVER,
44 THAT SUCH AWARD SHALL NOT BE REDUCED BY ANY BENEFITS AVAILABLE UNDER THE
45 FEDERAL MONTGOMERY GI BILL ACT OF 1984 OR THE FEDERAL PELL GRANT PROGRAM
46 PURSUANT TO SECTION ONE THOUSAND SEVENTY-A OF TITLE TWENTY OF THE UNITED
47 STATES CODE.

48 S 5. Subdivision 5 of section 604 of the education law, as separately
49 amended by chapters 230 and 603 of the laws of 1996, is amended to read
50 as follows:

51 5. {Tuition awards for Vietnam and Persian Gulf veterans are available
52 for eligible students enrolled in approved undergraduate or graduate
53 programs at degree granting institutions and approved vocational train-
54 ing programs} VETERANS TUITION AWARDS ARE AVAILABLE FOR ELIGIBLE
55 STUDENTS ENROLLED IN APPROVED UNDERGRADUATE OR GRADUATE PROGRAMS AT

1 DEGREE GRANTING INSTITUTIONS AND APPROVED VOCATIONAL TRAINING PROGRAMS
2 PURSUANT TO SECTION SIX HUNDRED SIXTY-NINE-A OF THIS TITLE.

3 S 6. This act shall take effect July 1, 2008.

4 PART O

5 Intentionally omitted.

6 PART P

7 Section 1. Section 3 of chapter 617 of the laws of 2007, amending the
8 education law relating to eliminating the mandatory contribution for
9 members in the optional retirement program, is REPEALED.

10 S 2. This act shall take effect immediately and shall be deemed to
11 have been in full force and effect on and after April 1, 2008.

12 PART Q

13 Section 1. The tax law is amended by adding a new section 171-q to
14 read as follows:

15 S 171-Q. CERTAIN OFFSETS TAKEN FROM BASIC STAR REBATE AMOUNTS. FOR
16 PURPOSES OF THE CREDIT AUTHORIZED BY THE FIRST SENTENCE OF SUBSECTION
17 (A) OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS CHAPTER AND ANY OFFSET
18 AUTHORIZED BY A PROVISION OF THIS ARTICLE, INCLUDING SECTIONS ONE
19 HUNDRED SEVENTY-ONE-C, ONE HUNDRED SEVENTY-ONE-D, ONE HUNDRED
20 SEVENTY-ONE-E, ONE HUNDRED SEVENTY-ONE-F, ONE HUNDRED SEVENTY-ONE-L, ONE
21 HUNDRED SEVENTY-ONE-M AND ONE HUNDRED SEVENTY-ONE-N, AN "OVERPAYMENT"
22 INCLUDES ANY REBATE ISSUED BY THE COMMISSIONER PURSUANT TO SECTION ONE
23 HUNDRED SEVENTY-EIGHT OF THIS ARTICLE AND SECTION THIRTEEN HUNDRED SIX-B
24 OF THE REAL PROPERTY TAX LAW TO THE OWNER OF A PARCEL ENTITLED TO A
25 BASIC STAR EXEMPTION ("THE BASIC STAR REBATE"). IN ADDITION, FOR
26 PURPOSES OF THIS CREDIT AND ANY OF THE OFFSETS, A "TAXPAYER" INCLUDES
27 ANY PROPERTY OWNER TO WHOM THE BASIC STAR REBATE HAS BEEN ISSUED BY THE
28 COMMISSIONER, EVEN IF THE PROPERTY OWNER OWNS THE REAL PROPERTY WITH
29 OTHER PERSONS. THE COMMISSIONER SHALL GIVE NOTICE TO ANY PROPERTY OWNER
30 WHOSE BASIC STAR REBATE IS BEING USED AS A CREDIT OR OFFSET, AS REQUIRED
31 UNDER THE PROVISIONS OF THIS ARTICLE. HOWEVER, PARAGRAPH (6) OF
32 SUBSECTION (B) OF SECTION SIX HUNDRED FIFTY-ONE OF THIS CHAPTER WILL NOT
33 APPLY TO ANY CREDIT OR OFFSET REQUIRED BY THIS SECTION.

34 S 2. This act shall take effect immediately and shall apply to basic
35 STAR rebates issued for the 2008-09 school year and subsequent school
36 years.

37 PART R

38 Section 1. Paragraph 2 of subsection (e) of section 1310 of the tax
39 law, as amended by section 6 of part D1 of chapter 57 of the laws of
40 2007, is amended to read as follows:

41 (2) The amount of the credit under this paragraph shall be determined
42 based upon the taxpayer's income as defined in subparagraph (ii) of
43 paragraph (b) of subdivision four of section four hundred twenty-five of
44 the real property tax law. For the purposes of this paragraph, any
45 taxpayer under {subparagraph} SUBPARAGRAPHS (A) AND (B) of this para-
46 graph with income of more than two hundred fifty thousand dollars shall
47 NOT receive a credit {of two hundred thirty dollars, and any taxpayer
48 under subparagraph (B) of this paragraph with income of more than two

1 hundred fifty thousand dollars shall receive a credit of one hundred
 2 fifteen dollars}.

3 Beginning in the two thousand ten tax year and each tax year thereafter,
 4 the "more than two hundred fifty thousand dollar" income limitation
 5 shall be adjusted by applying the inflation factor set forth herein, and
 6 rounding each result to the nearest multiple of one hundred dollars. The
 7 department shall establish the income limitation to be associated with
 8 each subsequent tax year by applying the inflation factor set forth
 9 herein to the figures that define the income limitation that were appli-
 10 cable to the preceding tax year, as determined pursuant to this subdivi-
 11 sion, and rounding each result to the nearest multiple of one hundred
 12 dollars. Such determination shall be made no later than March first, two
 13 thousand ten and each year thereafter.

14 For purposes of this paragraph, the "inflation factor" shall be deter-
 15 mined in accordance with the provisions set forth in subdivision fifteen
 16 of section one hundred seventy-eight of this chapter.

17 (A) Married individuals filing joint returns and surviving spouses. In
 18 the case of a husband and wife who make a single return jointly and of a
 19 surviving spouse:

20	For taxable years beginning:	The credit shall be:
21	in 2001-2005	\$125
22	in 2006	\$230
23	in 2007-2008	\$290
24	in {2008} 2009	\$310
25	after {2008} 2009	\$335

26 (B) All others. In the case of an unmarried individual, a head of a
 27 household or a married individual filing a separate return:

28	For taxable years beginning:	The credit shall be:
29	in 2001-2005	\$62.50
30	in 2006	\$115
31	in 2007-2008	\$145
32	in {2008} 2009	\$155
33	after {2008} 2009	\$167.50

34 S 2. Paragraph 2 of subdivision (c) of section 11-1706 of the adminis-
 35 trative code of the city of New York, as amended by section 7 of part D1
 36 of chapter 57 of the laws of 2007, is amended to read as follows:

37 (2) The amount of the credit under this paragraph shall be determined
 38 based upon the taxpayer's income as defined in subparagraph (ii) of
 39 paragraph (b) of subdivision four of section four hundred twenty-five of
 40 the real property tax law. For purposes of this paragraph, any taxpayer
 41 under {subparagraph} SUBPARAGRAPHS (A) AND (B) of this paragraph with
 42 income of more than two hundred fifty thousand dollars shall NOT receive
 43 a credit {of two hundred thirty dollars, and any taxpayer under subpara-
 44 graph (B) of this paragraph with income of more than two hundred fifty
 45 thousand dollars shall receive a credit of one hundred fifteen dollars}.

46 Beginning in the two thousand ten tax year and each tax year thereafter,
 47 the "more than two hundred fifty thousand dollar" income limitation
 48 shall be adjusted by applying the inflation factor set forth herein, and
 49 rounding each result to the nearest multiple of one hundred dollars. The
 50 department shall establish the income limitation to be associated with
 51 each subsequent tax year by applying the inflation factor set forth
 52 herein to the figures that define the income limitation that were appli-
 53 cable to the preceding tax year, as determined pursuant to this subdivi-
 54 sion, and rounding each result to the nearest multiple of one hundred
 55 dollars. Such determination shall be made no later than March first, two
 56 thousand ten and each year thereafter.

1 For purposes of this paragraph, the "inflation factor" shall be deter-
2 mined in accordance with the provisions set forth in subdivision fifteen
3 of section one hundred seventy-eight of {this chapter} THE TAX LAW.

4 (A) Married individuals filing joint returns and surviving spouses. In
5 the case of a husband and wife who make a single return jointly and of a
6 surviving spouse:

7	For taxable years beginning:	The credit shall be:
8	in 2001-2005	\$125
9	in 2006	\$230
10	in 2007-2008	\$290
11	in {2008} 2009	\$310
12	after {2008} 2009	\$335

13 (B) All others. In the case of an unmarried individual, a head of a
14 household or a married individual filing a separate return:

15	For taxable years beginning:	The credit shall be:
16	in 2001-2005	\$62.50
17	in 2006	\$115
18	in 2007-2008	\$145
19	in {2008} 2009	\$155
20	after {2008} 2009	\$167.50

21 S 3. This act shall take effect immediately.

PART S

23 Section 1. Subparagraphs (i), (ii) and (iii) of paragraph (b) of
24 subdivision 3 of section 1306-b of the real property tax law, as added
25 by section 2 of part D1 of chapter 57 of the laws of 2007, are amended
26 to read as follows:

27 (i) For purposes of the two thousand seven--two thousand eight school
28 year AND THE TWO THOUSAND EIGHT--TWO THOUSAND NINE SCHOOL YEAR, by sixty
29 percent, forty-five percent and thirty percent, respectively. The
30 results shall be associated with the first, second and third income
31 brackets, respectively, that are applicable within that segment.

32 (ii) For purposes of the {two thousand eight--two thousand nine school
33 year} TWO THOUSAND NINE--TWO THOUSAND TEN SCHOOL YEAR, by seventy
34 percent, fifty-two and one-half percent and thirty-five percent, respec-
35 tively. The results shall be associated with the first, second and third
36 income brackets, respectively, that are applicable within that segment.

37 (iii) For purposes of the {two thousand nine--two thousand ten} TWO
38 THOUSAND TEN--TWO THOUSAND ELEVEN and subsequent school years, by eighty
39 percent, sixty percent and forty percent, respectively. The results
40 shall be associated with the first, second and third income brackets,
41 respectively, that are applicable within that segment.

42 S 2. This act shall take effect immediately.

PART T

44 Intentionally omitted.

PART U

46 Intentionally omitted.

PART V

48 Intentionally omitted.

1

PART W

2 Section 1. Paragraph (e) of subdivision 2 of section 425 of the real
3 property tax law, as added by section 1 of part B of chapter 389 of the
4 laws of 1997, is amended to read as follows:

5 (e) Application of "floor". {The} (I) FOR THE TWO THOUSAND EIGHT--TWO
6 THOUSAND NINE SCHOOL YEAR, THE result obtained in paragraph (d) of this
7 subdivision may not be less than {ninety-five} NINETY percent of the
8 exempt amount determined for the prior levy, unless the level of assess-
9 ment in the assessing unit, or in class one in a special assessing unit,
10 has changed by five percent or more, in which case the result obtained
11 in paragraph (d) of this subdivision for the assessing unit, or for
12 class one in a special assessing unit, may not be less than {ninety-
13 five} NINETY percent of the product of the exempt amount determined for
14 the prior levy multiplied by the applicable change in level of assess-
15 ment factor.

16 (II) FOR THE TWO THOUSAND NINE--TWO THOUSAND TEN AND SUBSEQUENT SCHOOL
17 YEARS, THE RESULT OBTAINED IN PARAGRAPH (D) OF THIS SUBDIVISION MAY NOT
18 BE LESS THAN EIGHTY-NINE PERCENT OF THE EXEMPT AMOUNT DETERMINED FOR THE
19 PRIOR LEVY, UNLESS THE LEVEL OF ASSESSMENT IN THE ASSESSING UNIT, OR IN
20 CLASS ONE IN A SPECIAL ASSESSING UNIT, HAS CHANGED BY FIVE PERCENT OR
21 MORE, IN WHICH CASE THE RESULT OBTAINED IN PARAGRAPH (D) OF THIS SUBDI-
22 VISION FOR THE ASSESSING UNIT, OR FOR CLASS ONE IN A SPECIAL ASSESSING
23 UNIT, MAY NOT BE LESS THAN EIGHTY-NINE PERCENT OF THE PRODUCT OF THE
24 EXEMPT AMOUNT DETERMINED FOR THE PRIOR LEVY MULTIPLIED BY THE APPLICABLE
25 CHANGE IN LEVEL OF ASSESSMENT FACTOR.

26 S 2. Subdivision 3 of section 425 of the real property tax law is
27 amended by adding a new paragraph (e) to read as follows:

28 (E) DWELLINGS OWNED BY LIMITED PARTNERSHIPS. (I) IF LEGAL TITLE TO A
29 DWELLING IS HELD BY A LIMITED PARTNERSHIP, THE EXEMPTION SHALL BE GRANT-
30 ED IF THE PROPERTY SERVES AS THE PRIMARY RESIDENCE OF ONE OR MORE OF THE
31 PARTNERS, PROVIDED THAT THE LIMITED PARTNERSHIP WHICH HOLDS TITLE TO THE
32 PROPERTY DOES NOT ENGAGE IN ANY COMMERCIAL ACTIVITY, THAT THE LIMITED
33 PARTNERSHIP WAS LAWFULLY CREATED TO HOLD TITLE SOLELY FOR ESTATE PLAN-
34 NING AND ASSET PROTECTION PURPOSES, AND THAT THE PARTNER OR PARTNERS WHO
35 PRIMARILY RESIDE THEREON PERSONALLY PAY ALL OF THE REAL PROPERTY TAXES
36 AND OTHER COSTS ASSOCIATED WITH THE PROPERTY`S OWNERSHIP.

37 (II) ANY INFORMATION DEEMED NECESSARY TO ESTABLISH PARTNER STATUS FOR
38 ELIGIBILITY PURPOSES SHALL BE CONSIDERED CONFIDENTIAL AND EXEMPT FROM
39 THE FREEDOM OF INFORMATION LAW.

40 S 3. Subdivision 7 of section 425 of the real property tax law is
41 amended by adding a new paragraph (d) to read as follows:

42 (D) WHERE A PERSON IS THE OWNER OF A PRESENT INTEREST IN A PARCEL
43 UNDER A LIFE ESTATE, OR IS A VENDEE IN POSSESSION UNDER AN INSTALLMENT
44 CONTRACT OF SALE, OR IS A BENEFICIAL OWNER UNDER A TRUST, OR RESIDES
45 PRIMARILY IN A DWELLING WHICH IS OWNED BY A CORPORATION OR PARTNERSHIP
46 BUT IS NONTHELESS ELIGIBLE FOR EXEMPTION PURSUANT TO PARAGRAPH (D) OR
47 (E) OF SUBDIVISION THREE OF THIS SECTION, AND THAT PERSON HAS APPLIED
48 FOR AND BEEN GRANTED AN EXEMPTION PURSUANT TO THIS SECTION, THAT PERSON
49 SHALL BE DEEMED TO BE THE OWNER OF THE PARCEL FOR PURPOSES OF THIS
50 SECTION AND SECTION FIVE HUNDRED TWO OF THIS CHAPTER. PROVIDED THAT
51 DUPLICATE TAX STATEMENTS SHALL BE SENT UPON REQUEST TO THE REMAINDERMAN,
52 VENDOR, TRUSTEE, OR CORPORATION OR PARTNERSHIP THAT OWNS THE DWELLING,
53 WHICHEVER IS APPLICABLE; PROVIDED FURTHER THAT THE PROVISIONS OF SECTION
54 NINE HUNDRED TWENTY-THREE OF THIS CHAPTER REGARDING THE ISSUANCE OF
55 DUPLICATE TAX STATEMENTS IN CERTAIN CASES SHALL APPLY TO SUCH REQUESTS

1 SO FAR AS PRACTICABLE. NOTHING CONTAINED IN THIS SUBDIVISION SHALL BE
 2 CONSTRUED AS AFFECTING IN ANY WAY THE VALIDITY OR ENFORCEABILITY OF A
 3 REAL PROPERTY TAX, OR THE APPLICABILITY OF INTEREST OR PENALTIES WITH
 4 RESPECT THERETO, WHEN AN OWNER'S NAME HAS NOT BEEN ACCURATELY RECORDED
 5 OR WHEN A DUPLICATE TAX STATEMENT IS NOT SENT OR RECEIVED.

6 S 4. Subparagraph (ii) of paragraph (b) of subdivision 2 of section
 7 1306-b of the real property tax law, as amended by section 2 of part D1
 8 of chapter 57 of the laws of 2007, is amended to read as follows:

9 (ii) Where the ownership of a parcel that had been eligible for a
 10 rebate pursuant to this section changes or an exemption under section
 11 four hundred twenty-five of this chapter has been granted or removed,
 12 the assessor shall notify the state board of the change no later than
 13 {May} AUGUST first of the following year. The state board shall forward
 14 such report to the department of taxation and finance in a timely manner
 15 and in a mutually-agreeable format.

16 S 5. Paragraph b of subdivision 2-a of section 2022 of the education
 17 law, as added by section 3 of part A of chapter 60 of the laws of 2000,
 18 is amended to read as follows:

19 b. Commencing with the proposed budget for the {two thousand one--two
 20 thousand two} TWO THOUSAND EIGHT--TWO THOUSAND NINE school year, such
 21 notice shall also include, in a format prescribed by the commissioner,
 22 {a comparison} AN ESTIMATE of the tax savings THAT WOULD BE AVAILABLE TO
 23 AN ELIGIBLE HOMEOWNER under the basic school tax relief (STAR) exemption
 24 authorized by section four hundred twenty-five of the real property tax
 25 law {and the increase or decrease in school taxes from the prior year,
 26 and the resulting net taxpayer savings, for a hypothetical home within
 27 the district with a full value of one hundred thousand dollars, under
 28 the existing school district budget with such savings under the proposed
 29 budget} IF THE PROPOSED BUDGET WERE ADOPTED. Such {comparison} ESTIMATE
 30 shall be made in the manner prescribed by the commissioner, in consulta-
 31 tion with the office of real property services.

32 S 6. This act shall take effect immediately, provided that section one
 33 of this act shall apply to the administration of the STAR exemption on
 34 assessment rolls to be completed in 2008 and thereafter, and that the
 35 state board of real property services is hereby authorized and directed
 36 to compute and recertify any certified STAR exempt amounts that are not
 37 in compliance with section one of this act; and provided further that
 38 section four of this act shall apply to the issuance of "Middle Class
 39 STAR" rebates on and after April 1, 2008.

41 Section 1. Paragraphs (a), (b), (d) and (e) of subdivision 1 of
 42 section 131-o of the social services law, as amended by chapter 132 of
 43 the laws of 2007, are amended to read as follows:

44 (a) in the case of each individual receiving family care, an amount
 45 equal to at least {\$120.00} \$123.00 for each month beginning on or after
 46 January first, two thousand {seven} EIGHT.

47 (b) in the case of each individual receiving residential care, an
 48 amount equal to at least {\$139.00} \$142.00 for each month beginning on
 49 or after January first, two thousand {seven} EIGHT.

50 (d) for the period commencing January first, two thousand {eight}
 51 NINE, the monthly personal needs allowance shall be an amount equal to
 52 the sum of the amounts set forth in {subparagraph} SUBPARAGRAPHS one and
 53 two of this paragraph:

1 (1) the amounts specified in paragraphs (a) and (b) of this subdivision; and

3 (2) the amount in subparagraph one of this paragraph, multiplied by
4 the percentage of any federal supplemental security income cost of
5 living adjustment which becomes effective on or after January first, two
6 thousand {eight} NINE, but prior to June thirtieth, two thousand {eight}
7 NINE, rounded to the nearest whole dollar.

8 (e) in the case of each individual receiving enhanced residential
9 care, (i) an amount equal to {\$164.00} \$168.00 for each month beginning
10 on or after January first, two thousand {seven} EIGHT. (ii) On and after
11 January first, two thousand {eight} NINE, the amount set forth in
12 subparagraph (i) of this paragraph shall be annually increased by the
13 same percentage of any federal supplemental security income cost of
14 living adjustment which becomes effective on or after January first, but
15 prior to June thirtieth, of each calendar year, provided that there has
16 been an increase in state supplementation pursuant to subparagraph (ii)
17 of paragraph (g) of section two hundred nine of this chapter.

18 S 2. Paragraphs (a), (b), (c), (d), (e), (f) and (g) of subdivision 2
19 of section 209 of the social services law, as amended by chapter 132 of
20 the laws of 2007, are amended to read as follows:

21 (a) On and after January first, two thousand {seven} EIGHT, for an
22 eligible individual living alone, {\$710.00} \$724.00; and for an eligible
23 couple living alone, {\$1038.00} \$1060.00.

24 (b) On and after January first, two thousand {seven} EIGHT, for an
25 eligible individual living with others with or without in-kind income,
26 {\$646.00} \$660.00; and for an eligible couple living with others with or
27 without in-kind income, {\$980.00} \$1002.00.

28 (c) On and after January first, two thousand {seven} EIGHT, (i) for an
29 eligible individual receiving family care, {\$889.48} \$903.48 if he or
30 she is receiving such care in the city of New York or the county of
31 Nassau, Suffolk, Westchester or Rockland; and (ii) for an eligible
32 couple receiving family care in the city of New York or the county of
33 Nassau, Suffolk, Westchester or Rockland, two times the amount set forth
34 in subparagraph (i) of this paragraph; or (iii) for an eligible individual
35 receiving such care in any other county in the state, {\$851.48}
36 \$865.48; and (iv) for an eligible couple receiving such care in any
37 other county in the state, two times the amount set forth in subpara-
38 graph (iii) of this paragraph.

39 (d) On and after January first, two thousand {seven} EIGHT, (i) for an
40 eligible individual receiving residential care, {\$1058.00} \$1072.00 if
41 he or she is receiving such care in the city of New York or the county
42 of Nassau, Suffolk, Westchester or Rockland; and (ii) for an eligible
43 couple receiving residential care in the city of New York or the county
44 of Nassau, Suffolk, Westchester or Rockland, two times the amount set
45 forth in subparagraph (i) of this paragraph; or (iii) for an eligible
46 individual receiving such care in any other county in the state,
47 {\$1028.00} \$1042.00; and (iv) for an eligible couple receiving such care
48 in any other county in the state, two times the amount set forth in
49 subparagraph (iii) of this paragraph.

50 (e) (I) On and after January first, two thousand {seven} EIGHT, for an
51 eligible individual receiving enhanced residential care, {\$1264.00}
52 \$1293.00{.

53 (f) On and after January first, two thousand seven, } ; AND (II) for an
54 eligible couple receiving enhanced residential care, two times the
55 amount set forth in SUBPARAGRAPH (I) OF THIS paragraph {(e) of this
56 subdivision}.

1 {(g)} (F) (i) The amounts set forth in paragraphs (a) through (e) of
2 this subdivision shall be increased to reflect any increases in federal
3 supplemental security income benefits for individuals or couples which
4 become effective on or after January first, two thousand {eight} NINE
5 but prior to June thirtieth, two thousand {eight} NINE.

6 (ii) In addition to the amounts set forth in subparagraph (i) of this
7 paragraph, on and after January first, two thousand {eight} NINE, the
8 additional state payment portion of the amounts set forth in SUBPARA-
9 GRAPH (I) OF paragraph (e) of this subdivision shall be annually
10 increased by the same percentage of any federal supplemental security
11 income cost of living adjustment which becomes effective on or after
12 January first, but prior to June thirtieth, of each calendar year,
13 rounded to the nearest whole dollar.

14 S 3. This act shall take effect December 31, 2008, and shall apply to
15 benefits and allowances in months beginning after such date; provided
16 that the amendments to paragraph (e) of subdivision 1 of section 131-o
17 and paragraph (g) of subdivision 2 of section 209 of the social services
18 law, made by sections one and two of this act, shall not affect the
19 expiration of such paragraphs and shall be deemed to expire therewith.

20

PART Y

21 Intentionally omitted.

22

PART Z

23 Section 1. Section 111-g of the social services law, as amended by
24 section 69 of part B of chapter 436 of the laws of 1997, is amended to
25 read as follows:

26 S 111-g. Availability of paternity and support services. 1. The
27 {department} OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE and the
28 social services districts, in accordance with the regulations of the
29 {department} OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE, shall make
30 services relating to the establishment of paternity and the establish-
31 ment and enforcement of support obligations available to persons not
32 receiving family assistance upon application by such persons. Such
33 persons must apply by (i) completing and signing a form as prescribed by
34 the {department} OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE, or (ii)
35 filing a petition with the court or applying to the court in a proceed-
36 ing for the establishment of paternity and/or establishment and/or
37 enforcement of a support obligation, which includes a statement signed
38 by the person requesting services clearly indicating that such person is
39 applying for child support enforcement services pursuant to this title.

40 2. The {department} OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE may,
41 by regulation, require payment of an application fee for such services
42 and the deduction of costs in excess of such fee from amounts collected
43 on behalf of such persons.

44 3. (A) A PERSON WHO IS RECEIVING CHILD SUPPORT SERVICES PURSUANT TO
45 THIS SECTION WHO HAS NEVER RECEIVED ASSISTANCE PURSUANT TO TITLE IV-A OF
46 THE FEDERAL SOCIAL SECURITY ACT SHALL BE SUBJECT TO AN ANNUAL SERVICE
47 FEE OF TWENTY-FIVE DOLLARS FOR EACH CHILD SUPPORT CASE IF AT LEAST FIVE
48 HUNDRED DOLLARS OF SUPPORT HAS BEEN COLLECTED IN THE FEDERAL FISCAL
49 YEAR. WHERE A CUSTODIAL PARENT HAS CHILDREN WITH DIFFERENT NONCUSTODIAL
50 PARENTS, THE ORDER PAYABLE BY EACH NONCUSTODIAL PARENT SHALL BE A SEPA-
51 RATE CHILD SUPPORT CASE FOR THE PURPOSE OF IMPOSING AN ANNUAL SERVICE

1 FEE. THE FEE SHALL BE DEDUCTED FROM CHILD SUPPORT PAYMENTS RECEIVED ON
2 BEHALF OF THE INDIVIDUAL RECEIVING SERVICES.

3 (B) IN INTERNATIONAL CASES UNDER SECTION 454(32) OF THE FEDERAL SOCIAL
4 SECURITY ACT WHICH MEET THE CRITERIA FOR IMPOSITION OF THE ANNUAL
5 SERVICE FEE UNDER PARAGRAPH (A) OF THIS SUBDIVISION, THE ANNUAL SERVICE
6 FEE SHALL BE IMPOSED BUT MAY NOT BE COLLECTED FROM THE COUNTRY REQUEST-
7 ING SERVICES OR A PERSON LIVING IN ANOTHER COUNTRY UNLESS PERMITTED BY
8 FEDERAL LAW OR REGULATION.

9 S 2. Paragraphs a, b and d of subdivision 2 of section 111-c of the social services law, paragraphs a and b as amended by chapter 41 of the laws of 1992 and paragraph d as amended by chapter 42 of the laws of 1985, are amended to read as follows:

13 a. obtain assignments to the state and to such district of support rights of each applicant for or recipient of {aid to dependent children or home relief} PUBLIC ASSISTANCE required to execute such an assignment as a condition of receiving assistance;

17 b. report to the state all recipients of {aid to dependent children or home relief} PUBLIC ASSISTANCE with respect to whom a parent has been reported absent from the household;

20 d. enforce support obligations owed to the state and to the social services district pursuant to subdivision two of section one hundred eleven-b of this {chapter} TITLE; and disburse amounts collected as support payments in accordance with the provisions of this chapter and the regulations of the department, including the disbursement to the {aid to dependent children} family IN RECEIPT OF PUBLIC ASSISTANCE of up to the first {fifty} ONE HUNDRED dollars collected as current support;

27 S 2-a. Paragraph d of subdivision 2 of section 111-c of the social services law, as amended by section two of this act, is amended to read as follows:

30 d. enforce support obligations owed to the state and to the social services district pursuant to subdivision two of section one hundred eleven-b of this title; and disburse amounts collected as support payments in accordance with the provisions of this chapter and the regulations of the department, including the disbursement to the family in receipt of public assistance of up to the first one hundred dollars FOR ONE CHILD, AND UP TO THE FIRST TWO HUNDRED DOLLARS FOR TWO OR MORE CHILDREN, collected as current support;

38 S 3. Subparagraph (v) of paragraph (a) of subdivision 8 of section 131-a of the social services law, as amended by section 12 of part B of chapter 436 of the laws of 1997, is amended to read as follows:

41 (v) the first {fifty} ONE HUNDRED dollars received in such month which represent support payments timely paid in and for such month and the first {fifty} ONE HUNDRED dollars received in such month which represent support payments timely paid in and for each of any prior months, in any household applying for or receiving public assistance, including support payments collected and paid to the public assistance household by the social services district;

48 S 3-a. Subparagraph (v) of paragraph (a) of subdivision 8 of section 131-a of the social services law, as amended by section three of this act, is amended to read as follows:

51 (v) the first one hundred dollars received in such month which represent support payments timely paid in and for such month FOR ONE CHILD, AND THE FIRST TWO HUNDRED DOLLARS RECEIVED IN SUCH MONTH WHICH REPRESENT SUPPORT PAYMENTS TIMELY PAID IN AND FOR SUCH MONTH FOR TWO OR MORE CHILDREN, and the first one hundred dollars received in such month which represent support payments timely paid in and for each of any prior

1 months FOR ONE CHILD, AND THE FIRST TWO HUNDRED DOLLARS RECEIVED IN SUCH
2 MONTH WHICH REPRESENT SUPPORT PAYMENTS TIMELY PAID IN AND FOR EACH OF
3 ANY PRIOR MONTHS FOR TWO OR MORE CHILDREN, in any household applying for
4 or receiving public assistance, including support payments collected and
5 paid to the public assistance household by the social services district;

6 S. 4. Subdivisions 5 and 6 of section 158 of the social services law,
7 as amended by section 44 of part B of chapter 436 of the laws of 1997,
8 are amended to read as follows:

9 5. Application for or receipt of safety net assistance shall operate
10 as an assignment to the state and the social services district concerned
11 of any rights to support THAT ACCRUE DURING THE PERIOD THAT A FAMILY
12 RECEIVES SAFETY NET ASSISTANCE from any other person as such applicant
13 or recipient may have EITHER on their own behalf or on behalf of any
14 other family member for whom the applicant or recipient is applying for
15 or receiving assistance. Applicants for or recipients of safety net
16 assistance shall be informed that such application for or receipt of
17 such benefits will constitute such an assignment. Such assignment shall
18 terminate with respect to current support rights upon a determination by
19 the social services district that such person is no longer eligible for
20 safety net assistance, except with respect to the amount of any unpaid
21 support obligation that has accrued DURING THE PERIOD THAT A FAMILY
22 RECEIVED SAFETY NET ASSISTANCE.

23 6. In addition to other eligibility requirements, each person who is
24 applying for or receiving assistance under this title, and who is other-
25 wise eligible for assistance under this title, shall be required, as a
26 further condition of eligibility for such assistance:

27 (i) to assign to the state and the social services district any rights
28 to support THAT ACCRUE DURING THE PERIOD THAT A FAMILY RECEIVES SAFETY
29 NET ASSISTANCE FROM ANY OTHER PERSON AS such {person} APPLICANT OR
30 RECIPIENT may have either on {his} THEIR own behalf or on behalf of any
31 other family member for whom {he} THE APPLICANT OR RECIPIENT is applying
32 for or receiving {aid} ASSISTANCE; and

33 (ii) to cooperate with the state and the social services official, in
34 accordance with standards established by regulations of the {department}
35 OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE consistent with federal
36 law and regulations, in establishing the paternity of a child born out-
37 of-wedlock for whom assistance under this title is being applied for or
38 received, in their efforts to locate any absent parent and in obtaining
39 support payments or any other payments or property due such person and
40 due each child for whom assistance under this title is being applied for
41 or received, except that an applicant or recipient shall not be required
42 to cooperate in such efforts in cases in which the social services offi-
43 cial has determined, in accordance with criteria, including the best
44 interests of the child, as established by regulations of the {depart-
45 ment} OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE consistent with
46 federal law and regulations, that such applicant or recipient has good
47 cause to refuse to cooperate. Each social services district shall inform
48 applicants for and recipients of safety net assistance required to coop-
49 erate with the state and local social services officials pursuant to the
50 provisions of this paragraph, that where a proceeding to establish
51 paternity has been filed, and the allegation of paternity has been
52 denied by the respondent, there shall be a stay of all paternity
53 proceedings and related social services district proceedings until sixty
54 days after the birth of the child. Such applicants and recipients shall
55 also be informed that public assistance and care shall not be denied

1 during a stay on the basis of refusal to cooperate pursuant to the
2 provisions of this paragraph.

3 S 5. Subdivisions 2 and 3 of section 348 of the social services law,
4 as amended by section 32 of part B of chapter 436 of the laws of 1997,
5 are amended to read as follows:

6 2. Application for or receipt of family assistance shall operate as
7 an assignment to the state and the social services district concerned of
8 any rights to support THAT ACCRUE DURING THE PERIOD THAT A FAMILY
9 RECEIVES FAMILY ASSISTANCE from any other person as such applicant or
10 recipient may have {in his or her} EITHER ON THEIR own behalf or {in} ON
11 behalf of any other family member for whom the applicant or recipient is
12 applying for or receiving assistance. Applicants for or recipients of
13 family assistance shall be informed that such application for or receipt
14 of such benefits will constitute such an assignment.

15 3. Such assignment shall terminate with respect to current support
16 rights upon a determination by a local commissioner that such person is
17 no longer eligible for family assistance, except with respect to the
18 amount of any unpaid support obligation that has accrued DURING THE
19 PERIOD THAT A FAMILY RECEIVED FAMILY ASSISTANCE.

20 S 6. This act shall take effect immediately and shall be deemed to
21 have been in full force and effect on and after April 1, 2008; provided,
22 however, that:

23 (a) the office of temporary and disability assistance is immediately
24 authorized to promulgate any and all rules and regulations, and take any
25 other measures necessary for the timely implementation of the provisions
26 of this act on its effective date, and is specifically authorized to
27 promulgate emergency regulations to implement the collection of the
28 annual service fee from persons receiving child support services pursuant
29 to subdivision 3 of section 111-g of the social services law, as
30 added by section one of this act;

31 (b) the annual service fee established by subdivision 3 of section
32 111-g of the social services law, as added by section one of this act,
33 shall not be collected from persons receiving child support services and
34 the state shall be responsible for any portion of such fee owed to the
35 federal government until the deduction of the fee from child support
36 disbursements can be accomplished in an automated fashion;

37 (c) sections two and three of this act shall take effect October 1,
38 2008;

39 (d) sections two-a and three-a of this act shall take effect January
40 1, 2010; and

41 (e) sections four and five of this act shall take effect October 1,
42 2009; and the amendments made by sections four and five of this act
43 shall only apply to applications made on or after October 1, 2009.

44

PART AA

45 Section 1. Where an appropriation is made by the legislature, to the
46 office of temporary and disability assistance and the office of children
47 and family services in program areas including, but not limited to,
48 training and development, transitional services, substance abuse,
49 employment training, job readiness and transportation, the commissioners
50 of such agencies shall provide for programs operated by their respective
51 agencies, performance data, allocations to local social services
52 districts and providers, award amounts, contract periods, program sites,
53 geographic locations served, and spending information. Such information
54 shall, as it becomes available, be made available on the respective

1 agency's website and updated periodically. The commissioner of the
2 office of temporary and disability assistance and the commissioner of
3 the office of children and family services in collaboration with the
4 chair of the senate committee on social services, children and families,
5 the chair of the assembly committee on children and families, the chair
6 of the assembly committee on social services, the chair of the senate
7 finance committee, and the chair of the assembly ways and means commit-
8 tee shall determine the specific programs to which to apply the above
9 requirements and shall make available on their respective agency's
10 website the methods used for selecting such programs and shall identify
11 the key data elements that will be utilized to assess performance
12 outcomes, subject to the approval of the director of the budget.

13 S 2. This act shall take effect immediately.

14

PART BB

15 Section 1. The office of children and family services shall continue
16 the demonstration project, established pursuant to part G of chapter 58
17 of the laws of 2006 as amended, in local social services districts
18 selected by the office for children and family services to determine
19 best practices in portable information technology for child protective
20 services caseworkers to improve the workload of the child protective
21 workforce, including but not limited to the purchase of new information
22 technology, such as laptop computers, blackberries, and cellular phones,
23 that permits caseworkers to work from field locations while investigat-
24 ing allegations of child abuse and maltreatment. The commissioner of the
25 office of children and family services shall submit a report to the
26 governor, the temporary president of the senate and the speaker of the
27 assembly, no later than January 15, 2009, detailing which local social
28 services districts participated in such demonstration project, the
29 impact by district of such demonstration project on caseworker efficien-
30 cy and productivity, and the impact on caseload for caseworkers with
31 such technology by district.

32 S 2. This act shall take effect immediately and shall expire April 1,
33 2009 when upon such date the process of this act shall be deemed to be
34 repealed.

35

PART CC

36 Intentionally omitted.

37

PART DD

38 Section 1. Subdivision 3 of section 320.5 of the family court act, as
39 added by chapter 920 of the laws of 1982, is amended to read as follows:

40 3. (A) The court shall not direct detention unless {it} AVAILABLE
41 ALTERNATIVES TO DETENTION, INCLUDING CONDITIONAL RELEASE, WOULD NOT BE
42 APPROPRIATE, AND THE COURT finds {and states the facts and reasons for
43 so finding} that unless the respondent is detained:

44 {(a)} (I) there is a substantial probability that he OR SHE will not
45 appear in court on the return date; or

46 {(b)} (II) there is a serious risk that he OR SHE may before the
47 return date commit an act which if committed by an adult would consti-
48 tute a crime.

1 (B) ANY FINDING DIRECTING DETENTION PURSUANT TO PARAGRAPH (A) OF THIS
2 SUBDIVISION MADE BY THE COURT SHALL STATE THE FACTS AND REASONS FOR SUCH
3 FINDING.

4 (C) IF THE COURT MAKES A FINDING THAT DETENTION IS NECESSARY PURSUANT
5 TO SUBPARAGRAPHS (I) AND (II) OF PARAGRAPH (A) OF THIS SUBDIVISION, THE
6 COURT MAY CONSIDER, WHERE APPLICABLE, AS A CONDITION OF RELEASE, ELEC-
7 TRONIC MONITORING OF THE RESPONDENT, IF SUCH ELECTRONIC MONITORING WOULD
8 SIGNIFICANTLY REDUCE THE SUBSTANTIAL PROBABILITY THAT THE RESPONDENT
9 WOULD NOT RETURN TO COURT ON THE RETURN DATE, OR THE SERIOUS RISK THAT
10 THE RESPONDENT MAY BEFORE THE RETURN DATE COMMIT AN ACT THAT IF COMMIT-
11 TED BY AN ADULT WOULD CONSTITUTE A CRIME.

12 S 2. This act shall take effect immediately and shall be deemed to
13 have been in full force and effect on and after April 1, 2008.

14

PART EE

15 Section 1. The office of children and family services shall provide a
16 report, to be titled "Implementation of Recommended Caseworker Ratios",
17 not later than January 7, 2009, to the temporary president of the
18 senate, the speaker of the assembly, the chair of the senate committee
19 on social services, children and families and the chair of the assembly
20 committee on children and families. The report shall provide the follow-
21 ing:

22 1. A comparison of the current staff to client ratio for child protec-
23 tive services, and a comparison of the available data of the current
24 staff to client ratio for foster care, and preventive services for each
25 local social services district.

26 2. A comparison of such current staff to client ratios to the recom-
27 mendations established by the New York state child welfare workload
28 study report prepared and published pursuant to chapter 53 of the laws
29 of 2006.

30 3. A detailed breakdown by each local social services district of
31 information on child protective services including, but not limited to:
32 the total number of reports, total number of reports per month, the
33 number of workers needed, the number of staff, the number of reports per
34 month with ten percent adjustment for intake, the fluctuations and turn-
35 over of caseworkers, the workers needed per month for reports received,
36 the total cost of caseworkers, the number of supervisors needed, the
37 number of supervisors with overdue rate, the total cost of supervisors,
38 and the total cost per districts.

39 4. Projected costs for each local social services district to meet the
40 recommendations of the child welfare workload study in child protective
41 services and best estimates based on the available data for foster care
42 and preventive services, including the methodology for such estimates.

43 5. An estimate of the impact of meeting such recommended standards on
44 the CONNECTIONS system.

45 6. A description of how the office of children and family services is
46 engaging local social services districts in moving toward the recommen-
47 dations of the child welfare workload study and supporting and monitor-
48 ing children and families.

49 7. An estimate on the costs for future training and management needs.

50 S 2. This act shall take effect immediately and shall expire and be
51 deemed repealed on April 1, 2009.

52

PART FF

1 Section 1. The office of children and family services shall contract
2 with an external research organization without a competitive bid to
3 conduct a study on the effectiveness of juvenile justice services. Such
4 organization shall be chosen based on adequacy of proposed research
5 design, staff qualifications and the availability of non-state funds to
6 support the study, and other criteria as determined by the commissioner
7 of the office of children and family services. Such study shall examine
8 recidivism rates in residential and community-based programs operated,
9 licensed or certified by the office of children and family services. The
10 study shall include but not be limited to such criteria as the charac-
11 teristics of youth in each program including age, ethnicity and special
12 needs (i.e., substance abuse, mental health, special education, health,
13 etc.); service setting, criminal record and placement history (number of
14 admission and discharges to and from programs, including modifications);
15 and length of stay. Such study shall also report on the viability of
16 program models used in other states, including a comparison of the
17 service needs of youth in such states to youth in programs operated,
18 licensed or certified by the office of children and family services. The
19 office of children and family services shall submit an initial report on
20 the study conducted pursuant to this section to the governor, temporary
21 president of the senate, minority leader of the senate, speaker of the
22 assembly, the minority leader of the assembly, the chair of the senate
23 committee on social services, children and families and the chair of the
24 assembly committee on children and families no later than January 15,
25 2009, defining the research design and methodology, sample size and
26 other statistical parameters, and data collection instruments. The
27 office of children and family services shall submit an interim report to
28 the governor, temporary president of the senate, minority leader of the
29 senate, speaker of the assembly, and minority leader of the assembly no
30 later than January 15, 2010, detailing the effectiveness of juvenile
31 justice services and the recidivism rates in residential and community-
32 based programs. The office of children and family services shall submit
33 a final report to the governor, temporary president of the senate,
34 minority leader of the senate, speaker of the assembly, and minority
35 leader of the assembly no later than January 15, 2011, detailing the
36 effectiveness of juvenile justice services and the recidivism rates in
37 residential and community-based programs and recommendations to improve
38 services and reduce recidivism rates.

39 S 2. This act shall take effect immediately, and shall expire and be
40 deemed repealed March 31, 2011.

41

PART GG

42 Section 1. Paragraph q of subdivision 2 of section 355 of the educa-
43 tion law, as amended by chapter 552 of the laws of 1985, is amended to
44 read as follows:

45 q. To prepare and adopt, within the amounts appropriated therefor,
46 plans for land acquisition, state university development and expansion,
47 space needs and uses and for the construction, acquisition, recon-
48 struction, rehabilitation and improvement of academic buildings, dormi-
49 tories and other facilities required or to be required for the state-op-
50 erated institutions and the statutory or contract colleges, and for such
51 planning functions to retain or employ private architects, engineers and
52 artists, or firms thereof, or other and different consultants for
53 proposed projects and for the preparation of space requirements, cost
54 estimates, preliminary plans, budgetary justifications, and construction

1 standards. DURING THE SELECTION OF PROJECTS FOR SUCH PLANS, THE TRUSTEES
2 SHALL, WHERE APPLICABLE, GIVE DUE CONSIDERATION TO PROJECTS THAT SUPPORT
3 IMPROVEMENTS IN ENVIRONMENTAL PROTECTION, ENERGY AND RESOURCE MANAGE-
4 MENT, SOLAR ENERGY AND CONSERVATION WITH PARTICULAR CONSIDERATION GIVEN
5 TO A PROJECT`S POTENTIAL TO GENERATE COST SAVINGS OVER TIME.

6 S 2. Subdivision 13 of section 355 of the education law, as amended by
7 section 1 of part NN of chapter 59 of the laws of 2004, is amended to
8 read as follows:

9 13. Master capital plan. On or before November fifteenth of each year,
10 the trustees of the state university of New York shall approve and
11 submit to the chairmen of the assembly ways and means committee and the
12 senate finance committee and to the director of the budget a master
13 capital plan setting forth the projects proposed to be constructed,
14 reconstructed, rehabilitated or otherwise substantially altered pursuant
15 to appropriations enacted or to be enacted during the succeeding five
16 years. Such plan shall specify the name, location, estimated total cost
17 at the time the project is to be bid, the anticipated date or dates on
18 which the design of such project is to commence, the proposed method of
19 financing and the estimated economic life of each project. Such plan
20 shall further specify whether proposed projects constitute new
21 construction, substantial rehabilitation, moderate rehabilitation or
22 minor rehabilitation AND SHALL INDICATE HOW PROJECTS SUPPORT IMPROVE-
23 MENTS IN ENVIRONMENTAL PROTECTION, ENERGY AND RESOURCE MANAGEMENT, SOLAR
24 ENERGY AND CONSERVATION. Such criteria for each method of financing
25 shall include, but not be limited to: (i) an analysis of private enter-
26 prise, federal and any other appropriate financing standards, (ii) the
27 consideration of the period of economic life of projects as related to
28 the method of financing, and (iii) project cost ranges for the methods
29 of financing. Such plan specification and categories of construction
30 shall be defined by the trustees, in consultation with the state univer-
31 sity construction fund.

32 Such capital master plan report shall also include, for each project
33 over one-million dollars, a description of the project; expected
34 construction start date; any changes to the previously reported start or
35 expected completion dates; any changes to the expected cost of the
36 project; the total cash encumbered for the project for the year and the
37 total to date for the project; and the total cash expended for the
38 project for the year and the total to date for the project.

39 All projects that are reported under this subdivision shall be identi-
40 fied by campus, the name of the specific facility for which the allo-
41 cation is provided and a description of what the project is that is
42 being provided.

43 S 3. Section 6233-a of the education law, as added by chapter 678 of
44 the laws of 1988, is amended to read as follows:

45 S 6233-a. Master capital plan. On or before November fifteenth of
46 each year, the trustees of the city university shall approve and submit
47 to the chairmen of the assembly ways and means committee and the senate
48 finance committee and to the director of the budget a master capital
49 plan setting forth the projects proposed to be constructed, recon-
50 structed, rehabilitated or otherwise substantially altered pursuant to
51 appropriations enacted or to be enacted during the succeeding five
52 years. DURING THE SELECTION OF PROJECTS FOR SUCH PLAN, THE TRUSTEES
53 SHALL, WHERE APPLICABLE, GIVE DUE CONSIDERATION TO PROJECTS THAT SUPPORT
54 IMPROVEMENTS IN ENVIRONMENTAL PROTECTION, ENERGY AND RESOURCE MANAGE-
55 MENT, SOLAR ENERGY AND CONSERVATION WITH PARTICULAR CONSIDERATION GIVEN
56 TO A PROJECT`S POTENTIAL TO GENERATE COST SAVINGS OVER TIME. Such plan

1 shall specify the name, location, estimated total cost at the time the project is to be bid, the anticipated date or dates on which the design of such project is to commence, the proposed method of financing and the estimated economic life of each project. Such plan shall further specify whether proposed projects constitute new construction, substantial rehabilitation, moderate rehabilitation or minor rehabilitation AND SHALL INDICATE HOW PROJECTS SUPPORT IMPROVEMENTS IN ENVIRONMENTAL PROTECTION, ENERGY AND RESOURCE MANAGEMENT, SOLAR ENERGY AND CONSERVATION. Such criteria for each method of financing shall include, but not be limited to: (i) an analysis of private enterprise, federal and any other appropriate financing standards, (ii) the consideration of the period of economic life of projects as related to the method of financing, and (iii) project cost ranges for the methods of financing. Such plan specifications, categories or construction and criteria for methods of financing shall be defined by the trustees, in consultation with the city university construction fund.

17 S 4. This act shall take effect immediately.

18 PART HH

19 Section 1. Paragraph (b) of subdivision 2 of section 6401-a of the education law, as added by section 1 of part E4 of chapter 57 of the laws of 2007, is amended to read as follows:

22 (b) The institution must maintain an earned degree program in nursing, culminating in an associate or higher degree in nursing{; provided however, that this act does not apply to on-line nursing degree programs offered via the internet}.

26 S 2. This act shall take effect immediately.

27 PART II

28 Section 1. The commissioner of the office of children and family services shall not transfer youth or employees, except voluntary employee transfers, for the purpose of effectuating facility closure of Great Valley residential center or Pyramid reception center, unless such closure has been announced pursuant to paragraph (c) of subdivision 15 of section 501 of the executive law subsequent to the effective date of this act.

35 S 2. This act shall take effect immediately.

36 PART JJ

37 Intentionally omitted.

38 PART KK

39 Section 1. Paragraph j of subdivision 10 of section 54 of the state finance law, amended by section 5 of part O of a chapter of the laws of 2008 amending the state finance law relating to special aid and incentives for municipalities, as proposed in legislative bill numbers S. 6806-C and A. 9806-C, is amended to read as follows:

44 j. Special aid and incentives for municipalities to the city of New York. In the state fiscal year commencing April first, two thousand seven a city with a population of one million or more shall receive twenty million dollars on or before December fifteenth. In the state fiscal year commencing April first, two thousand eight, a city with a

1 population of one million or more shall receive two hundred forty-five
2 million nine hundred forty-four thousand eight hundred thirty-four
3 dollars payable on or before December fifteenth. IN THE STATE FISCAL
4 YEAR COMMENCING APRIL FIRST, TWO THOUSAND NINE, A CITY WITH A POPULATION
5 OF ONE MILLION OR MORE SHALL RECEIVE EIGHTY-ONE MILLION NINE HUNDRED
6 FORTY-FOUR THOUSAND EIGHT HUNDRED THIRTY-FOUR DOLLARS PAYABLE ON OR
7 BEFORE JUNE THIRTIETH AND SHALL RECEIVE AN ADDITIONAL TWO HUNDRED
8 FORTY-FIVE MILLION NINE HUNDRED FORTY-FOUR THOUSAND EIGHT HUNDRED THIR-
9 TY-FOUR DOLLARS PAYABLE ON OR BEFORE DECEMBER FIFTEENTH. In the state
10 fiscal year commencing April first, two thousand {nine} TEN, and in each
11 state fiscal year thereafter, a city with a population of one million or
12 more shall receive three hundred twenty-seven million eight hundred
13 eighty-nine thousand six hundred sixty-eight dollars payable on or
14 before December fifteenth. Special aid and incentives for municipalities
15 to the city of New York shall be apportioned and paid as required as
16 follows:

17 (i) Any amounts required to be paid to the city university
18 construction fund pursuant to the city university construction fund act;

19 (ii) Any amounts required to be paid to the New York city housing
20 development corporation pursuant to the New York city housing develop-
21 ment corporation act;

22 (iii) Five hundred thousand dollars to the chief fiscal officer of the
23 city of New York for payment to the trustees of the police pension fund
24 of such city;

25 (iv) Eighty million dollars to the special account for the municipal
26 assistance corporation for the city of New York in the municipal assist-
27 ance tax fund created pursuant to section ninety-two-d of this chapter
28 to the extent that such amount has been included by the municipal
29 assistance corporation for the city of New York in any computation for
30 the issuance of bonds on a parity with outstanding bonds pursuant to a
31 contract with the holders of such bonds prior to the issuance of any
32 other bonds secured by payments from the municipal assistance corpo-
33 ration for the city of New York in the municipal assistance state aid
34 fund created pursuant to section ninety-two-e of this chapter;

35 (v) The balance of the special account for the municipal assistance
36 corporation for the city of New York in the municipal assistance state
37 aid fund created pursuant to section ninety-two-e of this chapter;

38 (vi) Any amounts to be refunded to the general fund of the state of
39 New York pursuant to the annual appropriation enacted for the municipal
40 assistance state aid fund;

41 (vii) To the state of New York municipal bond bank agency to the
42 extent provided by section twenty-four hundred thirty-six of the public
43 authorities law; and

44 (viii) To the transit construction fund to the extent provided by
45 section twelve hundred twenty-five-i of the public authorities law, and
46 thereafter to the city of New York.

47 Notwithstanding any other law to the contrary, the amount paid to any
48 city with a population of one million or more on or before December
49 fifteenth shall be for an entitlement period ending the immediately
50 preceding June thirtieth.

51 S 2. This act shall take effect on the same date and the same manner
52 as section 5 of part O of a chapter of the laws of 2008, amending the
53 state finance law relating to special aid and incentives to municipi-
54 palities as proposed in legislative bill numbers S. 6806-C and A.
55 9806-C, takes effect.

1

PART LL

2 Section 1. The state finance law is amended by adding a new section
3 92-ee to read as follows:

4 S 92-EE. NEW YORK STATE HIGHER EDUCATION ENDOWMENT. THERE IS HEREBY
5 ESTABLISHED IN THE CUSTODY OF THE COMPTROLLER A FUND TO BE KNOWN AS THE
6 NEW YORK STATE HIGHER EDUCATION ENDOWMENT. NOTWITHSTANDING ANY OTHER
7 PROVISION OF LAW, ALL OF THE ASSETS AND INCOME OF THE ENDOWMENT SHALL BE
8 HELD AND INVESTED BY THE COMPTROLLER AS TRUSTEE OF SUCH ENDOWMENT,
9 EXCEPT SUCH INCOME AS MAY BE ALLOCATED OR DISTRIBUTED BY THE COMPTROLLER
10 PURSUANT TO APPROPRIATION. THE ENDOWMENT SHALL CONSIST OF AMOUNTS TRANS-
11 FERRED INTO SUCH ENDOWMENT, AND ANY OTHER AMOUNTS AS MAY BE DEPOSITED IN
12 THE ENDOWMENT FROM OTHER PUBLIC OR PRIVATE SOURCES. AMOUNTS TRANSFERRED
13 TO OR DEPOSITED INTO THE ENDOWMENT SHALL BE DEDICATED TO THE CITY
14 UNIVERSITY OF NEW YORK AND THE STATE UNIVERSITY OF NEW YORK, AND SHALL
15 BE USED FOR NO OTHER PURPOSE AND DISTRIBUTIONS FROM THE ENDOWMENT SHALL
16 BE USED TO SUPPLEMENT, RATHER THAN SUPPLANT, APPROPRIATIONS FROM THE
17 STATE IN SUPPORT OF THE CITY UNIVERSITY OF NEW YORK AND THE STATE
18 UNIVERSITY OF NEW YORK. THE FULL AMOUNT OF THE PRINCIPAL OF THE ENDOW-
19 MENT SHALL BE PRESERVED AND ANNUAL PAYMENTS SHALL BE MADE FROM THE
20 INVESTMENT EARNINGS OF THE ENDOWMENT IN SUPPORT OF THE CITY UNIVERSITY
21 OF NEW YORK AND THE STATE UNIVERSITY OF NEW YORK, TO PROVIDE FUNDING FOR
22 PURPOSES INCLUDING, BUT NOT LIMITED TO, EMPLOYMENT OF ADDITIONAL
23 FULL-TIME FACULTY MEMBERS, STUDENT FINANCIAL AID TO IMPROVE ACCESS,
24 GRANTS FOR RESEARCH AND DEVELOPMENT, AND FOR ADDITIONAL HIGHER EDUCATION
25 PURPOSES AS MAY BE AUTHORIZED.

26 S 2. This act shall take effect immediately.

27

PART MM

28 Section 1. Subdivision 1 of section 101 of the general municipal law,
29 as amended by chapter 572 of the laws of 1964, is amended and a new
30 subdivision 5 is added to read as follows:

31 1. {Every} EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO HUNDRED TWEN-
32 TY-TWO OF THE LABOR LAW, EVERY officer, board or agency of a political
33 subdivision or of any district therein, charged with the duty of prepar-
34 ing specifications or awarding or entering into contracts for the
35 erection, construction, reconstruction or alteration of buildings, when
36 the entire cost of such PUBLIC work shall exceed {fifty thousand} THREE
37 MILLION dollars IN THE COUNTIES OF THE BRONX, KINGS, NEW YORK, QUEENS,
38 AND RICHMOND; ONE MILLION FIVE HUNDRED THOUSAND DOLLARS IN THE COUNTIES
39 OF NASSAU, SUFFOLK AND WESTCHESTER; AND FIVE HUNDRED THOUSAND DOLLARS IN
40 ALL OTHER COUNTIES WITHIN THE STATE, shall prepare separate specifica-
41 tions for the following three subdivisions of the work to be performed:

42 a. Plumbing and gas fitting;

43 b. Steam heating, hot water heating, ventilating and air conditioning
44 apparatus; and

45 c. Electric wiring and standard illuminating fixtures.

46 5. EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF
47 SEPARATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A
48 SEPARATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL
49 USE TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE
50 PAID TO EACH, FOR: (A) PLUMBING AND GAS FITTING, (B) STEAM HEATING, HOT
51 WATER HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND (C) ELEC-
52 TRIC WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
53 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID

1 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
2 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
3 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
4 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
5 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC03/12/2008 INSPECTION.

LEGITIMATE

6 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
7 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
8 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
9 OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW,
10 OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAIL-
11 ABLE TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS
12 SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER
13 THE CONTRACT AWARD.

14 S 1-a. Section 103 of the general municipal law is amended by adding a
15 new subdivision 15 to read as follows:

16 15. (A) NOTWITHSTANDING ANY GENERAL, SPECIAL OR LOCAL LAW OR RULE OR
17 REGULATION TO THE CONTRARY, AN OFFICER, BOARD OR AGENCY OF ANY COUNTY,
18 ANY SCHOOL DISTRICT OR ANY POLITICAL SUBDIVISION OF THE STATE WITH A
19 POPULATION OF FIFTY THOUSAND OR MORE CHARGED WITH AWARDING A CONTRACT
20 FOR PUBLIC WORK MAY ESTABLISH GUIDELINES GOVERNING THE QUALIFICATIONS OF
21 BIDDERS SEEKING TO BID OR ENTER INTO SUCH CONTRACTS. IF SUCH OFFICER,
22 BOARD OR AGENCY MAINTAINS AN APPROPRIATE LIST OF QUALIFIED BIDDERS, THE
23 BIDDING SHALL BE RESTRICTED TO THOSE WHO HAVE QUALIFIED PRIOR TO THE
24 RECEIPT OF BIDS ACCORDING TO STANDARDS FIXED BY SUCH OFFICER, BOARD OR
25 AGENCY. IN DETERMINING WHETHER A PROSPECTIVE BIDDER QUALIFIES FOR INCLU-
26 SION ON A LIST OF PRE-QUALIFIED BIDDERS, THE OFFICER, BOARD OR AGENCY
27 SHALL CONSIDER THE EXPERIENCE AND RECORD OF PERFORMANCE OF THE PROSPEC-
28 TIVE BIDDER IN THE PARTICULAR TYPE OF WORK, AS WELL AS: (I) THE PROSPEC-
29 TIVE BIDDER`S ABILITY TO UNDERTAKE THE PARTICULAR TYPE AND COMPLEXITY OF
30 WORK; (II) THE FINANCIAL CAPABILITY, RESPONSIBILITY AND RELIABILITY OF
31 THE PROSPECTIVE BIDDER FOR SUCH TYPE AND COMPLEXITY OF WORK; (III) THE
32 RECORD OF THE PROSPECTIVE BIDDER IN COMPLYING WITH EXISTING LABOR STAND-
33 ARDS AND MAINTAINING HARMONIOUS LABOR RELATIONS; (IV) THE PROSPECTIVE
34 BIDDER`S COMPLIANCE WITH EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS AND
35 ANTI-DISCRIMINATION LAWS, AND DEMONSTRATED COMMITMENT TO WORKING WITH
36 MINORITY AND WOMEN-OWNED BUSINESSES THROUGH JOINT VENTURES OR SUBCON-
37 TRACTOR RELATIONSHIPS; AND (V) THE RECORD OF THE PROSPECTIVE BIDDER IN
38 PROTECTING THE HEALTH AND SAFETY OF WORKERS ON PUBLIC WORKS PROJECTS AND
39 JOB SITES AS DEMONSTRATED BY THE PROSPECTIVE BIDDER`S EXPERIENCE MODIFI-
40 CATION RATE FOR EACH OF THE LAST THREE YEARS.

41 (B) SUCH PUBLIC OFFICER, BOARD OR AGENCY SHALL, NOT LESS THAN ANNUAL-
42 LY, PUBLISH IN A NEWSPAPER OF GENERAL CIRCULATION IN SUCH POLITICAL
43 SUBDIVISION AN ADVERTISEMENT REQUESTING PROSPECTIVE BIDDERS TO SUBMIT
44 QUALIFICATION STATEMENTS. LISTS OF PRE-QUALIFIED BIDDERS MAY BE ESTAB-
45 LISHED ON A PROJECT-SPECIFIC BASIS. PREQUALIFIED LISTS SHALL INCLUDE ALL
46 BIDDERS THAT QUALIFY; PROVIDED, HOWEVER, THAT ANY SUCH LIST SHALL HAVE
47 NO LESS THAN FIVE BIDDERS BUT SHALL REMAIN OPEN FOR ALL ADDITIONAL QUAL-
48 IFIED BIDDERS. THE PUBLIC OFFICER, BOARD OR AGENCY`S PROCEDURES FOR
49 PREQUALIFYING BIDDERS SHALL INCLUDE AN APPEALS PROCESS FOR THOSE DENIED
50 A PLACE ON A PRE-QUALIFIED LIST. ANY DENIAL MUST BE BASED UPON SUBSTAN-
51 TIAL EVIDENCE, CANNOT BE ARBITRARY OR CAPRICIOUS, AND SHALL BE SUBJECT
52 TO JUDICIAL REVIEW PURSUANT TO ARTICLE SEVENTY-EIGHT OF THE CIVIL PRAC-
53 TICE LAW AND RULES. THE PUBLIC OFFICER, BOARD OR AGENCY MAY MOVE
54 FORWARD ON THE CONTRACT AWARD DURING SUCH APPEALS.

55 (C) ANY SCHOOL DISTRICT OR POLITICAL SUBDIVISION OF THE STATE WITH A
56 POPULATION OF LESS THAN FIFTY THOUSAND MAY UTILIZE A LIST OF PRE-QUALI-

1 FIED BIDDERS MAINTAINED BY THE COUNTY WITHIN WHICH THE SUBDIVISION IS
2 LOCATED, IF SUCH LIST IS MAINTAINED.

3 S 2. Paragraphs (b) and (c) of subdivision 7 of section 120-w of the
4 general municipal law, as added by chapter 552 of the laws of 1980, are
5 amended and a new paragraph (b-1) is added to read as follows:

6 (b) {When} EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO HUNDRED TWEN-
7 TY-TWO OF THE LABOR LAW, WHEN the entire cost of constructing such
8 building shall exceed {fifty thousand} THREE MILLION dollars IN THE
9 COUNTIES OF THE BRONX, KINGS, NEW YORK, QUEENS, AND RICHMOND; ONE
10 MILLION FIVE HUNDRED THOUSAND DOLLARS IN THE COUNTIES OF NASSAU, SUFFOLK
11 AND WESTCHESTER; AND FIVE HUNDRED THOUSAND DOLLARS IN ALL OTHER COUNTIES
12 WITHIN THE STATE, the project developer shall prepare separate specifi-
13 cations for the following subdivisions of such work, so as to permit
14 separate and independent bidding upon each subdivision:

15 (i) plumbing and gas fittings;

16 (ii) steam heating, hot water heating, ventilating and air condition-
17 ing apparatus; and

18 (iii) electric wiring and standard illuminating fixtures.

19 (B-1) EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF
20 SEPARATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A
21 SEPARATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL
22 USE TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE
23 PAID TO EACH, FOR: (I) PLUMBING AND GAS FITTING, (II) STEAM HEATING, HOT
24 WATER HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND (III)
25 ELECTRIC WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
26 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
27 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
28 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
29 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
30 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
31 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
32 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
33 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
34 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
35 OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW,
36 OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAIL-
37 ABLE TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS
38 SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER
39 THE CONTRACT AWARD.

40 (c) After public competitive bidding the project developer shall award
41 one or more separate contracts for each of the above subdivisions of
42 such work, whenever separate specifications are required pursuant to
43 paragraph (b) of this subdivision, and one or more contracts for the
44 remainder of such work. The project developer may award such contracts
45 at different times. Contracts awarded pursuant to this {paragraph}
46 SUBDIVISION shall be awarded by the project developer to the lowest
47 responsible and responsive bidder and shall be contracts of the project
48 developer and not of the municipality which shall have no obligation or
49 liabilities, whatsoever, thereunder. The project developer shall have
50 the responsibility for the supervision, coordination, and termination of
51 such contracts, unless otherwise specified in contractual terms between
52 the project developer and the municipality.

53 S 3. Section 135 of the state finance law, as amended by chapter 292
54 of the laws of 1961, is amended to read as follows:

55 S 135. Separate specifications for contract work for the state.
56 {Every} EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO HUNDRED TWENTY-TWO

1 OF THE LABOR LAW, EVERY officer, board, department, commission or
2 commissions, charged with the duty of preparing specifications or award-
3 ing or entering into contracts for the erection, construction or alter-
4 ation of buildings, for the state, when the entire cost of such work
5 shall exceed {fifty thousand} THREE MILLION dollars IN THE COUNTIES OF
6 THE BRONX, KINGS, NEW YORK, QUEENS, AND RICHMOND; ONE MILLION FIVE
7 HUNDRED THOUSAND DOLLARS IN THE COUNTIES OF NASSAU, SUFFOLK AND WEST-
8 CHESTER; AND FIVE HUNDRED THOUSAND DOLLARS IN ALL OTHER COUNTIES WITHIN
9 THE STATE, must have prepared separate specifications for each of the
10 following three subdivisions of the work to be performed:

11 1. Plumbing and gas fitting.

12 2. Steam heating, hot water heating, ventilating and air conditioning
13 apparatus.

14 3. Electric wiring and standard illuminating fixtures.

15 Such specifications must be so drawn as to permit separate and inde-
16 pendent bidding upon each of the above three subdivisions of work. All
17 contracts hereafter awarded by the state or a department, board, commis-
18 sioner or officer thereof, for the erection, construction or alteration
19 of buildings, or any part thereof, shall award the three subdivisions of
20 the above specified work separately to responsible and reliable persons,
21 firms or corporations engaged in these classes of work. A contract for
22 one or more buildings in any project shall be awarded to the lowest
23 responsible bidder for all the buildings included in the specifications.

24 EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF SEPA-
25 RATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A SEPA-
26 RATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL USE
27 TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE PAID
28 TO EACH, FOR: (A) PLUMBING AND GAS FITTING, (B) STEAM HEATING, HOT WATER
29 HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND (C) ELECTRIC
30 WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
31 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
32 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
33 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
34 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
35 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
36 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
37 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
38 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
39 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
40 OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW,
41 OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAL-
42 ABLE TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS
43 SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER
44 THE CONTRACT AWARD.

45 Nothing in this section shall be construed to prevent the authorities
46 in charge of any state building, from performing any such branches of
47 work by or through their regular employees, or in the case of public
48 institutions, by the inmates thereof.

49 S 4. Subdivision 1 of section 151-a of the public housing law, as
50 amended by chapter 572 of the laws of 1964, is amended and a new subdi-
51 vision 2-a is added to read as follows:

52 1. Notwithstanding any inconsistent provision of this chapter or any
53 other general, special or local law, EXCEPT AS OTHERWISE PROVIDED IN
54 SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW, any authority or muni-
55 cipality, or any officer, board, department, commission or other agency
56 thereof charged with the duty of preparing specifications or awarding or

1 entering into contracts involving the erection, construction, reconstruction or alteration of any building or other appurtenance as a part 2 of or in connection with a project or any part thereof in any part of 3 the state under or pursuant to the authority of this chapter, when the 4 entire cost of such work shall exceed {fifty thousand} THREE MILLION 5 dollars IN THE COUNTIES OF THE BRONX, KINGS, NEW YORK, QUEENS, AND RICH- 6 MOND; ONE MILLION FIVE HUNDRED THOUSAND DOLLARS IN THE COUNTIES OF 7 NASSAU, SUFFOLK AND WESTCHESTER; AND FIVE HUNDRED THOUSAND DOLLARS IN 8 ALL OTHER COUNTIES WITHIN THE STATE, must have prepared separate spec- 9 ifications for the following three subdivisions of the work to be 10 performed:

12 a. Plumbing and gas fitting;
13 b. Steam heating, hot water heating, ventilating and air conditioning
14 apparatus; and

15 c. Electric wiring and standard illuminating fixtures.

16 2-A. EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF
17 SEPARATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A
18 SEPARATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL
19 USE TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE
20 PAID TO EACH, FOR: A. PLUMBING AND GAS FITTING, B. STEAM HEATING, HOT
21 WATER HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND C. ELEC-
22 TRIC WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
23 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
24 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
25 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
26 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
27 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
28 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
29 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
30 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
31 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
32 OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW,
33 OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAIL-
34 ABLE TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS
35 SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER
36 THE CONTRACT AWARD.

37 S 5. Subdivision 2 of section 458 of the education law, as amended by
38 chapter 825 of the laws of 1974, is amended and a new subdivision 2-a is
39 added to read as follows:

40 2. {Every} EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO HUNDRED TWEN-
41 TY-TWO OF THE LABOR LAW, EVERY contract, lease or other agreement
42 entered into by or on behalf of the fund for the acquisition, lease,
43 construction, reconstruction, rehabilitation or improvement of the
44 school portion of the work in any combined occupancy structure shall
45 contain a provision that, when the entire cost of any such contemplated
46 construction, reconstruction, rehabilitation or improvement for the
47 school portion of the work shall exceed {fifty thousand} THREE MILLION
48 dollars IN THE COUNTIES OF THE BRONX, KINGS, NEW YORK, QUEENS, AND RICH-
49 MOND; ONE MILLION FIVE HUNDRED THOUSAND DOLLARS IN THE COUNTIES OF
50 NASSAU, SUFFOLK AND WESTCHESTER; AND FIVE HUNDRED THOUSAND DOLLARS IN
51 ALL OTHER COUNTIES WITHIN THE STATE, separate specifications shall be
52 prepared for the following three subdivisions of the work on the school
53 portion to be performed:

54 a. Plumbing and gas fitting;
55 b. Steam heating, hot water heating, ventilating and air conditioning
56 apparatus; and

1 c. Electric wiring and standard illuminating fixtures.
2 Such specifications shall be drawn so as to permit the letting of
3 separate and independent contracts for each of the above three subdivisions
4 of work. Within the above three subdivisions of work, any equipment,
5 apparatus and/or installations which shall be designed to service
6 the entire combined occupancy structure shall be included within the
7 school portion of the work or let as separate and independent contracts
8 even if physically located within the non-school portion of the work.
9 Except as otherwise provided by the public housing law, the provisions
10 of which shall apply when the developer is the New York city housing
11 authority, every developer or general contractor undertaking the
12 construction, reconstruction, rehabilitation or improvement of any such
13 combined occupancy structure pursuant to or in furtherance of the
14 provisions of this article shall let separate contracts to the lowest
15 responsible bidder for the three subdivisions of the above specified
16 work to persons, firms or corporations approved by the chairman of the
17 fund as being qualified, responsible and reliable bidders engaged in
18 these classes of work. All such qualified bidders engaged in the above
19 specified work shall be entitled to bid and to receive, upon request, a
20 copy of the plans and specifications. All such bids shall be submitted
21 to the fund and shall be opened publicly at a stated time and place.

22 2-A. EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF
23 SEPARATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A
24 SEPARATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL
25 USE TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE
26 PAID TO EACH, FOR: A. PLUMBING AND GAS FITTING, B. STEAM HEATING, HOT
27 WATER HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND C. ELEC-
28 TRIC WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
29 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
30 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
31 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
32 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
33 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
34 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
35 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
36 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
37 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
38 OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW,
39 OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAIL-
40 ABLE TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS
41 SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER
42 THE CONTRACT AWARD.

43 S 6. Subdivision 2 of section 482 of the education law, as added by
44 chapter 931 of the laws of 1971, is amended and a new subdivision 2-a is
45 added to read as follows:

46 2. {Every} EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO HUNDRED TWEN-
47 TY-TWO OF THE LABOR LAW, EVERY contract, lease or other agreement
48 entered into by or on behalf of the fund for the acquisition, lease,
49 construction, reconstruction, rehabilitation or improvement of any
50 combined occupancy structure shall contain a provision that, when the
51 entire cost of any such contemplated construction, reconstruction, reha-
52 bilitation or improvement shall exceed {fifty thousand} THREE MILLION
53 dollars IN THE COUNTIES OF THE BRONX, KINGS, NEW YORK, QUEENS, AND RICH-
54 MOND; ONE MILLION FIVE HUNDRED THOUSAND DOLLARS IN THE COUNTIES OF
55 NASSAU, SUFFOLK AND WESTCHESTER; AND FIVE HUNDRED THOUSAND DOLLARS IN
56 ALL OTHER COUNTIES WITHIN THE STATE, separate specifications shall be

1 prepared for the following three subdivisions of the work to be
2 performed:

- 3 a. Plumbing and gas fitting;
- 4 b. Steam heating, hot water heating, ventilating and air conditioning
5 apparatus; and
- 6 c. Electric wiring and standard illuminating fixtures.

7 Such specifications shall be drawn so as to permit the letting of
8 separate and independent contracts for each of the above three subdivi-
9 sions of work. Except as otherwise provided by the public housing law,
10 the provisions of which shall apply when the developer is the Yonkers
11 city housing authority, every developer or general contractor undertak-
12 ing the construction, reconstruction, rehabilitation or improvement of
13 any such combined occupancy structure pursuant to or in furtherance of
14 the provisions of this article shall let separate contracts to the
15 lowest responsible bidder for the three subdivisions of the above speci-
16 fied work to persons, firms or corporations approved by the chairman of
17 the fund as being qualified, responsible and reliable bidders engaged in
18 these classes of work. All such qualified bidders engaged in the above
19 specified work shall be entitled to bid and to receive, upon request, a
20 copy of the plans and specifications. All such bids shall be submitted
21 to the fund and shall be opened publicly at a stated time and place.

22 2-A. EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF
23 SEPARATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A
24 SEPARATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL
25 USE TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE
26 PAID TO EACH, FOR: A. PLUMBING AND GAS FITTING, B. STEAM HEATING, HOT
27 WATER HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND C. ELEC-
28 TRIC WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
29 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
30 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
31 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
32 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
33 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
34 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
35 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
36 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
37 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
38 OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW,
39 OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAIL-
40 ABLE TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS
41 SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER
42 THE CONTRACT AWARD.

43 S 7. Subdivision 2 of section 1045-i of the public authorities law, as
44 added by chapter 513 of the laws of 1984, is amended and a new subdivi-
45 sion 2-a is added to read as follows:

46 2. Any such agreements (i) shall describe in sufficient detail for
47 reasonable identification the particular water project to be financed in
48 whole or in part by the authority, (ii) shall describe the plan for the
49 financing of the cost of the construction of such water project, includ-
50 ing the amount, if any, to be provided by the water board and the source
51 or sources thereof, (iii) shall set forth the method by which and by
52 whom and the terms and conditions upon which moneys provided by the
53 authority shall be disbursed, (iv) may require, in the discretion of the
54 authority, the payment to the authority of the proceeds of any state and
55 federal grants available to the water board, (v) shall provide for the
56 establishment of user fees, rates, rents and other charges and the

1 charging and collection thereof by the water board for the use of, or
2 services furnished, rendered or made available by such system such as to
3 provide that such board receive revenues at least sufficient, together
4 with other revenues of the board, if any, to meet the requirements of
5 subdivision one of section one thousand forty-five-j of this title,
6 provided that revenues received by such board shall be deposited in a
7 special fund established pursuant to this title and disbursed to, and
8 upon certification of, the authority, (vi) may provide for the transfer
9 by the city to the water board pursuant to section one thousand forty-
10 five-h of this title of ownership of the sewerage system or water
11 system, or both, as the case may be, of which such project will form a
12 part by the city, (vii) shall provide for the construction and
13 completion of such water project by the city and for the operation,
14 maintenance and repair thereof as an integrated part of the system of
15 which such water project forms a part, subject to such terms and condi-
16 tions, not inconsistent with this title, which may be in the public
17 interest and necessary or desirable properly and adequately to secure
18 the holders of bonds of the authority, provided, however, all contracts
19 for public work and all purchase contracts shall be awarded by the city
20 as provided by law for the award of such contracts by the city and that
21 all contracts for construction shall be let in accordance with the
22 provisions of state law pertaining to prevailing wages, labor standards
23 and working hours. {When} EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO
24 HUNDRED TWENTY-TWO OF THE LABOR LAW, WHEN the entire cost of construct-
25 ing a building as part of any water project shall exceed {fifty thou-
26 sand} THREE MILLION dollars, the city shall prepare separate specifica-
27 tions for the following three subdivisions of the work to be performed:
28 (a) plumbing and gas fitting; (b) steam heating, hot water heating,
29 ventilating and air conditioning apparatus; and (c) electric wiring and
30 standard illuminating fixtures, (viii) shall provide for the discontin-
31 uance or disconnection of the supply of water or the provision of sewer-
32 age service, or both, as the case may be, for non-payment of fees,
33 rates, rents or other charges therefor imposed by the water board,
34 provided such discontinuance or disconnection of any supply of water or
35 the provision of sewerage service, or both, as the case may be, shall
36 not be carried out except in the manner and upon the notice as is
37 required of a waterworks corporation pursuant to subdivisions three-a,
38 three-b and three-c of section eighty-nine-b and section one hundred
39 sixteen of the public service law, and (ix) in the discretion of the
40 authority, require reports concerning the project from the water board
41 to the authority and the city.

42 2-A. EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF
43 SEPARATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A
44 SEPARATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL
45 USE TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE
46 PAID TO EACH, FOR: (A) PLUMBING AND GAS FITTING, (B) STEAM HEATING, HOT
47 WATER HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND (C) ELEC-
48 TRIC WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
49 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
50 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
51 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
52 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
53 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
54 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
55 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
56 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A

1 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
2 OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW,
3 OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAIL-
4 ABLE TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS
5 SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER
6 THE CONTRACT AWARD.

7 S 8. Subdivision 2 of section 1048-i of the public authorities law, as
8 added by chapter 796 of the laws of 1985, is amended and a new subdivi-
9 sion 2-a is added to read as follows:

10 2. Any such agreements (i) shall describe in sufficient detail for
11 reasonable identification the particular water project to be financed in
12 whole or in part by the authority, (ii) shall describe the plan for the
13 financing of the cost of the construction of such water project, includ-
14 ing the amount, if any, to be provided by the water board and the source
15 or sources thereof, (iii) shall set forth the method by which and by
16 whom and the terms and conditions upon which moneys provided by the
17 authority shall be disbursed, (iv) may require, in the discretion of the
18 authority, the payment to the authority of the proceeds of any state and
19 federal grants available to the water board, (v) shall provide for the
20 establishment of user fees, rates, rents and other charges and the
21 charging and collection thereof by the water board for the use of, or
22 services furnished, rendered or made available by such system such as to
23 provide that such board receive revenues at least sufficient, together
24 with other revenues of the board, if any, to meet the requirements of
25 subdivision one of section one thousand forty-eight-j of this title,
26 provided that revenues received by such board shall be deposited in a
27 special fund established pursuant to this title and disbursed to, and
28 upon certification of, the authority, (vi) may provide for the transfer
29 by the city to the water board pursuant to section one thousand forty-
30 eight-h of this title of ownership of the water system of which such
31 project will form a part, (vii) shall provide for the construction and
32 completion of such water project by the city and for the operation,
33 maintenance and repair thereof as an integrated part of the system of
34 which such water project forms a part, subject to such terms and condi-
35 tions, not inconsistent with this title, which may be in the public
36 interest and necessary or desirable properly and adequately to secure
37 the holders of bonds of the authority, provided, however, all contracts
38 for public work and all purchase contracts shall be awarded by the city
39 as provided by law for the award of such contracts by the city and that
40 all contracts for construction shall be let in accordance with the
41 provisions of state law pertaining to prevailing wages, labor standards
42 and working hours. {When} EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO
43 HUNDRED TWENTY-TWO OF THE LABOR LAW, WHEN the entire cost of construct-
44 ing a building as part of any water project shall exceed {fifty} FIVE
45 HUNDRED thousand dollars, the city shall prepare separate specifications
46 for the following three subdivisions of the work to be performed: (a)
47 plumbing and gas fitting; (b) steam heating, hot water heating, venti-
48 lating and air conditioning apparatus; and (c) electric wiring and stan-
49 dard illuminating fixtures, (viii) shall provide for the discontinuance
50 or disconnection of the supply of water for non-payment of fees, rates,
51 rents or other charges therefor imposed by the water board, provided
52 such discontinuance or disconnection of any supply of water shall not be
53 carried out except in the manner and upon the notice as is required of a
54 waterworks corporation pursuant to subdivisions three-a, three-b and
55 three-c of section eighty-nine-b and section one hundred sixteen of the
56 public service law, and (ix) in the discretion of the authority, require

1 reports concerning the project from the water board to the authority and
2 the city.

3 2-A. EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF
4 SEPARATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A
5 SEPARATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL
6 USE TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE
7 PAID TO EACH, FOR: (A) PLUMBING AND GAS FITTING, (B) STEAM HEATING, HOT
8 WATER HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND (C) ELECTRIC
9 WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
10 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
11 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
12 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
13 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
14 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
15 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
16 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
17 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
18 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
19 OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW,
20 OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAILABLE
21 TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS
22 SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER
23 THE CONTRACT AWARD.

24 S 9. The opening paragraph and paragraphs (b) and (c) of subdivision
25 10 of section 3303 of the public authorities law, as added by chapter 11
26 of the laws of 1997, are amended and a new paragraph (c-1) is added to
27 read as follows:

28 Every contract entered into between the corporation and a project
29 developer, pursuant to the provisions of paragraph (d) of subdivision
30 nine of this section, for a medical project involving construction of a
31 medical building by the project developer, shall contain provisions that
32 such building shall be constructed through construction contracts
33 awarded through competitive bidding in accordance with paragraphs (a)
34 through (g) of this subdivision; that the project developer or the
35 project developer's construction subcontractor shall furnish a bond
36 guaranteeing prompt payment of moneys that are due to all persons
37 furnishing labor and materials pursuant to the requirements of such
38 construction contracts, and that a copy of such payment bond shall be
39 kept by the corporation and shall be open to public inspection;
40 provided, however, that the requirements of this subdivision shall not
41 apply when the cost of such construction, exclusive of the cost of
42 medical equipment and devices, is less than {seventy-five thousand} ONE
43 MILLION FIVE HUNDRED THOUSAND dollars.

44 (b) {When} EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW, WHEN the entire cost of constructing such
45 building, exclusive of any medical equipment, apparatus or devices,
46 shall exceed {seventy-five thousand} ONE MILLION FIVE HUNDRED THOUSAND
47 dollars, the project developer shall prepare separate specifications for
48 the following subdivisions of such work, so as to permit separate and
49 independent bidding upon each subdivision:

50 (i) plumbing and gas fittings;
51 (ii) steam heating, hot water heating, ventilating and air conditioning apparatus; and
52 (iii) electric wiring and standard illuminating fixtures.
53 (c) After public competitive bidding, the project developer shall
54 award one or more separate contracts for each of the above subdivisions

1 of such work, whenever separate specifications are required pursuant to
2 paragraph (b) of this subdivision, and one or more contracts for the
3 remainder of such work. The project developer may award such contracts
4 at different times. Contracts awarded pursuant to this {paragraph}
5 SUBDIVISION shall be awarded by the project developer to the lowest
6 responsible and responsive bidder and shall be contracts of the project
7 developer and not of the corporation which shall have no obligation or
8 liabilities, whatsoever, thereunder. The project developer shall have
9 the responsibility for the supervision, coordination, and termination of
10 such contracts, unless otherwise specified in contractual terms between
11 the project developer and the corporation.

12 (C-1) EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF
13 SEPARATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A
14 SEPARATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL
15 USE TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE
16 PAID TO EACH, FOR: (I) PLUMBING AND GAS FITTING, (II) STEAM HEATING, HOT
17 WATER HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND (III)
18 ELECTRIC WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
19 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
20 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
21 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
22 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
23 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
24 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
25 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
26 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
27 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
28 OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW,
29 OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAIL-
30 ABLE TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS
31 SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER
32 THE CONTRACT AWARD.

33 S 10. The opening paragraph and paragraphs (b) and (c) of subdivision
34 9 of section 3402 of the public authorities law, as added by chapter 9
35 of the laws of 1997, are amended and a new paragraph (c-1) is added to
36 read as follows:

37 Every contract entered into between the corporation and a project
38 developer, pursuant to the provisions of paragraph (d) of subdivision
39 eight of this section, for a medical project involving construction of a
40 medical building by the project developer, shall contain provisions that
41 such building shall be constructed through construction contracts
42 awarded through competitive bidding in accordance with paragraphs (a)
43 through (g) of this subdivision; that the project developer or the
44 project developer's construction subcontractor shall furnish a bond
45 guaranteeing prompt payment of moneys that are due to all persons
46 furnishing labor and materials pursuant to the requirements of such
47 construction contracts, and that a copy of such payment bond shall be
48 kept by the corporation and shall be open to public inspection;
49 provided, however, that the requirements of this subdivision shall not
50 apply when the cost of such construction, exclusive of the cost of
51 medical equipment and devices, is less than {seventy-five thousand} ONE
52 MILLION FIVE HUNDRED THOUSAND dollars.

53 (b) {When} EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO HUNDRED TWEN-
54 TY-TWO OF THE LABOR LAW, WHEN the entire cost of constructing such
55 building, exclusive of any medical equipment, apparatus or devices,
56 shall exceed {seventy-five thousand} ONE MILLION FIVE HUNDRED THOUSAND

1 dollars, the project developer shall prepare separate specifications for
2 the following subdivisions of such work, so as to permit separate and
3 independent bidding upon each subdivision:

4 (i) plumbing and gas fittings;

5 (ii) steam heating, hot water heating, ventilating and air conditioning
6 apparatus; and

7 (iii) electric wiring and standard illuminating fixtures.

8 (c) After public competitive bidding, the project developer shall
9 award one or more separate contracts for each of the above subdivisions
10 of such work, whenever separate specifications are required pursuant to
11 paragraph (b) of this subdivision, and one or more contracts for the
12 remainder of such work. The project developer may award such contracts
13 at different times. Contracts awarded pursuant to this {paragraph}
14 SUBDIVISION shall be awarded by the project developer to the lowest
15 responsible and responsive bidder and shall be contracts of the project
16 developer and not of the corporation which shall have no obligation or
17 liabilities, whatsoever, thereunder. The project developer shall have
18 the responsibility for the supervision, coordination, and termination of
19 such contracts, unless otherwise specified in contractual terms between
20 the project developer and the corporation.

21 (C-1) EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF
22 SEPARATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A
23 SEPARATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL
24 USE TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE
25 PAID TO EACH, FOR: (I) PLUMBING AND GAS FITTING, (II) STEAM HEATING,
26 HOT WATER HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND (III)
27 ELECTRIC WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
28 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
29 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
30 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
31 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
32 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
33 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
34 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
35 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
36 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
37 OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW,
38 OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAIL-
39 ABLE TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS
40 SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER
41 THE CONTRACT AWARD.

42 S 11. The opening paragraph and paragraphs (b) and (c) of subdivision
43 9 of section 3603 of the public authorities law, as added by chapter 507
44 of the laws of 1999, are amended and a new paragraph (c-1) is added to
45 read as follows:

46 Every contract entered into between the corporation and a project
47 developer, pursuant to the provisions of paragraph (c) of subdivision
48 eight of this section, for a medical project involving construction of a
49 medical building by the project developer, shall contain provisions that
50 such building shall be constructed through construction contracts
51 awarded through bidding in accordance with paragraphs (a) through (g) of
52 this subdivision; that the project developer or the project developer's
53 construction subcontractor shall furnish a bond guaranteeing prompt
54 payment of moneys that are due to all persons furnishing labor and mate-
55 rials pursuant to the requirements of such construction contracts, and
56 that a copy of such payment bond shall be kept by the corporation and

1 shall be open to public inspection; provided, however, that the requirements of this subdivision shall not apply when the cost of such construction, exclusive of the cost of medical equipment and devices, is less than {seventy-five} FIVE HUNDRED thousand dollars.

5 (b) {When} EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW, WHEN the entire cost of constructing such building, exclusive of any medical equipment, apparatus or devices, shall exceed {seventy-five} FIVE HUNDRED thousand dollars, the project developer shall prepare separate specifications for the following subdivisions of such work, so as to permit separate and independent bidding upon each subdivision:

12 (i) plumbing and gas fittings;

13 (ii) steam heating, hot water heating, ventilating and air conditioning apparatus; and

14 (iii) electric wiring and standard illuminating fixtures.

15 (c) After public competitive bidding, the project developer shall award one or more separate contracts for each of the subdivisions of such work set forth in subparagraphs (i), (ii) and (iii) of paragraph (b) of this subdivision, whenever separate specifications are required pursuant to paragraph (b) of this subdivision, and one or more contracts for the remainder of such work. The project developer may award such contract at different times. Contracts awarded pursuant to this {paragraph} SUBDIVISION shall be awarded by the project developer to the lowest responsible and responsive bidder and shall be contracts of the project developer and not of the corporation which shall have no obligation or liabilities, whatsoever, thereunder. The project developer shall have the responsibility for the supervision, coordination, and termination of such contracts, unless otherwise specified in contractual terms between the project developer and the corporation.

30 (C-1) EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF SEPARATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A SEPARATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL USE TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE PAID TO EACH, FOR: (I) PLUMBING AND GAS FITTING, (II) STEAM HEATING, HOT WATER HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND (III) ELECTRIC WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED, AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E) OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW, OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAILABLE TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER THE CONTRACT AWARD.

51 S 12. The opening paragraph and paragraphs (b) and (c) of subdivision 11 of section 3628 of the public authorities law, as added by chapter 143 of the laws of 2003, are amended and a new paragraph (c-1) is added to read as follows:

55 Every contract entered into between the corporation and a project developer, pursuant to the provisions of paragraph (d) of subdivision

1 ten of this section, for a medical project involving construction of a
2 medical building by the project developer, shall contain provisions that
3 such building shall be constructed through construction contracts
4 awarded through competitive bidding in accordance with paragraphs (a)
5 through (g) of this subdivision; that the project developer or the
6 project developer's construction subcontractor shall furnish a bond
7 guaranteeing prompt payment of moneys that are due to all persons
8 furnishing labor and materials pursuant to the requirements of such
9 construction contracts, and that a copy of such payment bond shall be
10 kept by the corporation and shall be open to public inspection;
11 provided, however, that the requirements of this subdivision shall not
12 apply when the cost of such construction, exclusive of the cost of
13 medical equipment, apparatus, and devices, is less than {seventy-five}
14 FIVE HUNDRED thousand dollars.

15 (b) {When} EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO HUNDRED TWEN-
16 TY-TWO OF THE LABOR LAW, WHEN the entire cost of constructing such
17 building, exclusive of any medical equipment, apparatus, or devices,
18 exceeds {seventy-five} FIVE HUNDRED thousand dollars, the project devel-
19 oper shall prepare separate specifications for the following subdivi-
20 sions of such work, so as to permit separate and independent bidding
21 upon each subdivision:

- 22 (i) plumbing and gas fittings;
- 23 (ii) steam heating, hot water heating, ventilating, and air condition-
24 ing apparatus; and

25 (iii) electric wiring and standard illuminating fixtures.

26 (c) After public competitive bidding, the project developer shall
27 award one or more separate contracts for each of the above subdivisions
28 of such work, whenever separate specifications are required pursuant to
29 paragraph (b) of this subdivision, and one or more contracts for the
30 remainder of such work. The project developer may award such contracts
31 at different times. Contracts awarded pursuant to this {paragraph}
32 SUBDIVISION shall be awarded by the project developer to the lowest
33 responsible and responsive bidder and shall be contracts of the project
34 developer and not of the corporation, which shall have no obligation or
35 liabilities, whatsoever, thereunder. The project developer shall have
36 the responsibility for the supervision, coordination, and termination of
37 such contracts, unless otherwise specified in contractual terms between
38 the project developer and the corporation.

39 (C-1) EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF
40 SEPARATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A
41 SEPARATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL
42 USE TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE
43 PAID TO EACH, FOR: (I) PLUMBING AND GAS FITTING, (II) STEAM HEATING, HOT
44 WATER HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND (III)
45 ELECTRIC WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
46 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
47 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
48 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
49 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
50 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
51 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
52 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
53 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
54 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
55 OF SUBDIVISION TWO OF SECTION TWO HUNDRED TWENTY-TWO OF THE LABOR LAW,
56 OR THE SUBCONTRACTOR HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAIL-

1 ABLE TO PERFORM THE SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS
2 SUBMITTED BY ALL OTHER BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER
3 THE CONTRACT AWARD.

4 S 13. Subdivision (c) of section 4 of chapter 560 of the laws of 1980,
5 authorizing the city of New York to adopt a solid waste management law,
6 is amended to read as follows:

7 (c) {Every} EXCEPT AS OTHERWISE PROVIDED IN SECTION 222 OF THE LABOR
8 LAW, EVERY contract, lease or other agreement entered into, pursuant to
9 this section, by the city of New York for construction, reconstruction,
10 rehabilitation or improvement of buildings for a solid waste recovery
11 and management facility shall contain a provision that, when the entire
12 cost of such work shall exceed {fifty thousand} THREE MILLION dollars,
13 separate specifications shall be prepared for the following three subdi-
14 visions of work:

15 (1) Plumbing and gas fitting;

16 (2) Steam heating, hot water heating, ventilating and air conditioning
17 apparatus; and

18 (3) Electric wiring and standard illuminating fixtures.

19 Such specifications shall be drawn to permit the letting of separate
20 and independent contracts by the developer for each of these three
21 subdivisions of work. The city of New York may, at its discretion,
22 direct that such specifications include minimum qualifications for
23 bidders with regard to licensing, bonding capacity, minority partic-
24 ipation, and past performance on prior contracts. Every developer under-
25 taking the construction, reconstruction, rehabilitation, or improvement
26 of the buildings of a solid waste recovery and management facility
27 pursuant to the provisions of its contract with the city of New York
28 shall let separate contracts to the lowest responsible bidder for the
29 three subdivisions of the above specified work, to any persons who are
30 responsible and reliable bidders engaged in these classes of work. Any
31 such contracts shall be contracts of the developer and not of the city
32 of New York. The city of New York shall have no obligations or liabil-
33 ities, whatsoever, thereunder. The developer shall have the responsibil-
34 ity for supervision and coordination of work under such separate
35 contracts.

36 EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF SEPA-
37 RATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A SEPA-
38 RATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL USE
39 TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE PAID
40 TO EACH, FOR: (A) PLUMBING AND GAS FITTING, (B) STEAM HEATING, HOT WATER
41 HEATING, VENTILATING AND AIR CONDITIONING APPARATUS AND (C) ELECTRIC
42 WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
43 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
44 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
45 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
46 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
47 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
48 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
49 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
50 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
51 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
52 OF SUBDIVISION 2 OF SECTION 222 OF THE LABOR LAW, OR THE SUBCONTRACTOR
53 HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAILABLE TO PERFORM THE
54 SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS SUBMITTED BY ALL OTHER
55 BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER THE CONTRACT AWARD.

1 The city of New York shall also have the right to reject any bidder
2 not meeting the reasonable and justifiable qualifications that it has
3 established for bidders. All qualified bidders engaged in the above
4 specified work shall be entitled to bid and to receive, upon request, a
5 copy of the plans and specifications. All such bids shall be delivered
6 to such city and be opened publicly at a stated time and place, by a
7 designated municipal employee.

8 Notwithstanding any law or agreement that requires a bond or bonds,
9 the city of New York shall in addition require, prior to the approval of
10 any contract, lease, or agreement providing for the construction, recon-
11 struction, rehabilitation, or improvement of any building for a solid
12 waste recovery and management facility, that the developer, if other
13 than the city of New York, furnish a bond guaranteeing prompt payment of
14 moneys that are due to all persons furnishing labor or materials in the
15 conduct of work provided for in such contract, lease, or other agree-
16 ment. A copy of such payment bond shall be kept by the city and shall be
17 open to public inspection.

18 The requirements to subcontract, contained herein, shall not apply to
19 the system to be used for receiving, processing, handling or storing
20 waste, or the products and by-products derived therefrom, or materials
21 used in such processing or handling of the system and any equipment or
22 property involving proprietary or trade secrets.

23 S 14. Section 9 of chapter 892 of the laws of 1971 amending the public
24 authorities law and other laws relating to enabling the dormitory
25 authority to construct and finance dormitories, buildings and health
26 facilities is amended to read as follows:

27 S 9. {The} EXCEPT AS OTHERWISE PROVIDED IN SECTION 222 OF THE LABOR
28 LAW, THE dormitory authority in awarding or entering into contracts for
29 the erection, construction, reconstruction or alteration of buildings,
30 pursuant to the provisions added by this act, when the entire cost of
31 such work shall exceed {fifty thousand} THREE MILLION dollars IN THE
32 COUNTIES OF THE BRONX, KINGS, NEW YORK, QUEENS, AND RICHMOND; ONE
33 MILLION FIVE HUNDRED THOUSAND DOLLARS IN THE COUNTIES OF NASSAU, SUFFOLK
34 AND WESTCHESTER; AND FIVE HUNDRED THOUSAND DOLLARS IN ALL OTHER COUNTIES
35 WITHIN THE STATE, shall prepare separate specifications for the follow-
36 ing three subdivisions of the work to be performed:

37 (a) Plumbing and gas fitting;
38 (b) Steam heating, hot water heating, ventilating and air conditioning
39 apparatus; and

40 (c) Electric wiring and standard illuminating fixtures.

41 Such specifications must be so drawn as to permit separate and inde-
42 pendent bidding on each day of the above three subdivisions of work. All
43 contracts awarded by the dormitory authority for the erection,
44 construction, reconstruction or alteration of buildings, or any part
45 thereof, pursuant to the provisions added by this act shall award the
46 three subdivisions of the above specified work separately to responsible
47 and reliable persons, firms or corporations engaged in these classes of
48 work. A contract for one or more buildings in any project shall be
49 awarded to the lowest responsible bidder for all the buildings included
50 in the specifications.

51 EACH BIDDER ON A PUBLIC WORK CONTRACT, WHERE THE PREPARATION OF SEPA-
52 RATE SPECIFICATIONS IS NOT REQUIRED, SHALL SUBMIT WITH ITS BID A SEPA-
53 RATE SEALED LIST THAT NAMES EACH SUBCONTRACTOR THAT THE BIDDER WILL USE
54 TO PERFORM WORK ON THE CONTRACT, AND THE AGREED-UPON AMOUNT TO BE PAID
55 TO EACH, FOR: (A) PLUMBING AND GAS FITTING; (B) STEAM HEATING, HOT WATER
56 HEATING, VENTILATING AND AIR CONDITIONING APPARATUS; AND (C) ELECTRIC

1 WIRING AND STANDARD ILLUMINATING FIXTURES. AFTER THE LOW BID IS
2 ANNOUNCED, THE SEALED LIST OF SUBCONTRACTORS SUBMITTED WITH SUCH LOW BID
3 SHALL BE OPENED AND THE NAMES OF SUCH SUBCONTRACTORS SHALL BE ANNOUNCED,
4 AND THEREAFTER ANY CHANGE OF SUBCONTRACTOR OR AGREED-UPON AMOUNT TO BE
5 PAID TO EACH SHALL REQUIRE THE APPROVAL OF THE PUBLIC OWNER, UPON A
6 SHOWING PRESENTED TO THE PUBLIC OWNER OF LEGITIMATE CONSTRUCTION NEED
7 FOR SUCH CHANGE, WHICH SHALL BE OPEN TO PUBLIC INSPECTION. LEGITIMATE
8 CONSTRUCTION NEED SHALL INCLUDE, BUT NOT BE LIMITED TO, A CHANGE IN
9 PROJECT SPECIFICATIONS, A CHANGE IN CONSTRUCTION MATERIAL COSTS, A
10 CHANGE TO SUBCONTRACTOR STATUS AS DETERMINED PURSUANT TO PARAGRAPH (E)
11 OF SUBDIVISION 2 OF SECTION 222 OF THE LABOR LAW, OR THE SUBCONTRACTOR
12 HAS BECOME OTHERWISE UNWILLING, UNABLE OR UNAVAILABLE TO PERFORM THE
13 SUBCONTRACT. THE SEALED LISTS OF SUBCONTRACTORS SUBMITTED BY ALL OTHER
14 BIDDERS SHALL BE RETURNED TO THEM UNOPENED AFTER THE CONTRACT AWARD.

15 Nothing in this section shall be construed to prevent the dormitory
16 authority from performing any such branches of work by or through its
17 regular employees.

18 S 15. Subdivision 2 of section 106-b of the general municipal law, as
19 amended by chapter 661 of the laws of 1992, is amended to read as
20 follows:

21 2. Payment by contractors to subcontractors. Within {fifteen} SEVEN
22 calendar days of the receipt of any payment from the public owner, the
23 contractor shall pay each of his subcontractors and materialmen the
24 proceeds from the payment representing the value of the work performed
25 and/or materials furnished by the subcontractor and/or materialman and
26 reflecting the percentage of the subcontractor's work completed or the
27 materialman's material supplied in the requisition approved by the owner
28 and based upon the actual value of the subcontract or purchase order
29 less an amount necessary to satisfy any claims, liens or judgments
30 against the subcontractor or materialman which have not been suitably
31 discharged and less any retained amount as hereafter described. {With
32 respect to contracts entered into by public owners other than the city
33 of New York, failure} FAILURE by the contractor to make any payment,
34 including any remaining amounts of the contract balance as hereinafter
35 described, to any subcontractor or materialman within {fifteen} SEVEN
36 calendar days of the receipt of any payment from the public owner shall
37 result in the commencement and accrual of interest on amounts due to
38 such subcontractor or materialman for the period beginning on the day
39 immediately following the expiration of such {fifteen} SEVEN calendar
40 day period and ending on the date on which payment is made by the
41 contractor to such subcontractor or materialman. Such interest shall be
42 the sole responsibility of the contractor, and shall be paid at the rate
43 of interest in effect on the date payment is made by the contractor.
44 Notwithstanding any other provision of law to the contrary, interest
45 shall be computed at the rate {equal to the overpayment rate set by the
46 commissioner of taxation and finance pursuant to subsection (e) of
47 section one thousand ninety-six of the tax} ESTABLISHED IN PARAGRAPH (B)
48 OF SUBDIVISION ONE OF SECTION SEVEN HUNDRED FIFTY-SIX-B OF THE GENERAL
49 BUSINESS law. The contractor shall retain not more than five per centum
50 of each payment to the subcontractor and/or materialman except that the
51 contractor may retain in excess of five per centum but not more than ten
52 per centum of each payment to the subcontractor provided that prior to
53 entering into a subcontract with the contractor, the subcontractor is
54 unable or unwilling to provide a performance bond and a labor and mate-
55 rial bond both in the full amount of the subcontract at the request of
56 the contractor. However, the contractor shall retain nothing from those

1 payments representing proceeds owed the subcontractor and/or materialman
2 from the public owner's payments to the contractor for the remaining
3 amounts of the contract balance as provided in subdivision one of this
4 section. If the contractor has failed to submit a requisition for
5 payment of the remaining amounts of the contract balance within ninety
6 days of substantial completion as provided in subdivision one of this
7 section, then any clause in the subcontract between the contractor and
8 the subcontractor or materialman which states that payment by the
9 contractor to such subcontractor or materialman is contingent upon
10 payment by the owner to the contractor shall be deemed invalid. Within
11 {fifteen} SEVEN calendar days of the receipt of payment from the
12 contractor, the subcontractor and/or materialman shall pay each of his
13 subcontractors and materialmen in the same manner as the contractor has
14 paid the subcontractor, including interest as herein provided above.
15 Nothing provided herein shall create any obligation on the part of the
16 public owner to pay or to see to the payment of any moneys to any
17 subcontractor or materialman from any contractor nor shall anything
18 provided herein serve to create any relationship in contract or other-
19 wise, implied or expressed, between the subcontractor or materialman and
20 the public owner.

21 S 16. Subdivision 2 of section 139-f of the state finance law, as
22 amended by chapter 86 of the laws of 1990, is amended to read as
23 follows:

24 2. Payment by contractors to subcontractors. Within {fifteen} SEVEN
25 calendar days of the receipt of any payment from the public owner, the
26 contractor shall pay each of his subcontractors and materialmen the
27 proceeds from the payment representing the value of the work performed
28 and/or materials furnished by the subcontractor and/or materialman and
29 reflecting the percentage of the subcontractor's work completed or the
30 materialman's material supplied in the requisition approved by the owner
31 and based upon the actual value of the subcontract or purchase order
32 less an amount necessary to satisfy any claims, liens or judgments
33 against the subcontractor or materialman which have not been suitably
34 discharged and less any retained amount as hereafter described. Failure
35 by the contractor to pay any subcontractor or materialman within
36 {fifteen} SEVEN calendar days of the receipt of any payment from the
37 public owner shall result in the commencement and accrual of interest on
38 amounts due to such subcontractor or materialman for the period begin-
39 ning on the day immediately following the expiration of such {fifteen}
40 SEVEN calendar day period and ending on the date on which payment is
41 made by the contractor to such subcontractor or materialman. Such inter-
42 est payment shall be the sole responsibility of the contractor, and
43 shall be paid at the rate of interest in effect on the date payment is
44 made by the contractor. Notwithstanding any other provision of law to
45 the contrary, interest shall be computed at the rate {equal to the over-
46 payment rate set by the commissioner of taxation and finance pursuant to
47 subsection (e) of section one thousand ninety-six of the tax} ESTAB-
48 LISHED IN PARAGRAPH (B) OF SUBDIVISION ONE OF SECTION SEVEN HUNDRED
49 FIFTY-SIX-B OF THE GENERAL BUSINESS law. The contractor shall retain not
50 more than five {percentum} PER CENTUM of each payment to the subcontrac-
51 tor and/or materialman except that the contractor may retain in excess
52 of five {percentum} PER CENTUM but not more than ten {percentum} PER
53 CENTUM of each payment to the subcontractor provided that prior to
54 entering into a subcontract with the contractor, the subcontractor is
55 unable or unwilling to provide a performance bond and a labor and mate-
56 rial bond, both in the full amount of the subcontract, at the request of

1 the contractor. However, the contractor shall retain nothing from those
2 payments representing proceeds owed the subcontractor and/or materialman
3 from the public owner's payments to the contractor for the remaining
4 amounts of the contract balance as provided in subdivision one of this
5 section. If the contractor has failed to submit a requisition for
6 payment of the remaining amounts of the contract balance within ninety
7 days of substantial completion as provided in subdivision one of this
8 section, then any clause in the subcontract between the contractor and
9 the subcontractor or materialman which states that payment by the
10 contractor to such subcontractor or materialman is contingent upon
11 payment by the owner to the contractor shall be deemed invalid. Within
12 {fifteen} SEVEN calendar days of the receipt of payment from the
13 contractor, the subcontractor and/or materialman shall pay each of his
14 subcontractors and materialmen in the same manner as the contractor has
15 paid the subcontractor, including interest as herein provided above.
16 Nothing provided herein shall create any obligation on the part of the
17 public owner to pay or to see to the payment of any moneys to any
18 subcontractor or materialman from any contractor nor shall anything
19 provided herein serve to create any relationship in contract or other-
20 wise, implied or expressed, between the subcontractor or materialman and
21 the public owner.

22 S 17. Subdivision 1 of section 137 of the state finance law, as
23 amended by chapter 698 of the laws of 2004, is amended to read as
24 follows:

25 1. In addition to other bond or bonds, if any, required by law for the
26 completion of a work specified in a contract for the prosecution of a
27 public improvement for the state of New York a municipal corporation, a
28 public benefit corporation or a commission appointed pursuant to law, or
29 in the absence of any such requirement, the comptroller may or the other
30 appropriate official, respectively, shall nevertheless require prior to
31 the approval of any such contract a bond guaranteeing prompt payment of
32 moneys due to all persons furnishing labor or materials to the contrac-
33 tor or {his} ANY subcontractors in the prosecution of the work provided
34 for in such contract. Provided, however, that all performance bonds and
35 payment bonds may, at the discretion of the head of the state agency,
36 public benefit corporation or commission, or his or her designee, be
37 dispensed with for the completion of a work specified in a contract for
38 the prosecution of a public improvement for the state of New York for
39 which bids are solicited where the aggregate amount of the contract is
40 under one hundred thousand dollars and provided further, that in a case
41 where the contract is not subject to the multiple contract award
42 requirements of section one hundred thirty-five of this article, such
43 requirements may be dispensed with where the head of the state agency,
44 public benefit corporation or commission finds it to be in the public
45 interest and where the aggregate amount of the contract awarded or to be
46 awarded is less than two hundred thousand dollars. Provided further,
47 that in a case where a performance or payment bond is dispensed with,
48 twenty per centum may be retained from each progress payment or estimate
49 until the entire contract work has been completed and accepted, at which
50 time the head of the state agency, public benefit corporation or commis-
51 sion shall, pending the payment of the final estimate, pay not to exceed
52 seventy-five per centum of the amount of the retained percentage.

53 S 18. The labor law is amended by adding a new section 222 to read as
54 follows:

55 S 222. PROJECT LABOR AGREEMENTS. 1. DEFINITION. "PROJECT LABOR AGREE-
56 MENT" SHALL MEAN A PRE-HIRE COLLECTIVE BARGAINING AGREEMENT BETWEEN A

1 CONTRACTOR AND A BONA FIDE BUILDING AND CONSTRUCTION TRADE LABOR ORGAN-
2 IZATION ESTABLISHING THE LABOR ORGANIZATION AS THE COLLECTIVE BARGAINING
3 REPRESENTATIVE FOR ALL PERSONS WHO WILL PERFORM WORK ON A PUBLIC WORK
4 PROJECT, AND WHICH PROVIDES THAT ONLY CONTRACTORS AND SUBCONTRACTORS WHO
5 SIGN A PRE-NEGOTIATED AGREEMENT WITH THE LABOR ORGANIZATION CAN PERFORM
6 PROJECT WORK.

7 2. CONTRACTS. NOTWITHSTANDING THE PROVISIONS OF ANY GENERAL, SPECIAL
8 OR LOCAL LAW, OR JUDICIAL DECISION TO THE CONTRARY:

9 (A) ANY AGENCY, BOARD, DEPARTMENT, COMMISSION OR OFFICER OF THE STATE
10 OF NEW YORK, OR OF ANY POLITICAL SUBDIVISION THEREOF AS DEFINED IN
11 SECTION ONE HUNDRED OF THE GENERAL MUNICIPAL LAW, MUNICIPAL CORPORATION
12 AS DEFINED IN SECTION SIXTY-SIX OF THE GENERAL CONSTRUCTION LAW, PUBLIC
13 BENEFIT CORPORATION, OR LOCAL OR STATE AUTHORITY AS DEFINED IN SECTION
14 TWO OF THE PUBLIC AUTHORITIES LAW HAVING JURISDICTION OVER THE PUBLIC
15 WORK MAY REQUIRE A CONTRACTOR AWARDED A CONTRACT, SUBCONTRACT, LEASE,
16 GRANT, BOND, COVENANT OR OTHER AGREEMENT FOR A PROJECT TO ENTER INTO A
17 PROJECT LABOR AGREEMENT DURING AND FOR THE WORK INVOLVED WITH SUCH
18 PROJECT WHEN SUCH REQUIREMENT IS PART OF THE AGENCY, BOARD, DEPARTMENT,
19 COMMISSION OR OFFICER OF THE STATE OF NEW YORK, POLITICAL SUBDIVISION,
20 MUNICIPAL CORPORATION, PUBLIC BENEFIT CORPORATION OR LOCAL OR STATE
21 AUTHORITY HAVING JURISDICTION OVER THE PUBLIC WORK REQUEST FOR PROPOSALS
22 FOR THE PROJECT AND WHEN THE AGENCY, BOARD, DEPARTMENT, COMMISSION OR
23 OFFICER OF THE STATE OF NEW YORK, POLITICAL SUBDIVISION, MUNICIPAL
24 CORPORATION, PUBLIC BENEFIT CORPORATION OR LOCAL OR STATE AUTHORITY
25 HAVING JURISDICTION OVER THE PUBLIC WORK DETERMINES THAT ITS INTEREST IN
26 OBTAINING THE BEST WORK AT THE LOWEST POSSIBLE PRICE, PREVENTING FAVORI-
27 TISM, FRAUD AND CORRUPTION, AND OTHER CONSIDERATIONS SUCH AS THE IMPACT
28 OF DELAY, THE POSSIBILITY OF COST SAVINGS ADVANTAGES, AND ANY LOCAL
29 HISTORY OF LABOR UNREST, ARE BEST MET BY REQUIRING A PROJECT LABOR
30 AGREEMENT.

31 (B) ANY CONTRACT, SUBCONTRACT, LEASE, GRANT, BOND, COVENANT OR OTHER
32 AGREEMENT FOR PROJECTS UNDERTAKEN PURSUANT TO THIS SECTION SHALL NOT BE
33 SUBJECT TO THE REQUIREMENTS OF SEPARATE SPECIFICATIONS (REFERRED TO AS
34 THE WICKS LAW) WHEN THE AGENCY, BOARD, DEPARTMENT, COMMISSION OR OFFICER
35 OF THE STATE OF NEW YORK, OR POLITICAL SUBDIVISION THEREOF, MUNICIPAL
36 CORPORATION, PUBLIC BENEFIT CORPORATION OR LOCAL OR STATE AUTHORITY
37 HAVING JURISDICTION OVER THE PUBLIC WORK HAS CHOSEN TO REQUIRE A PROJECT
38 LABOR AGREEMENT, PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION.

39 (C) WHENEVER THE AGENCY, BOARD, DEPARTMENT, COMMISSION OR OFFICER OF
40 THE STATE OF NEW YORK, OR POLITICAL SUBDIVISION THEREOF, MUNICIPAL
41 CORPORATION, PUBLIC BENEFIT CORPORATION OR LOCAL OR STATE AUTHORITY
42 HAVING JURISDICTION OVER THE PUBLIC WORK ENTERS INTO A CONTRACT, SUBCON-
43 TRACT, LEASE, GRANT, BOND, COVENANT OR OTHER AGREEMENT FOR THE
44 CONSTRUCTION, RECONSTRUCTION, DEMOLITION, EXCAVATION, REHABILITATION,
45 REPAIR, RENOVATION, ALTERATION, OR IMPROVEMENT FOR A PROJECT UNDERTAKEN
46 PURSUANT TO THIS SECTION, IT SHALL BE DEEMED TO BE A PUBLIC WORKS
47 PROJECT FOR THE PURPOSES OF THIS ARTICLE, AND ALL THE PROVISIONS OF THIS
48 ARTICLE SHALL BE APPLICABLE TO ALL THE WORK INVOLVED WITH SUCH PROJECT
49 INCLUDING, BUT NOT LIMITED TO, THE ENFORCEMENT OF PREVAILING WAGE
50 REQUIREMENTS BY THE FISCAL OFFICER AS DEFINED IN PARAGRAPH (E) OF SUBDI-
51 VISION FIVE OF SECTION TWO HUNDRED TWENTY OF THIS ARTICLE.

52 (D) EVERY CONTRACT ENTERED INTO BY ANY AGENCY, BOARD, DEPARTMENT,
53 COMMISSION OR OFFICER OF THE STATE OF NEW YORK, OR ANY POLITICAL SUBDI-
54 VISION THEREOF, MUNICIPAL CORPORATION, PUBLIC BENEFIT CORPORATION OR
55 LOCAL OR STATE AUTHORITY HAVING JURISDICTION OVER THE PUBLIC WORK FOR A
56 PROJECT SHALL CONTAIN A PROVISION THAT THE DESIGN OF SUCH PROJECT SHALL

1 BE SUBJECT TO THE REVIEW AND APPROVAL OF THE ENTITY AND THAT THE DESIGN
2 AND CONSTRUCTION STANDARDS OF SUCH PROJECT SHALL BE SUBJECT TO THE
3 REVIEW AND APPROVAL OF SUCH STATE ENTITY, IF APPLICABLE. IN ADDITION,
4 EVERY SUCH CONTRACT SHALL CONTAIN A PROVISION THAT THE CONTRACTOR SHALL
5 FURNISH A LABOR AND MATERIAL BOND GUARANTEEING PROMPT PAYMENT OF MONEYS
6 THAT ARE DUE TO ALL PERSONS FURNISHING LABOR AND MATERIALS PURSUANT TO
7 THE REQUIREMENTS OF ANY CONTRACTS FOR A PROJECT UNDERTAKEN PURSUANT TO
8 THIS SECTION AND A PERFORMANCE BOND FOR THE FAITHFUL PERFORMANCE OF THE
9 PROJECT, WHICH SHALL CONFORM TO THE PROVISIONS OF STATE OR LOCAL LAW,
10 AND THAT A COPY OF SUCH PERFORMANCE AND PAYMENT BONDS SHALL BE KEPT BY
11 SUCH ENTITY AND SHALL BE OPEN TO PUBLIC INSPECTION.

12 (E) ANY CONTRACT, SUBCONTRACT, LEASE, GRANT, BOND, COVENANT, OR OTHER
13 AGREEMENT FOR CONSTRUCTION, RECONSTRUCTION, DEMOLITION, EXCAVATION,
14 REHABILITATION, REPAIR, RENOVATION, ALTERATION, OR IMPROVEMENT WITH
15 RESPECT TO EACH PROJECT UNDERTAKEN PURSUANT TO THIS SECTION, THE ENTITY
16 SHALL CONSIDER THE FINANCIAL AND ORGANIZATIONAL CAPACITY OF CONTRACTORS
17 AND SUBCONTRACTORS IN RELATION TO THE MAGNITUDE OF WORK THEY MAY
18 PERFORM, THE RECORD OF PERFORMANCE OF CONTRACTORS AND SUBCONTRACTORS ON
19 PREVIOUS WORK, THE RECORD OF CONTRACTORS AND SUBCONTRACTORS IN COMPLYING
20 WITH EXISTING LABOR STANDARDS AND MAINTAINING HARMONIOUS LABOR
21 RELATIONS, AND THE COMMITMENT OF CONTRACTORS TO WORK WITH MINORITY AND
22 WOMEN-OWNED BUSINESS ENTERPRISES PURSUANT TO ARTICLE FIFTEEN-A OF THE
23 EXECUTIVE LAW THROUGH JOINT VENTURES OF SUBCONTRACTOR RELATIONSHIPS.
24 WITH RESPECT TO ANY CONTRACT FOR CONSTRUCTION, RECONSTRUCTION, DEMOLI-
25 TION, EXCAVATION, REHABILITATION, REPAIR, RENOVATION, ALTERATION, OR
26 IMPROVEMENT IN EXCESS OF THREE MILLION DOLLARS IN THE COUNTIES OF THE
27 BRONX, KINGS, NEW YORK, QUEENS, AND RICHMOND; ONE MILLION FIVE HUNDRED
28 THOUSAND DOLLARS IN THE COUNTIES OF NASSAU, SUFFOLK AND WESTCHESTER; AND
29 FIVE HUNDRED THOUSAND DOLLARS IN ALL OTHER COUNTIES WITHIN THE STATE;
30 THE ENTITY SHALL FURTHER REQUIRE THAT EACH CONTRACTOR AND SUBCONTRACTOR
31 SHALL PARTICIPATE IN APPRENTICE TRAINING PROGRAMS IN THE TRADES OF WORK
32 IT EMPLOYS THAT HAVE BEEN APPROVED BY THE DEPARTMENT FOR NOT LESS THAN
33 THREE YEARS AND SHALL HAVE GRADUATED AT LEAST ONE APPRENTICE IN THE LAST
34 THREE YEARS AND SHALL HAVE AT LEAST ONE APPRENTICE CURRENTLY ENROLLED IN
35 SUCH APPRENTICESHIP TRAINING PROGRAM. IN ADDITION, IT MUST BE DEMON-
36 STRATED THAT THE PROGRAM HAS MADE SIGNIFICANT EFFORTS TO ATTRACT AND
37 RETAIN MINORITY APPRENTICES, AS DETERMINED BY AFFIRMATIVE ACTION GOALS
38 ESTABLISHED FOR SUCH PROGRAM BY THE DEPARTMENT.

39 S 19. The labor law is amended by adding a new section 224 to read as
40 follows:

41 S 224. CONTRACTING FOR PUBLIC WORK; ENFORCEMENT. 1. THE COMMISSIONER
42 SHALL HAVE THE POWER TO ENFORCE ANY PROVISION OF LAW REQUIRING THE PREP-
43 ARATION OF SEPARATE SPECIFICATIONS FOR PUBLIC WORK CONTRACTS. WHENEVER
44 THE COMMISSIONER DETERMINES THAT AN AGENCY, BOARD, DEPARTMENT, COMMIS-
45 SION OR OFFICER OF THE STATE OF NEW YORK, OR OF ANY POLITICAL SUBDIVI-
46 SION THEREOF AS DEFINED IN SECTION ONE HUNDRED OF THE GENERAL MUNICIPAL
47 LAW, MUNICIPAL CORPORATION AS DEFINED IN SECTION SIXTY-SIX OF THE GENER-
48 AL CONSTRUCTION LAW, PUBLIC BENEFIT CORPORATION, OR LOCAL OR STATE
49 AUTHORITY AS DEFINED IN SECTION TWO OF THE PUBLIC AUTHORITIES LAW HAVING
50 JURISDICTION OVER A PUBLIC WORK CONTRACT FOR WHICH THE PREPARATION OF
51 SEPARATE SPECIFICATIONS IS REQUIRED HAS FAILED TO PREPARE SUCH SEPARATE
52 SPECIFICATIONS, THE COMMISSIONER MAY ISSUE A STOP-BID ORDER, WHICH SHALL
53 TAKE EFFECT AS TO SUCH PUBLIC WORK BID OR CONTRACT WHEN SERVED UPON SUCH
54 AGENCY, BOARD, DEPARTMENT, COMMISSION OR OFFICER OF THE STATE OF NEW
55 YORK, POLITICAL SUBDIVISION, MUNICIPAL CORPORATION, PUBLIC BENEFIT
56 CORPORATION OR LOCAL OR STATE AUTHORITY. SUCH STOP-BID ORDER SHALL BE

1 SERVED BY REGULAR MAIL, AND A SECOND COPY MAY BE SERVED BY TELEFACSIMILE
2 OR BY ELECTRONIC MAIL, WITH SERVICE EFFECTIVE UPON RECEIPT OF ANY OF
3 SUCH NOTICES. THE ORDER SHALL REMAIN IN EFFECT UNTIL THE COMMISSIONER
4 DIRECTS THAT THE STOP-BID ORDER BE REMOVED, UPON A DETERMINATION THAT
5 THE AGENCY, BOARD, DEPARTMENT, COMMISSION OR OFFICER OF THE STATE OF NEW
6 YORK, POLITICAL SUBDIVISION, MUNICIPAL CORPORATION, PUBLIC BENEFIT
7 CORPORATION OR LOCAL OR STATE AUTHORITY HAS COMPLIED WITH THE SEPARATE
8 SPECIFICATIONS REQUIREMENT. THE AGENCY, BOARD, DEPARTMENT, COMMISSION
9 OR OFFICER OF THE STATE OF NEW YORK, POLITICAL SUBDIVISION, MUNICIPAL
10 CORPORATION, PUBLIC BENEFIT CORPORATION OR LOCAL OR STATE AUTHORITY MAY
11 WITHIN THIRTY DAYS AFTER NOTICE OF THE STOP-BID ORDER MAKE AN APPLICA-
12 TION IN AFFIDAVIT FORM FOR A REDETERMINATION REVIEW OF SUCH ORDER. THE
13 COMMISSIONER SHALL MAKE A DECISION IN WRITING ON THE ISSUES RAISED IN
14 SUCH APPLICATION WITHIN THIRTY DAYS OF RECEIPT OF SUCH APPLICATION.

15 2. THE COMMISSIONER MAY FILE A COMPLAINT IN THE SUPREME COURT OF ANY
16 COUNTY WHERE VENUE IS PROPER TO ENJOIN ANY AGENCY, BOARD, DEPARTMENT,
17 COMMISSION OR OFFICER OF THE STATE OF NEW YORK, POLITICAL SUBDIVISION,
18 MUNICIPAL CORPORATION, PUBLIC BENEFIT CORPORATION OR LOCAL OR STATE
19 AUTHORITY FROM VIOLATING A STOP-BID ORDER. IN ANY ACTION BROUGHT BY THE
20 COMMISSIONER PURSUANT TO THIS SECTION IN WHICH IT PREVAILS, THE COURT
21 MAY AWARD COSTS, INCLUDING THE REASONABLE COSTS OF INVESTIGATION AND
22 REASONABLE ATTORNEYS' FEES.

23 3. IN ANY COURT PROCEEDINGS UNDER THIS SECTION, THE COMMISSIONER SHALL
24 BE REPRESENTED BY THE ATTORNEY GENERAL.

25 S 20. This act shall take effect July 1, 2008, and shall control all
26 contracts advertised or solicited for bid on or after the effective date
27 of this act under the provisions of any law requiring contracts to be
28 let pursuant to provisions of law amended by this act.

29

PART NN

30 Section 1. Notwithstanding any other provision of law, and provided
31 that the reserves in the project pool insurance-account of the mortgage
32 insurance fund created pursuant to section 2429-b of the public authori-
33 ties law are sufficient to attain and maintain the credit rating (as
34 determined by the agency) required to accomplish the purposes of such
35 account, the board of directors of the state of New York mortgage agen-
36 cy, shall, as soon as practicable but not later than July 1, 2008,
37 transfer a sum not to exceed one hundred million dollars from the
38 project pool insurance account of the mortgage insurance fund as
39 follows: a sum not to exceed fifty-four million dollars to the New York
40 state housing finance agency for its Mitchell Lama Rehabilitation and
41 Preservation Program and its All Affordable Program; a sum not to exceed
42 six million dollars to the Long Island Housing Partnership for its
43 Homeownership and Economic Stabilization for Long Island Program; a sum
44 not to exceed twenty-five million dollars to the New York state housing
45 trust fund corporation (the "corporation") for the provision of subprime
46 foreclosure prevention services as provided in section two of this act;
47 and a sum not to exceed fifteen million dollars to the corporation for
48 the greater Catskills flood remediation program as provided in section
49 three of this act.

50 S 2. Within the amounts transferred to the corporation pursuant to
51 section one of this act for subprime foreclosure prevention services,
52 the corporation shall, in consultation with the division of housing and
53 community renewal, the banking department and the office of court admin-
54 istration, develop and administer a subprime foreclosure prevention

1 services program which shall provide assistance related to foreclosure
2 prevention to homeowners who entered into subprime or unconventional
3 mortgages, including grants and aid to non-profit organizations to
4 provide counseling, mediation, legal representation, and negotiation on
5 behalf of borrowers facing default or foreclosure, training and support
6 for counselors, mediators, and lawyers regarding such assistance to
7 homeowners, and credit counseling. Such assistance shall only be offered
8 to borrowers who are natural persons who hold a subprime or unconven-
9 tional home loan that is secured by a mortgage or deed of trust on real
10 estate upon which there is located a structure or structures intended
11 principally for occupancy of from one to four families and which is
12 occupied by the borrower as the borrower's principal dwelling and is
13 located in this state. For purposes of this section, "subprime or uncon-
14 ventional mortgage" shall mean: for a first lien loan, one that has an
15 annual percentage rate of three or more percentage points above the
16 yield on treasury securities of comparable maturity measured as of the
17 fifteenth day of the month immediately preceding the month in which the
18 application for the loan is received by the lender; for a subordinate
19 lien loan, one that has an annual percentage rate of five or more
20 percentage points above the yield on treasury securities of comparable
21 maturity measured as of the fifteenth day of the month immediately
22 preceding the month in which the application for the loan is received by
23 the lender; or a mortgage that is a "nontraditional mortgage" as such
24 term is described in the "Interagency Guidance on Nontraditional Mort-
25 gage Product Risks" issued September 29, 2006, and published in 71
26 Federal Register, 58609, on October 4, 2006, as updated. The corporation
27 shall develop application procedures for non-profit agencies to use to
28 apply for funds to carry out the provisions of this section, criteria
29 for evaluating such applications, including criteria that would encour-
30 age collaborative applications by multiple non-profit agencies, and
31 criteria for use by the non-profits that receive assistance pursuant to
32 this section to rank applications for assistance from eligible homeown-
33 ers for the provisions of subprime foreclosure prevention services, and
34 which shall consider the need for assistance and opportunity to success-
35 fully restructure the applicable mortgage to allow the homeowner to
36 continue to occupy the home. The corporation, in consultation with the
37 division of housing and community renewal, the banking department, and
38 the office of court administration, shall submit a report to the gover-
39 nor, the speaker of the assembly, and the temporary president of the
40 senate on or before December 31, 2008, on the implementation of this
41 act. Such report shall include, but not be limited to, for each provider
42 receiving funds under this act, a description of such provider's
43 contract amount, the specific foreclosure prevention activities
44 performed by such provider, and the number of persons and households
45 served by each provider and the number of requests for assistance that
46 could not be granted. The report shall also include an analysis of mort-
47 gage defaults in the state, the causes of such defaults, the unmet needs
48 that exist in the state due to defaults on loans, foreclosures of homes,
49 rates of foreclosures, the need for direct assistance to homeowners, and
50 the ability of homeowners to successfully comply with mortgage terms or
51 negotiate changes in their mortgages in order to remain in their homes.
52 S 3. Within the amounts transferred to the corporation pursuant to
53 section one of this act for the greater Catskills flood remediation
54 program, the corporation shall provide funds to the counties of Broome,
55 Chenango, Delaware, Herkimer, Montgomery, Orange, Otsego, Schoharie,
56 Sullivan, Tioga and Ulster, upon application by a county and within the

1 amounts available for disbursement to 03/12/2008 such county, to enable the
coun-
2 ties to purchase one or two family homes that have been certified by the
3 local building inspector and county emergency management director, to
4 the satisfaction of the corporation, as having been subject to one or
5 more incidents of flooding since April 1, 2004 and as likely to be
6 subject to a future flood incident that would cause substantial damage
7 thereto. Any application by a county for disbursement of funds under
8 this act shall demonstrate, to the satisfaction of the corporation,
9 that: (1) the home is occupied as the primary residence of an owner with
10 a family income of up to one hundred fifty percent of the area median
11 income as defined by the United States department of housing and urban
12 development, provided, however, that an otherwise eligible home shall be
13 eligible for purchase under this act if the current owner can demon-
14 strate that the home was occupied as the owner's primary residence prior
15 to a flood event that rendered the home unsuitable for habitation; (2)
16 the current appraised value of the home does not exceed two hundred
17 fifty thousand dollars and the purchase price for the home will not
18 exceed the appraised value less the amount of any property casualty
19 insurance or disaster relief payments received by the owner as compen-
20 sation for damage incurred in a flood incident; (3) all recorded liens
21 or other encumbrances on the home will be released at closing; (4) the
22 county provides assurances that the home will be condemned and the prop-
23 erty will be dedicated and maintained in perpetuity for a use that is
24 compatible with open space, recreational, flood mitigation or wetlands
25 management practices; and (5) disbursements under this section shall be
26 limited to the costs of acquisition of eligible homes, including legal,
27 appraisal, recording and other transaction costs. In selecting homes for
28 purchase pursuant to this act, each county shall give preference to
29 homes with a current appraised value of less than one hundred fifty
30 thousand dollars and to homes that have been subject to two or more
31 incidents of flooding since April 1, 2004. The corporation shall estab-
32 lish policies and procedures consistent with this section, which shall
33 include county reporting requirements, and shall report to the governor,
34 the speaker of the assembly, the temporary president of the senate and
35 the director of the division of the budget on or before December 31,
36 2008 regarding the implementation of this section. Of the amounts trans-
37 ferred to the corporation pursuant to section one of this act, the
38 amounts disbursed to counties pursuant to this section shall not exceed
39 the following amounts: Broome, \$750,000; Chenango, \$750,000; Delaware,
40 \$2,000,000; Herkimer, \$750,000; Montgomery, \$750,000; Orange,
41 \$2,000,000; Otsego, \$750,000; Schoharie, \$750,000; Sullivan, \$3,750,000;
42 Tioga, \$750,000; and Ulster, \$2,000,000.
43 S 4. This act shall take effect immediately.

44

PART OO

45 Section 1. Subdivision 3 and paragraphs (a) and (a-1) of subdivision 4
46 of section 2807-k of the public health law, as amended by section 56 of
47 part A of chapter 58 of the laws of 2007, are amended to read as
48 follows:
49 3. {(a)} Each major public general hospital shall be allocated for
50 distribution from the pools established pursuant to this section for
51 each year through December thirty-first, two thousand {seven} TEN, an
52 amount equal to the amount allocated to such major public general hospi-
53 tal from the regional pool established pursuant to subdivision seventeen
54 of section twenty-eight hundred seven-c of this article for the period

1 January first, nineteen hundred ninety-six through December thirty-first, nineteen hundred ninety-six, PROVIDED, HOWEVER, THAT PAYMENTS ON
2 AND AFTER JANUARY FIRST, TWO THOUSAND NINE SHALL BE SUBJECT TO THE
3 PROVISIONS OF SUBDIVISION FIVE-A OF THIS SECTION.

4 {(b) For the period January first, two thousand eight through March
5 thirty-first, two thousand eight each major public general hospital
6 shall be allocated for distribution from the pools established pursuant
7 to this section for such period, an amount equal to one-quarter the
8 amount calculated pursuant to paragraph (a) of this subdivision.}

9 (a) From funds in the pool for each year, thirty-six million dollars
10 shall be reserved on an annual basis through December thirty-first, two
11 thousand {seven and nine million dollars shall be reserved for the peri-
12 od January first, two thousand eight through March thirty-first, two
13 thousand eight} TEN, for distribution as high need adjustments in
14 accordance with subdivision six of this section, PROVIDED, HOWEVER, THAT
15 PAYMENTS ON AND AFTER JANUARY FIRST, TWO THOUSAND NINE SHALL BE SUBJECT
16 TO THE PROVISIONS OF SUBDIVISION FIVE-A OF THIS SECTION.

17 (a-1) From funds in the pool for each year, twenty-seven million
18 dollars shall be reserved on an annual basis for the periods January
19 first, two thousand through December thirty-first, two thousand {seven
20 and six million seven hundred fifty thousand dollars shall be reserved
21 for the period January first, two thousand eight through March thirty-
22 first, two thousand eight} TEN, for distribution in accordance with
23 subdivision sixteen of this section, PROVIDED, HOWEVER, THAT PAYMENTS ON
24 AND AFTER JANUARY FIRST, TWO THOUSAND NINE SHALL BE SUBJECT TO THE
25 PROVISIONS OF SUBDIVISION FIVE-A OF THIS SECTION.

26 S 2. The opening paragraph, paragraphs (a) and (c) of subdivision 1
27 and subdivision 2 of section 2807-w of the public health law, the open-
28 ing paragraph, paragraph (a) of subdivision 1 and subdivision 2 as
29 amended by section 58 of part A of chapter 58 of the laws of 2007, and
30 paragraph (c) of subdivision 1 as amended by section 9 of part A3 of
31 chapter 62 of the laws of 2003, are amended to read as follows:

32 Funds allocated pursuant to paragraph (p) of subdivision one of
33 section twenty-eight hundred seven-v of this article, shall be deposited
34 as authorized and used for the purpose of making medicaid dispropor-
35 tionate share payments of up to eighty-two million dollars on an annual-
36 ized basis pursuant to subdivision twenty-one of section twenty-eight
37 hundred seven-c of this article, for the period January first, two thou-
38 sand through March thirty-first, two thousand {eight} TEN, in accordance
39 with the following:

40 (a) Each eligible rural hospital shall receive one hundred forty thou-
41 sand dollars on an annualized basis for the periods January first, two
42 thousand through December thirty-first, two thousand {seven and thirty-
43 five thousand dollars for the period January first, two thousand eight
44 through March thirty-first, two thousand eight} TEN, provided as a
45 disproportionate share payment; provided, however, that if such payment
46 pursuant to this paragraph exceeds a hospital's applicable dispropor-
47 tionate share limit, then the total amount in excess of such limit shall
48 be provided as a nondisproportionate share payment in the form of a
49 grant directly from this pool without allocation to the special revenue
50 funds - other, indigent care fund - 068, or any successor fund or
51 account, AND PROVIDED FURTHER THAT PAYMENTS FOR PERIODS ON AND AFTER
52 JANUARY FIRST, TWO THOUSAND NINE SHALL BE SUBJECT TO THE PROVISIONS OF
53 SUBDIVISION FIVE-A OF SECTION TWENTY-EIGHT HUNDRED SEVEN-K OF THIS ARTI-
54 CLE;

1 (c) "Eligible rural hospital", as used in this section, shall mean a
2 general hospital that as of December thirty-first, nineteen hundred
3 ninety-nine or thereafter, was classified as a rural hospital for
4 purposes of determining payment for inpatient services provided to bene-
5 ficiaries of title XVIII of the federal social security act (medicare)
6 or under state regulations, or a general hospital, which during the same
7 time period, had a service area which has an average population of less
8 than one hundred seventy-five persons per square mile, or a general
9 hospital which has a service area which has an average population of
10 less than two hundred persons per square mile measured as population
11 density by zip code. The average population of the service area is
12 calculated by multiplying annual patient discharges by the population
13 density per square mile of the county of origin or zip code as applica-
14 ble for each patient discharge and dividing by total discharges. Annual
15 patient discharges shall be determined using discharge data for the
16 nineteen hundred ninety-seven rate year, as reported to the commissioner
17 by October first, nineteen hundred ninety-eight. Population density
18 shall be determined utilizing United States census bureau data for nine-
19 teen hundred ninety-seven. If an eligible rural hospital merges with
20 another general hospital, on or after December thirty-first, nineteen
21 hundred ninety-nine, and the merger results in separate facilities oper-
22 ating under a single facility operating certificate, such eligible rural
23 hospital shall continue to be a separate eligible rural hospital for
24 purposes of this subdivision {until June thirtieth, two thousand three,}
25 and payments provided in accordance with this section shall be made to
26 the merged entity; provided, however, that payments shall only be made
27 to the merged entity if such separate eligible rural hospital continues
28 to provide inpatient and/or outpatient hospital services at the same
29 location at which it operated prior to the merger. If an eligible rural
30 hospital merges with another general hospital on or after December thir-
31 ty-first, nineteen hundred ninety-nine, and the merger results in such
32 rural hospital continuing to operate under a separate facility operating
33 certificate, such rural hospital will continue to be an eligible rural
34 hospital after the merger; provided, however, that payments shall only
35 be made to such rural hospital if such eligible rural hospital continues
36 to provide inpatient and/or outpatient hospital services at the same
37 location at which it is operated prior to the merger.

38 2. From the funds in the pool each year, thirty-six million dollars on
39 an annualized basis for the periods January first, two thousand through
40 December thirty-first, two thousand {seven and nine million dollars for
41 the period January first, two thousand eight through March thirty-first,
42 two thousand eight} TEN, of the funds not distributed in accordance with
43 subdivision one of this section, shall be distributed in accordance with
44 the formula set forth in subdivision six of section twenty-eight hundred
45 seven-k of this article, PROVIDED, HOWEVER, THAT PAYMENTS FOR PERIODS ON
46 AND AFTER JANUARY FIRST, TWO THOUSAND NINE SHALL BE SUBJECT TO THE
47 PROVISIONS OF SUBDIVISION FIVE-A OF SECTION TWENTY-EIGHT HUNDRED SEVEN-K
48 OF THIS ARTICLE.

49 S 3. Clause (B) of subparagraph (ii) of paragraph (d) of subdivision 2
50 of section 2511 of the public health law, as amended by section 33 of
51 part B of a chapter of the laws of 2008 amending provisions of law
52 implementing the health and mental hygiene budget for the 2008-2009
53 state fiscal year, as proposed in legislative bill numbers S.6808-C and
54 A.9808-C, is amended to read as follows:

55 (B) The implementation of clauses (A), (B), (C), (D), (E), (F), (G)
56 and (I) of subparagraph (i) of this paragraph for a child residing in a

1 household having a gross household income between two hundred fifty-one
2 and four hundred percent of the non-farm federal poverty level (as
3 defined and updated by the United States department of health and human
4 services) shall take effect September first, two thousand eight; provided however, the entirety of subparagraph (i) of this paragraph
5 shall take effect and be applied to such children on the date federal
6 financial participation becomes available for such population in accordance with the state's Title XXI child health plan. The commissioner
7 shall monitor the number of children who are subject to the waiting
8 period established pursuant to this clause.

9 S 4. Subparagraph (i) of paragraph (f) of subdivision 2 of section
10 2511 of the public health law, as amended by section 45 of part C of a
11 chapter of the laws of 2008 amending provisions of law implementing the
12 health and mental hygiene budget for the 2008-2009 state fiscal year, as
13 proposed in legislative bill numbers S.6808-C and A.9808-C, is amended
14 to read as follows:

15 (i) In order to establish income eligibility under this subdivision at
16 initial application, a household shall provide such documentation specified in subparagraph (iii) of this paragraph, as necessary and sufficient to determine a child's financial eligibility for a subsidy payment under this title. The commissioner may verify the accuracy of such income information provided by the household by matching it against income information contained in databases to which the commissioner has access, including the state's wage reporting system pursuant to subdivision five of section one hundred seventy-one-a of the tax law AND by means of an income verification performed by the department of taxation and finance pursuant to subdivision four of section one hundred seventy-one-b of the tax law.

17 S 5. Subparagraph (ii) of paragraph (f) of subdivision 2 of section
18 2511 of the public health law, as amended by section 45-a of part C of a
19 chapter of the laws of 2008 amending provisions of law implementing the
20 health and mental hygiene budget for the 2008-2009 state fiscal year, as
21 proposed in legislative bill numbers S.6808-C and A.9808-C, is amended
22 to read as follows:

23 (ii) In order to establish income eligibility under this subdivision at recertification, a household shall attest to all information regarding the household's income that is necessary and sufficient to determine a child's financial eligibility for a subsidy payment under this title and shall provide the social security numbers for each parent and legally responsible adult who is a member of the household and whose income is available to the child, subject to subparagraph (v) of this paragraph. The commissioner may verify the accuracy of such income information provided by the household by matching it against income information contained in databases to which the commissioner has access, including the state's wage reporting system AND by means of an income verification performed by the department of taxation and finance pursuant to subdivision four of section one hundred seventy-one-b of the tax law. In the event that there is an inconsistency between the income information attested to by the household and any information obtained by the commissioner from other sources pursuant to this subparagraph, and such inconsistency is material to the household's eligibility for a subsidy payment under this title, the commissioner shall require the approved organization to obtain income documentation from the household as specified in subparagraph (iii) of this paragraph.

24 S 6. Paragraph (a-2) of subdivision 1 of section 2807-c of the public
25 health law, as amended by section 13 of part C of a chapter of the laws

1 of 2008 amending provisions of law implementing the health and mental
2 hygiene budget for the 2008-2009 state fiscal year, as proposed in
3 legislative bill numbers S.6808-C and A.9808-C, is amended to read as
4 follows:

5 (a-2) (i) With the exception of those enrollees covered under a
6 payment rate methodology agreement negotiated with a general hospital,
7 payments for inpatient hospital services provided to patients eligible
8 for medical assistance pursuant to title eleven of article five of the
9 social services law made by organizations operating in accordance with
10 the provisions of article forty-four of this chapter or by health main-
11 tenance organizations organized and operating in accordance with article
12 forty-three of the insurance law shall be the rates of payment that
13 would be paid for such patients under the medical assistance program,
14 (i) determined pursuant to this section, excluding adjustments pursuant
15 to subdivision fourteen-f of this section {and subdivision thirty-three
16 of this section}, and (ii) excluding medical education costs that are
17 reimbursed directly to the general hospital in accordance with paragraph
18 (a-3) of this subdivision{, provided, however, that the exclusion or
19 adjustments made pursuant to subdivision thirty-three of this section
20 shall in no event apply to contract periods on and after January first,
21 two thousand ten}.

22 (ii) Effective July first, two thousand seven, with the exception of
23 those enrollees covered under a payment rate methodology agreement nego-
24 tiated with a general hospital, payment for inpatient hospital services
25 provided to patients enrolled in the child health insurance program
26 pursuant to title one-A of article twenty-five of this chapter made by
27 organizations operating in accordance with the provisions of article
28 forty-four of this chapter or by health maintenance organizations organ-
29 ized and operating in accordance with article forty-three of the insur-
30 ance law shall be the rates of payment that would be paid under the
31 medical assistance program determined pursuant to this section, exclud-
32 ing adjustments pursuant to subdivision fourteen-f of this section {and
33 subdivision thirty-three of this section, provided, however, that the
34 exclusion or adjustments made pursuant to subdivision thirty-three of
35 this section shall in no event apply to contract periods on and after
36 January first, two thousand ten}.

37 S 7. Subparagraph (i) of paragraph (b-1) of subdivision 1 of section
38 2807-c of the public health law, as amended by section 14 of part C of a
39 chapter of the laws of 2008 amending provisions of law implementing the
40 health and mental hygiene budget for the 2008-2009 state fiscal year, as
41 proposed in legislative bill numbers S.6808-C and A.9808-C, is amended
42 to read as follows:

43 (i) For patients discharged on and after January first, nineteen
44 hundred ninety-seven and prior to January first, two thousand and on and
45 after January first, two thousand, payments to general hospitals for
46 reimbursement of inpatient hospital services provided to patients eligi-
47 ble for payments pursuant to the workers' compensation law, the volun-
48 teer firefighters' benefit law, the volunteer ambulance workers' benefit
49 law, and the comprehensive motor vehicle insurance reparations act shall
50 be at the rates of payment determined pursuant to this section for state
51 governmental agencies, excluding adjustments pursuant to subdivision
52 fourteen-f of this section and subdivision thirty-three of this
53 section{, provided, however, that the exclusion or adjustments made
54 pursuant to subdivision thirty-three of this section shall in no event
55 apply to contract periods on and after January first, two thousand ten}.

1 S 8. Subdivision 10-a of section 364-j of the social services law, as
2 added by section 14-a of part C of a chapter of the laws of 2008 amend-
3 ing provisions of law implementing the health and mental hygiene budget
4 for the 2008-2009 state fiscal year, as proposed in legislative bill
5 numbers S.6808-C and A.9808-C, is amended to read as follows:

6 10-a. For managed care providers with negotiated rates of payment for
7 inpatient hospital services under contracts in effect on April first,
8 two thousand eight, that have a payment rate methodology for such inpa-
9 tient hospital services that utilizes rates calculated by the department
10 of health pursuant to paragraph (a) OR (A-2) of subdivision one of
11 section twenty-eight hundred seven-c for patients under the medical
12 assistance program, such rate shall not include adjustments pursuant to
13 subdivision thirty-three of section twenty-eight hundred seven-c of the
14 public health law for contract periods prior to January first, two thou-
15 sand ten. {For the purposes of this section, the term of the contractual
16 agreement shall include any extension of that agreement pursuant to a
17 provision of the agreement in effect on April first, two thousand
18 eight.}

19 S 9. Subdivision 20 of section 2511 of the public health law, as added
20 by section 14-b of part C of a chapter of the laws of 2008 amending
21 provisions of law implementing the health and mental hygiene budget for
22 the 2008-2009 state fiscal year, as proposed in legislative bill numbers
23 S.6808-C and A.9808-C, is amended to read as follows:

24 20. For approved organizations with negotiated rates of payment for
25 inpatient hospital services under contracts in effect on April first,
26 two thousand eight, that have a payment rate methodology for such inpa-
27 tient hospital services that utilizes rates calculated by the department
28 of health pursuant to paragraph (a) OR (A-2) of subdivision one of
29 section twenty-eight hundred seven-c OF THE PUBLIC HEALTH LAW for
30 patients under the medical assistance program, such rate shall not
31 include adjustments pursuant to subdivision thirty-three of section
32 twenty-eight hundred seven-c of this chapter for contract periods prior
33 to January first, two thousand ten. {For the purposes of this section,
34 the term of the contractual agreement shall include any extension of
35 that agreement pursuant to a provision of the agreement in effect on
36 April first, two thousand eight.}

37 S 10. Paragraph (j) of subdivision 3 of section 369-ee of the social
38 services law, as added by section 14-c of part C of a chapter of the
39 laws of 2008 amending provisions of law implementing the health and
40 mental hygiene budget for the 2008-2009 state fiscal year, as proposed
41 in legislative bill numbers S.6808-C and A.9808-C, is amended to read as
42 follows:

43 (j) Family health insurance plans with negotiated rates of payment for
44 inpatient hospital services under contracts in effect on April first,
45 two thousand eight, that have a payment rate methodology for such inpa-
46 tient hospital services that utilizes rates calculated by the department
47 of health pursuant to paragraph (a) OR (A-2) of subdivision one of
48 section twenty-eight hundred seven-c OF THE PUBLIC HEALTH LAW for
49 patients under the medical assistance program, such rate shall not
50 include adjustments pursuant to subdivision thirty-three of section
51 twenty-eight hundred seven-c of the public health law for contract peri-
52 ods prior to January first, two thousand ten{. For the purposes of this
53 section, the term of the contractual agreement shall include any exten-
54 sion of that agreement pursuant to a provision of the agreement in
55 effect on April first, two thousand eight}.

1 S 11. Paragraph (e) of subdivision 3 of section 2807-m of the public
2 health law, as amended by section 17 of part B of a chapter of the laws
3 of 2008 amending provisions of law implementing the health and mental
4 hygiene budget for the 2008-2009 state fiscal year, as proposed in
5 legislative bill numbers S.6808-C and A.9808-C, is amended to read as
6 follows:

7 (e) Effective April first, two thousand four, the distribution amount
8 calculated pursuant to paragraphs (c) and (d) of this subdivision for
9 each non-public teaching general hospital shall be reduced by the amount
10 calculated and included in rates pursuant to paragraph (d) of subdivi-
11 sion twenty-five of section twenty-eight hundred seven-c of this arti-
12 cle. {The aggregate amount of reductions in distributions to teaching
13 general hospitals calculated pursuant to this paragraph for the period
14 January first, two thousand seven through December thirty-first, two
15 thousand seven shall remain in effect for periods on and after July
16 first, two thousand eight for purposes of subparagraph (xi) of paragraph
17 (a) of subdivision seven of section twenty-eight hundred seven-s of this
18 article notwithstanding the inapplicability of rate adjustments set
19 forth in paragraph (d) of subdivision twenty-five of section twenty-
20 eight hundred seven-c of this article for periods on and after July
21 first, two thousand eight.}

22 S 12. Subdivision 5 of section 2808 of the public health law, as
23 amended by section 72 of part C of a chapter of the laws of 2008 amend-
24 ing provisions of law implementing the health and mental hygiene budget
25 for the 2008-2009 state fiscal year, as proposed in legislative bill
26 numbers S.6808-C and A.9808-C, is amended to read as follows:

27 5. (A) Any operator withdrawing equity or assets from a hospital oper-
28 ated for profit so as to create or increase a negative net worth or when
29 the hospital is in a negative net worth position, calculated without
30 regard to any surplus created by revaluation of assets, must obtain the
31 prior approval of the commissioner in accordance with regulations
32 promulgated by the commissioner with the approval of the state hospital
33 review and planning council{, provided, however, that on and after April
34 first, two thousand eight, no residential health care facility may with-
35 draw equity or transfer assets which in the aggregate exceed three
36 percent of such facility's total Medicaid revenue in any calendar year,
37 without prior written notification to the commissioner. Notification
38 shall be made in a form acceptable to the department by certified or
39 registered mail}. The commissioner shall make a determination to approve
40 or disapprove a request for withdrawal {or transfer} of equity or assets
41 under this subdivision within sixty days of the date of the receipt of
42 such a request. Requests shall be made in a form acceptable to the
43 department by certified or registered mail. In addition to any other
44 remedy or penalty available under this chapter, and after opportunity
45 for a hearing, the commissioner may require replacement of the withdrawn
46 equity or assets and may impose a penalty for violation of the
47 provisions of this subdivision, relating to withdrawing equity or
48 assets, or the regulations promulgated thereunder, in an amount not to
49 exceed ten percent of any amount withdrawn without prior approval. No
50 facility shall enter into a real property mortgage or lease transaction
51 without thirty days prior notice in writing to the commissioner.

52 (B) ON AND AFTER APRIL FIRST, TWO THOUSAND EIGHT, NO RESIDENTIAL
53 HEALTH CARE FACILITY MAY WITHDRAW EQUITY OR TRANSFER ASSETS WHICH IN THE
54 AGGREGATE EXCEED THREE PERCENT OF SUCH FACILITY'S TOTAL MEDICAID REVENUE
55 IN ANY CALENDAR YEAR, WITHOUT PRIOR WRITTEN NOTIFICATION TO THE COMMIS-

1 SIONER. NOTIFICATION SHALL BE MADE IN A FORM ACCEPTABLE TO THE DEPARTMENT
2 BY CERTIFIED OR REGISTERED MAIL.

3 S 13. Subparagraph (iv) of paragraph (a) of subdivision 2-b of section
4 2808 of the public health law, as added by section 47 of part C of chapter
5 109 of the laws of 2006, is amended to read as follows:

6 (iv) {Rates for two thousand seven and two thousand eight} THE CAPITAL
7 COST COMPONENT OF RATES PURSUANT TO THIS PARAGRAPH shall fully reflect
8 the cost of local property taxes and payments made in lieu of local
9 property taxes, as reported in each facility's cost report submitted for
10 the year two years prior to the rate year.

11 S 14. Subparagraph (iv) of paragraph (b) of subdivision 2-b of section
12 2808 of the public health law, as added by section 47 of chapter 109 of
13 the laws of 2006, is amended to read as follows:

14 (iv) The {operating} CAPITAL COST component of rates on and after
15 January first, two thousand nine shall fully reflect the cost of local
16 property taxes and payments made in lieu of local property taxes, as
17 reported in each facility's cost report submitted for the year two years
18 prior to the rate year.

19 S 15. The opening paragraph of paragraph (d) of subdivision 5-a of
20 section 2807-m of the public health law, as added by section 75-c of
21 part C of a chapter of the laws of 2008 amending provisions of law
22 implementing the health and mental hygiene budget for the 2008-2009
23 state fiscal year, as proposed in legislative bill numbers S.6808-C and
24 A.9808-C, is amended to read as follows:

25 Two million dollars for the period January first, two thousand eight
26 through December thirty-first, two thousand eight, two million dollars
27 for the period January first, two thousand nine through December thirty-
28 first, two thousand nine, two million dollars for the period January
29 first, two thousand ten through December thirty-first, two thousand ten,
30 and five hundred thousand dollars for the period January first, two
31 thousand eleven through March thirty-first, two thousand eleven, shall
32 be set aside and reserved by the commissioner from the regional pools
33 established pursuant to subdivision two of this section and shall be
34 available for purposes of physician loan repayment in accordance with
35 subdivision {eleven} TEN of this section. Such funding shall be allo-
36 cated regionally with one-third of available funds going to New York
37 city and two-thirds of available funds going to the rest of the state
38 and shall be distributed in a manner to be determined by the commission-
39 er as follows:

40 S 16. The public health law is amended by adding a new article 27-L to
41 read as follows:

42 ARTICLE 27-L

43 MEDICAL HOME DEMONSTRATION PROGRAMS

44 SECTION 2799-S. MEDICAL HOME DEMONSTRATION PROGRAMS.

45 S 2799-S. MEDICAL HOME DEMONSTRATION PROGRAMS. 1. THE COMMISSIONER, IN
46 CONSULTATION WITH THE NEW YORK STATE CHAPTER OF THE AMERICAN COLLEGE OF
47 PHYSICIANS AND PRIMARY CARE PHYSICIANS, SHALL ESTABLISH TWO MEDICAL HOME
48 DEMONSTRATION PROGRAMS, ONE TO BE LOCATED IN THE COUNTY OF NASSAU AND
49 THE SECOND TO BE LOCATED IN THE COUNTY OF ONONDAGA, THE PURPOSE OF WHICH
50 IS TO EVALUATE THE EFFECTIVENESS OF THE MEDICAL HOME CONCEPT IN PROMOT-
51 ING HEALTH THROUGH BOTH TREATMENT OF PATIENTS WITH CHRONIC MEDICAL
52 CONDITIONS AND PROVIDING PREVENTATIVE CARE AND IMPROVING HEALTH CARE
53 DELIVERY. A "MEDICAL HOME DEMONSTRATION PROGRAM", FOR PURPOSES OF THIS
54 ARTICLE, IS DEFINED AS A PROGRAM THAT INCORPORATES THE DELIVERY OF
55 HEALTH CARE IN A VARIETY OF SETTINGS BASED UPON THE NEEDS OF THE
56 PATIENT AND THE SKILLS OF A PROVIDER, AND IS DESIGNED TO FURNISH

1 CONTINUOUS, COMPREHENSIVE MEDICAL CARE. IT IS FACILITATED THROUGH AN
2 ONGOING, PERSONAL RELATIONSHIP BETWEEN A PATIENT AND HIS OR HER PRIMARY
3 CARE PROVIDER.

4 2. IN APPROVING SUCH MEDICAL HOME DEMONSTRATION PROGRAMS, THE COMMISSIONER
5 SHALL CONSIDER THE FOLLOWING CHARACTERISTICS, INCLUDING BUT NOT
6 LIMITED TO, THE EXTENT TO WHICH THE PROGRAM:

7 (A) USES HEALTH INFORMATION TECHNOLOGY AND OTHER INNOVATIONS TO
8 SUPPORT THE MANAGEMENT AND COORDINATION OF CARE PROVIDED TO PATIENTS;

9 (B) HAS ESTABLISHED, WHERE PRACTICAL, EFFECTIVE REFERRAL RELATIONSHIPS
10 BETWEEN THE PRIMARY CARE PROVIDER AND THE MAJOR MEDICAL SPECIALTIES AND
11 ANCILLARY SERVICES IN THE REGION;

12 (C) APPLIES STANDARDS FOR ACCESS TO CARE AND COMMUNICATION WITH DEMON-
13 STRATION PARTICIPANTS FOR WHOM IT PROVIDES CARE;

14 (D) HAS THE ABILITY TO COLLECT AND MAINTAIN READILY ACCESSIBLE, CLIN-
15 ICALLY USEFUL INFORMATION ON DEMONSTRATION PARTICIPANTS THAT WILL
16 ENABLE THE PROGRAM TO COMPREHENSIVELY AND SYSTEMATICALLY TREAT SUCH
17 PARTICIPANTS;

18 (E) CAN IMPLEMENT EVIDENCE-BASED GUIDELINES AND APPLY SUCH GUIDELINES
19 TO THE IDENTIFIED NEEDS OF INDIVIDUAL PARTICIPANTS AND THE PROGRAMS`
20 PATIENT POPULATION OVER TIME;

21 (F) ASSISTS IN THE EARLY IDENTIFICATION OF HEALTH CARE NEEDS; AND

22 (G) PROVIDES ONGOING PRIMARY CARE INCLUDING CARE FOR ACUTE, CHRONIC
23 AND PREVENTATIVE NEEDS.

24 4. THE COMMISSIONER IS AUTHORIZED AND DIRECTED TO PROMULGATE SUCH
25 RULES AND REGULATIONS AS ARE NECESSARY TO IMPLEMENT THE PROVISIONS OF
26 THIS ARTICLE.

27 5. THE DEPARTMENT SHALL EVALUATE THE PROGRAMS` EFFECTIVENESS IN
28 PROMOTING HEALTH THROUGH IMPROVING HEALTH CARE DELIVERY, AND PROMOTING
29 PARTICIPANTS` AND PHYSICIANS` SATISFACTION WITH THE MEDICAL HOME MODEL,
30 AND SHALL ISSUE A REPORT OF ITS FINDINGS AND RECOMMENDATIONS TO THE
31 GOVERNOR AND LEGISLATURE ON OR BEFORE APRIL THIRTIETH, TWO THOUSAND
32 TWELVE.

33 S 17. Section 2799-p of the public health law is REPEALED.

34 S 18. Subdivision (h) of section 1 of part C of chapter 58 of the laws
35 of 2005, authorizing reimbursements for expenditures made by or on
36 behalf of social services districts for medical assistance for needy
37 persons and the administration thereof, as amended by section 44-b of
38 part C of a chapter of the laws of 2008 amending provisions of law
39 implementing the health and mental hygiene budget for the 2008-2009
40 state fiscal year, as proposed in legislative bill numbers S. 6808-C and
41 A. 9808-C, is REPEALED.

42 S 19. Subdivision 2-a of section 2807 of the public health law, as
43 added by section 18 of part C of a chapter of the laws of 2008 amending
44 provisions of law implementing the health and mental hygiene budget for
45 the 2008-2009 state fiscal year, as proposed in legislative bill numbers
46 S.6808-C and A.9808-C, is amended by adding a new paragraph (i) to read
47 as follows:

48 (I) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, RATES OF
49 PAYMENT BY GOVERNMENTAL AGENCIES FOR GENERAL HOSPITAL OUTPATIENT
50 SERVICES, GENERAL HOSPITAL EMERGENCY SERVICES AND AMBULATORY SURGICAL
51 SERVICES PROVIDED BY A GENERAL HOSPITAL ESTABLISHED PURSUANT TO PARA-
52 GRAPHS (A), (C) AND (D) OF THIS SUBDIVISION SHALL RESULT IN AN AGGREGATE
53 INCREASE IN SUCH RATES OF PAYMENT OF FIFTY-SIX MILLION DOLLARS FOR THE
54 PERIOD DECEMBER FIRST, TWO THOUSAND EIGHT THROUGH MARCH THIRTY-FIRST,
55 TWO THOUSAND NINE AND ONE HUNDRED SEVENTY-EIGHT MILLION DOLLARS FOR
56 PERIODS AFTER APRIL FIRST, TWO THOUSAND NINE.

1 S 20. Section 32 of part A of a chapter of the laws of 2008 amending
2 provisions of law implementing the health and mental hygiene budget for
3 the 2008-2009 state fiscal year, as proposed in legislative bill numbers
4 S.6808-C and A.9808-C, is amended to read as follows:

5 S 32. This act shall take effect immediately and shall be deemed to
6 have been in full force and effect on and after April 1, 2008; provided
7 however, that sections one, six-a, nineteen, twenty, twenty-four, and
8 twenty-five of this act shall take effect July 1, 2008; provided however
9 that sections sixteen, SEVENTEEN and eighteen of this act shall expire
10 April 1, 2011; provided, however, that the amendments made by section
11 twenty-eight of this act shall take effect on the same date as section 1
12 of chapter 281 of the laws of 2007 takes effect; provided further, that
13 sections twenty-nine, thirty, and thirty-one of this act shall take
14 effect October 1, 2008; provided further, that section twenty-seven of
15 this act shall take effect January 1, 2009; and provided further, that
16 section twenty-seven of this act shall expire and be deemed repealed
17 March 31, 2011; and provided, further, however, that the amendments to
18 subdivision 1 of section 241 of the education law made by section twenty-
19 nine of this act shall not affect the expiration of such subdivision
20 and shall be deemed to expire therewith and provided that the amendments
21 to section 272 of the public health law made by section thirty of this
22 act shall not affect the repeal of such section and shall be deemed
23 repealed therewith.

24 S 21. This act shall take effect immediately and shall be deemed to
25 have been in full force and effect on April 1, 2008; provided, however,
26 that:

27 a. section three of this act shall take effect on the same date and in
28 the same manner as section 33 of part B of a chapter of the laws of
29 2008, amending provisions of law implementing the health and mental
30 hygiene budget for the 2008-2009 state fiscal year, as proposed in
31 legislative bill numbers S.6808-C and A.9808-C, takes effect;

32 b. section four of this act shall take effect on the same date and in
33 the same manner as section 45 of part C of a chapter of the laws of
34 2008, amending provisions of law implementing the health and mental
35 hygiene budget for the 2008-2009 state fiscal year, as proposed in
36 legislative bill numbers S.6808-C and A.9808-C, takes effect;

37 c. section five of this act shall take effect on the same date and in
38 the same manner as section 45-a of part C of a chapter of the laws of
39 2008, amending provisions of law implementing the health and mental
40 hygiene budget for the 2008-2009 state fiscal year, as proposed in
41 legislative bill numbers S.6808-C and A.9808-C, takes effect;

42 d. section six of this act shall take effect on the same date and in
43 the same manner as section 13 of part C of a chapter of the laws of
44 2008, amending provisions of law implementing the health and mental
45 hygiene budget for the 2008-2009 state fiscal year, as proposed in
46 legislative bill numbers S.6808-C and A.9808-C, takes effect;

47 e. section seven of this act shall take effect on the same date and in
48 the same manner as section 14 of part C of a chapter of the laws of
49 2008, amending provisions of law implementing the health and mental
50 hygiene budget for the 2008-2009 state fiscal year, as proposed in
51 legislative bill numbers S.6808-C and A.9808-C, takes effect;

52 f. section eight of this act shall take effect on the same date and in
53 the same manner as section 14-a of part C of a chapter of the laws of
54 2008, amending provisions of law implementing the health and mental
55 hygiene budget for the 2008-2009 state fiscal year, as proposed in
56 legislative bill numbers S.6808-C and A.9808-C, takes effect;

1 g. section nine of this act shall take effect on the same date and in
2 the same manner as section 14-b of part C of a chapter of the laws of
3 2008, amending provisions of law implementing the health and mental
4 hygiene budget for the 2008-2009 state fiscal year, as proposed in
5 legislative bill numbers S.6808-C and A.9808-C, takes effect;

6 h. section ten of this act shall take effect on the same date and in
7 the same manner as section 14-c of part C of a chapter of the laws of
8 2008, amending provisions of law implementing the health and mental
9 hygiene budget for the 2008-2009 state fiscal year, as proposed in
10 legislative bill numbers S.6808-C and A.9808-C, takes effect;

11 i. section eleven of this act shall take effect on the same date and
12 in the same manner as section 17 of part B of a chapter of the laws of
13 2008, amending provisions of law implementing the health and mental
14 hygiene budget for the 2008-2009 state fiscal year, as proposed in
15 legislative bill numbers S.6808-C and A.9808-C, takes effect;

16 j. section twelve of this act shall take effect on the same date and
17 in the same manner as section 72 of part C of a chapter of the laws of
18 2008, amending provisions of law implementing the health and mental
19 hygiene budget for the 2008-2009 state fiscal year, as proposed in
20 legislative bill numbers S.6808-C and A.9808-C, takes effect;

21 k. section fifteen of this act shall take effect on the same date and
22 in the same manner as section 75-c of part C of a chapter of the laws of
23 2008, amending provisions of law implementing the health and mental
24 hygiene budget for the 2008-2009 state fiscal year, as proposed in
25 legislative bill numbers S.6808-C and A.9808-C, takes effect;

26 l. section eighteen of this act shall take effect on the same date and
27 in the same manner as section 44-b of part C of a chapter of the laws of
28 2008, amending provisions of law implementing the health and mental
29 hygiene budget for the 2008-2009 state fiscal year, as proposed in
30 legislative bill numbers S.6808-C and A.9808-C, takes effect;

31 m. section nineteen of this act shall take effect on the same date and
32 in the same manner as section 18 of part C of a chapter of the laws of
33 2008, amending provisions of law implementing the health and mental
34 hygiene budget for the 2008-2009 state fiscal year, as proposed in
35 legislative bill numbers S.6808-C and A.9808-C, takes effect;

36 n. section twenty of this act shall take effect on the same date and
37 in the same manner as section 32 of part A of a chapter of the laws of
38 2008, amending provisions of law implementing the health and mental
39 hygiene budget for the 2008-2009 state fiscal year, as proposed in
40 legislative bill numbers S.6808-C and A.9808-C, takes effect;

41 o. section sixteen of this act shall take effect January 1, 2009 and
42 shall expire and be deemed repealed 3 years after such effective date;
43 and

44 p. section seventeen of this act shall take effect March 31, 2009.

45

PART PP

46 Section 1. Section 1 of chapter 174 of the laws of 1968, constituting
47 the New York state urban development corporation act, is amended by
48 adding a new section 16-p to read as follows:

49 S 16-P. THE INVESTMENT OPPORTUNITY FUND. 1. DEFINITIONS. FOR THE
50 PURPOSES OF THIS SECTION, THE FOLLOWING TERMS, WHENEVER USED OR REFERRED
51 TO IN THIS SECTION, SHALL APPLY, BUT NOT BE LIMITED TO, THE FOLLOWING
52 MEANINGS:

53 (A) "COST" AS APPLIED TO A PROJECT OR PORTION THEREOF FINANCED UNDER
54 THIS SECTION, MEANS ALL OR ANY PART OF THE COST OF CONSTRUCTION, REMEDI-

1 ATION, RENOVATION, AND ACQUISITION OF ALL LANDS, STRUCTURES, REAL OR
2 PERSONAL PROPERTY, RIGHTS, AIR RIGHTS, RIGHTS-OF-WAY, EASEMENTS, AND
3 INTERESTS ACQUIRED OR USED FOR A PROJECT; THE COST OF DEMOLISHING OR
4 REMOVING ANY BUILDINGS OR STRUCTURES ON LAND SO ACQUIRED, INCLUDING THE
5 COST OF ACQUIRING ANY LANDS TO WHICH THE BUILDINGS OR STRUCTURES MAY BE
6 MOVED, THE COST OF MACHINERY AND EQUIPMENT, INTEREST PRIOR TO, DURING,
7 AND FOR A PERIOD AFTER, COMPLETION OF CONSTRUCTION, REMEDIATION, RENO-
8 VATION, OR ACQUISITION, AS DETERMINED BY THE CORPORATION; FOR EXTEN-
9 SIONS, ENLARGEMENTS, ADDITIONS, REPLACEMENTS, RENOVATIONS, AND IMPROVE-
10 MENTS; THE COST OF ARCHITECTURAL, ENGINEERING, PLANS, SPECIFICATIONS,
11 ESTIMATES, AND OTHER EXPENSES NECESSARY OR INCIDENTAL TO THE
12 CONSTRUCTION, ACQUISITION, AND FINANCING OF ANY PROJECT, EXCLUDING
13 LOBBYING AND GOVERNMENTAL RELATIONS EXPENSES.

14 (B) "FACILITIES" MEANS REAL AND PERSONAL PROPERTY, STRUCTURES, AIR
15 RIGHTS, CONVEYANCES, EQUIPMENT, THOROUGHFARES, BUILDINGS, AND SUPPORTING
16 COMPONENTS THEREOF LOCATED IN THE STATE, THAT ARE DIRECTLY RELATED TO
17 THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, REMEDI-
18 ATION, OR IMPROVEMENT OF A PROJECT WHICH WILL ACHIEVE THE PURPOSES OF
19 FACILITATING THE CREATION OR RETENTION OF JOBS OR INCREASING INVESTMENT
20 OR BUSINESS ACTIVITY WITHIN A MUNICIPALITY OR REGION OF THE STATE OR
21 ACADEMIC RESEARCH AND DEVELOPMENT EFFORTS THAT PROMOTE THE DEVELOPMENT
22 OF LIFE SCIENCES AND HIGH TECHNOLOGY INITIATIVES INCLUDING GENOMICS AND
23 BIOTECHNOLOGY RESEARCH AND WHICH MAY INCLUDE PROJECT PURPOSES SET FORTH
24 IN THIS SECTION.

25 (C) "FINANCIAL ASSISTANCE" IN CONNECTION WITH A PROJECT, INCLUDES, BUT
26 IS NOT LIMITED TO, GRANTS, LOANS, EQUITY INVESTMENTS, LOAN FORGIVENESS,
27 LOAN GUARANTEE, OR ANY COMBINATION THEREOF.

28 (D) "PROJECT" SHALL INCLUDE BUT NOT BE LIMITED TO DESIGNING, ACQUIR-
29 ING, PLANNING, PERMITTING, ENTITLING, DEMOLISHING, REMOVING, CONSTRUCT-
30 ING, IMPROVING, EXTENDING, RESTORING, FINANCING, REMEDIATING AND GENER-
31 ALLY DEVELOPING FACILITIES.

32 (E) "SPONSOR" OR "PROJECT SPONSOR" SHALL BE THE STATE OR ANY POLITICAL
33 SUBDIVISION OF THE STATE OR A MUNICIPALITY, INCLUDING BUT NOT LIMITED TO
34 ANY DEPARTMENTS, AGENCIES, PUBLIC BENEFIT CORPORATIONS, OR COMMISSIONS.
35 IN ADDITION, A SPONSOR OR PROJECT SPONSOR MAY INCLUDE NOT-FOR-PROFIT
36 CORPORATIONS FORMED ON BEHALF OF A SPONSOR, SPECIAL DISTRICTS, ASSESS-
37 MENT DISTRICTS, TAX INCREMENT FINANCING UNITS OR DISTRICTS, BUSINESS
38 IMPROVEMENT DISTRICTS, REGIONAL AND COMMUNITY DEVELOPMENT ORGANIZATIONS,
39 NOT-FOR-PROFIT ORGANIZATIONS, NOT-FOR-PROFIT ORGANIZATIONS OR BUSINESSES
40 ORGANIZED TO DO BUSINESS UNDER THE LAWS OF, OR DOING BUSINESS WITHIN THE
41 STATE, OR ANY COMBINATION OF THE AFOREMENTIONED ENTITIES THAT MAKES
42 APPLICATION TO THE CORPORATION FOR FINANCIAL ASSISTANCE IN CONNECTION
43 WITH AN INVESTMENT OPPORTUNITY FUND PROJECT IN A MANNER PRESCRIBED BY
44 THE CORPORATION.

45 2. FUND CREATED. THE INVESTMENT OPPORTUNITY FUND IS HEREBY CREATED.
46 THE CORPORATION IS AUTHORIZED, WITHIN AVAILABLE APPROPRIATIONS, TO
47 PROVIDE FINANCIAL ASSISTANCE PURSUANT TO THIS SECTION.

48 3. SELECTION OF PROJECTS. FOLLOWING CONSULTATION WITH THE DIVISION OF
49 THE BUDGET AND WITH OTHER APPROPRIATE STATE AND LOCAL AGENCIES AND OTHER
50 ORGANIZATIONS, AND PRIOR TO SOLICITING OR ACCEPTING ANY APPLICATION FOR
51 ASSISTANCE, THE CORPORATION SHALL:

52 (A) PROVIDE PUBLIC NOTICE OF THE PRIMARY DEVELOPMENT OBJECTIVES AND
53 MINIMUM STANDARDS OF THE PROGRAM AND INDIVIDUAL PROJECTS EXPECTED TO BE
54 ELIGIBLE FOR FUNDING THROUGH THE PROGRAM; AND

1 (B) PROMULGATE RULES AND REGULATIONS SETTING FORTH THE STANDARDS THAT
2 WILL GOVERN THE SELECTION OF PROJECTS. SUCH STANDARDS SHALL, AT A MINI-
3 MUM:

4 (I) REQUIRE THAT NO PROJECT SHALL BE AWARDED FINANCIAL ASSISTANCE
5 UNLESS SUCH PROJECT MEETS OR EXCEEDS SPECIFIED MINIMUM STANDARDS AS
6 PROVIDED BY RULES AND REGULATIONS WITH RESPECT TO ECONOMIC IMPACT;

7 (II) REQUIRE THAT EACH PROJECT BE CONSISTENT WITH ANY EXISTING LOCAL
8 OR REGIONAL COMPREHENSIVE PLAN. A MUNICIPALITY WHICH IS A LEAD SPONSOR
9 FOR A PROJECT OR PROJECTS SHALL SUBMIT A RESOLUTION THAT HAS BEEN
10 ADOPTED BY THE LEGISLATIVE BODY OR BODIES OF THE LEAD PROJECT SPONSOR
11 THAT CERTIFIES THAT THE PROPOSED PROJECT IS CONSISTENT WITH EXISTING
12 LOCAL OR REGIONAL PLANS; THE PROPOSED FINANCING IS APPROPRIATE FOR THE
13 SPECIFIC PROJECT; THE PROJECT FACILITATES EFFECTIVE AND EFFICIENT USE OF
14 EXISTING AND FUTURE PUBLIC RESOURCES SO AS TO PROMOTE BOTH ECONOMIC
15 DEVELOPMENT AND APPROPRIATE USE OF NATURAL RESOURCES; AND THE PROJECT
16 DEVELOPS OR ENHANCES INFRASTRUCTURE OR OTHER FACILITIES IN A MANNER THAT
17 WILL ATTRACT, CREATE, AND SUSTAIN LONG-TERM INVESTMENT AND EMPLOYMENT
18 OPPORTUNITIES; AND

19 (III) PROVIDE, TO THE FULLEST EXTENT POSSIBLE, ASSISTANCE TO PROJECTS
20 THAT WILL PROVIDE ECONOMIC BENEFITS TO ONE OR MORE REGIONS OF THE STATE
21 OR, FOR PROJECTS THAT ARE NOT ANTICIPATED TO HAVE A REGIONALLY SIGNIF-
22 ICANT IMPACT, THAT WILL PROVIDE ECONOMIC BENEFITS TO LOCALITIES THAT
23 SUFFER FROM DISPROPORTIONATE LEVELS OF POVERTY, UNEMPLOYMENT, POPULATION
24 OR JOB LOSS OR OTHER INDICATORS OF ECONOMIC DISTRESS.

25 4. REPORTING. THE CORPORATION SHALL SUBMIT A REPORT TO THE DIRECTOR OF
26 THE BUDGET, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE
27 ASSEMBLY, THE MINORITY LEADER OF THE SENATE AND THE MINORITY LEADER OF
28 THE ASSEMBLY ON THE INVESTMENTS AND ACCOMPLISHMENTS OF THE INVESTMENT
29 OPPORTUNITY FUND. SUCH REPORT SHALL INCLUDE, BUT NOT BE LIMITED TO,
30 INFORMATION ON THE NUMBER OF JOBS CREATED AND RETAINED, LEVELS OF
31 PRIVATE SECTOR INVESTMENT, ECONOMIC BENEFIT TO THE STATE AND LOCAL ECON-
32 OMIES AND TYPES OF INDUSTRIES INVESTED IN. SUCH REPORT SHALL BE SUBMIT-
33 TED BY JULY 1, 2009 AND JULY FIRST EVERY YEAR THEREAFTER.

34 5. EVALUATION. THE CORPORATION SHALL SUBMIT A REPORT TO THE DIRECTOR
35 OF THE BUDGET, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE
36 ASSEMBLY, THE MINORITY LEADER OF THE SENATE AND THE MINORITY LEADER OF
37 THE ASSEMBLY EVALUATING THE ECONOMIC AND SOCIAL BENEFITS OF THE INVEST-
38 MENT OPPORTUNITY FUND. SUCH EVALUATION SHALL BE PREPARED BY AN ENTITY OR
39 ENTITIES INDEPENDENT OF THE CORPORATION WHICH SHALL BE SELECTED THROUGH
40 A REQUEST FOR PROPOSAL PROCESS. SUCH EVALUATION SHALL BE SUBMITTED BY
41 OCTOBER 1, 2009 AND OCTOBER FIRST EVERY YEAR THEREAFTER.

42 6. THE INVESTMENT OPPORTUNITY FUND CAPITAL APPROVAL BOARD. (A) A CAPI-
43 TAL APPROVAL BOARD SHALL BE A FIVE MEMBER BOARD THAT IS CREATED TO
44 CONSIDER AND REVIEW EACH PROJECT RECEIVING MATERIAL FINANCIAL ASSISTANCE
45 AND THE UNANIMOUS APPROVAL OF THE VOTING MEMBERS OF SUCH CAPITAL
46 APPROVAL BOARD SHALL BE REQUIRED BEFORE THE CORPORATION SHALL FURNISH
47 ANY MATERIAL FINANCIAL ASSISTANCE; PROVIDED, HOWEVER, THAT IF, BY THIRTY
48 DAYS FOLLOWING THE SUBMISSION OF WRITTEN MATERIALS BY THE CORPORATION NO
49 VOTING MEMBER OF THE BOARD HAS NOTIFIED THE CHAIRPERSON OF THE CAPITAL
50 APPROVAL BOARD IN WRITING OF HIS OR HER DISAPPROVAL WITHIN SUCH PERIOD,
51 OR THE CAPITAL APPROVAL BOARD SHALL NOT HAVE VOTED TO APPROVE OR DISAP-
52 PROVE ANY PROPOSED FURNISHING OF FINANCIAL ASSISTANCE, THE CAPITAL
53 APPROVAL BOARD SHALL HAVE BEEN DEEMED TO HAVE APPROVED SUCH PROPOSAL.
54 THE VOTING MEMBERS SHALL INCLUDE: (I) THE DIRECTOR OF THE BUDGET OR HIS
55 OR HER DESIGNEE WHO SHALL ACT AS CHAIRPERSON, (II) THE TEMPORARY PRESI-
56 DENT OF THE SENATE OR HIS OR HER DESIGNEE, AND (III) THE SPEAKER OF THE

1 ASSEMBLY OR HIS OR HER DESIGNEE. THE TWO NON-VOTING MEMBERS WILL BE
2 APPOINTED ONE EACH, BY THE MINORITY LEADER OF THE SENATE AND THE MINORI-
3 TY LEADER OF THE ASSEMBLY. THE REVIEW OF THE CAPITAL APPROVAL BOARD
4 SHALL BE LIMITED TO THE ADEQUACY OF THE ECONOMIC AND SOCIAL BENEFITS OF
5 THE PROPOSED FURNISHING OF FINANCIAL ASSISTANCE BY THE CORPORATION.

6 (B) THE PROVISIONS OF ARTICLE 7 OF THE PUBLIC OFFICERS LAW SHALL APPLY
7 TO MEETINGS OF THE CAPITAL APPROVAL BOARD.

8 7. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, ANY
9 PROJECT FINANCED THROUGH THE INVESTMENT OPPORTUNITY FUND, AND ANY BOND
10 SALE UNDERTAKEN BY THE CORPORATION TO FINANCE SUCH PROJECTS, SHALL BE
11 EXEMPT FROM THE PROVISIONS OF SECTIONS 50 AND 51 OF THE PUBLIC AUTHORI-
12 TIES LAW.

13 S 2. This act shall take effect immediately and shall be deemed to
14 have been in full force and effect on and after April 1, 2008.

15

PART QQ

16 Section 1. Section 3 of section 1 of chapter 174 of the laws of 1968
17 constituting the New York state urban development corporation act, is
18 amended by adding five new subdivisions 25, 26, 27, 28 and 29 to read as
19 follows:

20 (25) "UPSTATE EMPIRE STATE DEVELOPMENT CORPORATION" SHALL BE DEFINED
21 FOR PURPOSES OF SECTIONS SIXTEEN-Q AND SIXTEEN-S OF THIS ACT, AS A
22 SUBSIDIARY OF THE URBAN DEVELOPMENT CORPORATION ESTABLISHED UNDER
23 SECTION TWELVE OF THIS ACT.

24 (26) "UPSTATE CHAIRMAN" SHALL BE DEFINED FOR PURPOSES OF SECTIONS
25 SIXTEEN-Q AND SIXTEEN-S OF THIS ACT, AS THE CHAIRMAN OF THE UPSTATE
26 EMPIRE STATE DEVELOPMENT CORPORATION, A SUBSIDIARY OF THE URBAN DEVELOP-
27 MENT CORPORATION ESTABLISHED UNDER SECTION TWELVE OF THIS ACT.

28 (27) "DOWNSTATE" SHALL BE DEFINED BY THE CHAIRMAN SUBJECT TO APPROVAL
29 BY THE BOARD OF DIRECTORS OF THE URBAN DEVELOPMENT CORPORATION.

30 (28) "UPSTATE" SHALL BE DEFINED BY THE CHAIRMAN, IN CONSULTATION WITH
31 THE CHAIRMAN OF THE UPSTATE EMPIRE STATE DEVELOPMENT CORPORATION,
32 SUBJECT TO APPROVAL BY THE BOARD OF DIRECTORS OF THE URBAN DEVELOPMENT
33 CORPORATION.

34 (29) "UPSTATE AGRICULTURAL ECONOMIC DEVELOPMENT PROJECT." FOR PURPOSES
35 OF SECTION SIXTEEN-S OF THIS ACT, A PROJECT OR THAT PORTION OF A MULTI-
36 PURPOSE PROJECT SHALL BE DESIGNED AND INTENDED FOR THE PURPOSE OF ESTAB-
37 LISHING, MAINTAINING, OR EXPANDING AGRICULTURAL ACREAGE OR OPERATIONS,
38 OR FOR PROVIDING FACILITIES AND/OR MARKETS FOR THE PRODUCTION, MANUFAC-
39 TURING, PROCESSING, WAREHOUSING, LABORATORY DIAGNOSTICS, RESEARCH, OR
40 DISTRIBUTION AND SALE OF CROPS, LIVESTOCK AND LIVESTOCK PRODUCTS AS
41 DEFINED IN SUBDIVISION 2 OF SECTION 301 OF THE AGRICULTURE AND MARKETS
42 LAW. SUCH PROJECT COSTS MAY INCLUDE, BUT NOT BE LIMITED TO, THE COST OF
43 LAND, BUILDINGS, MACHINERY, EQUIPMENT, PROCESSED OR PARTIALLY PROCESSED
44 AGRICULTURAL COMMODITIES, ROOT STOCK, LIVESTOCK, OTHER PERSONAL PROPER-
45 TY, MATERIALS, WORKING CAPITAL, OR STOCK IN TRADE REQUIRED TO ESTABLISH
46 SUCH PROJECT.

47 S 2. Section 1 of chapter 174 of the laws of 1968 constituting the New
48 York state urban development corporation act, is amended by adding three
49 new sections 16-q, 16-r and 16-s to read as follows:

50 S 16-Q. THE UPSTATE REGIONAL BLUEPRINT FUND. 1. THE UPSTATE REGIONAL
51 BLUEPRINT FUND IS HEREBY CREATED. THE UPSTATE EMPIRE STATE DEVELOPMENT
52 CORPORATION IS AUTHORIZED TO PROVIDE FINANCIAL, PRODUCT DEVELOPMENT, OR
53 OTHER ASSISTANCE FROM SUCH FUND TO ELIGIBLE ENTITIES AS SET FORTH IN
54 THIS SUBDIVISION TO SUPPORT THE UPSTATE REVITALIZATION FUND, AND IN

1 SUPPORT OF SUCH PROJECTS THAT FOCUS ON: INTELLECTUAL CAPITAL CAPACITY
2 BUILDING; INVESTMENT PRODUCTS; APPLIED RESEARCH AND DEVELOPMENT; OPPOR-
3 TUNITIES FOR FOREIGN INVESTMENT AND INTERNATIONAL EXPORT; AND INFRA-
4 TRUCTURE REQUIREMENTS TO ATTRACT NEW BUSINESSES OR EXPAND EXISTING BUSI-
5 NESSES. FOR-PROFIT BUSINESSES, NOT-FOR-PROFIT CORPORATIONS, PUBLIC
6 BENEFIT CORPORATIONS, MUNICIPALITIES, AND RESEARCH AND ACADEMIC INSTI-
7 TUTIONS SHALL BE ELIGIBLE TO APPLY FOR SUCH ACTIVITIES UNDER THIS SUBDI-
8 VISION INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING:

9 (A) SUPPORT FOR PROJECTS IDENTIFIED THROUGH REGION-WIDE COLLABORATIVE
10 EFFORTS AS PART OF THE OVERALL GROWTH STRATEGY FOR THE LOCAL ECONOMY,
11 INCLUDING BUT NOT LIMITED TO SMART GROWTH AND ENERGY EFFICIENCY INITI-
12 ATIVES.

13 (B) SUPPORT FOR THE ATTRACTION OR EXPANSION OF A BUSINESS, INCLUDING,
14 BUT NOT LIMITED TO, THOSE PRIMARILY ENGAGED IN ACTIVITIES IDENTIFIED AS
15 A STRATEGIC INDUSTRY, AND MINORITY-OWNED AND WOMEN-OWNED BUSINESS ENTER-
16 PRISES AS DEFINED BY SUBDIVISIONS (C) AND (G) OF SECTION NINE HUNDRED
17 FIFTY-SEVEN OF THE GENERAL MUNICIPAL LAW.

18 (C) SUPPORT FOR LAND ACQUISITION AND/OR THE CONSTRUCTION, ACQUISITION
19 OR EXPANSION OF BUILDINGS, MACHINERY AND EQUIPMENT ASSOCIATED WITH A
20 PROJECT.

21 (D) SUPPORT FOR PROJECTS IDENTIFIED AS A CITY BY CITY OR REGIONAL
22 BLUEPRINT PRIORITY.

23 2. APPLICATIONS FOR ASSISTANCE PURSUANT TO THIS SECTION SHALL BE
24 REVIEWED AND EVALUATED PURSUANT TO ELIGIBILITY REQUIREMENTS AND CRITERIA
25 SET FORTH IN RULES AND REGULATIONS PROMULGATED BY THE UPSTATE CHAIRMAN,
26 AND SUBJECT TO APPROVAL BY THE BOARD OF DIRECTORS OF THE UPSTATE EMPIRE
27 STATE DEVELOPMENT CORPORATION. APPROVAL OF PROJECT APPLICATIONS SHALL BE
28 MADE BY THE UPSTATE CHAIRMAN, SUBJECT TO APPROVAL BY THE BOARD OF DIREC-
29 TORS OF THE UPSTATE EMPIRE STATE DEVELOPMENT CORPORATION.

30 3. PRIORITY IN GRANTING ASSISTANCE GENERALLY WILL BE GIVEN TO PROJECTS
31 (A) WITH SIGNIFICANT PRIVATE FINANCING OR MATCHING FUNDS THROUGH OTHER
32 PUBLIC ENTITIES, (B) LIKELY TO PRODUCE A HIGH RETURN ON PUBLIC INVEST-
33 MENT, (C) WITH EXISTENCE OF SIGNIFICANT SUPPORT FROM THE LOCAL BUSINESS
34 COMMUNITY, LOCAL GOVERNMENT, COMMUNITY ORGANIZATIONS, ACADEMIC INSTI-
35 TUTIONS AND OTHER REGIONAL PARTIES, (D) WITH SIGNIFICANT REGIONAL
36 BREADTH OR LIKELY TO HAVE WIDE REGIONAL IMPACT, (E) WITH COST BENEFIT
37 ANALYSIS THAT DEMONSTRATES SUSTAINABLE JOB CREATION AND INVESTMENTS, (F)
38 LOCATED IN DISTRESSED AREAS USING ECONOMIC CRITERIA DEVELOPED BY THE
39 UPSTATE EMPIRE STATE DEVELOPMENT CORPORATION, WHICH MAY INCLUDE BUT NOT
40 BE LIMITED TO LAND VALUE, EMPLOYMENT, PRIVATE INVESTMENT, ECONOMIC
41 ACTIVITY, AND POPULATION, OR (G) WHOSE APPLICATION IS SUBMITTED BY
42 MULTIPLE ENTITIES, BOTH PUBLIC AND PRIVATE.

43 4. THE UPSTATE EMPIRE STATE DEVELOPMENT CORPORATION SHALL PROVIDE SUCH
44 ASSISTANCE IN A GEOGRAPHICALLY PROPORTIONATE MANNER THROUGHOUT UPSTATE
45 BASED ON QUALIFIED APPLICATIONS RECEIVED PURSUANT TO THIS SECTION.

46 5. ASSISTANCE MAY BE IN THE FORM OF LOANS, GRANTS, OR MONIES CONTRIB-
47 UTING TO PROJECTS FOR WHICH THE CORPORATION OR A SUBSIDIARY ACTS AS
48 DEVELOPER. (I) THE CORPORATION MAY ACT AS DEVELOPER IN THE ACQUISITION,
49 RENOVATION, CONSTRUCTION, LEASING OR SALE OF DEVELOPMENT PROJECTS
50 AUTHORIZED PURSUANT TO THIS ACT IN ORDER TO STIMULATE PRIVATE SECTOR
51 INVESTMENT WITHIN THE AFFECTED COMMUNITY. (II) IN ACTING AS A DEVELOPER,
52 THE CORPORATION MAY BORROW FOR PURPOSES OF THIS SUBDIVISION FOR APPROVED
53 PROJECTS IN WHICH THE LENDER'S RE COURSE IS SOLELY TO THE ASSETS OF THE
54 PROJECT, AND MAY MAKE SUCH ARRANGEMENTS AND AGREEMENTS WITH
55 COMMUNITY-BASED ORGANIZATIONS AND LOCAL DEVELOPMENT CORPORATIONS AS MAY
56 BE REQUIRED TO CARRY OUT THE PURPOSES OF THIS SECTION. (III) PRIOR TO

1 DEVELOPING ANY SUCH PROJECT, THE CORPORATION SHALL SECURE A FIRM COMMIT-
2 MENT FROM ENTITIES, INDEPENDENT OF THE CORPORATION, FOR THE PURCHASE OR
3 LEASE OF SUCH PROJECT. (IV) PROJECTS AUTHORIZED UNDER THIS SUBDIVISION
4 WHETHER DEVELOPED BY THE CORPORATION OR A PRIVATE DEVELOPER, MUST BE
5 LOCATED IN DISTRESSED COMMUNITIES, FOR WHICH THERE IS A DEMONSTRATED
6 DEMAND WITHIN THE PARTICULAR COMMUNITY.

7 6. ELIGIBLE APPLICANTS SHALL INCLUDE, BUT NOT BE LIMITED TO, BUSINESS
8 IMPROVEMENT DISTRICTS, LOCAL DEVELOPMENT CORPORATIONS, ECONOMIC DEVELOP-
9 MENT ORGANIZATIONS, INSTITUTIONS OF HIGHER EDUCATION, INCUBATORS, TECH-
10 NOLGY PARKS, PRIVATE FIRMS, MUNICIPALITIES, COUNTIES, REGIONAL PLANNING
11 COUNCILS, TOURIST ATTRACTIONS, AND COMMUNITY FACILITIES.

12 7. THE CORPORATION SHALL SUBMIT A REPORT TO THE DIRECTOR OF THE BUDG-
13 ET, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY,
14 THE MINORITY LEADER OF THE SENATE AND THE MINORITY LEADER OF THE ASSEM-
15 BLY ON THE INVESTMENTS AND ACCOMPLISHMENTS OF THE UPSTATE REGIONAL BLUE-
16 PRINT FUND. SUCH REPORT SHALL INCLUDE, BUT NOT BE LIMITED TO, INFORMA-
17 TION ON THE NUMBER OF JOBS CREATED AND RETAINED, LEVELS OF PRIVATE
18 SECTOR INVESTMENT, ECONOMIC BENEFIT TO THE STATE AND LOCAL ECONOMIES AND
19 TYPES OF INDUSTRIES INVESTED IN. SUCH REPORT SHALL BE SUBMITTED BY JULY
20 1, 2009 AND JULY FIRST EVERY YEAR THEREAFTER.

21 8. THE CORPORATION SHALL SUBMIT A REPORT TO THE DIRECTOR OF THE BUDG-
22 ET, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY,
23 THE MINORITY LEADER OF THE SENATE AND THE MINORITY LEADER OF THE ASSEM-
24 BLY EVALUATING THE ECONOMIC AND SOCIAL BENEFITS OF THE UPSTATE REGIONAL
25 BLUEPRINT FUND. SUCH EVALUATION SHALL BE PREPARED BY AN ENTITY OR ENTI-
26 TIES INDEPENDENT OF THE CORPORATION WHICH SHALL BE SELECTED THROUGH A
27 REQUEST FOR PROPOSAL PROCESS. SUCH EVALUATION SHALL BE SUBMITTED BY
28 OCTOBER 1, 2009 AND OCTOBER FIRST EVERY YEAR THEREAFTER.

29 9. THE CORPORATION IS HEREBY AUTHORIZED TO PROMULGATE RULES AND REGU-
30 LATIONS IN ACCORDANCE WITH THE STATE ADMINISTRATIVE PROCEDURE ACT AS ARE
31 NECESSARY TO FULFILL THE PURPOSES OF THIS SECTION.

32 S 16-R. THE DOWNSTATE REVITALIZATION FUND. 1. THE DOWNSTATE REVITALI-
33 ZATION FUND IS HEREBY CREATED. THE CORPORATION IS AUTHORIZED, WITHIN
34 AVAILABLE APPROPRIATIONS, TO PROVIDE FINANCIAL, PROJECT DEVELOPMENT, OR
35 OTHER ASSISTANCE FROM SUCH FUND TO ELIGIBLE ENTITIES AS SET FORTH IN
36 THIS SUBDIVISION FOR THE PURPOSES OF SUPPORTING INVESTMENT IN DISTRESSED
37 COMMUNITIES IN THE DOWNSTATE REGION, AND IN SUPPORT OF SUCH PROJECTS
38 THAT FOCUS ON: ENCOURAGING BUSINESS, COMMUNITY, AND TECHNOLOGY-BASED
39 DEVELOPMENT, AND SUPPORTING INNOVATIVE PROGRAMS OF PUBLIC AND PRIVATE
40 COOPERATION WORKING TO FOSTER NEW INVESTMENT, JOB CREATION AND SMALL
41 BUSINESS GROWTH. FOR-PROFIT BUSINESSES, NOT-FOR-PROFIT CORPORATIONS,
42 PUBLIC BENEFIT CORPORATIONS, MUNICIPALITIES, AND RESEARCH AND ACADEMIC
43 INSTITUTIONS SHALL BE ELIGIBLE TO APPLY FOR SUCH ACTIVITIES UNDER THIS
44 SUBDIVISION INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING:

45 (A) SUPPORT FOR PROJECTS IDENTIFIED THROUGH COLLABORATIVE EFFORTS AS
46 PART OF THE OVERALL GROWTH STRATEGY FOR THE LOCAL ECONOMY, INCLUDING BUT
47 NOT LIMITED TO SMART GROWTH AND ENERGY EFFICIENCY INITIATIVES.

48 (B) SUPPORT FOR THE ATTRACTION OR EXPANSION OF A BUSINESS INCLUDING,
49 BUT NOT LIMITED TO, THOSE PRIMARILY ENGAGED IN ACTIVITIES IDENTIFIED AS
50 A STRATEGIC INDUSTRY AND MINORITY-OWNED AND WOMEN-OWNED BUSINESS ENTER-
51 PRISSES AS DEFINED BY SUBDIVISIONS (C) AND (G) OF SECTION NINE HUNDRED
52 FIFTY-SEVEN OF THE GENERAL MUNICIPAL LAW.

53 (C) SUPPORT FOR LAND ACQUISITION AND/OR THE CONSTRUCTION, ACQUISITION
54 OR EXPANSION OF BUILDINGS, MACHINERY AND EQUIPMENT ASSOCIATED WITH A
55 PROJECT.

1 (D) SUPPORT FOR PROJECTS LOCATED IN AN INVESTMENT ZONE AS DEFINED BY
2 PARAGRAPH (I) OF SUBDIVISION (D) OF SECTION 957 OF THE GENERAL MUNICIPAL
3 LAW.

4 2. APPLICATIONS FOR ASSISTANCE PURSUANT TO THIS SECTION SHALL BE
5 REVIEWED AND EVALUATED PURSUANT TO ELIGIBILITY REQUIREMENTS AND CRITERIA
6 SET FORTH IN RULES AND REGULATIONS PROMULGATED BY THE CORPORATION.
7 APPROVAL OF PROJECT APPLICATIONS SHALL BE MADE BY THE CHAIRMAN AND
8 SUBJECT TO APPROVAL BY THE BOARD OF DIRECTORS OF THE CORPORATION. GRANTS
9 AND LOANS AWARDED UNDER THIS SECTION SHALL BE AWARDED ON A COMPETITIVE
10 BASIS, IN RESPONSE TO REQUESTS FOR PROPOSALS, AND THROUGH DIRECT APPLI-
11 CATIONS ACCEPTED AT OTHER TIMES AT THE DISCRETION OF THE CORPORATION.

12 3. PRIORITY IN GRANTING ASSISTANCE GENERALLY WILL BE GIVEN TO PROJECTS
13 (A) WITH SIGNIFICANT PRIVATE FINANCING OR MATCHING FUNDS THROUGH OTHER
14 PUBLIC ENTITIES, (B) LIKELY TO PRODUCE A HIGH RETURN ON PUBLIC INVEST-
15 MENT, (C) WITH EXISTENCE OF SIGNIFICANT SUPPORT FROM THE LOCAL BUSINESS
16 COMMUNITY, LOCAL GOVERNMENT, COMMUNITY ORGANIZATIONS, ACADEMIC INSTI-
17 TUTIONS AND OTHER REGIONAL PARTIES, (D) DEEMED LIKELY TO INCREASE THE
18 COMMUNITY`S ECONOMIC AND SOCIAL VIABILITY, (E) WITH COST BENEFIT ANALY-
19 SIS THAT DEMONSTRATES SUSTAINABLE JOB CREATION AND INVESTMENTS, (F) LOCATED IN DISTRESSED AREAS USING ECONOMIC CRITERIA DEVELOPED BY THE
20 CORPORATION, WHICH MAY INCLUDE BUT NOT BE LIMITED TO LAND VALUE, EMPLOY-
21 MENT, PRIVATE INVESTMENT, ECONOMIC ACTIVITY, AND POPULATION, OR (G)
22 WHOSE APPLICATION IS SUBMITTED BY MULTIPLE ENTITIES, BOTH PUBLIC AND
23 PRIVATE.

24 4. APPLICATIONS FOR SUPPORT OR ASSISTANCE UNDER THIS SUBDIVISION SHALL
25 BE MADE IN A FORM AND MANNER AS DETERMINED BY THE CORPORATION, AND
26 APPLICANTS SHALL BE REQUIRED TO MEET THE CRITERIA AND REQUIREMENTS
27 DETERMINED BY THE CORPORATION PURSUANT TO THIS ACT, WHICH WILL FOCUS ON
28 THE POTENTIAL OF THE PROJECT OR PROGRAM TO STIMULATE OR ENHANCE ECONOMIC
29 DEVELOPMENT IN THE AREA OR EMPLOYMENT OPPORTUNITIES IN THE DISTRESSED
30 COMMUNITIES AND REGIONS.

31 5. ASSISTANCE MAY BE IN THE FORM OF LOANS, GRANTS, OR MONIES CONTRIB-
32 UTING TO PROJECTS FOR WHICH THE CORPORATION OR A SUBSIDIARY ACTS AS
33 DEVELOPER. (I) THE CORPORATION MAY ACT AS DEVELOPER IN THE ACQUISITION,
34 RENOVATION, CONSTRUCTION, LEASING OR SALE OF DEVELOPMENT PROJECTS
35 AUTHORIZED PURSUANT TO THIS ACT IN ORDER TO STIMULATE PRIVATE SECTOR
36 INVESTMENT WITHIN THE AFFECTED COMMUNITY. (II) IN ACTING AS A DEVELOPER,
37 THE CORPORATION MAY BORROW FOR PURPOSES OF THIS SUBDIVISION FOR APPROVED
38 PROJECTS IN WHICH THE LENDER`S RE COURSE IS SOLELY TO THE ASSETS OF THE
39 PROJECT, AND MAY MAKE SUCH ARRANGEMENTS AND AGREEMENTS WITH
40 COMMUNITY-BASED ORGANIZATIONS AND LOCAL DEVELOPMENT CORPORATIONS AS MAY
41 BE REQUIRED TO CARRY OUT THE PURPOSES OF THIS SECTION. (III) PRIOR TO
42 DEVELOPING ANY SUCH PROJECT, THE CORPORATION SHALL SECURE A FIRM COMMIT-
43 MENT FROM ENTITIES, INDEPENDENT OF THE CORPORATION, FOR THE PURCHASE OR
44 LEASE OF SUCH PROJECT. (IV) PROJECTS AUTHORIZED UNDER THIS SUBDIVISION
45 WHETHER DEVELOPED BY THE CORPORATION OR A PRIVATE DEVELOPER, MUST BE
46 LOCATED IN DISTRESSED COMMUNITIES, FOR WHICH THERE IS A DEMONSTRATED
47 DEMAND WITHIN THE PARTICULAR COMMUNITY.

48 6. ELIGIBLE APPLICANTS SHALL INCLUDE, BUT NOT BE LIMITED TO, BUSINESS
49 IMPROVEMENT DISTRICTS, LOCAL DEVELOPMENT CORPORATIONS, ECONOMIC DEVELOP-
50 MENT ORGANIZATIONS, INSTITUTIONS OF HIGHER EDUCATION, INCUBATORS, TECH-
51 NOLOGY PARKS, PRIVATE FIRMS, MUNICIPALITIES, COUNTIES, REGIONAL PLANNING
52 COUNCILS, TOURIST ATTRACTIONS, AND COMMUNITY FACILITIES.

53 7. THE CORPORATION SHALL SUBMIT A REPORT TO THE DIRECTOR OF THE BUDG-
54 ET, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY,
55 THE MINORITY LEADER OF THE SENATE AND THE MINORITY LEADER OF THE ASSEM-

1 BLY ON THE INVESTMENTS AND ACCOMPLISHMENTS OF THE DOWNSTATE REVITALI-
2 TION FUND. SUCH REPORT SHALL INCLUDE, BUT NOT BE LIMITED TO, INFORMATION
3 ON THE NUMBER OF JOBS CREATED AND RETAINED, LEVELS OF PRIVATE SECTOR
4 INVESTMENT, ECONOMIC BENEFIT TO THE STATE AND LOCAL ECONOMIES AND TYPES
5 OF INDUSTRIES INVESTED IN. SUCH REPORT SHALL BE SUBMITTED BY JULY 1,
6 2009 AND JULY FIRST EVERY YEAR THEREAFTER.

7 8. THE CORPORATION SHALL SUBMIT A REPORT TO THE DIRECTOR OF THE BUDG-
8 ET, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY,
9 THE MINORITY LEADER OF THE SENATE AND THE MINORITY LEADER OF THE ASSEM-
10 BLY EVALUATING THE ECONOMIC AND SOCIAL BENEFITS OF THE DOWNSTATE REVI-
11 TALIZATION FUND. SUCH EVALUATION SHALL BE PREPARED BY AN ENTITY OR ENTI-
12 TIES INDEPENDENT OF THE CORPORATION WHICH SHALL BE SELECTED THROUGH A
13 REQUEST FOR PROPOSAL PROCESS. SUCH EVALUATION SHALL BE SUBMITTED BY
14 OCTOBER 1, 2009 AND OCTOBER FIRST EVERY YEAR THEREAFTER.

15 9. THE CORPORATION IS HEREBY AUTHORIZED TO PROMULGATE RULES AND REGU-
16 LATIONS IN ACCORDANCE WITH THE STATE ADMINISTRATIVE PROCEDURE ACT AS ARE
17 NECESSARY TO FULFILL THE PURPOSES OF THIS SECTION.

18 S 16-S. THE UPSTATE AGRICULTURAL ECONOMIC DEVELOPMENT FUND. 1. THE
19 UPSTATE AGRICULTURAL ECONOMIC DEVELOPMENT FUND IS HEREBY CREATED. THE
20 CORPORATION IS AUTHORIZED, WITHIN AVAILABLE APPROPRIATIONS, TO PROVIDE
21 FINANCIAL ASSISTANCE IN THE FORM OF LOANS, GRANTS OR CONTRACTS FOR
22 SERVICES, TO ELIGIBLE ENTITIES AS SET FORTH IN THIS SUBDIVISION TO
23 SUPPORT THE UPSTATE REVITALIZATION FUND TO REDUCE THE COST OF FINANCING
24 THE CONSTRUCTION, EXPANSION OR RENOVATION OF AGRICULTURAL ECONOMIC
25 DEVELOPMENT PROJECTS, TO REDUCE THE COST OF AGRICULTURAL INPUTS OR TO
26 SUPPORT ACTIVITIES RELATED TO THE RETENTION OF EXISTING FARMERS OR THE
27 RECRUITMENT OF NEW FARMERS. NOT-FOR-PROFIT CORPORATIONS, AGRICULTURAL
28 COOPERATIVE CORPORATIONS, PUBLIC BENEFIT CORPORATIONS, MUNICIPALITIES
29 AND EDUCATIONAL INSTITUTIONS SERVING RURAL AREAS SHALL BE ELIGIBLE TO
30 APPLY FOR SUPPORT UNDER THIS SUBDIVISION FOR THE FOLLOWING ACTIVITIES:

31 (A) SUPPORT FOR LOCAL EFFORTS TO IDENTIFY NEW AGRICULTURAL ECONOMIC
32 DEVELOPMENT OPPORTUNITIES, AND TO ORGANIZE INDUSTRY-WIDE COLLABORATIVE
33 EFFORTS DESIGNED TO DEVELOP GROWTH STRATEGIES FOR THE AGRICULTURAL
34 INDUSTRY.

35 (B) SUPPORT FOR LOCAL OR REGIONAL ACTIVITIES DESIGNED TO PROVIDE BUSI-
36 NESS DEVELOPMENT AND FINANCIAL PACKAGING ASSISTANCE TO NEW AND EXPANDING
37 AGRICULTURAL ECONOMIC DEVELOPMENT PROJECTS.

38 (C) DEVELOPMENT AND DELIVERY OF PROGRAMS TO PROMOTE THE RETENTION OF
39 EXISTING FARMERS AND TO ATTRACT NEW FARMERS.

40 (D) FEASIBILITY STUDIES TO DETERMINE THE PROJECTED LOCAL, NATIONAL
41 AND/OR INTERNATIONAL DEMAND FOR THE PROPOSED CROP OR PRODUCT TO BE
42 FINANCED PURSUANT TO THIS SECTION AND THE SUITABILITY OF THE LAND AND
43 CLIMATE FOR SUCH PRODUCTION.

44 (E) SUPPORT FOR LAND ACQUISITION AND/OR THE CONSTRUCTION, ACQUISITION
45 OR EXPANSION OF BUILDINGS, MACHINERY AND EQUIPMENT ASSOCIATED WITH A
46 PROJECT.

47 (F) LOANS CAN BE PROVIDED BY THE CORPORATION TO AGRICULTURAL COOPER-
48 ATIVE CORPORATIONS, NOT-FOR-PROFIT CORPORATIONS AND PUBLIC BENEFIT
49 CORPORATIONS FOR THE PURPOSE OF PROVIDING LOW COST FINANCING FROM SUCH
50 ENTITIES TO PROJECTS FOR PURPOSES DESCRIBED IN THIS SUBDIVISION.

51 (G) SUCH PROJECTS SHALL BE CONSISTENT WITH THE ENVIRONMENTAL
52 PROTECTION GOALS OF THE STATE.

53 2. APPLICATIONS FOR ASSISTANCE PURSUANT TO THIS SECTION SHALL BE
54 REVIEWED AND EVALUATED PURSUANT TO ELIGIBILITY REQUIREMENTS AND CRITERIA
55 SET FORTH IN RULES AND REGULATIONS PROMULGATED BY THE UPSTATE CHAIRMAN,
56 IN CONSULTATION WITH THE COMMISSIONER OF THE DEPARTMENT OF AGRICULTURE

1 AND MARKETS, AND SUBJECT TO APPROVAL BY THE BOARD OF DIRECTORS OF THE
2 UPSTATE EMPIRE STATE DEVELOPMENT CORPORATION. APPROVAL OF PROJECT APPLI-
3 CATIONS SHALL BE MADE BY THE UPSTATE CHAIRMAN, IN CONSULTATION WITH THE
4 COMMISSIONER OF THE DEPARTMENT OF AGRICULTURE AND MARKETS, SUBJECT TO
5 APPROVAL BY THE BOARD OF DIRECTORS OF THE UPSTATE EMPIRE STATE DEVELOP-
6 MENT CORPORATION.

7 3. THE CORPORATION SHALL SUBMIT A REPORT TO THE DIRECTOR OF THE BUDG-
8 ET, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY,
9 THE MINORITY LEADER OF THE SENATE AND THE MINORITY LEADER OF THE ASSEM-
10 BLY ON THE INVESTMENTS AND ACCOMPLISHMENTS OF THE UPSTATE AGRICULTURAL
11 ECONOMIC DEVELOPMENT FUND. SUCH REPORT SHALL INCLUDE, BUT NOT BE LIMITED
12 TO, INFORMATION ON THE NUMBER OF JOBS CREATED AND RETAINED, LEVELS OF
13 PRIVATE SECTOR INVESTMENT, ECONOMIC BENEFIT TO THE STATE AND LOCAL ECON-
14 OMIES AND TYPES OF INDUSTRIES INVESTED IN. SUCH REPORT SHALL BE SUBMIT-
15 TED BY JULY 1, 2009 AND JULY FIRST EVERY YEAR THEREAFTER.

16 4. THE CORPORATION SHALL SUBMIT A REPORT TO THE DIRECTOR OF THE BUDG-
17 ET, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY,
18 THE MINORITY LEADER OF THE SENATE AND THE MINORITY LEADER OF THE ASSEM-
19 BLY EVALUATING THE ECONOMIC AND SOCIAL BENEFITS OF THE UPSTATE AGRICUL-
20 TURAL ECONOMIC DEVELOPMENT FUND. SUCH EVALUATION SHALL BE PREPARED BY AN
21 ENTITY OR ENTITIES INDEPENDENT OF THE CORPORATION WHICH SHALL BE
22 SELECTED THROUGH A REQUEST FOR PROPOSAL PROCESS. SUCH EVALUATION SHALL
23 BE SUBMITTED BY OCTOBER 1, 2009 AND OCTOBER FIRST EVERY YEAR THEREAFTER.

24 5. THE CORPORATION IS HEREBY AUTHORIZED TO PROMULGATE RULES AND REGU-
25 LATIONS IN ACCORDANCE WITH THE STATE ADMINISTRATIVE PROCEDURE ACT AS ARE
26 NECESSARY TO FULFILL THE PURPOSES OF THIS SECTION.

27 6. THE PROVISIONS OF SECTION 10 AND SUBDIVISION 2 OF SECTION 16 OF THE
28 URBAN DEVELOPMENT CORPORATION ACT SHALL NOT APPLY TO ASSISTANCE PROVIDED
29 UNDER THIS SECTION.

30 S 3. There is hereby established the New York state arts and cultural
31 capital grants program. Notwithstanding any other provision of law to
32 the contrary, the state, subject to a spending plan approved by the
33 director of the budget, shall provide capital grants to support the
34 preservation and expansion of cultural institutions including the
35 support of the upstate revitalization fund. Projects shall include but
36 not be limited to capital improvements of facilities primarily involved
37 with the arts, humanities or interpretive sciences. Individual projects
38 funded from an appropriation to the New York state urban development
39 corporation, pursuant to a chapter of the laws of 2008, shall be for
40 \$250,000 or more and shall be required to demonstrate the economic and
41 social benefit of state funding; provided, however that the director of
42 the budget may determine that the circumstances and merits of any such
43 projects warrant a reduction of such minimum threshold to \$100,000 or
44 more.

45 S 4. There is hereby established the New York state economic and
46 community development program. Notwithstanding any other provision of
47 law to the contrary, the state, subject to a spending plan approved by
48 the director of the budget, shall provide capital grants to support
49 projects that will facilitate the development and preservation of New
50 York state's educational, recreational, tourism and infrastructure
51 resources. Individual projects funded from an appropriation to the New
52 York state urban development corporation, pursuant to a chapter of the
53 laws of 2008, shall be for \$250,000 or more and shall be required to
54 demonstrate the economic and social benefit of state funding; provided,
55 however that the director of the budget may determine that the circum-

1 stances and merits of any such projects warrant a reduction of such
2 minimum threshold to \$100,000 or more.

3 S 5. There is hereby established the New York State Economic Develop-
4 ment Assistance Program. Notwithstanding any other provision of law to
5 the contrary, the state shall provide capital grants and/or loans to
6 support economic development projects, university development projects,
7 community development projects, homeland security projects, environ-
8 mental projects, infrastructure projects, utility projects, health care
9 facility projects, public recreation facility projects, and arts and
10 cultural facility projects. Such grants and/or loans shall be provided
11 only pursuant to one or more plans submitted to the director of the
12 budget by the temporary president of the senate. Such plan shall
13 include but not be limited to an itemized list of grantees with the
14 amount to be received by each, and shall be deemed approved within ten
15 business days unless the director of the budget shall find that such
16 plan does not demonstrate a reasonable economic and social benefit to
17 the state. Thereafter, such list shall be included in a resolution
18 approved by a majority vote of all members of the senate upon a roll
19 call vote. Individual projects funded from an appropriation to the New
20 York state urban development corporation, pursuant to a chapter of the
21 laws of 2008, shall be \$250,000 or more; provided, however, that the
22 temporary president of the senate and the director of the budget may
23 determine that the circumstances and merits of any such projects warrant
24 a reduction of such minimum threshold to \$100,000 or more.

25 S 6. There is hereby established the New York State Capital Assistance
26 Program (NYSCAP) act. Notwithstanding any other provision of law to the
27 contrary, the state shall provide capital grants and/or loans to support
28 economic development projects, university development projects, homeland
29 security projects, environmental projects, infrastructure projects,
30 utility projects, health care facility projects, public recreation
31 projects and arts and cultural facility projects. Such grants and/or
32 loans shall be provided only pursuant to one or more plans submitted to
33 the director of the budget by the speaker of the assembly. Such plan
34 shall include but not be limited to an itemized list of grantees with
35 the amount to be received by each, and shall be deemed approved within
36 ten business days unless the director of the budget shall find that such
37 plan does not demonstrate a reasonable economic and social impact to the
38 state. Thereafter, such list shall be included in a resolution approved
39 by a majority vote of all members of the assembly upon a roll call vote.
40 Individual projects funded from an appropriation to the New York state
41 urban development corporation, pursuant to a chapter of the laws of
42 2008, shall be \$250,000 or more; provided, however, that the speaker of
43 the assembly and the director of the budget may determine that the
44 circumstances and merits of any such projects warrant a reduction of
45 such minimum threshold to \$100,000 or more.

46 S 7. This act shall take effect immediately and shall be deemed to
47 have been in full force and effect on and after April 1, 2008.

48

PART RR

49 Section 1. The state comptroller is hereby authorized and directed to
50 loan money in accordance with the provisions set forth in subdivision 5
51 of section 4 of the state finance law to the following funds and/or
52 accounts:

53 1. Tuition reimbursement fund (050):
54 a. Proprietary vocational school supervision account (02).

- 1 2. Local government records management improvement fund (052):
- 2 a. Local government records management account (01).
- 3 3. Dedicated highway and bridge trust fund (072):
- 4 a. Highway and bridge capital account (01).
- 5 4. State University Residence Hall Rehabilitation Fund (074).
- 6 5. State parks infrastructure trust fund (076):
- 7 a. State parks infrastructure account (01).
- 8 6. Clean water/clean air implementation fund (079).
- 9 7. State lottery fund (160):
- 10 a. Education - New (03).
- 11 b. VLT - Admin (05).
- 12 c. VLT - Sound basic education fund (06).
- 13 8. Medicaid management information system escrow fund (179).
- 14 9. Sewage treatment program management and administration fund (300).
- 15 10. Environmental conservation special revenue fund (301):
- 16 a. Hazardous bulk storage account (F7).
- 17 b. Utility environmental regulation account (H4).
- 18 c. Low level radioactive waste siting account (K5).
- 19 d. Recreation account (K6).
- 20 e. Conservationist magazine account (S4).
- 21 f. Environmental regulatory account (S5).
- 22 g. Natural resource account (S6).
- 23 h. Mined land reclamation program account (XB).
- 24 11. Environmental protection and oil spill compensation fund (303).
- 25 12. Hazardous waste remedial fund (312):
- 26 a. Site investigation and construction account (01).
- 27 b. Hazardous waste remedial clean up account (06).
- 28 13. Mass transportation operating assistance fund (313):
- 29 a. Public transportation systems account (01).
- 30 b. Metropolitan mass transportation (02).
- 31 14. Clean air fund (314):
- 32 a. Operating permit program account (01).
- 33 b. Mobile source account (02).
- 34 15. Centralized services fund (323).
- 35 16. State exposition special fund (325).
- 36 17. Agency enterprise fund (331):
- 37 a. OGS convention center account (55).
- 38 18. Agencies internal service fund (334):
- 39 a. Archives records management account (02).
- 40 b. Federal single audit account (05).
- 41 c. Quick copy center account (07).
- 42 d. Civil service law: sec 11 admin account (09).
- 43 e. Civil service EHS occupational health program account (10).
- 44 f. Banking services account (12).
- 45 g. Cultural resources survey account (14).
- 46 h. Neighborhood work project (17).
- 47 i. Automation & printing chargeback account (18).
- 48 j. OFT NYT account (20).
- 49 k. Data center account (23).
- 50 l. Human service telecom account (24).
- 51 m. Centralized Technology services account.
- 52 n. OMRDD copy center account (26).
- 53 o. Intrusion detection account (27).
- 54 p. Domestic violence grant account (28).
- 55 19. Miscellaneous special revenue fund (339):
- 56 a. Statewide planning and research cooperative system account (03).

- 1 b. OMRDD provider of service account (05).
- 2 c. New York state thruway authority account (08).
- 3 d. Mental hygiene patient income account (13).
- 4 e. Financial control board account (15).
- 5 f. Regulation of racing account (16).
- 6 g. New York metropolitan transportation council account (17).
- 7 h. Quality of care account (20).
- 8 i. Cyber upgrade account (25).
- 9 j. Certificate of need account (26).
- 10 k. Hospital and nursing home management account (44).
- 11 l. State university dormitory income reimbursable account (47).
- 12 m. Training, management and evaluation (50).
- 13 n. Energy research account (60).
- 14 o. Criminal justice improvement account (62).
- 15 p. Fingerprint identification and technology account (68).
- 16 q. Environmental laboratory reference fee account (81).
- 17 r. Clinical laboratory reference system assessment account (90).
- 18 s. Public employment relations board account (93).
- 19 t. Radiological health protection account (95).
- 20 u. Teacher certification account (A4).
- 21 v. Banking department account (A5).
- 22 w. Cable television account (A6).
- 23 x. Indirect cost recovery account (AH).
- 24 y. High school equivalency program account (AI).
- 25 z. Rail safety inspection account (AQ).
- 26 aa. Child support revenue account (AX).
- 27 bb. Multi-agency training account (AY).
- 28 cc. Critical infrastructure account (B3).
- 29 dd. Insurance department account (B6).
- 30 ee. Bell jar collection account (BJ).
- 31 ff. Industry and utility service account (BK).
- 32 gg. Real property disposition account (BP).
- 33 hh. Parking account (BQ).
- 34 ii. Asbestos safety training program account (BW).
- 35 jj. Improvement of real property tax administration account (BZ).
- 36 kk. Public service account (C3).
- 37 ll. Plant industry account (CZ).
- 38 mm. Batavia school for the blind account (D9).
- 39 nn. Investment services account (DC).
- 40 oo. Surplus property account (DE).
- 41 pp. OMRDD day services account (DH).
- 42 qq. Financial oversight account (DI).
- 43 rr. Regulation of indian gaming account (DT).
- 44 ss. Special conservation activities account (CU).
- 45 tt. Interest assessment account (DZ).
- 46 uu. Office of the professions account (E3).
- 47 vv. Rome school for the deaf account (E6).
- 48 ww. Seized assets account (E8).
- 49 xx. Administrative adjudication account (E9).
- 50 yy. Client notices system (EG).
- 51 zz. Federal salary sharing account (EC).
- 52 aaa. Cultural education account (EN).
- 53 bbb. Examination and miscellaneous revenue account (ER).
- 54 ccc. Transportation regulation account (F1).
- 55 ddd. Consumer protection account (F2).
- 56 eee. State student financial aid audit account (FA).

- 1 fff. Local services account (G3).
- 2 ggg. Electronic benefit transfer and common benefit identification
- 3 card account (GD).
- 4 hhh. Division of housing and community renewal housing information
- 5 systems special revenue account (H1).
- 6 iii. Housing special revenue account (H2).
- 7 jjj. Department of motor vehicles compulsory insurance account (H7).
- 8 kkk. Housing Indirect cost recovery (HI).
- 9 lll. Housing credit agency application fee account (J5).
- 10 mmm. EPIC premium account (J6).
- 11 nnn. Federal gasoline and diesel fuel excise tax account (L6).
- 12 ooo. OTDA earned revenue account (L7).
- 13 ppp. Medical assistance disability account (LF).
- 14 qqq. Low income housing credit monitoring fee account (NG).
- 15 rrr. Procurement opportunities newsletter account (P4).
- 16 sss. Corporation administration account (P6).
- 17 ttt. Montrose veteran's home account (Q6).
- 18 uuu. Excelsior capital corporation reimbursement account (R1).
- 19 vvv. Motor fuel quality account (R4).
- 20 www. Weights and measures account (R5).
- 21 xxx. Deferred compensation administration account (R7).
- 22 yyy. Rent revenue other account (RR).
- 23 zzz. Batavia medicaid income account (S1).
- 24 aaaa. Rent revenue account (S8).
- 25 bbbb. Student lending education account (SL).
- 26 cccc. Tax revenue arrearage account (TR).
- 27 dddd. Solid waste management account (W3).
- 28 eeee. Occupational health clinics account (W4).
- 29 ffff. Tenured teacher hearing account (YR).
- 30 gggg. Point insurance reduction program account.
- 31 hhhh. Power plant security account.
- 32 iiii. Internet point insurance reduction program account.
- 33 jjjj. Mental hygiene program fund account.
- 34 20. State university income fund (345):
 - 35 a. State university general income offset account (11).
 - 36 21. State police and motor vehicle law enforcement fund (354):
 - 37 a. State police motor vehicle law enforcement account (02).
 - 38 22. Youth facilities improvement fund (357):
 - 39 a. Youth facilities improvement account (01).
 - 40 23. Highway safety program fund (362):
 - 41 a. Highway safety program account (01).
 - 42 24. Drinking water program management and administration fund (366):
 - 43 a. EFC drinking water program account (01).
 - 44 b. DOH drinking water program account (02).
 - 45 25. New York city county clerks offset fund (368):
 - 46 a. NYCCC operating offset account (01).
 - 47 26. Housing assistance fund (374).
 - 48 27. Housing program fund (376).
 - 49 28. Department of transportation - engineering services fund (380):
 - 50 a. Highway facility purpose account (01).
 - 51 29. Miscellaneous capital projects fund (387):
 - 52 a. Clean air capital account (08).
 - 53 b. New York racing account.
 - 54 30. Mental hygiene facilities capital improvement fund (389).
 - 55 31. Joint labor/management administration fund (394):
 - 56 a. Joint labor/management administration fund (01).

- 1 32. Audit and control revolving fund (395):
- 2 a. Executive direction internal audit account (04).
- 3 33. Health insurance internal service fund (396):
- 4 a. Health insurance internal service account (00).
- 5 b. Civil service employee benefits div admin (01).
- 6 34. Correctional industries revolving fund (397).
- 7 35. Correctional facilities capital improvement fund (399).
- 8 36. Industrial exhibit authority fund (450).
- 9 37. Federal unemployment insurance administration fund (480):
- 10 a. UI administration (01).
- 11 38. Federal unemployment insurance occupational training fund (484):
- 12 a. Federal unemployment insurance occupational training (00).
- 13 b. Disaster relief grants (01).
- 14 39. Federal employment and training grants (486):
- 15 a. DOL workforce investment act (09).
- 16 40. HCRA resources fund (061):
- 17 a. EPIC premium account (J6).
- 18 b. Maternal and child HIV services account (LC).
- 19 c. Hospital based grants program account (AF).
- 20 d. Child health plus program account (29).
- 21 S 2. The state comptroller is hereby authorized and directed to loan
- 22 money in accordance with the provisions set forth in subdivision 5 of
- 23 section 4 of the state finance law to any account within the following
- 24 federal funds, provided the comptroller has made a determination that
- 25 sufficient federal grant award authority is available to reimburse such
- 26 loans:
 - 27 1. Federal USDA-food and nutrition services fund (261).
 - 28 2. Federal health and human services fund (265).
 - 29 3. Federal education grants fund (267).
 - 30 4. Federal block grant fund (269).
 - 31 5. Federal operating grants fund (290).
 - 32 6. Federal capital projects fund (291).
- 33 S 3. Notwithstanding any law to the contrary, and in accordance with
- 34 section 4 of the state finance law, the comptroller is hereby authorized
- 35 and directed to transfer, upon request of the director of the budget, on
- 36 or before March 31, 2009, up to the unencumbered balance or the follow-
- 37 ing amounts:
 - 38 Economic Development and Public Authorities:
 - 39 1. \$100,000 from the miscellaneous special revenue fund (339), under-
 - 40 ground facilities safety training account (US), to the general fund.
 - 41 2. An amount up to the unencumbered balance from the miscellaneous
 - 42 special revenue fund (339), business and licensing services account
 - 43 (AG), to the general fund.
 - 44 3. \$14,260,000 from the miscellaneous special revenue fund (339), code
 - 45 enforcement account (07), to the general fund.
 - 46 Education:
 - 47 1. \$2,158,000,000 from the general fund to the state lottery fund
 - 48 (160), education account (03), as reimbursement for disbursements made
 - 49 from such fund for supplemental aid to education pursuant to section
 - 50 92-c of the state finance law that are in excess of the amounts deposit-
 - 51 ed in such fund for such purposes pursuant to section 1612 of the tax
 - 52 law.
 - 53 2. \$764,000,000 from the general fund to the state lottery fund (160),
 - 54 VLT education account (06), as reimbursement for disbursements made from
 - 55 such fund for supplemental aid to education pursuant to section 92-c of

1 the state finance law that are in excess of the amounts deposited in
2 such fund for such purposes pursuant to section 1612 of the tax law.

3 3. Moneys from the state lottery fund (160) up to an amount deposited
4 in such fund pursuant to section 1612 of the tax law in excess of the
5 current year appropriation for supplemental aid to education pursuant to
6 section 92-c of the state finance law.

7 4. \$300,000 from the local government records management improvement
8 fund (052) to the archives partnership trust fund (024).

9 5. \$700,000 from the general fund to the miscellaneous special revenue
10 fund (339), Batavia school for the blind account (D9).

11 6. \$400,000 from the general fund to the miscellaneous special revenue
12 fund (339), Rome school for the deaf account (E6).

13 7. \$1,500,000 from the general fund for the private schools for the
14 blind and deaf may be transferred to the department of health miscella-
15 neous special revenue fund (339), quality assurance and audit revenue
16 activities account (GB). Notwithstanding any other law, rule or regu-
17 lation to the contrary, funds shall be available for transfer to the
18 department of health miscellaneous special revenue fund (339), quality
19 assurance and audit revenue activities account (GB), upon the approval
20 by the director of the budget of a staffing and expenditure plan devel-
21 oped by the department of health in consultation with the state educa-
22 tion department.

23 8. \$35,000,000 from the state university dormitory income fund (330)
24 to the state university residence hall rehabilitation fund (074).

25 9. \$290,000,000 from the state university dormitory income fund (330)
26 to the miscellaneous special revenue fund (339), state university dormi-
27 tory income reimbursable account (47).

28 10. \$4,000,000 from the general fund to the miscellaneous special
29 revenue fund (339), volunteer recruitment service scholarships account
30 (VR).

31 11. \$1,000,000 from the miscellaneous special revenue fund (339),
32 cultural education account (EN), to the miscellaneous special revenue
33 fund (339), summer school of the arts account (38).

34 12. \$22,000,000 from the state university income fund (345), state
35 university general income fund reimbursable account (10), to the general
36 fund.

37 13. \$24,000,000 from any of the state education department special
38 revenue and internal service funds to the miscellaneous special revenue
39 fund (339), indirect cost recovery account (AH).

40 14. \$8,318,000 from the general fund to the state university income
41 fund (345), state university income offset account (11), for the state's
42 share of repayment of the STIP loan.

43 15. \$16,200,000 from the miscellaneous special revenue fund (339),
44 cultural education account (EN), to the general fund.

45 Environmental Affairs:

46 1. \$500,000 from the department of transportation's federal capital
47 projects fund (291) to the office of parks and recreation federal oper-
48 ating grants fund (290), miscellaneous operating grants account.

49 2. \$15,000,000 from the general fund to the hazardous waste remedial
50 fund (312), hazardous waste remediation oversight and assistance account
51 (00).

52 3. \$125,000,000 from the environmental protection fund (078), environ-
53 mental protection transfer account (01), to the general fund.

54 4. \$75,000,000 from the environmental protection fund (078), environ-
55 mental protection transfer account (001), to the general fund.

1 5. \$5,000,000 from the state parks infrastructure fund (076), state
2 infrastructure account (01), to the general fund.

3 6. \$16,000,000 from any of the department of environmental conservation's special revenue federal funds to the special revenue fund (301) federal grant indirect cost recovery account.

6 Family Assistance:

7 1. \$10,000,000 from any of the office of children and family services, office of temporary and disability assistance, or department of health special revenue federal funds and the general fund, in accordance with agreements with social services districts, to the miscellaneous special revenue fund (339), office of human resources development state match account (2C).

13 2. \$3,000,000 from any of the office of children and family services or office of temporary and disability assistance special revenue federal funds to the miscellaneous special revenue fund (339), family preservation and support services and family violence services account (GC).

17 3. \$10,000,000 from any of the office of children and family services or office of temporary and disability assistance special revenue federal funds and any other miscellaneous revenues generated from the operation of office of children and family services programs to the miscellaneous special revenue fund (339), office of children and family services program account (L4).

23 4. \$6,000,000 from any of the office of children and family services special revenue federal funds to the general fund for title IV-E reimbursement of youth facility costs.

26 5. \$20,000,000 from any of the office of children and family services, office of temporary and disability assistance, or department of health special revenue federal funds and any other miscellaneous revenues generated from the operation of office of children and family services programs to the miscellaneous special revenue fund (339), office of children and family services income account (AR).

32 6. \$10,000,000 from any of the office of children and family services or office of temporary and disability assistance special revenue funds or the general fund to the miscellaneous special revenue fund (339), connections account (WK).

36 7. \$36,000,000 from any of the office of temporary and disability assistance accounts within the federal health and human services fund (265) to the general fund.

39 8. \$7,300,000 from the federal health and human services fund (265) to the miscellaneous special revenue fund (339), ODD earned revenue account (AD).

42 9. \$8,300,000 from any of the office of temporary and disability assistance accounts within the federal health and human services fund (265) to the miscellaneous special revenue fund (339), client notices account (EG).

46 10. \$83,500,000 from any of the office of temporary and disability assistance, department of health or office of children and family services special revenue funds to the miscellaneous special revenue fund (339), office of temporary and disability assistance earned revenue account (L7).

51 11. \$4,000,000 from the federal block grant fund (269) to the miscellaneous special revenue fund (339), home energy assistance earned revenue account (QA).

54 12. \$7,500,000 from any of the office of temporary and disability assistance or office of children and family services special revenue

1 federal funds to the miscellaneous special revenue fund (339), office of
2 temporary and disability assistance program account (AL).

3 13. \$500,000 from any of the office of temporary and disability
4 assistance special revenue federal funds to the miscellaneous special
5 revenue fund (339), food stamp recovery account (D4).

6 14. \$50,000,000 from any of the office of children and family
7 services, office of temporary and disability assistance, department of
8 labor, and department of health special revenue federal funds to the
9 office of children and family services miscellaneous special revenue
10 fund (339), multi-agency training contract account (AY).

11 15. \$30,000,000 from the office of temporary and disability assistance
12 federal health and human services fund (265) to the miscellaneous
13 special revenue fund (339), child support revenue account (AX).

14 16. \$6,300,000 from any of the office of children and family services,
15 office of temporary and disability assistance, department of labor, or
16 department of health special revenue funds to the office of temporary
17 and disability assistance miscellaneous special revenue fund (339),
18 multi-agency systems development account (MD).

19 17. \$2,561,000 from any of the office of temporary and disability
20 assistance special revenue federal funds, in accordance with agreements
21 with social services districts, to the miscellaneous special revenue
22 fund (339), OTDA office of human resources development state match
23 account (49).

24 18. \$10,595,000 from any of the office of temporary and disability
25 assistance special revenue federal funds, to the miscellaneous special
26 revenue fund (339), OTDA training contract account (48).

27 19. \$75,000 from the employment training fund (341), JTPA youth
28 employment account (04), to the general fund.

29 20. \$175,000 from the employment training fund (341), JTPA youth
30 employment account (01), to the general fund.

31 21. \$6,000,000 from the miscellaneous special revenue fund (339),
32 adult shelter sanction account (GA), to the general fund.

33 22. \$126,000,000 from the miscellaneous special revenue fund (339),
34 youth facility per diem account (YF), to the general fund.

35 23. \$1,300,000 from any of the office of temporary and disability
36 assistance and department of health special revenue federal funds to the
37 miscellaneous special revenue fund (339), welfare inspector general
38 administrative reimbursement account (WW).

39 General Government:

40 1. \$2,000,000 from the miscellaneous special revenue fund (339), exam-
41 ination and miscellaneous revenue account (ER) to the general fund.

42 2. \$12,500,000 from the general fund to the health insurance revolving
43 fund (396).

44 3. \$192,400,000 from the health insurance reserve receipts fund (167)
45 to the general fund.

46 4. \$150,000 from the general fund to the not-for-profit revolving loan
47 fund (055).

48 5. \$150,000 from the not-for-profit revolving loan fund (055) to the
49 general fund.

50 6. \$16,300,000 from the miscellaneous special revenue fund (339), real
51 property disposition account (BP), to the general fund.

52 7. \$4,000,000 from the miscellaneous special revenue fund (339),
53 surplus property account (DE), to the general fund.

54 8. \$17,556,000 from the general fund to the miscellaneous special
55 revenue fund (339), alcoholic beverage control account (DB).

1 9. \$2,000,000 from the miscellaneous special revenue fund (339),
2 federal liability account (FL), to the general fund.

3 10. \$37,000,000 from the miscellaneous special revenue fund (339),
4 revenue arrearage account (CR), to the general fund.

5 11. \$1,500,000 from the miscellaneous special revenue fund (339)
6 revenue arrearage account (CR), to the miscellaneous special revenue
7 fund (339) authority budget office account.

8 12. \$1,000,000 from the miscellaneous special revenue fund (339),
9 parking services account (BQ), to the general debt service fund (311),
10 general debt service account.

11 13. Intentionally omitted.

12 14. \$60,000,000 from any account within the special revenue federal
13 funds receiving money pursuant to federal Medicare Part D legislation to
14 the general fund.

15 Health:

16 1. \$1,500,000 from any of the department of health accounts within the
17 federal health and human services fund (265) to the miscellaneous
18 special revenue fund (339), quality assurance and audit revenue activi-
19 ties account (GB).

20 2. \$139,560,000 from any of the department of health accounts within
21 the federal health and human services fund (265) to the miscellaneous
22 special revenue fund (339), quality of care account (20).

23 3. \$1,000,000 from the general fund to the combined gifts, grants and
24 bequests fund (020), breast cancer research and education account (BD),
25 an amount equal to the monies collected and deposited into that account
26 in the previous fiscal year.

27 4. \$2,464,000 from any of the department of health accounts within the
28 federal health and human services fund (265) to the department of health
29 miscellaneous special revenue fund (339), statewide planning and
30 research cooperation system (SPARCS) program account (03).

31 5. \$250,000 from the general fund to the combined gifts, grants and
32 bequests fund (020), prostate cancer research, detection, and education
33 account (PR), an amount equal to the moneys collected and deposited into
34 that account in the previous fiscal year.

35 6. \$500,000 from the general fund to the combined gifts, grants and
36 bequests fund (020), Alzheimer's disease research and assistance account
37 (AA), an amount equal to the moneys collected and deposited into that
38 account in the previous fiscal year.

39 7. \$1,000,000 from the miscellaneous special revenue fund (339),
40 administration account (AP), to the general fund.

41 8. \$900,000,000 from any of the department of health accounts within
42 the federal health and human services fund (265) to the miscellaneous
43 special revenue fund (339), federal state health reform partnership
44 account (FS).

45 9. \$100,000,000 from the general fund to the miscellaneous special
46 revenue fund (339) empire state stem cell trust fund account.

47 10. \$95,000,000 from the miscellaneous special revenue fund (339),
48 EPIC premium account (J6), to the general fund.

49 11. \$1,000,000 from the miscellaneous special revenue fund (339),
50 certificate of need account (26), to the general fund.

51 12. \$500,000 from the miscellaneous special revenue fund (339), envi-
52 ronmental laboratory fee account (81), to the general fund.

53 13. \$500,000 from the miscellaneous special revenue fund (339), quali-
54 ty of care account (20), to the general fund.

55 14. \$250,000 from the miscellaneous special revenue fund (339), funer-
56 al directing account (FP), to the general fund.

1 15. \$2,200,000 from the miscellaneous special revenue fund (339),
2 vital records management account (JA) to the general fund.

3 Labor:

4 1. \$700,000 from the labor standards miscellaneous special revenue
5 fund (339), fee and penalty account (30), to the child performer
6 protection fund (025), child performer protection account (CP).

7 2. \$930,000 from the labor standards miscellaneous special revenue
8 fund (339), fee and penalty account (30), to the general fund.

9 3. \$1,200,000 from the labor standards miscellaneous special revenue
10 fund (339), public work enforcement account (BA), to the general fund.

11 4. \$1,400,000 from the occupational safety and health special revenue
12 fund (305), occupational safety and health training and education
13 account (01), to the general fund.

14 Mental Hygiene:

15 1. \$5,000,000 from the miscellaneous special revenue fund (339),
16 mental hygiene patient income account (13), to the miscellaneous special
17 revenue fund (339), federal salary sharing account (EC).

18 2. \$10,000,000 from the miscellaneous special revenue fund (339),
19 mental hygiene patient income account (13), to the miscellaneous special
20 revenue fund (339), federal salary sharing account (EC).

21 3. \$150,000,000 from the miscellaneous special revenue fund (339),
22 mental hygiene patient income account (13) to the miscellaneous special
23 revenue fund (339), provider of service account (05).

24 4. \$150,000,000 from the general fund to the miscellaneous special
25 revenue fund (339), provider of service account (05).

26 5. \$100,000,000 from the general fund to the miscellaneous special
27 revenue fund (339), mental hygiene patient income account (13).

28 6. \$100,000,000 from the general fund to the miscellaneous special
29 revenue fund (339), mental hygiene program fund account.

30 Public Protection:

31 1. \$3,300,000 from the general fund to the miscellaneous special
32 revenue fund (339), recruitment incentive account (U2).

33 2. \$14,000,000 from the general fund to the correctional industries
34 revolving fund (397), correctional industries internal service account
35 (00).

36 3. \$25,500,000 from the miscellaneous special revenue fund (339),
37 statewide public safety communications account (LZ), to the miscellaneous
38 special revenue fund (339), seized assets account (E8).

39 4. \$1,500,000 from the miscellaneous special revenue fund (339),
40 statewide public safety communications account (LZ), to the combined
41 gifts, grants and bequests fund (020), New York state emergency services
42 revolving loan account (AU).

43 5. \$10,000,000 from the miscellaneous special revenue fund (339),
44 statewide public safety communications account (LZ), to the miscellaneous
45 special revenue fund (339), local wireless public safety answering
46 point account (LW).

47 6. \$32,538,000 from the miscellaneous special revenue fund (339),
48 statewide public safety communications account (LZ), to the general debt
49 service fund (311), revenue bond tax account (02).

50 7. \$10,000,000 from federal miscellaneous operating grants fund (290),
51 DMNA damage account (71), to the general fund.

52 8. \$6,000,000 from the general fund to the miscellaneous special
53 revenue fund (339), crimes against revenue program account (CA).

54 9. \$2,000,000 from the general fund to the attica state employee
55 victims' fund (013).

1 10. \$20,000,000 from any office of homeland security account within
2 the federal miscellaneous operating grants fund (290), receiving money
3 through the homeland security grants program, to the general fund.

4 11. \$11,500,000 from the federal miscellaneous operating grants fund
5 (290) world trade center account, to the general fund.

6 12. \$4,000,000 from the general fund to the miscellaneous special
7 revenue fund (390) indigent legal services fund (01).

8 13. \$10,000,000 from the federal miscellaneous operating grants fund
9 (290) world trade center account, to the miscellaneous special revenue
10 fund (339) New York alert account.

11 14. \$50,000,000 from the miscellaneous special revenue fund (339),
12 statewide public safety communications account (LZ), to the state capi-
13 tal projects fund (002).

14 15. \$22,000,000 from the miscellaneous special revenue fund (339)
15 criminal justice improvement account (62) to the general fund.

16 Transportation:

17 1. \$16,065,000 from the federal miscellaneous operating grants fund
18 (290) to the special revenue fund (339), tri-state federal regional
19 planning account (17).

20 2. \$18,315,000 from the federal capital projects fund (291) to the
21 special revenue fund (339), tri-state federal regional planning account
22 (17).

23 3. \$33,550,000 from the miscellaneous special revenue fund (339),
24 compulsory insurance account (H7), to the general fund.

25 4. \$20,000,000 from the suburban transportation fund (327) to the mass
26 transportation operating assistance fund (313), additional mass trans-
27 portation fund account (06).

28 5. \$19,000,000 from the general fund to the mass transportation oper-
29 ating assistance fund (313) public transportation systems account (01).

30 6. \$1,000,000 from the clean air fund (314) mobile source account
31 (02), to the general fund.

32 7. \$23,000,000 from the mass transportation operating assistance fund
33 (313) metropolitan mass transit operating assistance account (02), to
34 the mass transportation operating assistance fund (313) public transpor-
35 tation systems operating assistance account (01).

36 8. \$215,000,000 from the general fund to the dedicated highway and
37 bridge trust fund (072).

38 Miscellaneous:

39 1. \$75,000,000 from the general fund to any funds or accounts for the
40 purpose of reimbursing certain outstanding accounts receivable balances.

41 2. \$175,000,000 from the general fund to the rainy day reserve fund
42 enacted pursuant to chapter 1 of the laws of 2007.

43 3. \$229,000,000 from the general fund to the debt reduction reserve
44 fund (064), not to exceed the amount remaining unused from the
45 \$250,000,000 authorized pursuant to section 3 of part T of chapter 57 of
46 the laws of 2007.

47 S 4. Notwithstanding any law to the contrary, and in accordance with
48 section 4 of the state finance law, the comptroller is hereby authorized
49 and directed to transfer, on or before March 31, 2009:

50 1. upon request of the commissioner of environmental conservation, up
51 to \$10,171,600 from revenues credited to any of the department of envi-
52 ronmental conservation special revenue funds, including \$2,952,100 from
53 the environmental protection and oil spill compensation fund (303), and
54 \$1,709,900 from the conservation fund (302), to the environmental
55 conservation special revenue fund (301), indirect charges account (BJ).

1 2. upon request of the commissioner of agriculture and markets, up to
2 \$3,000,000 from any special revenue fund or enterprise fund within the
3 department of agriculture and markets to the miscellaneous special
4 revenue fund (339) administrative costs account, to pay appropriate
5 administrative expenses.

6 3. upon request of the commissioner of agriculture and markets, up to
7 \$2,000,000 from the state exposition special fund (325), state fair
8 receipts account (01), or the industrial exhibit authority fund (450),
9 industrial exhibit authority account (01), to the miscellaneous capital
10 projects fund (387), state fair capital improvement account (13).

11 4. upon request of the commissioner of the division of housing and
12 community renewal, up to \$2,911,000 from revenues credited to any divi-
13 sion of housing and community renewal miscellaneous special revenue fund
14 (339) to the agency cost recovery account (HI).

15 5. upon request of the commissioner of health up to \$15,000,000 from
16 revenues credited to any of the department of health's special revenue
17 funds, to the miscellaneous special revenue fund (339), administration
18 account (AP).

19 S 5. Notwithstanding section 2815 of the public health law or any
20 other contrary provision of law, upon the direction of the director of
21 the budget and the commissioner of health, the dormitory authority of
22 the state of New York is directed to transfer seven million dollars
23 annually from funds available and uncommitted in the New York state
24 health care restructuring pool to the health care reform act (HCRA)
25 resources fund - HCRA resources account.

26 S 6. Notwithstanding any law to the contrary, the state university
27 chancellor or his designee is authorized and directed to transfer esti-
28 mated tuition revenue balances from the state university collection fund
29 (344) to the state university fund (345), state university revenue
30 offset account (12) on or before March 31, 2009.

31 S 7. Notwithstanding any law to the contrary, and in accordance with
32 section 4 of the state finance law, the comptroller is hereby authorized
33 and directed to transfer, upon request of the state university chancel-
34 lor or his designee, up to \$30,000,000 from the state university income
35 fund (345), state university hospitals income reimbursable account (22)
36 under hospital income reimbursable for services and expenses of hospital
37 operations and capital expenditures at the state university hospitals,
38 and the state university income fund (345) Long Island veterans' home
39 account (09) to the state university capital projects fund (384) on or
40 before June 30, 2009.

41 S 8. Notwithstanding any law to the contrary, and in accordance with
42 section 4 of the state finance law, the comptroller is hereby authorized
43 and directed to transfer, upon request of the director of the budget, up
44 to \$154,100,000 from the general fund to the state university income
45 fund (345), state university hospitals income reimbursable account (22)
46 during the period July 1, 2008 through June 30, 2009 to reflect ongoing
47 state subsidy of SUNY hospitals and to pay costs attributable to the
48 SUNY hospitals' state agency status.

49 S 9. Notwithstanding any law to the contrary, and in accordance with
50 section 4 of the state finance law, the comptroller, after consultation
51 with the state university chancellor or his or her designee, is hereby
52 authorized and directed to transfer moneys, in the first instance, from
53 the state university collection fund (344), Stony Brook hospital
54 collection account (07), Brooklyn hospital collection account (08), and
55 Syracuse hospital collection account (09) to the state university income
56 fund (345), state university hospitals income reimbursable account (22)

1 in the event insufficient funds are available in the state university
2 income fund (345), state university hospitals income reimbursable
3 account (22) to transfer moneys, in amounts sufficient to permit the
4 full transfer of moneys authorized for transfer, to the general debt
5 service fund (311) for payment of debt service related to the SUNY
6 hospitals. Notwithstanding any law to the contrary, the comptroller is
7 also hereby authorized and directed, after consultation with the state
8 university chancellor or his or her designee, to transfer moneys from
9 the state university income fund (345) to the state university income
10 fund (345), state university hospitals income reimbursable account (22)
11 in the event insufficient funds are available in the state university
12 income fund (345), state university hospitals income reimbursable
13 account (22) to pay hospital operating costs or to transfer moneys, in
14 amounts sufficient to permit the full transfer of moneys authorized for
15 transfer, to the general debt service fund (311) for payment of debt
16 service related to the SUNY hospitals on or before March 31, 2009.

17 S 10. On or before March 31, 2009, the comptroller is authorized and
18 directed to transfer the unencumbered balance from the family benefit
19 fund (329) to the general fund.

20 S 10-a. Subdivision 2 of section 95 of the state finance law, as added
21 by chapter 92 of the laws of 1978, is amended to read as follows:

22 2. Annually, the comptroller shall file with the director of the budget
23 an itemized estimate of the expenses for the administration of the
24 abandoned property fund for the ensuing year. The director of the budget
25 may revise and amend such estimate. After such revision and amendment,
26 if any, such director shall approve the same for inclusion in the
27 executive budget. No moneys shall be paid out of the abandoned property
28 fund for such expenses unless expenditures therefor shall have been
29 authorized by law; PROVIDED, HOWEVER, THAT THE EXPENSES OF ANY AUDITS
30 CONDUCTED BY THE STATE COMPTROLLER TO ASSURE COMPLIANCE BY HOLDERS OF
31 UNCLAIMED PROPERTY WITH THE PROVISIONS OF THE ABANDONED PROPERTY LAW
32 PAID BY THE STATE COMPTROLLER PURSUANT TO AN APPROPRIATION, SHALL BE
33 REIMBURSED BY A TRANSFER OF FUNDS NO MORE FREQUENTLY THAN MONTHLY, FROM
34 ANY BALANCE REMAINING IN THE ABANDONED PROPERTY FUND PRIOR TO ANY
35 PAYMENT MADE PURSUANT TO THE PROVISIONS OF SUBDIVISION THREE OF THIS
36 SECTION.

37 S 11. On or before March 31, 2009, the comptroller is authorized and
38 directed to transfer the unencumbered balance from the miscellaneous
39 special revenue fund (339), commission of investigation seized assets
40 account (EK) to the miscellaneous special revenue fund (339) state
41 police seized assets account (E8).

42 S 11-a. Notwithstanding any provision of law to the contrary, the
43 power authority of the state of New York, as deemed feasible and advisable
44 by its trustees, is authorized to make contributions to the state
45 treasury to the credit of the general fund as follows: for the fiscal
46 year commencing April 1, 2008, a total of \$60,000,000, not less than
47 \$50,000,000 of which will be paid within thirty days of the enactment of
48 the state budget for such fiscal year; for the fiscal year commencing
49 April 1, 2009, a total of \$35,000,000, not less than \$25,000,000 of
50 which will be paid within thirty days of the enactment of the state
51 budget for such fiscal year; and for the fiscal year commencing April 1,
52 2010, a total of \$35,000,000, not less than \$25,000,000 of which will be
53 paid within thirty days of the enactment of the state budget for such
54 fiscal year.

55 S 12. On or before March 31, 2009, the comptroller is hereby authorized
56 and directed to deposit earnings that would otherwise accrue to the

1 general fund that are attributable to the operation of section 98-a of
2 the state finance law, to the agencies internal service fund (334),
3 banking services account (12), for the purpose of meeting direct
4 payments from such account.

5 S 12-a. Notwithstanding any law to the contrary, and in accordance
6 with section 4 of the state finance law, the comptroller is hereby
7 authorized and directed to transfer monies, upon request of the director
8 of the budget, on or before March 31, 2009, from and to any of the
9 following accounts: the miscellaneous special revenue fund (339),
10 patient income account (13), the miscellaneous special revenue fund
11 (339), mental hygiene program fund account or the general fund in any
12 combination, the aggregate of which shall not exceed \$200 million.

13 S 13. The comptroller is authorized and directed to deposit to the
14 general fund-state purposes account reimbursements from moneys appropri-
15 ated or reappropriated to the correctional facilities capital improve-
16 ment fund (339) by a chapter of the laws of 2008. Reimbursements shall
17 be available for spending from appropriations made to the department of
18 correctional services in the general fund-state purposes account by a
19 chapter of the laws of 2008 for costs associated with the administration
20 and security of capital projects and for other costs which are attribut-
21 able, according to a plan, to such capital projects.

22 S 13-a. Notwithstanding any law to the contrary, and in accordance
23 with section 4 of the state finance law, the comptroller is hereby
24 authorized and directed to transfer, at the request of the director of
25 the budget, up to \$150 million from the unencumbered balance of any
26 special revenue fund or account, or combination of funds and accounts,
27 to the general fund. The amounts transferred pursuant to this authori-
28 zation shall be in addition to any other transfers expressly authorized
29 in the 2008-09 budget. Transfers from federal funds, debt service funds,
30 capital projects funds, or the community projects fund are not permitted
31 pursuant to this authorization. The director of the budget shall notify
32 both houses of the legislature in writing prior to initiating transfers
33 pursuant to this authorization.

34 S 14. Subdivision 5 of section 97-rrr of the state finance law, as
35 amended by section 14 of part T of chapter 57 of the laws of 2007, is
36 amended to read as follows:

37 5. Notwithstanding the provisions of section one hundred seventy-one-a
38 of the tax law, as separately amended by chapters four hundred eighty-
39 one and four hundred eighty-four of the laws of nineteen hundred eight-
40 y-one, or any other provisions of law to the contrary, during the fiscal
41 year beginning April first, two thousand {seven} EIGHT, the state comp-
42 trroller is hereby authorized and directed to deposit to the fund created
43 pursuant to this section from amounts collected pursuant to article
44 twenty-two of the tax law and pursuant to a schedule submitted by the
45 director of the budget, up to {\$4,888,000,000} \$4,970,000,000, as may be
46 certified in such schedule as necessary to meet the purposes of such
47 fund for the fiscal year beginning April first, two thousand {seven}
48 EIGHT.

49 S 15. Subdivision 6 of section 4 of the state finance law, as amended
50 by chapter 60 of the laws of 2006, is amended to read as follows:

51 6. Notwithstanding any law to the contrary, at the beginning of the
52 state fiscal year, the state comptroller is hereby authorized and
53 directed to receive for deposit to the credit of a fund and/or an
54 account such monies as are identified by the director of the budget as
55 having been intended for such deposit to support disbursements from such
56 fund and/or account made in pursuance of an appropriation by law. As

1 soon as practicable upon enactment of the budget, the director of the
2 budget shall, but not less than three days following preliminary
3 submission to the chairpersons of the senate finance committee and the
4 assembly ways and means committee, file with the state comptroller an
5 identification of specific monies to be so deposited. Any subsequent
6 change regarding the monies to be so deposited shall be filed by the
7 director of the budget, as soon as practicable, but not less than three
8 days following preliminary submission to the chairpersons of the senate
9 finance committee and the assembly ways and means committee.

10 All monies identified by the director of the budget to be deposited to
11 the credit of a fund and/or account shall be consistent with the intent
12 of the budget for the then current state fiscal year as enacted by the
13 legislature.

14 The provisions of this subdivision shall expire on March thirty-first,
15 two thousand {eight} TEN.

16 S 16. Subdivision 4 of section 40 of the state finance law, as amended
17 by chapter 60 of the laws of 2006, is amended to read as follows:

18 4. Every appropriation made from a fund or account to a department or
19 agency shall be available for the payment of prior years` liabilities in
20 such fund or account for fringe benefits, indirect costs, and telecommu-
21 nications expenses and expenses for other centralized services fund
22 programs without limit. Every appropriation shall also be available for
23 the payment of prior years` liabilities other than those indicated
24 above, but only to the extent of one-half of one percent of the total
25 amount appropriated to a department or agency in such fund or account.

26 The provisions of this subdivision shall expire March thirty-first,
27 two thousand {eight} TEN.

28 S 17. During fiscal year 2008-09 the state comptroller, with the
29 concurrence of the director of the budget, may reassign any federal fund
30 appropriation or reappropriation to a successor federal fund as deter-
31 mined by the state comptroller pursuant to the state comptroller`s
32 initiative to consolidate federal funds to promote greater accountabil-
33 ity and foster improved cash management of federal grant awards.

34 S 18. Notwithstanding any other law, rule, or regulation to the
35 contrary, the comptroller is hereby authorized and directed to deposit,
36 to the credit of the capital projects fund, reimbursement from the
37 proceeds of notes and bonds issued by the environmental facilities
38 corporation for a capital appropriation for \$22,404,000 authorized by
39 chapter 55 of the laws of 1999 to the department of environmental
40 conservation for payment of a portion of the state`s match for federal
41 capitalization grants for the water pollution control revolving loan
42 fund, reimbursements for spending from various appropriations for
43 projects related to the New York city watershed, reimbursement from the
44 proceeds of notes and bonds issued by the environmental facilities
45 corporation for a capital appropriation for \$22,500,000 authorized by
46 chapter 55 of the laws of 1999 to the environmental facilities corpo-
47 ration for payment for the jobs two thousand pipeline for jobs program,
48 reimbursement from the proceeds of notes and bonds issued by the dormi-
49 tory authority of the state of New York for a capital appropriation for
50 \$47,500,000 authorized by chapter 55 of the laws of 1999 to the office
51 of science, technology and academic research for payment for the jobs
52 two thousand capital facilities program, reimbursement from the proceeds
53 of notes and bonds issued by the dormitory authority of the state of New
54 York for a capital appropriation for \$145,000,000 authorized by chapter
55 53 of the laws of 1999 to the state education department for payment of
56 capital construction grants to school districts pursuant to the rebuild-

1 ing schools to uphold education program, and reimbursement from the
2 proceeds of notes and bonds issued by the urban development corporation
3 for a capital appropriation for \$25,000,000 authorized by chapter 55 of
4 the laws of 1999 to all state agencies for payment of costs related to
5 economic development, land acquisition, and heritage trail projects.

6 S 19. Notwithstanding any other law, rule, or regulation to the
7 contrary, the comptroller is hereby authorized and directed to deposit,
8 to the credit of the capital projects fund, reimbursement from the
9 proceeds of notes or bonds issued by the environmental facilities corpo-
10 ration for a capital appropriation for \$43,383,000 authorized by chapter
11 55 of the laws of 2000 to the department of environmental conservation
12 for payment of a portion of the state's match for federal capitalization
13 grants for the water pollution control revolving loan fund, to reimburse
14 spending from various appropriations for certain projects related to the
15 New York city watershed, reimbursement from the proceeds of notes and
16 bonds issued by the urban development corporation for capital appropri-
17 ation for \$15,000,000 authorized by chapter 55 of the laws of 2000 to
18 the urban development corporation for payment of costs related to a
19 sports facility in the city of Rochester, reimbursement from the
20 proceeds of notes and bonds issued by the urban development corporation
21 of the state of New York for a capital appropriation for \$50,000,000
22 authorized by chapter 55 of the laws of 2000 to the urban development
23 corporation for payment of costs related to economic development
24 projects in the downtown Buffalo, the Buffalo inner harbor area, or
25 surrounding environs, reimbursement from proceeds of notes and bonds
26 issued by the dormitory authority of the state of New York for a capital
27 appropriation for \$225,000,000 authorized by chapter 55 of the laws of
28 2000 to all state agencies for payment of costs related to the strategic
29 investment program, reimbursement from the proceeds of notes and bonds
30 issued by the dormitory authority of the state of New York for a capital
31 appropriation for \$50,000,000 authorized by chapter 53 of the laws of
32 2000 to the state education department for payment of capital
33 construction grants to school districts pursuant to the rebuilding
34 schools to uphold education program, for reimbursement from the proceeds
35 of notes and bonds issued by the dormitory authority of the state of New
36 York for a capital appropriation for \$15,000,000 authorized by chapter
37 53 of the laws of 2000 to the office of children and family services for
38 payment of costs related to the child care facilities development
39 program, and for reimbursement from the proceeds of notes and bonds
40 issued by the dormitory authority of the state of New York for a capital
41 appropriation for \$10,000,000 authorized by chapter 55 of the laws of
42 2000 to the office of science, technology and academic research for
43 payment of costs related to biomedical research and/or manufacturing
44 facilities.

45 S 20. Notwithstanding any other law, rule, or regulation to the
46 contrary, the comptroller is hereby authorized and directed to deposit
47 to the credit of the capital projects fund, reimbursement from the
48 proceeds of notes or bonds issued by the environmental facilities corpo-
49 ration for a capital appropriation for \$29,772,000 authorized by chapter
50 54 of the laws of 2001 to the department of environmental conservation
51 for payment of a portion of the state's match for federal capitalization
52 grants for the water pollution control revolving loan fund.

53 S 21. Notwithstanding any other law, rule, or regulation to the
54 contrary, the comptroller is hereby authorized and directed to deposit,
55 to the credit of the capital projects fund, reimbursement from the
56 proceeds of notes or bonds issued by the environmental facilities corpo-

1 ration for a capital appropriation for \$29,365,000 authorized by chapter
2 54 of the laws of 2002 to the department of environmental conservation
3 for payment of a portion of the state's match for federal capitalization
4 grants for the water pollution control revolving loan fund, reimbursement
5 from the proceeds of notes and bonds issued by the urban development
6 corporation or other financing source for a capital appropriation
7 for \$89,000,000 authorized by chapter 50 of the laws of 2002 to the
8 office of general services for payment of capital construction costs for
9 the Alfred E. Smith office building located in the city of Albany,
10 reimbursement from the proceeds of notes and bonds issued by the urban
11 development corporation or other financing source for capital appropri-
12 ations for \$1,500,000 authorized by chapter 50 of the laws of 2002 to
13 the office of general services for payment of capital construction costs
14 for the Elk street parking garage building located in the city of Alba-
15 ny, reimbursement from the proceeds of notes or bonds issued by the
16 urban development corporation for disbursements of up to \$12,000,000
17 from any capital appropriation or reappropriation authorized by chapter
18 50 of the laws of 2002 to the office of general services for various
19 purposes, reimbursement from the proceeds of notes or bonds issued by
20 the urban development corporation for a capital appropriation of
21 \$13,250,000 authorized by chapter 55 of the laws of 2002 to the energy
22 research and development authority for the Western New York Nuclear
23 Service Center at West Valley, reimbursement from the proceeds of notes
24 or bonds issued by the urban development corporation for a capital
25 appropriation of \$14,300,000 authorized by chapter 55 of the laws of
26 2002 to the urban development corporation to finance a portion of the
27 jobs now program, reimbursement from the proceeds of notes or bonds
28 issued by the dormitory authority for disbursements of up to \$20,800,000
29 from any capital appropriation or reappropriation authorized by chapter
30 51 of the laws of 2002 to the judiciary for courthouse improvements,
31 reimbursement from the proceeds of notes or bonds issued by the urban
32 development corporation for disbursements of up to \$15,000,000 from
33 appropriations or reappropriations authorized by chapter 50 of the laws
34 of 2002 to any agency for costs related to homeland security, and
35 reimbursement from the proceeds of notes or bonds issued by the environ-
36 mental facilities corporation for a capital appropriation of \$10,000,000
37 authorized by chapter 54 of the laws of 2002 to the department of envi-
38 ronmental conservation for Onondaga lake.

39 S 22. Notwithstanding any other law, rule, or regulation to the
40 contrary, the comptroller is hereby authorized and directed to deposit
41 to the credit of the capital projects fund, reimbursement from the
42 proceeds of notes or bonds issued by the environmental facilities corpo-
43 ration for a capital appropriation of \$30,174,000 authorized by chapter
44 55 of the laws of 2003 to the department of environmental conservation
45 for payment of a portion of the state's match for federal capitalization
46 grants for the water pollution control revolving loan fund, reimbursement
47 from the proceeds of notes or bonds issued by the urban development
48 corporation or other financing source for a capital appropriation of
49 \$19,500,000 authorized by chapter 50 of the laws of 2003 to the office
50 of general services for payment of capital construction costs for the
51 Elk street parking garage building located in the city of Albany,
52 reimbursement from the proceeds of notes or bonds issued by the urban
53 development corporation for disbursements of up to \$10,000,000 from any
54 capital appropriation or reappropriation authorized by chapter 50 of the
55 laws of 2003 to the office of general services for various purposes,
56 reimbursement from the proceeds of notes or bonds issued by the environ-

1 mental facilities corporation for a capital appropriation of \$13,250,000
2 authorized by chapter 55 of the laws of 2003 to the energy research and
3 development authority for the Western New York Nuclear Service Center at
4 West Valley, reimbursement from the proceeds of notes or bonds issued by
5 the dormitory authority for disbursements of up to \$16,400,000 from any
6 capital appropriation or reappropriation authorized by chapter 51 of the
7 laws of 2003 to the judiciary for courthouse improvements, reimbursement
8 from the proceeds of notes or bonds issued by the urban development
9 corporation for disbursements of up to \$10,000,000 from appropriations
10 or reappropriations authorized by chapter 50 of the laws of 2003 to any
11 agency for costs related to homeland security, reimbursement from the
12 proceeds of notes or bonds issued by the environmental facilities corpo-
13 ration for a capital appropriation of \$10,000,000 authorized by chapter
14 55 of the laws of 2003 to the department of environmental conservation
15 for Onondaga lake, reimbursement from the proceeds of notes or bonds
16 issued by the environmental facilities corporation for disbursements of
17 up to \$11,000,000 from any capital appropriations or reappropriations
18 authorized by chapter 55 of the laws of 2003 to the department of envi-
19 ronmental conservation for environmental purposes, and reimbursement
20 from the proceeds of notes or bonds issued by the dormitory authority
21 for disbursements of up to \$100,000,000 from a capital appropriation
22 authorized by chapter 50 of the laws of 2003 to the department of state
23 for enhanced 911 wireless service.

24 S 23. Notwithstanding any other law, rule, or regulation to the
25 contrary, the comptroller is hereby authorized and directed to deposit
26 to the credit of the capital projects fund, reimbursement from the
27 proceeds of notes or bonds issued by the environmental facilities corpo-
28 ration for a capital appropriation for \$28,893,000 authorized by chapter
29 55 of the laws of 2004 to the department of environmental conservation
30 for payment of a portion of the state's match for federal capitalization
31 grants for the water pollution control revolving loan fund, reimburse-
32 ment from the proceeds of notes or bonds issued by reimbursement from
33 the proceeds of notes or bonds issued by the urban development corpo-
34 ration for disbursements of up to \$10,000,000 from any capital appropri-
35 ation or reappropriation authorized by chapter 50 of the laws of 2004 to
36 the office of general services for various purposes, reimbursement from
37 the proceeds of notes or bonds issued by the environmental facilities
38 corporation for a capital appropriation of \$11,350,000 authorized by
39 chapter 55 of the laws of 2004 to the energy research and development
40 authority for the Western New York Nuclear Service Center at West
41 Valley, reimbursement from the proceeds of notes or bonds issued by the
42 environmental facilities corporation, for a capital appropriation of
43 \$10,000,000 authorized by chapter 55 of the laws of 2004 to the depart-
44 ment of environmental conservation for Onondaga lake, reimbursement from
45 the proceeds of notes or bonds issued by the environmental facilities
46 corporation for disbursements of up to \$11,000,000 from any capital
47 appropriations or reappropriations authorized by chapter 55 of the laws
48 of 2004 to the department of environmental conservation for environ-
49 mental purposes, reimbursement from the proceeds of notes or bonds
50 issued by the dormitory authority for a capital appropriation of
51 \$80,000,000 authorized by chapter 53 of the laws of 2004 to the educa-
52 tion department for capital transition grants for transportation,
53 reimbursement from the proceeds of notes or bonds issued by the dormito-
54 ry authority for a capital appropriation of \$250,000,000 authorized by
55 chapter 55 of the laws of 2004 for payment of costs related to economic
56 development projects and reimbursement from the proceeds of notes or

1 bonds issued by the dormitory authority for a capital appropriation of
2 \$350,000,000 authorized by chapter 3 of the laws of 2004 for the New
3 York state economic development program.

4 S 24. Notwithstanding any other law, rule, or regulation to the
5 contrary, the comptroller is hereby authorized and directed to deposit
6 to the credit of the capital projects fund, reimbursement from the
7 proceeds of notes or bonds issued by the environmental facilities corpo-
8 ration for a capital appropriation for \$29,602,000 authorized by chapter
9 55 of the laws of 2005 to the department of environmental conservation
10 for payment of a portion of the state's match for federal capitalization
11 grants for the water pollution control revolving loan fund, reimburse-
12 ment from the proceeds of notes or bonds issued by the urban development
13 corporation for disbursements of up to \$10,000,000 from any capital
14 appropriation or reappropriation authorized by chapter 50 of the laws of
15 2005 to the office of general services for various purposes, reimburse-
16 ment from the proceeds of notes or bonds issued by the environmental
17 facilities corporation for a capital appropriation of \$11,350,000
18 authorized by chapter 55 of the laws of 2005 to the energy research and
19 development authority for the Western New York Nuclear Service Center at
20 West Valley, reimbursement from the proceeds of notes or bonds issued by
21 the environmental facilities corporation for a capital appropriation of
22 \$10,000,000 authorized by chapter 55 of the laws of 2005 to the depart-
23 ment of environmental conservation for Onondaga lake, reimbursement from
24 the proceeds of notes or bonds issued by the environmental facilities
25 corporation for disbursements of up to \$11,000,000 from any capital
26 appropriations or reappropriations authorized by chapter 55 of the laws
27 of 2005 to the department of environmental conservation for environ-
28 mental purposes, reimbursement from the proceeds of notes or bonds
29 issued by the urban development corporation for a capital appropriation
30 of \$350,000,000 authorized by chapter 55 of the laws of 2005 for the
31 Javits center, reimbursement from the proceeds of notes or bonds issued
32 by the dormitory authority for a capital appropriation of \$90,000,000
33 authorized by chapter 62 of the laws of 2005 for regional development,
34 reimbursement from the proceeds of notes or bonds issued by the dormito-
35 ry authority for a capital appropriation of \$250,000,000 authorized by
36 chapter 62 of the laws of 2005 for technology and development,
37 reimbursement from the proceeds of notes or bonds issued by the urban
38 development corporation for a capital appropriation of \$75,000,000
39 authorized by chapter 162 of the laws of 2005 for the New York state
40 economic development program, reimbursement from the proceeds of notes
41 or bonds issued by the urban development corporation for a capital
42 appropriation of \$150,000,000 authorized by chapter 62 of the laws of
43 2005 for the higher education facilities capital matching grants
44 program, reimbursement from the proceeds of notes or bonds issued by the
45 dormitory authority or other financing source for a capital appropri-
46 ation of \$4,000,000 authorized by chapter 50 of the laws of 2005 to the
47 office of general services for payment of capital construction costs for
48 the Elk street parking garage building located in the city of Albany,
49 reimbursement from the proceeds of notes or bonds issued by the urban
50 development corporation for a capital appropriation of \$15,000,000
51 authorized by chapter 53 of the laws of 2005 to the state education
52 department for payment of capital construction costs for public broad-
53 casting facilities, reimbursement from the proceeds of notes or bonds
54 issued by the urban development corporation for a capital appropriation
55 of \$15,700,000 authorized by chapter 50 of the laws of 2005 to the divi-
56 sion of state police for public protection facilities, and reimbursement

1 from the proceeds of notes or bonds issued by the urban development
2 corporation for capital disbursements of up to \$3,000,000 from any capi-
3 tal appropriation or reappropriation authorized by chapter 50 of the
4 laws of 2005 to the division of military and naval affairs for various
5 purposes.

6 S 25. Notwithstanding any other law, rule, or regulation to the
7 contrary, the comptroller is hereby authorized and directed to deposit
8 to the credit of the capital projects fund, reimbursement from the
9 proceeds of notes or bonds issued by the environmental facilities corpo-
10 ration for a capital appropriation for \$29,600,000 authorized by chapter
11 55 of the laws of 2006 to the department of environmental conservation
12 for payment of a portion of the state's match for federal capitalization
13 grants for the water pollution control revolving loan fund, reimburse-
14 ment from the proceeds of notes or bonds issued by the urban development
15 corporation for disbursements of up to \$20,000,000 from any capital
16 appropriation or reappropriation authorized by chapter 50 of the laws of
17 2006 to the office of general services for various purposes, reimburse-
18 ment from the proceeds of notes or bonds issued by the environmental
19 facilities corporation for a capital appropriation of \$14,000,000
20 authorized by chapter 55 of the laws of 2006 to the energy research and
21 development authority for the Western New York Nuclear Service Center at
22 West Valley, reimbursement from the proceeds of notes or bonds issued by
23 the environmental facilities corporation for a capital appropriation of
24 \$10,000,000 authorized by chapter 55 of the laws of 2006 to the depart-
25 ment of environmental conservation for Onondaga lake, reimbursement from
26 the proceeds of notes or bonds issued by the environmental facilities
27 corporation for disbursements of up to \$12,000,000 from any capital
28 appropriations or reappropriations authorized by chapter 55 of the laws
29 of 2006 to the department of environmental conservation for environ-
30 mental purposes, reimbursement from the proceeds of notes or bonds
31 issued by the urban development corporation for capital disbursements of
32 up to \$3,000,000 from any capital appropriation or reappropriation
33 authorized by chapter 50 of the laws of 2006 to the division of military
34 and naval affairs for various purposes, reimbursement from the proceeds
35 of notes or bonds issued by the urban development corporation for
36 disbursements of up to \$12,400,000 from any capital appropriation or
37 reappropriation authorized by chapter 50 of the laws of 2006 to the
38 division of state police for public protection facilities, reimbursement
39 from the proceeds of notes or bonds issued by the urban development
40 corporation for a capital appropriation of \$117,000,000 authorized by
41 chapter 50 of the laws of 2006 to all state departments and agencies for
42 the purchase of equipment, reimbursement from the proceeds of notes or
43 bonds issued by the dormitory authority or the urban development corpo-
44 ration for all or a portion of capital appropriations of \$603,050,000
45 authorized by chapter 108 of the laws of 2006 to the urban development
46 corporation for economic development/other projects, reimbursement from
47 the proceeds of notes or bonds issued by the urban development corpo-
48 ration for a capital appropriation of \$269,500,000 authorized by chapter
49 108 of the laws of 2006 to the dormitory authority or the urban develop-
50 ment corporation for economic development projects, reimbursement from
51 the proceeds of notes or bonds issued by the dormitory authority or the
52 urban development corporation for a capital appropriation of
53 \$201,500,000 authorized by chapter 108 of the laws of 2006 to the urban
54 development corporation for university development projects, reimburse-
55 ment from the proceeds of notes or bonds issued by the dormitory author-
56 ity or for a capital appropriation of \$143,000,000 authorized by chapter

1 108 of the laws of 2006 to the urban development corporation for
2 cultural facilities projects, reimbursement from the proceeds of notes
3 or bonds issued by the dormitory authority or the urban development
4 corporation for capital appropriations totaling \$60,000,000 authorized
5 by chapter 108 of the laws of 2006 to the urban development corporation
6 for energy/environmental projects, reimbursement from the proceeds of
7 notes or bonds issued by the dormitory authority or the urban develop-
8 ment corporation for a capital appropriation of \$20,000,000 authorized
9 by chapter 108 of the laws of 2006 to the urban development corporation
10 for a competitive solicitation for construction of a pilot cellulosic
11 ethanol refinery, reimbursement from the proceeds of notes or bonds
12 issued by the urban development corporation for a capital appropriation
13 of \$74,700,000 authorized by chapter 55 of the laws of 2006 to the urban
14 development corporation for services and expenses related to infrastruc-
15 ture for a new stadium in Queens county, and reimbursement from the
16 proceeds of notes or bonds issued by the urban development corporation
17 for a capital appropriation of \$74,700,000 authorized by chapter 55 of
18 the laws of 2006 to the urban development corporation for services and
19 expenses related to infrastructure improvements to construct a new park-
20 ing facility at a new stadium in Bronx county, reimbursement from the
21 proceeds of notes and bonds issued by the environmental facilities
22 corporation for a capital appropriation for \$5,000,000 authorized by
23 chapter 55 of the laws of 2006 to the environmental facilities corpo-
24 ration for payment for the pipeline for jobs program, reimbursement from
25 the proceeds of notes or bonds issued by the dormitory authority for
26 capital disbursements of up to \$14,000,000 from any capital appropri-
27 ation or reappropriation authorized by chapter 53 of the laws of 2006
28 for the library construction purpose, reimbursement from the proceeds of
29 notes or bonds issued by the urban development corporation or the dormi-
30 tory authority for an appropriation of \$2,000,000 authorized by chapter
31 53 of the laws of 2006 for a Cornell equine drug testing laboratory,
32 reimbursement from the proceeds of notes or bonds issued by the urban
33 development corporation or the dormitory authority for an appropriation
34 of \$1,200,000 authorized by chapter 53 of the laws of 2006 for the towns
35 of Bristol and Canandaigua public water systems, reimbursement from the
36 proceeds of notes or bonds issued by the urban development corporation
37 or the dormitory authority for an appropriation of \$5,500,000 authorized
38 by chapter 53 of the laws of 2006 for Belleayre mountain ski center,
39 reimbursement from the proceeds of notes or bonds issued by the urban
40 development corporation or the dormitory authority for an appropriation
41 of \$25,000,000 authorized by chapter 53 of the laws of 2006 for the town
42 of Smithtown/Kings Park psychiatric center rehabilitation, reimbursement
43 from the proceeds of notes or bonds issued by the urban development
44 corporation or the dormitory authority for an appropriation of
45 \$5,000,000 authorized by chapter 108 of the laws of 2006 for a state of
46 New York umbilical cord bank, reimbursement from the proceeds of notes
47 or bonds issued by the urban development corporation or the dormitory
48 authority for an appropriation of \$5,500,000 authorized by chapter 53 of
49 the laws of 2006 for an Old Gore mountain ski bowl connection,
50 reimbursement from the proceeds of notes or bonds issued by the urban
51 development corporation or the dormitory authority for an appropriation
52 of \$2,000,000 authorized by chapter 53 of the laws of 2006 for a Fredo-
53 nia vineyard laboratory, reimbursement from the proceeds of notes or
54 bonds issued by the urban development corporation or the dormitory
55 authority for an appropriation of \$99,500,000 authorized by chapter 108
56 of the laws of 2006 to the office for technology for payment of capital

1 construction costs for a consolidated data center, reimbursement from
2 the proceeds of notes or bonds issued by the dormitory authority or the
3 urban development corporation for an appropriation of \$40,000,000
4 authorized by chapter 108 of the laws of 2006 for a food testing labora-
5 tory, reimbursement from the proceeds of notes or bonds issued by the
6 New York state thruway authority for an appropriation of \$22,000,000
7 authorized by chapter 108 of the laws of 2006 to the department of
8 transportation for high speed rail, reimbursement from the proceeds of
9 notes or bonds issued by the urban development corporation for capital
10 disbursements of up to \$500,000,000 from an appropriation authorized by
11 chapter 108 of the laws of 2006 to the urban development corporation for
12 development of a semiconductor manufacturing facility, reimbursement
13 from the proceeds of notes or bonds issued by the urban development
14 corporation of up to \$150,000,000 from an appropriation authorized by
15 chapter 108 of the laws of 2006 to the urban development corporation for
16 research and development activities of a semiconductor manufacturer, and
17 reimbursement from the proceeds of notes or bonds issued by the urban
18 development corporation for capital disbursements of up to \$300,000,000
19 from an appropriation to the urban development corporation authorized by
20 chapter 108 of the laws of 2006 for community revitalization projects.

21 S 26. Notwithstanding any other law, rule, or regulation to the
22 contrary, the comptroller is hereby authorized and directed to deposit
23 to the credit of the capital projects fund, reimbursement from the
24 proceeds of notes or bonds issued by the environmental facilities corpo-
25 ration for a capital appropriation for \$29,600,000 authorized by chapter
26 55 of the laws of 2007 to the department of environmental conservation
27 for payment of a portion of the state's match for federal capitalization
28 grants for the water pollution control revolving loan fund, reimburse-
29 ment from the proceeds of notes or bonds issued by the urban development
30 corporation for disbursements of up to \$20,000,000 from any capital
31 appropriation or reappropriation authorized by chapter 50 of the laws of
32 2007 to the office of general services for various purposes, reimburse-
33 ment from the proceeds of notes or bonds issued by the environmental
34 facilities corporation for a capital appropriation of \$13,500,000
35 authorized by chapter 55 of the laws of 2007 to the energy research and
36 development authority for the Western New York Nuclear Service Center at
37 West Valley, reimbursement from the proceeds of notes or bonds issued by
38 the environmental facilities corporation for a capital appropriation of
39 \$10,000,000 authorized by chapter 55 of the laws of 2007 to the depart-
40 ment of environmental conservation for Onondaga lake, reimbursement from
41 the proceeds of notes or bonds issued by the environmental facilities
42 corporation for disbursements of up to \$12,000,000 from any capital
43 appropriations or reappropriations authorized by chapter 55 of the laws
44 of 2007 to the department of environmental conservation for environ-
45 mental purposes, reimbursement from the proceeds of notes or bonds
46 issued by the urban development corporation for capital disbursements of
47 up to \$3,000,000 from any capital appropriation or reappropriation
48 authorized by chapter 50 of the laws of 2007 to the division of military
49 and naval affairs for various purposes, reimbursement from the proceeds
50 of notes or bonds issued by the urban development corporation for
51 disbursements from a capital appropriation of \$50,000,000 authorized by
52 chapter 50 of the laws of 2007 to the division of state police for
53 construction of a Troop G facility, reimbursement from the proceeds of
54 notes or bonds issued by the urban development corporation for disburse-
55 ments from a capital appropriation of \$6,000,000 authorized by chapter
56 50 of the laws of 2007 to the division of state police for construction

1 of evidence storage facilities, reimbursement from the proceeds of notes
2 or bonds issued by the urban development corporation for capital appro-
3 priations totaling \$77,900,000 authorized by chapter 51 of the laws of
4 2007 to the judiciary for court training facilities, reimbursement from
5 the proceeds of notes or bonds issued by the urban development corpo-
6 ration for a capital appropriation of \$20,000,000 authorized by chapter
7 50 of the laws of 2007 to all state departments and agencies for the
8 purchase of equipment, reimbursement from the proceeds of notes or bonds
9 issued by the dormitory authority for capital disbursements of up to
10 \$14,000,000 from any capital appropriation or reappropriation authorized
11 by chapter 53 of the laws of 2007 for library construction, reimburse-
12 ment from the proceeds of notes or bonds issued by the dormitory author-
13 ity for capital disbursements of up to \$60,000,000 from any capital
14 appropriation or reappropriation authorized by chapter 53 of the laws of
15 2007 for cultural education storage facilities, reimbursement from the
16 proceeds of notes or bonds issued by the urban development corporation
17 for capital disbursements of up to \$15,000,000 from any capital appro-
18 priation or reappropriation authorized by chapter 55 of the laws of 2007
19 for the Roosevelt Island Operating Corporation aerial tramway,
20 reimbursement from the proceeds of notes or bonds issued by the urban
21 development corporation for capital disbursements of up to \$20,000,000
22 from any capital appropriation or reappropriation authorized by chapter
23 55 of the laws of 2007 for Governor's Island, reimbursement from the
24 proceeds of notes or bonds issued by the urban development corporation
25 for capital disbursements of up to \$7,500,000 from any capital appropri-
26 ation or reappropriation authorized by chapter 55 of the laws of 2007
27 for Harriman research and technology park, reimbursement from the
28 proceeds of notes or bonds issued by the urban development corporation
29 for capital disbursements of up to \$7,950,000 from any capital appropri-
30 ation or reappropriation authorized by chapter 55 of the laws of 2007
31 for USA Niagara, and reimbursement from the proceeds of notes or bonds
32 issued by the urban development corporation for capital disbursements of
33 up to \$1,300,000 from appropriations authorized by chapter 50 of the
34 laws of 2007 made to the office of general services for legislative
35 office building hearing rooms.

36 S 27. Notwithstanding any other law, rule, or regulation to the
37 contrary, the comptroller is hereby authorized and directed to deposit
38 to the credit of the capital projects fund, reimbursement from the
39 proceeds of notes or bonds issued by the environmental facilities corpo-
40 ration for a capital appropriation for \$29,600,000 authorized by a chap-
41 ter of the laws of 2008 to the department of environmental conservation
42 for payment of a portion of the state's match for federal capitalization
43 grants for the water pollution control revolving loan fund, reimburse-
44 ment from the proceeds of notes or bonds issued by the urban development
45 corporation for a capital appropriation of \$141,000,000 authorized by a
46 chapter of the laws of 2008 to all state departments and agencies for
47 the purchase of equipment or systems development, reimbursement from the
48 proceeds of notes or bonds issued by the urban development corporation
49 for disbursements of up to \$45,500,000 from any capital appropriation or
50 reappropriation authorized by a chapter of the laws of 2008 to the
51 office of general services for various purposes, reimbursement from the
52 proceeds of notes or bonds issued by the environmental facilities corpo-
53 ration for a capital appropriation of \$13,500,000 authorized by a chap-
54 ter of the laws of 2008 to the energy research and development authority
55 for the Western New York Nuclear Service Center at West Valley,
56 reimbursement from the proceeds of notes or bonds issued by the environ-

1 mental facilities corporation for a capital appropriation of \$10,000,000
2 authorized by a chapter of the laws of 2008 to the department of envi-
3 ronmental conservation for Onondaga lake, reimbursement from the
4 proceeds of notes or bonds issued by the environmental facilities corpo-
5 ration for disbursements of up to \$12,000,000 from any capital appropri-
6 ations or reappropriations authorized by a chapter of the laws of 2008
7 to the department of environmental conservation for environmental
8 purposes, reimbursement from the proceeds of notes or bonds issued by
9 the urban development corporation for capital disbursements of up to
10 \$3,000,000 from any capital appropriation or reappropriation authorized
11 by a chapter of the laws of 2008 to the division of military and naval
12 affairs for various purposes, reimbursement from the proceeds of notes
13 or bonds issued by the urban development corporation for a capital
14 appropriation of \$11,000,000 authorized by a chapter of the laws of 2008
15 to the office for technology for the costs of development of interim
16 data center facilities, reimbursement from the proceeds of notes or
17 bonds issued by the urban development corporation for a capital appro-
18 priation of \$10,000,000 authorized by a chapter of the laws of 2008 to
19 the office for technology for activities related to broadband service,
20 reimbursement from the proceeds of notes or bonds issued by the urban
21 development corporation for a capital appropriation of \$6,000,000
22 authorized by a chapter of the laws of 2008 to the division of state
23 police for rehabilitation of facilities, reimbursement from the proceeds
24 and notes or bonds issued by the Dormitory Authority of the State of New
25 York or other financing source for a capital appropriation for
26 \$14,000,000 to the State Education Department for library construction,
27 reimbursement from the proceeds and notes or bonds issued by the Dormi-
28 tory Authority of the State of New York or other financing source for a
29 capital appropriation for \$12,585,000 to the State Education Department
30 for State Records Center Expansion and reimbursement from the proceeds
31 and notes or bonds issued by the Dormitory Authority of the State of New
32 York or other financing source for a capital appropriation for
33 \$15,000,000 to the State Education Department for Museum renewal
34 project, reimbursement from the proceeds of notes or bonds issued by the
35 urban development corporation for capital appropriation of \$50,000,000
36 authorized by a chapter of the laws of 2008 to the urban development
37 corporation for services and expenses related to the investment opportu-
38 nity fund, reimbursement from the proceeds of notes or bonds issued by
39 the urban development corporation for capital appropriation of
40 \$140,000,000 authorized by a chapter of the laws of 2008 to the urban
41 development corporation for services and expenses related to economic
42 development and community development initiatives, reimbursement from
43 the proceeds of notes or bonds issued by the urban development corpo-
44 ration for capital appropriation of \$35,000,000 authorized by a chapter
45 of the laws of 2008 to the urban development corporation for services
46 and expenses related to downstate regional projects, reimbursement from
47 the proceeds of notes or bonds issued by the urban development corpo-
48 ration for capital appropriation of \$145,000,000 authorized by a chapter
49 of the laws of 2008 to the urban development corporation for services
50 and expenses related to upstate city-by-city projects, reimbursement
51 from the proceeds of notes or bonds issued by the urban development
52 corporation for capital appropriation of \$35,000,000 authorized by a
53 chapter of the laws of 2008 to the urban development corporation for
54 services and expenses related to the downstate revitalization projects,
55 reimbursement from the proceeds of notes or bonds issued by the urban
56 development corporation for capital appropriation of \$120,000,000

1 authorized by a chapter of the laws of 2008 to the urban development
2 corporation for services and expenses related to the upstate regional
3 blueprint fund, reimbursement from the proceeds of notes or bonds issued
4 by the urban development corporation for capital appropriation of
5 \$40,000,000 authorized by a chapter of the laws of 2008 to the urban
6 development corporation for services and expenses related to the upstate
7 agricultural economic development fund, reimbursement from the proceeds
8 of notes or bonds issued by the urban development corporation for capi-
9 tal appropriation of \$350,000,000 authorized by a chapter of the laws of
10 2008 to the urban development corporation for services and expenses
11 related to the New York state capital assistance program, reimbursement
12 from the proceeds of notes or bonds issued by the urban development
13 corporation for capital appropriation of \$350,000,000 authorized by a
14 chapter of the laws of 2008 to the urban development corporation for
15 services and expenses related to the New York state economic development
16 assistance program, and reimbursement from the proceeds of notes or
17 bonds issued by the urban development corporation for capital appropri-
18 ation of \$20,000,000 authorized by a chapter of the laws of 2008 to the
19 urban development corporation for services and expenses related to the
20 empire state economic development fund.

21 S 28. Notwithstanding any other provision of law, any appropriation or
22 reappropriation for state equipment financing, as provided for in
23 section 66-e of the state finance law, may be allocated for the improve-
24 ment of real property solely related to energy performance contracts and
25 to real property used for athletic purposes in the following amounts at
26 the following locations: (1) \$1,800,000 for state university of New York
27 at Purchase; (2) \$561,000 for state university of New York at New Paltz;
28 and (3) \$1,200,000 for state university of New York at Farmingdale.

29 S 29. Notwithstanding any other law, rule, or regulation to the
30 contrary, the state comptroller is hereby authorized and directed to use
31 any balance remaining in the mental health services fund debt service
32 appropriation, after payment by the state comptroller of all obligations
33 required pursuant to any lease, sublease, or other financing arrangement
34 between the dormitory authority of the state of New York as successor to
35 the New York state medical care facilities finance agency, and the
36 facilities development corporation pursuant to chapter 83 of the laws of
37 1995 and the department of mental hygiene for the purpose of making
38 payments to the dormitory authority of the state of New York for the
39 amount of the earnings for the investment of monies deposited in the
40 mental health services fund that such agency determines will or may have
41 to be rebated to the federal government pursuant to the provisions of
42 the internal revenue code of 1986, as amended, in order to enable such
43 agency to maintain the exemption from federal income taxation on the
44 interest paid to the holders of such agency's mental services facilities
45 improvement revenue bonds. On or before June 30, 2009, such agency shall
46 certify to the state comptroller its determination of the amounts
47 received in the mental health services fund as a result of the invest-
48 ment of monies deposited therein that will or may have to be rebated to
49 the federal government pursuant to the provisions of the internal reven-
50 ue code of 1986, as amended.

51 S 30. (1) Notwithstanding any other law, rule, or regulation to the
52 contrary, the state comptroller shall at the commencement of each month
53 certify to the director of the budget, the commissioner of environmental
54 conservation, the chair of the senate finance committee, and the chair
55 of the assembly ways and means committee the amounts disbursed from all

1 appropriations for hazardous waste site remediation disbursements for
2 the month preceding such certification.

3 (2) Notwithstanding any law to the contrary, prior to the issuance by
4 the comptroller of bonds authorized pursuant to subdivision a of section
5 4 of the environmental quality bond act of nineteen hundred eighty-six,
6 as enacted by chapter 511 of the laws of 1986, disbursements from all
7 appropriations for that purpose shall first be reimbursed from moneys
8 credited to the hazardous waste remedial fund, site investigation and
9 construction account, to the extent moneys are available in such
10 account. For purposes of determining moneys available in such account,
11 the commissioner of environmental conservation shall certify to the
12 comptroller the amounts required for administration of the hazardous
13 waste remedial program.

14 (3) The comptroller is hereby authorized and directed to transfer any
15 balance above the amounts certified by the commissioner of environmental
16 conservation to reimburse disbursements pursuant to all appropriations
17 from such site investigation and construction account; provided, howev-
18 er, that if such transfers are determined by the comptroller to be
19 insufficient to assure that interest paid to holders of state obli-
20 gations issued for hazardous waste purposes pursuant to the environ-
21 mental quality bond act of nineteen hundred eighty-six, as enacted by
22 chapter 511 of the laws of 1986, is exempt from federal income taxation,
23 the comptroller is hereby authorized and directed to transfer, from such
24 site investigation and construction account to the general fund, the
25 amount necessary to redeem bonds in an amount necessary to assure the
26 continuation of such tax exempt status. Prior to the making of any such
27 transfers, the comptroller shall notify the director of the budget of
28 the amount of such transfers.

29 S 31. The section heading and subdivision 1 of section 166 of the
30 state finance law, as added by chapter 83 of the laws of 1995, are
31 amended to read as follows:

32 Requirements for financed equipment acquisition OR FINANCED CREATION
33 OR IMPROVEMENT OF INFORMATION TECHNOLOGY SYSTEMS AND RELATED RESEARCH
34 AND DEVELOPMENT.

35 1. a. No financed equipment acquisition may be approved by the state
36 comptroller unless the acquisition has been approved by the director of
37 the budget and the outright purchase cost of the equipment is at least
38 fifty thousand dollars for new financed equipment acquisitions during
39 the fiscal year nineteen hundred eighty-eight--eighty-nine, and at least
40 one hundred thousand dollars for new financed acquisitions during subse-
41 quent fiscal years provided, however, that the comptroller may issue
42 regulations establishing higher minimum outright purchase costs. Multi-
43 ple items of the same type of equipment or related items of equipment
44 procured pursuant to a single request for proposals may be grouped under
45 one or several contracts as part of a procurement package to reach the
46 applicable minimum. THE FINANCING OF THE CREATION OR IMPROVEMENT OF
47 INFORMATION TECHNOLOGY SYSTEMS AND RELATED RESEARCH AND DEVELOPMENT IS
48 AUTHORIZED PURSUANT TO THIS SECTION.

49 b. Notwithstanding the provisions of paragraph a of this subdivision,
50 which shall not apply to financed equipment acquisitions for units of
51 the state university and city university of New York, no financed equip-
52 ment acquisition may be approved by the state comptroller for such units
53 until the director of the budget has determined whether such financed
54 equipment acquisition shall be financed by certificates of participation
55 pursuant to section sixty-six-b of this chapter. The director of the
56 budget shall make such determination no later than thirty days following

1 the submission of documentation, satisfactory to the director from the
2 state university or city university of New York. If within such period
3 of time the director does not indicate that such financed equipment
4 acquisition shall be financed by certificates of participation, the
5 state university or city university of New York may proceed with a
6 financed equipment acquisition in accordance with any other applicable
7 provision of law. The board of trustees of the city university of New
8 York and the board of trustees of the state university of New York shall
9 each promulgate regulations in consultation with the comptroller and
10 subject to the approval of the director of the budget regarding the
11 circumstances under which units of the respective universities may use
12 certificates of participation or other financed equipment acquisitions.
13 Such regulations shall include but not be limited to: the establishment
14 of minimum finance acquisition cost; restrictions on the use of certif-
15 icates of participation; and annual ceilings on financed equipment
16 acquisitions. Each board shall file copies of its regulations with the
17 director of THE budget, the comptroller, and the chairs of the senate
18 finance committee and the assembly ways and means committee.

19 S 32. Intentionally omitted.

20 S 33. Intentionally omitted.

21 S 34. Section 69-c of the state finance law, as added by section 38 of
22 part K of chapter 81 of the laws of 2002, is amended to read as follows:

23 S 69-c. Variable rate bonds. Notwithstanding any other provision of
24 law to the contrary, any State-supported debt may be issued as variable
25 rate bonds.

26 NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, FOR
27 PURPOSES OF CALCULATING THE PRESENT VALUE OF DEBT SERVICE AND CALCULAT-
28 ING SAVINGS IN CONNECTION WITH THE ISSUANCE OF REFUNDING INDEBTEDNESS,
29 (I) THE EFFECTIVE INTEREST RATE AND DEBT SERVICE PAYABLE ON VARIABLE
30 RATE BONDS IN CONNECTION WITH WHICH, AND TO THE EXTENT THAT, AN AUTHOR-
31 IZED ISSUER HAS ENTERED INTO AN INTEREST RATE EXCHANGE OR SIMILAR AGREE-
32 MENT PURSUANT TO WHICH THE AUTHORIZED ISSUER MAKES PAYMENTS BASED ON A
33 FIXED RATE AND RECEIVES PAYMENTS BASED ON A VARIABLE RATE THAT IS
34 REASONABLY EXPECTED BY SUCH AUTHORIZED ISSUER TO BE EQUIVALENT OVER TIME
35 TO THE VARIABLE RATE PAID ON THE RELATED VARIABLE RATE BONDS, SHALL BE
36 CALCULATED ASSUMING THAT THE RATE OF INTEREST ON SUCH VARIABLE RATE
37 BONDS IS THE FIXED RATE PAYABLE BY THE AUTHORIZED ISSUER ON SUCH INTER-
38 EST RATE EXCHANGE OR SIMILAR AGREEMENT FOR THE SCHEDULED TERM OF SUCH
39 AGREEMENT; (II) THE EFFECTIVE INTEREST RATE AND DEBT SERVICE ON VARIABLE
40 RATE BONDS IN CONNECTION WITH WHICH, AND TO THE EXTENT THAT, AN AUTHOR-
41 IZED ISSUER HAS NOT ENTERED INTO SUCH AN INTEREST RATE EXCHANGE OR SIMI-
42 LAR AGREEMENT SHALL BE CALCULATED ASSUMING THAT INTEREST ON SUCH VARI-
43 ABLE INTEREST RATE BONDS IS PAYABLE AT A RATE OR RATES REASONABLY
44 ASSUMED BY THE AUTHORIZED ISSUER; (III) THE EFFECTIVE INTEREST RATE AND
45 DEBT SERVICE ON ANY BONDS SUBJECT TO OPTIONAL OR MANDATORY TENDER SHALL
46 BE A RATE OR RATES REASONABLY ASSUMED BY THE AUTHORIZED ISSUER; AND (IV)
47 OTHERWISE, THE EFFECTIVE INTEREST RATE AND DEBT SERVICE ON ANY BONDS
48 SHALL BE CALCULATED AT A RATE OR RATES REASONABLY ASSUMED BY THE AUTHOR-
49 IZED ISSUER. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRA-
50 RY, FOR CALCULATING THE PRESENT VALUE OF DEBT SERVICE AND CALCULATING
51 SAVINGS IN CONNECTION WITH THE ISSUANCE OF REFUNDING INDEBTEDNESS, THE
52 REFUNDING OF VARIABLE RATE DEBT INSTRUMENTS WITH NEW VARIABLE RATE DEBT
53 INSTRUMENTS SHALL BE EXCLUDED FROM ANY SUCH REQUIREMENTS, IF EFFECTUATED
54 FOR SOUND BUSINESS PURPOSES.

1 S 35. Paragraph (c) of subdivision 19 of section 1680 of the public
2 authorities law, as amended by section 36 of part T of chapter 57 of the
3 laws of 2007, is amended to read as follows:

4 (c) Subject to the provisions of chapter fifty-nine of the laws of two
5 thousand, the dormitory authority shall not issue any bonds for state
6 university educational facilities purposes if the principal amount of
7 bonds to be issued when added to the aggregate principal amount of bonds
8 issued by the dormitory authority on and after July first, nineteen
9 hundred eighty-eight for state university educational facilities will
10 exceed {seven} EIGHT billion {four} FIVE hundred {sixty-one} EIGHTY-THREE
11 million dollars; provided, however, that bonds issued or to be issued shall be excluded from such limitation if: (1) such bonds are issued to refund state university construction bonds and state university construction notes previously issued by the housing finance agency; or (2) such bonds are issued to refund bonds of the authority or other obligations issued for state university educational facilities purposes and the present value of the aggregate debt service on the refunding bonds does not exceed the present value of the aggregate debt service on the bonds refunded thereby; provided, further that upon certification by the director of the budget that the issuance of refunding bonds or other obligations issued between April first, nineteen hundred ninety-two and March thirty-first, nineteen hundred ninety-three will generate long term economic benefits to the state, as assessed on a present value basis, such issuance will be deemed to have met the present value test noted above. For purposes of this subdivision, the present value of the aggregate debt service of the refunding bonds and the aggregate debt service of the bonds refunded, shall be calculated by utilizing the true interest cost of the refunding bonds, which shall be that rate arrived at by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the refunding bonds from the payment dates thereof to the date of issue of the refunding bonds to the purchase price of the refunding bonds, including interest accrued thereon prior to the issuance thereof. The maturity of such bonds, other than bonds issued to refund outstanding bonds, shall not exceed the weighted average economic life, as certified by the state university construction fund, of the facilities in connection with which the bonds are issued, and in any case not later than the earlier of thirty years or the expiration of the term of any lease, sublease or other agreement relating thereto; provided that no note, including renewals thereof, shall mature later than five years after the date of issuance of such note. The legislature reserves the right to amend or repeal such limit, and the state of New York, the dormitory authority, the state university of New York, and the state university construction fund are prohibited from covenanting or making any other agreements with or for the benefit of bondholders which might in any way affect such right.

47 S 36. Paragraph j of subdivision 2 of section 1680 of the public
48 authorities law, as amended by chapter 60 of the laws of 2006, is
49 amended to read as follows:

50 j. Subject to the provisions of chapter fifty-nine of the laws of two
51 thousand, the maximum amount of bonds and notes to be issued after March
52 thirty-first, two thousand two for a housing unit for the use of
53 students at a state-operated institution or statutory or contract
54 college under the jurisdiction of the state university of New York shall
55 be {eight} ONE BILLION ONE hundred FIFTY million dollars. Such amount
56 shall be exclusive of bonds and notes issued to fund any reserve fund or

1 funds, costs of issuance, and to refund any outstanding bonds and notes
2 relating to a housing unit under the jurisdiction of the state universi-
3 ty of New York.

4 S 37. Subdivision 10-a of section 1680 of the public authorities law,
5 as amended by chapter 60 of the laws of 2006, is amended to read as
6 follows:

7 10-a. Subject to the provisions of chapter fifty-nine of the laws of
8 two thousand, but notwithstanding any other provision of the law to the
9 contrary, the maximum amount of bonds and notes to be issued after March
10 thirty-first, two thousand two, on behalf of the state, in relation to
11 any locally sponsored community college, shall be {three} FOUR hundred
12 {one} SIXTY-SIX million dollars. Such amount shall be exclusive of bonds
13 and notes issued to fund any reserve fund or funds, costs of issuance
14 and to refund any outstanding bonds and notes, issued on behalf of the
15 state, relating to a locally sponsored community college.

16 S 38. Paragraph (c) of subdivision 14 of section 1680 of the public
17 authorities law, as amended by section 37 of part T of chapter 57 of the
18 laws of 2007, is amended to read as follows:

19 (c) Subject to the provisions of chapter fifty-nine of the laws of two
20 thousand, (i) the dormitory authority shall not deliver a series of
21 bonds for city university community college facilities, except to refund
22 or to be substituted for or in lieu of other bonds in relation to city
23 university community college facilities pursuant to a resolution of the
24 dormitory authority adopted before July first, nineteen hundred eighty-
25 five or any resolution supplemental thereto, if the principal amount of
26 bonds so to be issued when added to all principal amounts of bonds
27 previously issued by the dormitory authority for city university commu-
28 nity college facilities, except to refund or to be substituted in lieu
29 of other bonds in relation to city university community college facili-
30 ties will exceed the sum of four hundred twenty-five million dollars and
31 (ii) the dormitory authority shall not deliver a series of bonds issued
32 for city university facilities, including community college facilities,
33 pursuant to a resolution of the dormitory authority adopted on or after
34 July first, nineteen hundred eighty-five, except to refund or to be
35 substituted for or in lieu of other bonds in relation to city university
36 facilities and except for bonds issued pursuant to a resolution supple-
37 mental to a resolution of the dormitory authority adopted prior to July
38 first, nineteen hundred eighty-five, if the principal amount of bonds so
39 to be issued when added to the principal amount of bonds previously
40 issued pursuant to any such resolution, except bonds issued to refund or
41 to be substituted for or in lieu of other bonds in relation to city
42 university facilities, will exceed {five} SIX billion {nine} ONE hundred
43 {four} EIGHTEEN million TWO HUNDRED THOUSAND dollars. The legislature
44 reserves the right to amend or repeal such limit, and the state of New
45 York, the dormitory authority, the city university, and the fund are
46 prohibited from covenanting or making any other agreements with or for
47 the benefit of bondholders which might in any way affect such right.

48 S 39. Subdivision 1 of section 1689-i of the public authorities law,
49 as amended by section 38 of part T of chapter 57 of the laws of 2007, is
50 amended to read as follows:

51 1. The dormitory authority is authorized to issue bonds, at the
52 request of the commissioner of education, to finance eligible library
53 construction projects pursuant to section two hundred seventy-three-a of
54 the education law, in amounts certified by such commissioner not to
55 exceed a total principal amount of {twenty-eight} FORTY-TWO million
56 dollars.

1 S 40. Subdivision 1 of section 1680-m of the public authorities law,
2 as added by section 39 of part T of chapter 57 of the laws of 2007, is
3 amended to read as follows:

4 1. Notwithstanding the provisions of any other law to the contrary,
5 the authority and the urban development corporation are hereby author-
6 ized to issue bonds or notes in one or more series for the purpose of
7 funding project costs for construction {of a collections storage facili-
8 ty for the state museum, the state library and the state archives} AND
9 REHABILITATION ASSOCIATED WITH THE CULTURAL EDUCATION FACILITIES. The
10 aggregate principal amount of bonds authorized to be issued pursuant to
11 this section shall not exceed {sixty} EIGHTY-SEVEN million FIVE HUNDRED
12 EIGHTY-FIVE THOUSAND dollars, excluding bonds issued to fund one or more
13 debt service reserve funds, to pay costs of issuance of such bonds, and
14 bonds or notes issued to refund or otherwise repay such bonds or notes
15 previously issued. Such bonds and notes of the authority and the urban
16 development corporation shall not be a debt of the state, and the state
17 shall not be liable thereon, nor shall they be payable out of any funds
18 other than those appropriated by the state to the authority for princi-
19 pal, interest, and related expenses pursuant to a service contract and
20 such bonds and notes shall contain on the face thereof a statement to
21 such effect. Except for purposes of complying with the internal revenue
22 code, any interest income earned on bond proceeds shall only be used to
23 pay debt service on such bonds.

24 S 41. Subdivision 3 of section 1285-p of the public authorities law,
25 as amended by section 40 of part T of chapter 57 of the laws of 2007, is
26 amended to read as follows:

27 3. The maximum amount of bonds that may be issued for the purpose of
28 financing environmental infrastructure projects authorized by this
29 section shall be {four} SIX hundred {ninety-two} NINETY-EIGHT million
30 {five hundred thousand} dollars, exclusive of bonds issued to fund any
31 debt service reserve funds, pay costs of issuance of such bonds, and
32 bonds or notes issued to refund or otherwise repay bonds or notes previ-
33 ously issued. Such bonds and notes of the corporation shall not be a
34 debt of the state, and the state shall not be liable thereon, nor shall
35 they be payable out of any funds other than those appropriated by the
36 state to the corporation for debt service and related expenses pursuant
37 to any service contracts executed pursuant to subdivision one of this
38 section, and such bonds and notes shall contain on the face thereof a
39 statement to such effect.

40 S 42. Subdivision (a) of section 27 of part Y of chapter 61 of the
41 laws of 2005, relating to providing for the administration of certain
42 funds and accounts related to the 2005-2006 budget, as amended by
43 section 41 of part T of chapter 57 of the laws of 2007, is amended to
44 read as follows:

45 (a) Subject to the provisions of chapter 59 of the laws of 2000, but
46 notwithstanding any provisions of law to the contrary, the urban devel-
47 opment corporation is hereby authorized to issue bonds or notes in one
48 or more series in an aggregate principal amount not to exceed
49 \${102,100,000} 108,100,000, excluding bonds issued to finance one or
50 more debt service reserve funds, to pay costs of issuance of such bonds,
51 and bonds or notes issued to refund or otherwise repay such bonds or
52 notes previously issued, for the purpose of financing capital projects
53 for division of state police facilities, debt service and leases; and to
54 reimburse the state general fund for disbursements made therefor. Such
55 bonds and notes of such authorized issuer shall not be a debt of the
56 state, and the state shall not be liable thereon, nor shall they be

1 payable out of any funds other than those appropriated by the state to
2 such authorized issuer for debt service and related expenses pursuant to
3 any service contract executed pursuant to subdivision (b) of this
4 section and such bonds and notes shall contain on the face thereof a
5 statement to such effect. Except for purposes of complying with the
6 internal revenue code, any interest income earned on bond proceeds shall
7 only be used to pay debt service on such bonds.

8 S 43. Subdivision (a) of section 48 of part K of chapter 81 of the
9 laws of 2002, relating to providing for the administration of certain
10 funds and accounts related to the 2002-2003 budget, as amended by
11 section 42 of part T of chapter 57 of the laws of 2007, is amended to
12 read as follows:

13 (a) Subject to the provisions of chapter 59 of the laws of 2000, but
14 notwithstanding the provisions of section 18 of the urban development
15 corporation act, the corporation is hereby authorized to issue bonds or
16 notes in one or more series in an aggregate principal amount not to
17 exceed \$25,000,000 excluding bonds issued to fund one or more debt
18 service reserve funds, to pay costs of issuance of such bonds, and bonds
19 or notes issued to refund or otherwise repay such bonds or notes previ-
20 ously issued, for the purpose of financing capital costs related to
21 homeland security for the division of state police, the division of
22 military and naval affairs, and any other state agency, including the
23 reimbursement of any disbursements made from the state capital projects
24 fund, and is hereby authorized to issue bonds or notes in one or more
25 series in an aggregate principal amount not to exceed \${83,300,000}
26 128,800,000, excluding bonds issued to fund one or more debt service
27 reserve funds, to pay costs of issuance of such bonds, and bonds or
28 notes issued to refund or otherwise repay such bonds or notes previously
29 issued, for the purpose of financing improvements to State office build-
30 ings and other facilities located statewide, including the reimbursement
31 of any disbursements made from the state capital projects fund. Such
32 bonds and notes of the corporation shall not be a debt of the state, and
33 the state shall not be liable thereon, nor shall they be payable out of
34 any funds other than those appropriated by the state to the corporation
35 for debt service and related expenses pursuant to any service contracts
36 executed pursuant to subdivision (b) of this section, and such bonds and
37 notes shall contain on the face thereof a statement to such effect.

38 Except for purposes of complying with the internal revenue code, any
39 interest income earned on bond proceeds shall only be used to pay debt
40 service on such bonds.

41 S 44. Subdivision 4 of section 66-b of the state finance law, as
42 amended by section 43 of part T of chapter 57 of the laws of 2007, is
43 amended to read as follows:

44 4. Subject to the provisions of chapter fifty-nine of the laws of two
45 thousand, but notwithstanding any other provisions of law to the contra-
46 ry, the maximum amount of certificates of participation or similar
47 instruments representing periodic payments due from the state of New
48 York, issued on behalf of state departments and agencies, the city
49 university of New York and any other state entity otherwise specified
50 after March thirty-first, two thousand three shall be {two} FOUR hundred
51 {ninety-three} THIRTY-FOUR million dollars. Such amount shall be exclu-
52 sive of certificates of participation or similar instruments issued to
53 fund a reserve fund or funds, costs of issuance and to refund outstand-
54 ing certificates of participation.

55 S 45. Subdivision (a) of section 32 of chapter 60 of the laws of 2006
56 relating to providing for administration of certain funds and accounts

1 related to the 2006-2007 budget, as added by section 5-a of part J-1 of
2 chapter 109 of the laws of 2006, is amended to read as follows:

3 (a) Subject to the provisions of chapter 59 of the laws of 2000, but
4 notwithstanding any provisions of law to the contrary, one or more
5 authorized issuers as defined by section 68-a of the state finance law
6 are hereby authorized to issue bonds or notes in one or more series in
7 an aggregate principal amount not to exceed \${99,500,000} 120,500,000,
8 excluding bonds issued to finance one or more debt service reserve
9 funds, to pay costs of issuance of such bonds, and bonds or notes issued
10 to refund or otherwise repay such bonds or notes previously issued, for
11 the purpose of financing capital projects for office for technology
12 facilities, debt service and leases; and to reimburse the state general
13 fund for disbursements made therefor. Such bonds and notes of such
14 authorized issuer shall not be a debt of the state, and the state shall
15 not be liable thereon, nor shall they be payable out of any funds other
16 than those appropriated by the state to such authorized issuer for debt
17 service and related expenses pursuant to any service contract executed
18 pursuant to subdivision (b) of this section and such bonds and notes
19 shall contain on the face thereof a statement to such effect. Except for
20 purposes of complying with the internal revenue code, any interest
21 income earned on bond proceeds shall only be used to pay debt service on
22 such bonds.

23 S 46. Subdivision 1 of section 16 of part D of chapter 389 of the laws
24 of 1997, relating to the financing of the correctional facilities
25 improvement fund and the youth facility improvement fund, as amended by
26 section 45 of part T of chapter 57 of the laws of 2007, is amended to
27 read as follows:

28 1. Subject to the provisions of chapter 59 of the laws of 2000, but
29 notwithstanding the provisions of section 18 of section 1 of chapter 174
30 of the laws of 1968, the New York state urban development corporation is
31 hereby authorized to issue bonds, notes and other obligations in an
32 aggregate principal amount not to exceed five billion {one} FIVE hundred
33 {eighty-five} ELEVEN million FOUR HUNDRED THOUSAND dollars
34 \${5,185,000,000} 5,511,400,000, and shall include all bonds, notes and
35 other obligations issued pursuant to chapter 56 of the laws of 1983, as
36 amended or supplemented. The proceeds of such bonds, notes or other
37 obligations shall be paid to the state, for deposit in the correctional
38 facilities capital improvement fund to pay for all or any portion of the
39 amount or amounts paid by the state from appropriations or reappropri-
40 ations made to the department of correctional services from the correc-
41 tional facilities capital improvement fund for capital projects. The
42 aggregate amount of bonds, notes or other obligations authorized to be
43 issued pursuant to this section shall exclude bonds, notes or other
44 obligations issued to refund or otherwise repay bonds, notes or other
45 obligations theretofore issued, the proceeds of which were paid to the
46 state for all or a portion of the amounts expended by the state from
47 appropriations or reappropriations made to the department of correctional
48 services; provided, however, that upon any such refunding or repay-
49 ment the total aggregate principal amount of outstanding bonds, notes or
50 other obligations may be greater than five billion {one} FIVE hundred
51 {eighty-five} ELEVEN million FOUR HUNDRED THOUSAND dollars
52 \${5,185,000,000} 5,511,400,000, only if the present value of the aggre-
53 gate debt service of the refunding or repayment bonds, notes or other
54 obligations to be issued shall not exceed the present value of the
55 aggregate debt service of the bonds, notes or other obligations so to be
56 refunded or repaid. For the purposes hereof, the present value of the

1 aggregate debt service of the refunding or repayment bonds, notes or
2 other obligations and of the aggregate debt service of the bonds, notes
3 or other obligations so refunded or repaid, shall be calculated by
4 utilizing the effective interest rate of the refunding or repayment
5 bonds, notes or other obligations, which shall be that rate arrived at
6 by doubling the semi-annual interest rate (compounded semi-annually)
7 necessary to discount the debt service payments on the refunding or
8 repayment bonds, notes or other obligations from the payment dates ther-
9 eof to the date of issue of the refunding or repayment bonds, notes or
10 other obligations and to the price bid including estimated accrued
11 interest or proceeds received by the corporation including estimated
12 accrued interest from the sale thereof.

13 S 47. Paragraph (a) of subdivision 2 of section 47-e of the private
14 housing finance law, as amended by section 50 of part T of chapter 57 of
15 the laws of 2007, is amended to read as follows:

16 (a) Subject to the provisions of chapter fifty-nine of the laws of two
17 thousand, in order to enhance and encourage the promotion of housing
18 programs and thereby achieve the stated purposes and objectives of such
19 housing programs, the agency shall have the power and is hereby author-
20 ized from time to time to issue negotiable housing program bonds and
21 notes in such principal amount as shall be necessary to provide suffi-
22 cient funds for the repayment of amounts disbursed (and not previously
23 reimbursed) pursuant to law or any prior year making capital appropri-
24 ations or reappropriations for the purposes of the housing program;
25 provided, however, that the agency may issue such bonds and notes in an
26 aggregate principal amount not exceeding two billion {forty-two} TWO
27 HUNDRED NINETY-ONE million NINE HUNDRED FORTY-ONE THOUSAND dollars, plus
28 a principal amount of bonds issued to fund the debt service reserve fund
29 in accordance with the debt service reserve fund requirement established
30 by the agency and to fund any other reserves that the agency reasonably
31 deems necessary for the security or marketability of such bonds and to
32 provide for the payment of fees and other charges and expenses, includ-
33 ing underwriters' discount, trustee and rating agency fees, bond insur-
34 ance, credit enhancement and liquidity enhancement related to the issu-
35 ance of such bonds and notes. No reserve fund securing the housing
36 program bonds shall be entitled or eligible to receive state funds
37 apportioned or appropriated to maintain or restore such reserve fund at
38 or to a particular level, except to the extent of any deficiency result-
39 ing directly or indirectly from a failure of the state to appropriate or
40 pay the agreed amount under any of the contracts provided for in subdi-
41 vision four of this section.

42 S 48. Section 1 of chapter 174 of the laws of 1968, constituting the
43 New York state urban development corporation act is amended by adding a
44 new section 43 to read as follows:

45 S 43. 2008 ECONOMIC DEVELOPMENT INITIATIVES. 1. NOTWITHSTANDING THE
46 PROVISIONS OF ANY OTHER LAW TO THE CONTRARY, THE DORMITORY AUTHORITY AND
47 THE CORPORATION ARE HEREBY AUTHORIZED TO ISSUE BONDS OR NOTES IN ONE OR
48 MORE SERIES FOR THE PURPOSE OF FUNDING PROJECT COSTS FOR VARIOUS ECONOM-
49 IC DEVELOPMENT AND REGIONAL INITIATIVES, THE UPSTATE REGIONAL BLUEPRINT
50 FUND, THE DOWNSTATE REVITALIZATION FUND, THE UPSTATE AGRICULTURAL
51 ECONOMIC FUND, THE NEW YORK STATE CAPITAL ASSISTANCE PROGRAM, THE NEW
52 YORK STATE ECONOMIC DEVELOPMENT ASSISTANCE PROGRAM AND OTHER STATE COSTS
53 ASSOCIATED WITH SUCH PROJECTS. THE AGGREGATE PRINCIPAL AMOUNT OF BONDS
54 AUTHORIZED TO BE ISSUED PURSUANT TO THIS SECTION SHALL NOT EXCEED ONE
55 BILLION TWO HUNDRED EIGHTY-FIVE MILLION DOLLARS, EXCLUDING BONDS ISSUED
56 TO FUND ONE OR MORE DEBT SERVICE RESERVE FUNDS, TO PAY COSTS OF ISSUANCE

1 OF SUCH BONDS, AND BONDS OR NOTES ISSUED TO REFUND OR OTHERWISE REPAY
2 SUCH BONDS OR NOTES PREVIOUSLY ISSUED. SUCH BONDS AND NOTES OF THE
3 DORMITORY AUTHORITY AND THE CORPORATION SHALL NOT BE A DEBT OF THE
4 STATE, AND THE STATE SHALL NOT BE LIABLE THEREON, NOR SHALL THEY BE
5 PAYABLE OUT OF ANY FUNDS OTHER THAN THOSE APPROPRIATED BY THE STATE TO
6 THE DORMITORY AUTHORITY AND THE CORPORATION FOR PRINCIPAL, INTEREST, AND
7 RELATED EXPENSES PURSUANT TO A SERVICE CONTRACT AND SUCH BONDS AND NOTES
8 SHALL CONTAIN ON THE FACE THEREOF A STATEMENT TO SUCH EFFECT. EXCEPT FOR
9 PURPOSES OF COMPLYING WITH THE INTERNAL REVENUE CODE, ANY INTEREST
10 INCOME EARNED ON BOND PROCEEDS SHALL ONLY BE USED TO PAY DEBT SERVICE ON
11 SUCH BONDS.

12 2. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, IN
13 ORDER TO ASSIST THE DORMITORY AUTHORITY AND THE CORPORATION IN UNDERTAK-
14 ING THE FINANCING FOR VARIOUS ECONOMIC DEVELOPMENT AND REGIONAL INITI-
15 ATIVES, THE UPSTATE REGIONAL BLUEPRINT FUND, THE DOWNSTATE REVITALI-
16 ZATION FUND, THE UPSTATE AGRICULTURAL ECONOMIC FUND, THE NEW YORK STATE
17 CAPITAL ASSISTANCE PROGRAM, THE NEW YORK STATE ECONOMIC DEVELOPMENT
18 ASSISTANCE PROGRAM AND OTHER STATE COSTS ASSOCIATED WITH SUCH PROJECTS,
19 THE DIRECTOR OF THE BUDGET IS HEREBY AUTHORIZED TO ENTER INTO ONE OR
20 MORE SERVICE CONTRACTS WITH THE DORMITORY AUTHORITY AND THE CORPORATION,
21 NONE OF WHICH SHALL EXCEED THIRTY YEARS IN DURATION, UPON SUCH TERMS AND
22 CONDITIONS AS THE DIRECTOR OF THE BUDGET AND THE DORMITORY AUTHORITY AND
23 THE CORPORATION AGREE, SO AS TO ANNUALLY PROVIDE TO THE DORMITORY
24 AUTHORITY AND THE CORPORATION, IN THE AGGREGATE, A SUM NOT TO EXCEED THE
25 PRINCIPAL, INTEREST, AND RELATED EXPENSES REQUIRED FOR SUCH BONDS AND
26 NOTES. ANY SERVICE CONTRACT ENTERED INTO PURSUANT TO THIS SECTION SHALL
27 PROVIDE THAT THE OBLIGATION OF THE STATE TO PAY THE AMOUNT THEREIN
28 PROVIDED SHALL NOT CONSTITUTE A DEBT OF THE STATE WITHIN THE MEANING OF
29 ANY CONSTITUTIONAL OR STATUTORY PROVISION AND SHALL BE DEEMED EXECUTORY
30 ONLY TO THE EXTENT OF MONIES AVAILABLE AND THAT NO LIABILITY SHALL BE
31 INCURRED BY THE STATE BEYOND THE MONIES AVAILABLE FOR SUCH PURPOSE,
32 SUBJECT TO ANNUAL APPROPRIATION BY THE LEGISLATURE. ANY SUCH CONTRACT OR
33 ANY PAYMENTS MADE OR TO BE MADE THEREUNDER MAY BE ASSIGNED AND PLEDGED
34 BY THE DORMITORY AUTHORITY AND THE CORPORATION AS SECURITY FOR ITS BONDS
35 AND NOTES, AS AUTHORIZED BY THIS SECTION.

36 S 49. Paragraph b of subdivision 2 of section 9-a of section 1 of
37 chapter 392 of the laws of 1973, constituting the New York state medical
38 care facilities finance agency act, as amended by chapter 60 of the laws
39 of 2006, is amended to read as follows:

40 b. The agency shall have power and is hereby authorized from time to
41 time to issue negotiable bonds and notes in conformity with applicable
42 provisions of the uniform commercial code in such principal amount as,
43 in the opinion of the agency, shall be necessary, after taking into
44 account other moneys which may be available for the purpose, to provide
45 sufficient funds to the facilities development corporation, or any
46 successor agency, for the financing or refinancing of or for the design,
47 construction, acquisition, reconstruction, rehabilitation or improvement
48 of mental health services facilities pursuant to paragraph a of this
49 subdivision, the payment of interest on mental health services improve-
50 ment bonds and mental health services improvement notes issued for such
51 purposes, the establishment of reserves to secure such bonds and notes,
52 the cost or premium of bond insurance or the costs of any financial
53 mechanisms which may be used to reduce the debt service that would be
54 payable by the agency on its mental health services facilities improve-
55 ment bonds and notes and all other expenditures of the agency incident
56 to and necessary or convenient to providing the facilities development

1 corporation, or any successor agency, with funds for the financing or
2 refinancing of or for any such design, construction, acquisition, recon-
3 struction, rehabilitation or improvement and for the refunding of mental
4 hygiene improvement bonds issued pursuant to section 47-b of the private
5 housing finance law; provided, however, that the agency shall not issue
6 mental health services facilities improvement bonds and mental health
7 services facilities improvement notes in an aggregate principal amount
8 exceeding {five} SEVEN billion {eight} THREE hundred {fifty-seven}
9 FIFTY-SIX million FOUR HUNDRED THOUSAND dollars, excluding mental health
10 services facilities improvement bonds and mental health services facili-
11 ties improvement notes issued to refund outstanding mental health
12 services facilities improvement bonds and mental health services facili-
13 ties improvement notes; provided, however, that upon any such refunding
14 or repayment of mental health services facilities improvement bonds
15 and/or mental health services facilities improvement notes the total
16 aggregate principal amount of outstanding mental health services facili-
17 ties improvement bonds and mental health facilities improvement notes
18 may be greater than five billion eight hundred fifty-seven million
19 dollars only if, except as hereinafter provided with respect to mental
20 health services facilities bonds and mental health services facilities
21 notes issued to refund mental hygiene improvement bonds authorized to be
22 issued pursuant to the provisions of section 47-b of the private housing
23 finance law, the present value of the aggregate debt service of the
24 refunding or repayment bonds to be issued shall not exceed the present
25 value of the aggregate debt service of the bonds to be refunded or
26 repaid. For purposes hereof, the present values of the aggregate debt
27 service of the refunding or repayment bonds, notes or other obligations
28 and of the aggregate debt service of the bonds, notes or other obli-
29 gations so refunded or repaid, shall be calculated by utilizing the
30 effective interest rate of the refunding or repayment bonds, notes or
31 other obligations, which shall be that rate arrived at by doubling the
32 semi-annual interest rate (compounded semi-annually) necessary to
33 discount the debt service payments on the refunding or repayment bonds,
34 notes or other obligations from the payment dates thereof to the date of
35 issue of the refunding or repayment bonds, notes or other obligations
36 and to the price bid including estimated accrued interest or proceeds
37 received by the authority including estimated accrued interest from the
38 sale thereof. Such bonds, other than bonds issued to refund outstanding
39 bonds, shall be scheduled to mature over a term not to exceed the aver-
40 age useful life, as certified by the facilities development corporation,
41 of the projects for which the bonds are issued, and in any case shall
42 not exceed thirty years and the maximum maturity of notes or any
43 renewals thereof shall not exceed five years from the date of the
44 original issue of such notes. Notwithstanding the provisions of this
45 section, the agency shall have the power and is hereby authorized to
46 issue mental health services facilities improvement bonds and/or mental
47 health services facilities improvement notes to refund outstanding
48 mental hygiene improvement bonds authorized to be issued pursuant to the
49 provisions of section 47-b of the private housing finance law and the
50 amount of bonds issued or outstanding for such purposes shall not be
51 included for purposes of determining the amount of bonds issued pursuant
52 to this section. The director of the budget shall allocate the aggre-
53 gate principal authorized to be issued by the agency among the office of
54 mental health, office of mental retardation and developmental disabili-
55 ties, and the office of alcoholism and substance abuse services, in

1 consultation with their respective commissioners to finance bondable
2 appropriations previously approved by the legislature.

3 S 50. Subdivision (b) of section 11 of chapter 329 of the laws of
4 1991, amending the state finance law and other laws relating to the
5 establishment of the dedicated highway and bridge trust fund, as amended
6 by section 49 of part T of chapter 57 of the laws of 2007, is amended to
7 read as follows:

8 (b) Any service contract or contracts for projects authorized pursuant
9 to sections 10-c, 10-f, 10-g and 80-b of the highway law and section
10 14-k of the transportation law, and entered into pursuant to subdivision
11 (a) of this section, shall provide for state commitments to provide
12 annually to the thruway authority a sum or sums, upon such terms and
13 conditions as shall be deemed appropriate by the director of the budget,
14 to fund, or fund the debt service requirements of any bonds or any obli-
15 gations of the thruway authority issued to fund such projects having a
16 cost not in excess of {\$5,745,000,000} \$5,806,200,000 cumulatively by
17 the end of fiscal year 2009-10.

18 S 51. This act shall take effect immediately and shall be deemed to
19 have been in full force and effect on and after April 1, 2008; provided,
20 however, that the amendments to subdivision 6 of section 4 and subdivi-
21 sion 4 of section 40 of the state finance law made by sections fifteen
22 and sixteen of this act shall expire on the same date such subdivisions
23 expire; and provided, further, however, that section thirty-four of this
24 act shall take effect on the same date as the reversion of section 69-c
25 of the state finance law as provided in section 58 of part T of chapter
26 57 of the laws of 2007, as amended; provided, further that such amend-
27 ments shall expire and be deemed repealed March 31, 2010; and provided,
28 further, however, that sections one, three, four, fourteen, and eighteen
29 through twenty-seven of this act shall expire March 31, 2009 when upon
30 such date the provisions of such sections shall be deemed repealed.

31

PART AA-1

32 Section 1. Paragraph 3 of subsection (c) of section 658 of the tax
33 law, as separately amended by chapter 576 of the laws of 1994 and
34 section 1 of part J3 of chapter 62 of the laws of 2003, is amended to
35 read as follows:

36 (3) Filing fees. (A) Every subchapter K limited liability company,
37 EVERY LIMITED LIABILITY COMPANY THAT IS A DISREGARDED ENTITY FOR FEDERAL
38 INCOME TAX PURPOSES, and every limited liability partnership under arti-
39 cle eight-B of the partnership law and every foreign limited liability
40 partnership, which has any income derived from New York sources, deter-
41 mined in accordance with the applicable rules of section six hundred
42 thirty-one OF THIS ARTICLE as in the case of a nonresident individual,
43 shall, within thirty days after the last day of the taxable year, make a
44 payment of a filing fee. The amount of the filing fee {shall be the
45 product of (a) fifty dollars and (b) the number of members of such
46 company or number of partners of such partnership, as the case may be,
47 as of the last day of the taxable year, but in no event shall such fee
48 be less than three hundred twenty-five dollars nor more than ten thou-
49 sand dollars} IS THE AMOUNT SET FORTH IN SUBPARAGRAPH (B) OF THIS PARA-
50 GRAPH. THE MINIMUM FILING FEE IS TWENTY-FIVE DOLLARS FOR TAXABLE YEARS
51 BEGINNING IN TWO THOUSAND EIGHT AND AFTER. LIMITED LIABILITY COMPANIES
52 THAT ARE DISREGARDED ENTITLED FOR FEDERAL INCOME TAX PURPOSES MUST PAY A
53 FILING FEE OF TWENTY-FIVE DOLLARS FOR TAXABLE YEARS BEGINNING ON OR
54 AFTER JANUARY FIRST, TWO THOUSAND EIGHT.

1 (B) THE FILING FEE WILL BE BASED ON THE NEW YORK SOURCE GROSS INCOME
 2 OF THE LIMITED LIABILITY COMPANY OR LIMITED LIABILITY PARTNERSHIP FOR
 3 THE TAXABLE YEAR IMMEDIATELY PRECEDING THE TAXABLE YEAR FOR WHICH THE
 4 FEE IS DUE. IF THE LIMITED LIABILITY COMPANY OR LIMITED LIABILITY PART-
 5 NERSHIP DOES NOT HAVE ANY NEW YORK SOURCE GROSS INCOME FOR THE TAXABLE
 6 YEAR IMMEDIATELY PRECEDING THE TAXABLE YEAR FOR WHICH THE FEE IS DUE,
 7 THE LIMITED LIABILITY COMPANY OR LIMITED LIABILITY PARTNERSHIP SHALL PAY
 8 THE MINIMUM FILING FEE. NEW YORK SOURCE GROSS INCOME IS THE SUM OF THE
 9 PARTNERS` OR MEMBERS` SHARES OF FEDERAL GROSS INCOME FROM THE LIMITED
 10 LIABILITY PARTNERSHIP OR LIMITED LIABILITY COMPANY DERIVED FROM OR
 11 CONNECTED WITH NEW YORK SOURCES, DETERMINED IN ACCORDANCE WITH THE
 12 PROVISIONS OF SECTION SIX HUNDRED THIRTY-ONE OF THIS ARTICLE AS IF THOSE
 13 PROVISIONS AND ANY RELATED PROVISIONS EXPRESSLY REFERRED TO A COMPUTA-
 14 TION OF FEDERAL GROSS INCOME FROM NEW YORK SOURCES. FOR THIS PURPOSE,
 15 FEDERAL GROSS INCOME IS COMPUTED WITHOUT ANY ALLOWANCE OR DEDUCTION FOR
 16 COST OF GOODS SOLD.

17 THE AMOUNT OF THE FILING FEE FOR TAXABLE YEARS BEGINNING ON OR AFTER
 18 JANUARY FIRST, TWO THOUSAND EIGHT WILL BE DETERMINED IN ACCORDANCE WITH
 19 THE FOLLOWING TABLE:

20 IF THE NEW YORK SOURCE GROSS INCOME IS:	THE FEE IS:
21 NOT MORE THAN \$100,000	\$25
22 MORE THAN \$100,000 BUT NOT OVER \$250,000	\$50
23 MORE THAN \$250,000 BUT NOT OVER \$500,000	\$175
24 MORE THAN \$500,000 BUT NOT OVER \$1,000,000	\$500
25 MORE THAN \$1,000,000 BUT NOT OVER \$5,000,000	\$1,500
26 MORE THAN \$5,000,000 BUT NOT OVER \$25,000,000	\$3,000
27 OVER \$25,000,000	\$4,500

28 (C) NO CREDITS PROVIDED BY THIS ARTICLE MAY BE TAKEN AGAINST THE FEE
 29 IMPOSED BY THIS PARAGRAPH.

30 (D) Where {such} THE FILING fee is not timely paid, it shall be paid
 31 upon notice and demand and shall be assessed, collected and paid in the
 32 same manner as taxes, and for {such} THOSE purposes any reference in
 33 this article to tax imposed by this article shall be deemed also to
 34 refer to {the} THIS FILING fee {prescribed herein}.

35 S 2. Paragraph (d) of subdivision 1 of section 210 of the tax law is
 36 amended by adding a new subparagraph 4 to read as follows:

37 (4) NOTWITHSTANDING SUBPARAGRAPHS ONE AND TWO OF THIS PARAGRAPH, FOR
 38 TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND EIGHT,
 39 THE AMOUNT PRESCRIBED BY THIS PARAGRAPH FOR NEW YORK S CORPORATIONS WILL
 40 BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING TABLE:

41 IF NEW YORK RECEIPTS ARE:	THE FIXED DOLLAR MINIMUM
42 NOT MORE THAN \$100,000	\$25
43 MORE THAN \$100,000 BUT NOT OVER \$250,000	\$50
44 MORE THAN \$250,000 BUT NOT OVER \$500,000	\$175
45 MORE THAN \$500,000 BUT NOT OVER \$1,000,000	\$300
46 MORE THAN \$1,000,000 BUT NOT OVER \$5,000,000	\$1,000
47 MORE THAN \$5,000,000 BUT NOT OVER \$25,000,000	\$3,000
48 OVER \$25,000,000	\$4,500

49 OTHERWISE THE AMOUNT PRESCRIBED BY THIS PARAGRAPH WILL BE DETERMINED IN
 50 ACCORDANCE WITH THE FOLLOWING TABLE:

51 IF NEW YORK RECEIPTS ARE:	THE FIXED DOLLAR MINIMUM
52 NOT MORE THAN \$100,000	\$25
53 MORE THAN \$100,000 BUT NOT OVER \$250,000	\$75
54 MORE THAN \$250,000 BUT NOT OVER \$500,000	\$175

1 MORE THAN \$500,000 BUT NOT OVER \$1,000,000 \$500
 2 MORE THAN \$1,000,000 BUT NOT OVER \$5,000,000 \$1,500
 3 MORE THAN \$5,000,000 BUT NOT OVER \$25,000,000 \$3,500
 4 OVER \$25,000,000 \$5,000
 5 FOR PURPOSES OF THIS PARAGRAPH, NEW YORK RECEIPTS ARE THE RECEIPTS
 6 COMPUTED IN ACCORDANCE WITH SUBPARAGRAPH TWO OF PARAGRAPH (A) OF SUBDI-
 7 VISION THREE OF THIS SECTION FOR THE TAXABLE YEAR.

8 S 3. Subparagraph 3 of paragraph (d) of subdivision 1 of section 210
 9 of the tax law, as amended by chapter 760 of the laws of 1992, is
 10 amended to read as follows:

11 (3) If the taxable year is less than twelve months, the amount
 12 prescribed by this paragraph shall be reduced by twenty-five percent if
 13 the period for which the taxpayer is subject to tax is more than six
 14 months but not more than nine months and by fifty {per centum} PERCENT
 15 if the period for which the taxpayer is subject to tax is not more than
 16 six months. Provided, however, that in determining the amount of gross
 17 payroll and total receipts for purposes of subparagraph one of this
 18 paragraph, where the taxable year is less than twelve months, the amount
 19 of each shall be determined by dividing the amount of each with respect
 20 to the taxable year by the number of months in such taxable year and
 21 multiplying the result by twelve. IF THE TAXABLE YEAR IS LESS THAN
 22 TWELVE MONTHS, THE AMOUNT OF NEW YORK RECEIPTS FOR PURPOSES OF SUBPARA-
 23 GRAPH FOUR OF THIS PARAGRAPH IS DETERMINED BY DIVIDING THE AMOUNT OF THE
 24 RECEIPTS FOR THE TAXABLE YEAR BY THE NUMBER OF MONTHS IN THE TAXABLE
 25 YEAR AND MULTIPLYING THE RESULT BY TWELVE.

26 S 4. Subparagraph 1 of paragraph (g) of subdivision 1 of section 210
 27 of the tax law, as amended by section 1 of part S of chapter 62 of the
 28 laws of 2006, is amended to read as follows:

29 (1) General. The amount prescribed by this paragraph shall be, in the
 30 case of each New York S corporation, (i) the higher of the amounts
 31 prescribed in paragraphs (a) and (d) of this subdivision (other than the
 32 amount prescribed in the final clause of subparagraph one of {such} THAT
 33 paragraph (d)) (ii) reduced by the article twenty-two tax equivalent;
 34 provided, however, that the amount thus determined shall not be less
 35 than the lowest of the amounts prescribed in subparagraph one of {such}
 36 THAT paragraph (d) ({with regard to} APPLYING the provisions of subpara-
 37 graph three of {such} THAT paragraph AS NECESSARY). Provided, however,
 38 notwithstanding any provision of this paragraph, in taxable years begin-
 39 ning in two thousand three and {thereafter} BEFORE TWO THOUSAND EIGHT,
 40 the amount prescribed by this paragraph shall be the amount prescribed
 41 in subparagraph one of {such} THAT paragraph (d) ({with regard to} APPLYING the provisions of subparagraph three of {such} THAT paragraph
 42 AS NECESSARY) and {with regard to} APPLYING THE calculation of {such}
 43 THAT amount in the case of a termination year as set forth in subpara-
 44 graph four of this paragraph AS NECESSARY. IN TAXABLE YEARS BEGINNING IN
 45 TWO THOUSAND EIGHT AND THEREAFTER, THE AMOUNT PRESCRIBED BY THIS PARA-
 46 GRAPH IS THE AMOUNT PRESCRIBED IN SUBPARAGRAPH FOUR OF THAT PARAGRAPH
 47 (D) (APPLYING THE PROVISIONS OF SUBPARAGRAPH THREE OF THAT PARAGRAPH AS
 48 NECESSARY) AND APPLYING THE CALCULATION OF THAT AMOUNT IN THE CASE OF A
 49 TERMINATION YEAR AS SET FORTH IN SUBPARAGRAPH FOUR OF THIS PARAGRAPH AS
 50 NECESSARY.

51 S 5. Subsection (a) of section 1304-C of the tax law, as added by
 52 chapter 576 of the laws of 1994, is amended to read as follows:

53 (a) In addition to any other taxes or fees authorized by this article
 54 or any other law, any city imposing the taxes authorized by this article
 55 is hereby authorized and empowered to adopt and amend local laws provid-

1 ing that every subchapter K limited liability company (as such term is
2 defined in subsection (b) of section thirteen hundred two OF THIS ARTI-
3 CLE), EVERY LIMITED LIABILITY COMPANY THAT IS A DISREGARDED ENTITY FOR
4 FEDERAL INCOME TAX PURPOSES and every limited liability partnership
5 under article eight-B of the partnership law and every foreign limited
6 liability partnership, which has any income derived from sources within
7 such city, determined in accordance with the applicable rules of section
8 six hundred thirty-one of this chapter as in the case of a state nonres-
9 ident individual (except that in making {such} THAT determination any
10 references in {such} section SIX HUNDRED THIRTY-ONE OF THIS CHAPTER to
11 "New York source" or "New York sources" shall be read as references to
12 "New York city source" or "New York city sources" and any references in
13 {such} THAT section to "this state" or "the state" shall be read as
14 references to "this city" or "the city"), shall {at the prescribed time
15 for making the return required under the authority of subsection (b) of
16 this section,} WITHIN THIRTY DAYS AFTER THE LAST DAY OF THE TAXABLE YEAR
17 make a payment of a filing fee. The amount of the filing fee shall be
18 the {product of (a) fifty dollars and (b) the number of members of such
19 company or the number of partners of such partnership, as the case may
20 be, as of the last day of the taxable year, but in no event shall such
21 fee be less than three hundred twenty-five dollars nor more than ten
22 thousand dollars} AMOUNT DETERMINED UNDER PARAGRAPH THREE OF SUBSECTION
23 (C) OF SECTION SIX HUNDRED FIFTY-EIGHT OF THIS CHAPTER, EXCEPT THAT IN
24 MAKING THAT DETERMINATION ANY REFERENCES IN THAT SECTION TO "NEW YORK
25 SOURCE GROSS INCOME" MUST BE READ AS REFERENCE TO "NEW YORK CITY SOURCE
26 GROSS INCOME". Any local law imposing the filing fee authorized by this
27 section shall provide that where {such} THE FILING fee is not timely
28 paid, it shall be paid upon notice and demand and shall be assessed,
29 collected and paid in the same manner as the taxes imposed pursuant to
30 the authority of this article, and for {such} THESE purposes any refer-
31 ence in the local law imposing {such} THOSE taxes to the taxes imposed
32 by {such} THAT local law shall be deemed also to refer to the FILING fee
33 imposed pursuant to the authority of this section.

34 S 6. This act shall take effect immediately and shall apply to taxable
35 years beginning on or after January 1, 2008.

36

PART BB-1

37 Section 1. The tax law is amended by adding a new section 171-p to
38 read as follows:

39 S 171-P. COSTS OR FEES IMPOSED BY THE UNITED STATES OR OTHER STATES
40 FOR CREDITING TAX OVERPAYMENTS AGAINST OUTSTANDING TAX DEBTS OWED TO THE
41 STATE OF NEW YORK. (1) FOR PURPOSES OF THIS SECTION:

42 (A) "OVERPAYMENT" MEANS THE AMOUNT REQUESTED FOR REFUND OR OTHERWISE
43 DETERMINED TO BE IN EXCESS OF THAT OWED WITH RESPECT TO ANY TAX IMPOSED
44 UNDER, OR PURSUANT TO THE AUTHORITY OF, THE INTERNAL REVENUE CODE OR THE
45 LAWS OF ANY STATE;

46 (B) "TAXPAYER" MEANS ANY INDIVIDUAL, CORPORATION, PARTNERSHIP, LIMITED
47 LIABILITY PARTNERSHIP OR COMPANY, PARTNER, MEMBER, MANAGER, ESTATE,
48 TRUST, FIDUCIARY OR ENTITY, WHO OR WHICH HAS MADE AN OVERPAYMENT OF TAX
49 AS DEFINED IN PARAGRAPH (A) OF THIS SUBDIVISION;

50 (C) "TAX DEBT" MEANS ANY PAST DUE, LEGALLY ENFORCEABLE TAX OBLIGATION
51 ADMINISTERED BY THE COMMISSIONER.

52 (2) THE COMMISSIONER MAY IMPLEMENT PROCEDURES UNDER WHICH ANY COST OR
53 FEE IMPOSED OR CHARGED BY THE UNITED STATES OR ANY STATE, WITH RESPECT
54 TO PAYMENT OR REMITTANCE OF A TAXPAYER'S OVERPAYMENT TO SATISFY A TAX

1 DEBT OF THE TAXPAYER, MUST NOT BE CREDITED BY THE COMMISSIONER TO
2 PAYMENT OR SATISFACTION OF THE TAX DEBT, MUST BE DEEMED TO BE PART OF
3 THE TAXPAYER'S TAX DEBT, AND MUST BE ELIGIBLE FOR OFFSET AGAINST THE
4 TAXPAYER'S OVERPAYMENT TO THE EXTENT PERMITTED BY LAW.

5 S 2. This act shall take effect immediately.

6 PART CC-1

7 Section 1. The tax law is amended by adding a new article 36 to read
8 as follows:

ARTICLE 36

COMPLIANCE AND ENFORCEMENT INITIATIVES

SECTION 1700. VOLUNTARY DISCLOSURE AND COMPLIANCE PROGRAM.

1701. FINANCIAL INSTITUTION DATA MATCH SYSTEM FOR STATE TAX COLLECTION PURPOSES.

14 S 1700. VOLUNTARY DISCLOSURE AND COMPLIANCE PROGRAM. 1. NOTWITHSTAND-
15 ING THE PROVISIONS OF ANY OTHER LAW TO THE CONTRARY, THERE IS HEREBY
16 ESTABLISHED A VOLUNTARY DISCLOSURE AND COMPLIANCE PROGRAM, AS DESCRIBED
17 IN THIS SECTION, TO BE ADMINISTERED BY THE COMMISSIONER, FOR ALL ELIGI-
18 BLE TAXPAYERS AS DESCRIBED IN THIS SECTION, OWING ANY TAX IMPOSED OR
19 PREVIOUSLY IMPOSED UNDER THIS CHAPTER OR ADMINISTERED BY THE COMMISSION-
20 ER.

21 2. FOR PURPOSES OF THE VOLUNTARY DISCLOSURE AND COMPLIANCE PROGRAM
22 ESTABLISHED UNDER THIS SECTION, AN ELIGIBLE TAXPAYER IS AN INDIVIDUAL,
23 PARTNERSHIP, ESTATE, TRUST, CORPORATION, LIMITED LIABILITY COMPANY,
24 JOINT STOCK COMPANY, OR ANY OTHER COMPANY, TRUSTEE, RECEIVER, ASSIGNEE,
25 REFEREE, SOCIETY, ASSOCIATION, BUSINESS OR ANY OTHER PERSON SUBJECT TO A
26 TAX IMPOSED BY OR PURSUANT TO THE AUTHORITY OF THIS CHAPTER OR ANY OTHER
27 LAW IMPOSING ADMINISTRATIVE TAX RESPONSIBILITIES ON THE COMMISSIONER AND
28 WHO MEETS THE FOLLOWING CRITERIA: (1) THE TAXPAYER IS NOT CURRENTLY
29 UNDER AUDIT BY THE DEPARTMENT; (2) THE TAXPAYER IS ONE WHO IS VOLUNTAR-
30 ILY DISCLOSING A NEW YORK TAX LIABILITY THAT THE DEPARTMENT HAS NOT
31 DETERMINED, CALCULATED, RESEARCHED OR IDENTIFIED AT THE TIME OF THE
32 DISCLOSURE; (3) THE TAXPAYER IS NOT CURRENTLY A PARTY TO ANY CRIMINAL
33 INVESTIGATION BEING CONDUCTED BY AN AGENCY OF THE STATE OR ANY POLITICAL
34 SUBDIVISION THEREOF; AND (4) THE TAXPAYER IS NOT SEEKING TO DISCLOSE
35 PARTICIPATION IN A TAX AVOIDANCE TRANSACTION THAT IS A FEDERAL OR NEW
36 YORK STATE REPORTABLE OR LISTED TRANSACTION.

37 3. UNDER THE VOLUNTARY DISCLOSURE AND COMPLIANCE PROGRAM, UPON
38 EXECUTION OF A VOLUNTARY DISCLOSURE AND COMPLIANCE AGREEMENT BY THE
39 ELIGIBLE TAXPAYER AND THE COMMISSIONER, THE COMMISSIONER SHALL WAIVE ANY
40 APPLICABLE PENALTIES (INCLUDING THE ADDITIONAL RATE OF INTEREST
41 PRESCRIBED UNDER SECTION ELEVEN HUNDRED FORTY-FIVE OF THIS CHAPTER) FOR
42 THE FOLLOWING: (1) FAILURE TO PAY ANY SUCH TAX LIABILITY; (2) FAILURE TO
43 FILE A RETURN OR REPORT WITH RESPECT TO ANY SUCH TAX LIABILITY; AND (3)
44 FAILURE TO PAY ESTIMATED TAX. IN ADDITION, NO CRIMINAL ACTION OR
45 PROCEEDING SHALL BE BROUGHT AGAINST AN ELIGIBLE TAXPAYER RELATING TO THE
46 TAX LIABILITY COVERED BY THE AGREEMENT. THIS AGREEMENT SHALL NOT
47 PRECLUDE THE AUDITING OF THE RETURNS FILED TO DETERMINE IF THOSE RETURNS
48 WERE COMPLETED IN ACCORDANCE WITH EXISTING LAW AND REGULATION. INTEN-
49 TIONAL FAILURE TO PAY ALL THE TAXES, PLUS RELATED INTEREST, PURSUANT TO
50 THE VOLUNTARY DISCLOSURE AND COMPLIANCE AGREEMENT ENTERED INTO BETWEEN
51 THE TAXPAYER AND THE COMMISSIONER, SHALL INVALIDATE ANY WAIVER OF PENAL-
52 TY, INVALIDATE THE FORBEARANCE OF ANY ADMINISTRATIVE OR CRIMINAL ACTION
53 OR PROCEEDING.

1 4. TO PARTICIPATE IN THE VOLUNTARY DISCLOSURE AND COMPLIANCE PROGRAM,
2 AN ELIGIBLE TAXPAYER MUST APPLY BY SUBMITTING A DISCLOSURE STATEMENT IN
3 THE FORM AND MANNER PRESCRIBED BY THE COMMISSIONER. THE DISCLOSURE
4 STATEMENT SHALL CONTAIN ALL THE INFORMATION THE COMMISSIONER REASONABLY
5 DEEMS NECESSARY TO EFFECTIVELY ADMINISTER THE PROGRAM. AS LONG AS ALL
6 THE REQUIREMENTS OF THE VOLUNTARY DISCLOSURE AND COMPLIANCE PROGRAM ARE
7 MET, NO APPLICATION SHALL BE DENIED SOLELY BECAUSE THE TAXPAYER HAS
8 ADMITTED THAT THE DELINQUENCY WAS THE RESULT OF WILLFUL OR FRAUDULENT
9 CONDUCT. EXCEPT IN INSTANCES WHERE THE TAXPAYER HAS FAILED TO COMPLY
10 WITH THE TERMS OF A VOLUNTARY DISCLOSURE AND COMPLIANCE AGREEMENT, THE
11 COMMISSIONER SHALL NOT USE THE TAXPAYER'S DISCLOSURE AS EVIDENCE IN ANY
12 PROCEEDING BROUGHT AGAINST THE TAXPAYER OR REVEAL THE CONTENTS OF THE
13 DISCLOSURE TO ANY LAW ENFORCEMENT OR OTHER AGENCY.

14 5. (A) IF THE TAXPAYER AND THE TAX LIABILITY ARE ELIGIBLE UNDER THE
15 VOLUNTARY DISCLOSURE AND COMPLIANCE PROGRAM, THE COMMISSIONER IS AUTHORIZED
16 TO ENTER INTO A VOLUNTARY DISCLOSURE AND COMPLIANCE AGREEMENT WITH
17 THE TAXPAYER. A VOLUNTARY DISCLOSURE AND COMPLIANCE AGREEMENT WILL BE
18 IN A FORM TO BE ESTABLISHED BY THE COMMISSIONER AND INCLUDE SUCH TERMS
19 AS THE COMMISSIONER MAY REASONABLY REQUIRE TO SATISFY THE TAXPAYER'S
20 DISCLOSED TAX OBLIGATIONS AND ENABLE AND REQUIRE THE TAXPAYER TO COMPLY
21 WITH THE TAX LAW IN THE FUTURE. THE TAXPAYER MUST PAY THE TAX AND THE
22 RELATED INTEREST THAT ARE THE SUBJECT OF THE VOLUNTARY DISCLOSURE AND
23 COMPLIANCE AGREEMENT WHEN THE AGREEMENT IS EXECUTED OR WITHIN THE TIME
24 STATED ON A BILL ISSUED TO THE TAXPAYER BY THE COMMISSIONER. IN THE
25 EVENT THE COMMISSIONER IS SATISFIED THAT THE TAXPAYER CANNOT MAKE IMMEDIATE
26 FULL PAYMENT OF THE DISCLOSED TAX LIABILITY, THE COMMISSIONER MAY
27 ENTER INTO AN INSTALLMENT PAYMENT PROGRAM WITH THE TAXPAYER FOR THE
28 PAYMENT OF THE TAX AND INTEREST DUE. THE COMMISSIONER MAY REQUIRE A
29 FINANCIAL DISCLOSURE STATEMENT SETTING FORTH INFORMATION CONCERNING THE
30 TAXPAYER'S CURRENT ASSETS, LIABILITIES, EARNINGS, AND OTHER FINANCIAL
31 INFORMATION BEFORE ENTERING INTO AN INSTALLMENT PAYMENT PLAN WITH THE
32 TAXPAYER. IN ADDITION TO ANY OTHER INFORMATION AND TERMS THAT THE
33 COMMISSIONER DETERMINES ARE APPROPRIATE, THE VOLUNTARY DISCLOSURE AND
34 COMPLIANCE AGREEMENT SHALL PROVIDE THAT, IF THE TAXPAYER COMPLIES WITH
35 THE TERMS OF THE COMPLIANCE AGREEMENT, THE TAXPAYER WILL NOT BE SUBJECT
36 TO ANY CRIMINAL TAX PROSECUTION IN NEW YORK STATE FOR THE CONDUCT
37 DISCLOSED BY THE TAXPAYER.

38 (B) IF THE TAXPAYER INTENTIONALLY PROVIDES FALSE MATERIAL INFORMATION
39 OR OMITS MATERIAL INFORMATION IN HIS OR HER SUBMISSIONS TO THE COMMISSIONER,
40 OR ATTEMPTS TO INTENTIONALLY DEFEAT OR EVADE A TAX DUE PURSUANT
41 TO THE AGREEMENT EXECUTED UNDER THIS ARTICLE, OR INTENTIONALLY FAILS TO
42 COMPLY WITH THE TERMS OF THE COMPLIANCE AGREEMENT, SUCH AGREEMENT SHALL
43 BE DEEMED RESCINDED.

44 6. UNLESS THE COMMISSIONER ON HIS OR HER OWN MOTION REDETERMINES THE
45 AMOUNT OF TAX DUE, INCLUDING APPLICABLE INTEREST, NO REFUND SHALL BE
46 GRANTED OR CREDIT ALLOWED WITH RESPECT TO ANY TAXES, INCLUDING APPLICABLE
47 INTEREST, PAID UNDER THIS PROGRAM.

48 7. THE COMMISSIONER MAY PROMULGATE REGULATIONS, ISSUE FORMS AND
49 INSTRUCTIONS, AND TAKE ANY AND ALL OTHER ACTIONS NECESSARY TO IMPLEMENT
50 THE PROVISIONS OF THE PROGRAM ESTABLISHED UNDER THIS SECTION. THE
51 COMMISSIONER SHALL PUBLICIZE THE PROGRAM PROVIDED FOR IN THIS SECTION SO
52 AS TO MAXIMIZE PUBLIC AWARENESS OF AND PARTICIPATION IN SUCH PROGRAM.

53 8. FOR PURPOSES OF THIS SECTION, THE TERM "TAXPAYER" INCLUDES ANY
54 PERSON REQUIRED TO COLLECT ANY OF THE TAXES SPECIFIED IN SUBDIVISION ONE
55 OF THIS SECTION.

1 9. THE VOLUNTARY DISCLOSURE AND COMPLIANCE APPLICATION, THE DISCLOSURE
2 STATEMENT, THE VOLUNTARY DISCLOSURE AND COMPLIANCE AGREEMENT, AND OTHER
3 DOCUMENTS FILED BY AN ELIGIBLE TAXPAYER PURSUANT TO THE PROGRAM ESTAB-
4 LISHED BY THIS SECTION ARE DEEMED TO BE REPORTS AND RETURNS:

5 (A) SUBJECT TO THE SECRECY PROVISIONS OF THIS CHAPTER IN THE SAME
6 MANNER AND TO THE SAME EXTENT AS IF SUCH DOCUMENTS WERE REFERRED TO IN
7 ANY OF THE SECRECY PROVISIONS OF THIS CHAPTER; AND

8 (B) FOR PURPOSES OF THE CRIMINAL PROVISIONS OF ARTICLE THIRTY-SEVEN OF
9 THIS CHAPTER.

10 S 1701. FINANCIAL INSTITUTION DATA MATCH SYSTEM FOR STATE TAX
11 COLLECTION PURPOSES. 1. DEFINITIONS. AS USED IN THIS SECTION:

12 (A) "DEBT" MEANS ALL LIABILITIES, INCLUDING UNPAID TAX, INTEREST, AND
13 PENALTY, THAT THE COMMISSIONER IS REQUIRED BY LAW TO COLLECT AND THAT
14 HAVE BEEN REDUCED TO JUDGMENT BY THE DOCKETING OF A NEW YORK STATE TAX
15 WARRANT IN THE OFFICE OF A COUNTY CLERK LOCATED IN THE STATE OF NEW YORK
16 OR BY THE FILING OF A COPY OF THE WARRANT IN THE OFFICE OF THE DEPART-
17 MENT OF STATE.

18 (B) "TAX DEBTOR" MEANS A NATURAL PERSON OR ANY ENTITY OTHER THAN A
19 NATURAL PERSON NAMED ON A NEW YORK STATE TAX WARRANT AND IDENTIFIED
20 THEREON AS A JUDGMENT DEBTOR.

21 (C) "FINANCIAL INSTITUTION" MEANS ANY FINANCIAL INSTITUTION AUTHORIZED
22 OR REQUIRED TO PARTICIPATE IN A FINANCIAL INSTITUTION DATA MATCH SYSTEM
23 OR PROGRAM FOR CHILD SUPPORT ENFORCEMENT PURPOSES UNDER FEDERAL OR STATE
24 LAW.

25 2. FINANCIAL INSTITUTION DATA MATCH SYSTEM FOR STATE TAX COLLECTION
26 PURPOSES. (A) TO ASSIST THE COMMISSIONER IN THE COLLECTION OF DEBTS, THE
27 DEPARTMENT MUST DEVELOP AND OPERATE A FINANCIAL INSTITUTION DATA MATCH
28 SYSTEM FOR THE PURPOSE OF IDENTIFYING AND SEIZING THE NON-EXEMPT ASSETS
29 OF TAX DEBTORS AS IDENTIFIED BY THE COMMISSIONER. THE COMMISSIONER IS
30 AUTHORIZED TO DESIGNATE A THIRD PARTY TO DEVELOP AND OPERATE THIS
31 SYSTEM. ANY THIRD PARTY DESIGNATED BY THE COMMISSIONER TO DEVELOP AND
32 OPERATE A FINANCIAL DATA MATCH SYSTEM MUST KEEP ALL INFORMATION IT
33 OBTAINS FROM BOTH THE DEPARTMENT AND THE FINANCIAL INSTITUTION CONFIDEN-
34 TIAL, AND ANY EMPLOYEE, AGENT OR REPRESENTATIVE OF THAT THIRD PARTY IS
35 PROHIBITED FROM DISCLOSING THAT INFORMATION TO ANYONE OTHER THAN THE
36 DEPARTMENT OR THE FINANCIAL INSTITUTION.

37 (B) EACH FINANCIAL INSTITUTION DOING BUSINESS IN THE STATE MUST, IN
38 CONJUNCTION WITH THE COMMISSIONER OR THE COMMISSIONER'S AUTHORIZED
39 DESIGNEE, DEVELOP AND OPERATE A DATA MATCH SYSTEM TO FACILITATE THE
40 IDENTIFICATION AND SEIZURE OF NON-EXEMPT FINANCIAL ASSETS OF TAX DEBTORS
41 IDENTIFIED BY THE COMMISSIONER OR THE COMMISSIONER'S AUTHORIZED DESIG-
42 NEE. IF A FINANCIAL INSTITUTION HAS A DATA MATCH SYSTEM DEVELOPED OR
43 USED TO ADMINISTER THE CHILD SUPPORT ENFORCEMENT PROGRAMS OF THIS STATE,
44 AND IF THAT SYSTEM IS APPROVED BY THE COMMISSIONER OR THE COMMISSIONER'S
45 AUTHORIZED DESIGNEE, THE FINANCIAL INSTITUTION MAY USE THAT SYSTEM TO
46 COMPLY WITH THE PROVISIONS OF THIS SECTION.

47 3. EACH FINANCIAL INSTITUTION MUST PROVIDE IDENTIFYING INFORMATION
48 EACH CALENDAR QUARTER TO THE DEPARTMENT FOR EACH TAX DEBTOR IDENTIFIED
49 BY THE DEPARTMENT WHO OR THAT MAINTAINS AN ACCOUNT AT THE INSTITUTION.
50 THE IDENTIFYING INFORMATION MUST INCLUDE THE TAX DEBTOR'S NAME, ADDRESS,
51 AND SOCIAL SECURITY NUMBER OR OTHER TAXPAYER IDENTIFICATION NUMBER, AND
52 ALL ACCOUNT NUMBERS AND BALANCES IN EACH ACCOUNT.

53 4. A FINANCIAL INSTITUTION THAT COMPLIES WITH THIS SECTION WILL NOT BE
54 LIABLE UNDER STATE LAW TO ANY PERSON FOR THE DISCLOSURE OF INFORMATION
55 TO THE COMMISSIONER OR THE COMMISSIONER'S AUTHORIZED DESIGNEE, OR ANY
56 OTHER ACTION TAKEN IN GOOD FAITH TO COMPLY WITH THIS SECTION.

1 5. BOTH THE FINANCIAL INSTITUTION FURNISHING A REPORT TO THE COMMISSIONER UNDER THIS SECTION AND THE COMMISSIONER`S AUTHORIZED DESIGNEE ARE
2 PROHIBITED FROM DISCLOSING TO THE TAX DEBTOR THAT THE NAME OF THE TAX
3 DEBTOR HAS BEEN RECEIVED FROM OR FURNISHED TO THE COMMISSIONER, UNLESS
4 AUTHORIZED IN WRITING BY THE COMMISSIONER TO DO SO. A VIOLATION OF THIS
5 SUBDIVISION WILL RESULT IN THE IMPOSITION OF A CIVIL PENALTY EQUAL TO
6 THE GREATER OF ONE THOUSAND DOLLARS OR THE AMOUNT IN THE ACCOUNT OF THE
7 PERSON TO WHOM THE DISCLOSURE WAS MADE FOR EACH INSTANCE OF UNAUTHORIZED
8 DISCLOSURE BY THE FINANCIAL INSTITUTION. THAT CIVIL PENALTY CAN BE
9 ASSESSED AND COLLECTED UNDER THIS CHAPTER AS IF THAT PENALTY WERE TAX.
10

11 6. A FINANCIAL INSTITUTION MAY DISCLOSE TO ITS DEPOSITORS OR ACCOUNT
12 HOLDERS THAT THE DEPARTMENT HAS THE AUTHORITY TO REQUEST CERTAIN IDENTI-
13 FYING INFORMATION ON CERTAIN DEPOSITORS OR ACCOUNT HOLDERS UNDER THE
14 FINANCIAL INSTITUTION DATA MATCH SYSTEM FOR STATE TAX COLLECTION
15 PURPOSES.

16 S 2. Notwithstanding any other provision of law to the contrary, the
17 commissioner of taxation and finance shall within ninety days of the
18 passage of this act, establish procedures and administer a limited
19 program to allow certain taxpayers with tax liabilities under articles
20 nine, nine-A, twenty-two, thirty, thirty-two or thirty-three of the tax
21 law attributable to the use of tax avoidance transactions for taxable
22 years beginning before January 1, 2005 to avail themselves of the tax
23 shelter voluntary compliance initiative provided by section 11 of part N
24 of chapter 61 of the laws of 2005, including the waiver of penalties,
25 notwithstanding such taxpayers` failure to so participate. The limited
26 program so established shall be effective for the period commencing
27 November 1, 2008 and ending January 31, 2009. Such program shall apply
28 to any taxpayers that disclose, or have previously disclosed, their
29 participation in one or more tax avoidance transactions pursuant to the
30 requirements of section 11 of part N of chapter 61 of the laws of 2005
31 by January 31, 2009. This limited program shall afford eligible taxpay-
32 ers the same benefits, and be administered in a similar fashion, as the
33 original tax shelter voluntary compliance initiative that ended March 1,
34 2006. An otherwise eligible taxpayer shall not be prohibited from
35 participation in this program solely due to its payment of actual or
36 estimated tax liabilities resulting from the participation in a tax
37 avoidance transaction. If an eligible taxpayer elects to participate in
38 this limited program and complies with the requirements for such partic-
39 ipation, the commissioner of taxation and finance shall waive fifty
40 percent of the penalty imposed by subdivision (1) of such section 11 in
41 the case of a listed or reportable transaction and one hundred percent
42 of such penalty in the case of all other tax avoidance transactions. If
43 an eligible taxpayer, who failed to participate in the original volun-
44 tary compliance initiative, also fails to participate in this limited
45 program, the penalty imposed by such subdivision (1) shall apply only to
46 the first failure to participate.

47 S 3. This act shall take effect immediately; provided, however, the
48 commissioner of taxation and finance is authorized to promulgate regu-
49 lations on an emergency basis pursuant to subdivision 6 of section 202
50 of the state administrative procedure act, in order to implement the
51 provisions of section two of this act.

1 and related information, as amended by section 1 of part I of chapter 60
2 of the laws of 2007, is amended to read as follows:

3 (iii) provided, further, that the provisions of this act shall expire
4 and be deemed repealed July 1, {2009} 2011. The commissioner of taxa-
5 tion and finance shall cause to be prepared a written report on the tax
6 shelter law. Notwithstanding any other provision of law to the contrary,
7 such report shall include, but not be limited to, statistical informa-
8 tion regarding the listed and reportable transactions and avoidance
9 transactions under this act. A copy of such report shall be delivered to
10 the governor, the temporary president of the senate, and the speaker of
11 the assembly no later than April 1, 2007; provided, that, such expira-
12 tion and repeal shall not affect any requirement imposed pursuant to
13 this act.

14 S 2. This act shall take effect immediately.

15 **PART EE-1**

16 Section 1. Section 1451 of the tax law is amended by adding a new
17 subsection (c) to read as follows:

18 (C)(1) A BANKING CORPORATION IS DOING BUSINESS IN THIS STATE IN A
19 CORPORATE OR ORGANIZED CAPACITY IF (I) IT HAS ISSUED CREDIT CARDS TO ONE
20 THOUSAND OR MORE CUSTOMERS WHO HAVE A MAILING ADDRESS WITHIN THIS STATE
21 AS OF THE LAST DAY OF ITS TAXABLE YEAR, (II) IT HAS MERCHANT CUSTOMER
22 CONTRACTS WITH MERCHANTS AND THE TOTAL NUMBER OF LOCATIONS COVERED BY
23 THOSE CONTRACTS EQUALS ONE THOUSAND OR MORE LOCATIONS IN THIS STATE TO
24 WHOM THE BANKING CORPORATION REMITTED PAYMENTS FOR CREDIT CARD TRANS-
25 ACTIONS DURING THE TAXABLE YEAR, (III) IT HAS RECEIPTS OF ONE MILLION
26 DOLLARS OR MORE IN THE TAXABLE YEAR FROM ITS CUSTOMERS WHO HAVE BEEN
27 ISSUED CREDIT CARDS BY THE BANKING CORPORATION AND HAVE A MAILING
28 ADDRESS WITHIN THIS STATE, (IV) IT HAS RECEIPTS OF ONE MILLION DOLLARS
29 OR MORE ARISING FROM MERCHANT CUSTOMER CONTRACTS WITH MERCHANTS RELATING
30 TO LOCATIONS IN THIS STATE, OR (V) THE SUM OF THE NUMBER OF CUSTOMERS
31 DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH PLUS THE NUMBER OF
32 LOCATIONS COVERED BY ITS CONTRACTS DESCRIBED IN SUBPARAGRAPH (II) OF
33 THIS PARAGRAPH EQUALS ONE THOUSAND OR MORE, OR THE AMOUNT OF ITS
34 RECEIPTS DESCRIBED IN SUBPARAGRAPHS (III) AND (IV) OF THIS PARAGRAPH
35 EQUALS ONE MILLION DOLLARS OR MORE. FOR PURPOSES OF THIS PARAGRAPH,
36 RECEIPTS FROM PROCESSING CREDIT CARD TRANSACTIONS FOR MERCHANTS INCLUDE
37 MERCHANT DISCOUNT FEES RECEIVED BY THE BANKING CORPORATION.

38 (2) AS USED IN THIS SUBSECTION, THE TERM "CREDIT CARD" INCLUDES BANK,
39 CREDIT, TRAVEL AND ENTERTAINMENT CARDS.

40 S 2. Subparagraph (D) of paragraph 2 of subsection (a) of section 1454
41 of the tax law, as amended by chapter 298 of the laws of 1985, is
42 amended to read as follows:

43 (D) (i) Interest, and fees and penalties in the nature of interest,
44 from bank, CREDIT, travel and entertainment card receivables are earned
45 within the state if the MAILING ADDRESS OF THE card {holder's domicile}
46 HOLDER IN THE RECORDS OF THE TAXPAYER is in the state{, and};

47 (ii) Service charges and fees from such cards are earned within the
48 state if the MAILING ADDRESS OF THE card {is serviced} HOLDER IN THE
49 RECORDS OF THE TAXPAYER IS in the state; and

50 (iii) Receipts from merchant discounts are earned within the state if
51 the merchant is located within the state.

52 S 3. Paragraph 2 of subsection (f) of section 1462 of the tax law is
53 amended by adding a new subparagraph (v) to read as follows:

1 (V) A BANKING CORPORATION DOING BUSINESS IN THIS STATE SOLELY BECAUSE
2 IT MEETS ONE OR MORE OF THE TESTS IN SUBPARAGRAPHS (I) THROUGH (V) OF
3 PARAGRAPH ONE OF SUBSECTION (C) OF SECTION FOURTEEN HUNDRED FIFTY-ONE OF
4 THIS ARTICLE (REFERRED TO IN THIS SUBPARAGRAPH AS THE "CREDIT CARD
5 BANK") WILL NOT BE INCLUDED IN A COMBINED RETURN PURSUANT TO SUBPARA-
6 GRAPH (I) OF THIS PARAGRAPH WITH ANOTHER BANKING CORPORATION OR BANK
7 HOLDING COMPANY WHICH IS EXERCISING ITS CORPORATE FRANCHISE OR DOING
8 BUSINESS IN THIS STATE UNLESS THE CREDIT CARD BANK OR THE COMMISSIONER
9 SHOWS THAT THE INCLUSION OF THE CREDIT CARD BANK IN THE COMBINED RETURN
10 IS NECESSARY TO PROPERLY REFLECT THE TAX LIABILITY OF THE CREDIT CARD
11 BANK, THE BANKING CORPORATION OR BANK HOLDING COMPANY UNDER THIS ARTI-
12 CLE. HOWEVER, ANY BANKING CORPORATION THAT MEETS ONE OR MORE OF THE
13 TESTS IN SUBPARAGRAPHS (I) THROUGH (V) OF PARAGRAPH ONE OF SUBSECTION
14 (C) OF SECTION FOURTEEN HUNDRED FIFTY-ONE AND WAS INCLUDED IN A COMBINED
15 RETURN FOR ITS LAST TAXABLE YEAR BEGINNING BEFORE JANUARY FIRST, TWO
16 THOUSAND EIGHT MAY CONTINUE TO BE INCLUDED IN A COMBINED RETURN FOR
17 FUTURE TAXABLE YEARS, PROVIDED THAT ONCE THAT BANKING CORPORATION HAS
18 BEEN INCLUDED IN A COMBINED RETURN FOR ANY TAXABLE YEAR BEGINNING ON OR
19 AFTER JANUARY FIRST, TWO THOUSAND EIGHT, IT MUST CONTINUE TO BE INCLUDED
20 IN A COMBINED RETURN UNTIL IT OBTAINS THE CONSENT OF THE COMMISSIONER TO
21 CEASE BEING INCLUDED IN A COMBINED RETURN BECAUSE THE COMBINED RETURN NO
22 LONGER PROPERLY REFLECTS THE TAX LIABILITY UNDER THIS ARTICLE OF ANY OF
23 THE CORPORATIONS INCLUDED IN THE COMBINED RETURN. FURTHER, THE CREDIT
24 CARD BANK WILL BE INCLUDED IN A COMBINED RETURN WITH (I) ANY BANKING
25 CORPORATION NOT SUBJECT TO TAX UNDER THIS ARTICLE SIXTY-FIVE PERCENT OR
26 MORE OF WHOSE VOTING STOCK IS OWNED OR CONTROLLED, DIRECTLY OR INDIRECT-
27 LY, BY THE CREDIT CARD BANK, OR (II) ANY BANKING CORPORATION OR BANK
28 HOLDING COMPANY NOT SUBJECT TO TAX UNDER THIS ARTICLE WHICH OWNS OR
29 CONTROLS, DIRECTLY OR INDIRECTLY, SIXTY-FIVE PERCENT OR MORE OF THE
30 VOTING STOCK OF THE CREDIT CARD BANK, OR (III) ANY BANKING CORPORATION
31 NOT SUBJECT TO TAX UNDER THIS ARTICLE SIXTY-FIVE PERCENT OR MORE OF THE
32 VOTING STOCK OF WHICH IS OWNED OR CONTROLLED, DIRECTLY OR INDIRECTLY, BY
33 THE SAME CORPORATION OR CORPORATIONS THAT OWN OR CONTROL, DIRECTLY OR
34 INDIRECTLY, SIXTY-FIVE PERCENT OR MORE OF THE VOTING STOCK OF THE CREDIT
35 CARD BANK, IF THE CORPORATION OR CORPORATIONS DESCRIBED IN CLAUSES (I),
36 (II) AND (III) OF THIS SUBPARAGRAPH PROVIDE SERVICES FOR OR SUPPORT TO
37 THE CREDIT CARD BANK`S OPERATIONS, UNLESS THE CREDIT CARD BANK OR THE
38 COMMISSIONER SHOWS THAT THE INCLUSION OF ANY OF THOSE CORPORATIONS IN
39 THE COMBINED RETURN FAILS TO PROPERLY REFLECT THE TAX LIABILITY OF THE
40 CREDIT CARD BANK. FOR PURPOSES OF THIS SUBPARAGRAPH, SERVICES FOR OR
41 SUPPORT TO THE CREDIT CARD BANK`S OPERATIONS INCLUDE SUCH ACTIVITIES AS
42 BILLING, CREDIT INVESTIGATION AND REPORTING, MARKETING, RESEARCH, ADVER-
43 TISING, MAILING, CUSTOMER SERVICE, INFORMATION TECHNOLOGY, LENDING AND
44 FINANCING SERVICES, AND COMMUNICATIONS SERVICES, BUT WILL NOT INCLUDE
45 ACCOUNTING, LEGAL OR PERSONNEL SERVICES.

46 S 4. This act shall take effect immediately and shall apply to taxable
47 years beginning on or after January 1, 2008.

48

PART FF-1

49 Section 1. Section 2 of the tax law is amended by adding four new
50 subdivisions 7, 8, 9 and 10 to read as follows:

51 7. "REIT" MEANS A REAL ESTATE INVESTMENT TRUST AS DEFINED IN SECTION
52 EIGHT HUNDRED FIFTY-SIX OF THE INTERNAL REVENUE CODE.

53 8. "RIC" MEANS A REGULATED INVESTMENT COMPANY AS DEFINED IN SECTION
54 EIGHT HUNDRED FIFTY-ONE OF THE INTERNAL REVENUE CODE.

1 9. "CAPTIVE REIT" MEANS A REIT (A) THAT IS NOT REGULARLY TRADED ON AN
2 ESTABLISHED SECURITIES MARKET, AND (B) MORE THAN FIFTY PERCENT OF THE
3 VOTING STOCK OF WHICH IS OWNED OR CONTROLLED, DIRECTLY OR INDIRECTLY, BY
4 A SINGLE CORPORATION THAT IS NOT EXEMPT FROM FEDERAL INCOME TAX AND IS
5 NOT A REIT. ANY VOTING STOCK IN A REIT THAT IS HELD IN A SEGREGATED
6 ASSET ACCOUNT OF A LIFE INSURANCE CORPORATION (AS DESCRIBED IN SECTION
7 817 OF THE INTERNAL REVENUE CODE) SHALL NOT BE TAKEN INTO ACCOUNT FOR
8 PURPOSES OF DETERMINING WHETHER A REIT IS A CAPTIVE REIT.

9 10. "CAPTIVE RIC" MEANS A RIC (A) THAT IS NOT REGULARLY TRADED ON AN
10 ESTABLISHED SECURITIES MARKET, AND (B) MORE THAN FIFTY PERCENT OF THE
11 VOTING STOCK OF WHICH IS OWNED OR CONTROLLED, DIRECTLY OR INDIRECTLY, BY
12 A SINGLE CORPORATION THAT IS NOT EXEMPT FROM FEDERAL INCOME TAX AND IS
13 NOT A RIC. ANY VOTING STOCK IN A RIC THAT IS HELD IN A SEGREGATED ASSET
14 ACCOUNT OF A LIFE INSURANCE CORPORATION (AS DESCRIBED IN SECTION 817 OF
15 THE INTERNAL REVENUE CODE) SHALL NOT BE TAKEN INTO ACCOUNT FOR PURPOSES
16 OF DETERMINING WHETHER A RIC IS A CAPTIVE RIC.

17 S 2. Subdivisions 4, 5 and 7 of section 209 of the tax law, subdivision
18 4 as amended by section 11 of part Y of chapter 63 of the laws of
19 2000 and subdivisions 5 and 7 as separately amended by chapters 93 and
20 94 of the laws of 2007, are amended to read as follows:

21 4. Corporations liable to tax under sections one hundred eighty-three
22 to one hundred eighty-five, inclusive, corporations taxable under articles
23 thirty-two and thirty-three of this chapter, any trust company
24 organized under a law of this state all of the stock of which is owned
25 by not less than twenty savings banks organized under a law of this
26 state, bank holding companies filing a combined return in accordance
27 with subdivision (f) of section fourteen hundred sixty-two of this chapter,
28 A CAPTIVE REIT OR A CAPTIVE RIC FILING A COMBINED RETURN UNDER
29 EITHER SUBDIVISION (F) OF SECTION FOURTEEN HUNDRED SIXTY-TWO OR SUBDIVI-
30 SION (F) OF SECTION FIFTEEN HUNDRED FIFTEEN OF THIS CHAPTER, and housing
31 companies organized and operating pursuant to the provisions of article
32 two or article five of the private housing finance law and housing
33 development fund companies organized pursuant to the provisions of arti-
34 cle eleven of the private housing finance law shall not be subject to
35 tax under this article.

36 5. For any taxable year of a real estate investment trust as defined
37 in section eight hundred fifty-six of the internal revenue code in which
38 such trust is subject to federal income taxation under section eight
39 hundred fifty-seven of such code, such trust shall be subject to a tax
40 computed under either paragraph (a), (c) or (d) of subdivision one of
41 section two hundred ten of this chapter, whichever is greatest, and
42 shall not be subject to any tax under article thirty-two OR ARTICLE
43 THIRTY-THREE of this chapter EXCEPT FOR A CAPTIVE REIT REQUIRED TO FILE
44 A COMBINED RETURN UNDER SUBDIVISION (F) OF SECTION FOURTEEN HUNDRED
45 SIXTY-TWO OR SUBDIVISION (F) OF SECTION FIFTEEN HUNDRED FIFTEEN OF THIS
46 CHAPTER. In the case of such a {trust} REAL ESTATE INVESTMENT TRUST,
47 INCLUDING A CAPTIVE REIT AS DEFINED IN SECTION TWO OF THIS CHAPTER, the
48 term "entire net income" means "real estate investment trust taxable
49 income" as defined in paragraph two of subdivision (b) of section eight
50 hundred fifty-seven (as modified by section eight hundred fifty-eight)
51 of the internal revenue code plus the amount taxable under paragraph
52 three of subdivision (b) of section eight hundred fifty-seven of such
53 code, subject to the modification required by subdivision nine of
54 section two hundred eight of this article (other than the modification
55 required by subparagraph two of paragraph (a) thereof) including the
56 modifications required by paragraphs (d) and (e) of subdivision three of

1 section two hundred ten of this article. {Such a trust substantially all
2 of the capital stock of which is owned or controlled directly or indi-
3 rectly by one or more other corporations which are not real estate
4 investment trusts and are either (a) subject to tax under this article,
5 or (b) included in a combined report with a corporation that is subject
6 to tax under this article, shall be required to make a report on a
7 combined basis covering any such other corporations unless all such
8 other corporations are also real estate investment trusts in which case
9 no combined report shall be required. In the case of a trust required
10 under this subdivision to make a report on a combined basis, entire net
11 income shall be computed as required under the preceding sentences of
12 this subdivision except that the deduction for dividends paid pursuant
13 to paragraph two of subdivision (b) of section eight hundred fifty-seven
14 (as modified by section eight hundred fifty-eight) of the internal
15 revenue code shall not be allowed. A combined report required under this
16 subdivision shall include a computation of the combined capital of all
17 the corporations, including any such trust, that are included in the
18 report, as provided in paragraph (b) of subdivision four of section two
19 hundred eleven of this article. Notwithstanding any provision of law in
20 this paragraph, a real estate investment trust shall not be required to
21 be included in a combined report pursuant to this section if over fifty
22 percent of the capital stock of such real estate investment trust is
23 owned directly or indirectly by a bank holding company as defined in
24 paragraph one of subsection (f) of section fourteen hundred sixty-two of
25 this chapter or a banking corporation subject to taxation pursuant to
26 section fourteen hundred fifty-one of this chapter.}

27 7. For any taxable year, beginning on or after January first, nineteen
28 hundred eighty of a regulated investment company, as defined in section
29 eight hundred fifty-one of the internal revenue code, in which such
30 company is subject to federal income taxation under section eight
31 hundred fifty-two of such code, such company shall be subject to a tax
32 computed under either paragraph (a), (c) or (d) of subdivision one of
33 section two hundred ten of this chapter, whichever is greatest, and
34 shall not be subject to any tax under article thirty-two OR ARTICLE
35 THIRTY-THREE of this chapter EXCEPT FOR A CAPTIVE RIC REQUIRED TO FILE A
36 COMBINED RETURN UNDER SUBDIVISION (F) OF SECTION FOURTEEN HUNDRED
37 SIXTY-TWO OR SUBDIVISION (F) OF SECTION FIFTEEN HUNDRED FIFTEEN OF THIS
38 CHAPTER. In the case of such a REGULATED INVESTMENT company, INCLUDING
39 A CAPTIVE RIC AS DEFINED IN SECTION TWO OF THIS CHAPTER, the term
40 "entire net income" means "investment company taxable income" as defined
41 in paragraph two of subdivision (b) of section eight hundred fifty-two,
42 as modified by section eight hundred fifty-five, of the internal revenue
43 code plus the amount taxable under paragraph three of subdivision (b) of
44 section eight hundred fifty-two of such code subject to the modification
45 required by subdivision nine of section two hundred eight of this chap-
46 ter, other than the modification required by subparagraph two of para-
47 graph (a) and by paragraph (f) thereof, including the modification
48 required by paragraphs (d) and (e) of subdivision three of section two
49 hundred ten of this chapter. {Such a company substantially all of the
50 capital stock of which is owned or controlled directly or indirectly by
51 one or more other corporations which are not regulated investment compa-
52 nies and are either (a) subject to tax under this article, or (b)
53 included in a combined report with a corporation that is subject to tax
54 under this article, shall be required to make a report on a combined
55 basis covering any such other corporations unless all such other corpo-
56 rations are also regulated investment companies in which no combined

1 report shall be required. In the case of a company required under this
2 subdivision to make a report on a combined basis, entire net income
3 shall be computed as required under the preceding sentences of this
4 subdivision except that the deduction for dividends paid pursuant to
5 paragraph two of subdivision (b) of section eight hundred fifty-two (as
6 modified by section eight hundred fifty-five) of the internal revenue
7 code shall not be allowed. A combined report required under this subdivision
8 shall include a computation of the combined capital of all the
9 corporations, including any such company, that are included in the
10 report, as provided in paragraph (b) of subdivision four of section two
11 hundred eleven of this article. Notwithstanding any provision of law in
12 this paragraph, a regulated investment company shall not be required to
13 be included in a combined report pursuant to this section if over fifty
14 percent of the capital stock of such regulated investment company is
15 owned directly or indirectly by a bank holding company as defined in
16 paragraph one of subsection (f) of section fourteen hundred sixty-two of
17 this chapter or a banking corporation subject to taxation under section
18 fourteen hundred fifty-one of this chapter.}

19 S 3. Paragraph (a) of subdivision 4 of section 211 of the tax law is
20 amended by adding a new subparagraph 6 to read as follows:

21 (6) (I) FOR PURPOSES OF THIS SUBPARAGRAPH, THE TERM "CLOSEST CONTROLLING STOCKHOLDER" MEANS THE CORPORATION THAT INDIRECTLY OWNS OR CONTROLS
22 OVER FIFTY PERCENT OF THE VOTING STOCK OF A CAPTIVE REIT OR CAPTIVE RIC,
23 IS SUBJECT TO TAX UNDER THIS ARTICLE, ARTICLE THIRTY-TWO OR THIRTY-THREE
24 OF THIS CHAPTER OR OTHERWISE REQUIRED TO BE INCLUDED IN A COMBINED
25 RETURN OR REPORT UNDER THIS ARTICLE, ARTICLE THIRTY-TWO OR THIRTY-THREE
26 OF THIS CHAPTER, AND IS THE FEWEST TIERS OF CORPORATIONS AWAY IN THE
27 OWNERSHIP STRUCTURE FROM THE CAPTIVE REIT OR CAPTIVE RIC. THE COMMISSIONER IS AUTHORIZED TO PRESCRIBE BY REGULATION OR PUBLISHED GUIDANCE
28 THE CRITERIA FOR DETERMINING THE CLOSEST CONTROLLING STOCKHOLDER.

29 (II) A CAPTIVE REIT OR A CAPTIVE RIC MUST BE INCLUDED IN A COMBINED
30 REPORT WITH THE CORPORATION THAT DIRECTLY OWNS OR CONTROLS OVER FIFTY
31 PERCENT OF THE VOTING STOCK OF THE CAPTIVE REIT OR CAPTIVE RIC IF THAT
32 CORPORATION IS SUBJECT TO TAX OR REQUIRED TO BE INCLUDED IN A COMBINED
33 REPORT UNDER THIS ARTICLE.

34 (III) IF OVER FIFTY PERCENT OF THE VOTING STOCK OF A CAPTIVE REIT OR
35 CAPTIVE RIC IS NOT DIRECTLY OWNED OR CONTROLLED BY A CORPORATION THAT IS
36 SUBJECT TO TAX OR REQUIRED TO BE INCLUDED IN A COMBINED REPORT UNDER
37 THIS ARTICLE, THEN THE CAPTIVE REIT OR CAPTIVE RIC MUST BE INCLUDED IN A
38 COMBINED RETURN OR REPORT WITH THE CORPORATION THAT IS THE CLOSEST
39 CONTROLLING STOCKHOLDER OF THE CAPTIVE REIT OR CAPTIVE RIC. IF THE
40 CLOSEST CONTROLLING STOCKHOLDER OF THE CAPTIVE REIT OR CAPTIVE RIC IS
41 SUBJECT TO TAX OR OTHERWISE REQUIRED TO BE INCLUDED IN A COMBINED REPORT
42 UNDER THIS ARTICLE, THEN THE CAPTIVE REIT OR CAPTIVE RIC MUST BE
43 INCLUDED IN A COMBINED REPORT UNDER THIS ARTICLE.

44 (IV) IF THE CORPORATION THAT DIRECTLY OWNS OR CONTROLS THE VOTING
45 STOCK OF THE CAPTIVE REIT OR CAPTIVE RIC IS DESCRIBED IN SUBPARAGRAPH
46 TWO, THREE OR FIVE OF THIS PARAGRAPH AS A CORPORATION NOT PERMITTED TO
47 MAKE A COMBINED REPORT, THEN THE PROVISIONS IN CLAUSE (III) OF THIS
48 SUBPARAGRAPH MUST BE APPLIED TO DETERMINE THE CORPORATION IN WHOSE
49 COMBINED RETURN OR REPORT THE CAPTIVE REIT OR CAPTIVE RIC SHOULD BE
50 INCLUDED. IF, UNDER CLAUSE (III) OF THIS SUBPARAGRAPH, THE CORPORATION
51 THAT IS THE CLOSEST CONTROLLING STOCKHOLDER OF THE CAPTIVE REIT OR
52 CAPTIVE RIC IS DESCRIBED IN SUBPARAGRAPH TWO, THREE OR FIVE OF THIS
53 PARAGRAPH AS A CORPORATION NOT PERMITTED TO MAKE A COMBINED RETURN, THEN
54 THAT CORPORATION IS DEEMED TO NOT BE IN THE OWNERSHIP STRUCTURE OF THE

1 CAPTIVE REIT OR CAPTIVE RIC, AND THE CLOSEST CONTROLLING STOCKHOLDER
2 WILL BE DETERMINED WITHOUT REGARD TO THAT CORPORATION.

3 (V) IF A CAPTIVE REIT OWNS THE STOCK OF A QUALIFIED REIT SUBSIDIARY
4 (AS DEFINED IN PARAGRAPH TWO OF SUBSECTION (I) OF SECTION EIGHT HUNDRED
5 FIFTY-SIX OF THE INTERNAL REVENUE CODE), THEN THE QUALIFIED REIT SUBSID-
6 IARY MUST BE INCLUDED IN A COMBINED REPORT WITH THE CAPTIVE REIT.

7 (VII) IF A CAPTIVE REIT OR A CAPTIVE RIC IS REQUIRED UNDER THIS SUBPAR-
8 AGRAPH TO BE INCLUDED IN A COMBINED REPORT WITH ANOTHER CORPORATION, AND
9 THAT OTHER CORPORATION IS ALSO REQUIRED TO BE INCLUDED IN A COMBINED
10 REPORT WITH ANOTHER RELATED CORPORATION OR CORPORATIONS UNDER THIS PARA-
11 GRAPH, THEN THE CAPTIVE REIT OR THE CAPTIVE RIC MUST BE INCLUDED IN THAT
12 COMBINED REPORT WITH THOSE CORPORATIONS.

13 (VII) IF A CAPTIVE REIT OR A CAPTIVE RIC IS NOT REQUIRED TO BE
14 INCLUDED IN A COMBINED REPORT WITH ANOTHER CORPORATION UNDER CLAUSE (II)
15 OR (III) OF THIS SUBPARAGRAPH, OR IN A COMBINED RETURN UNDER THE
16 PROVISIONS OF EITHER SUBPARAGRAPH (V) OF PARAGRAPH TWO OF SUBSECTION (F)
17 OF SECTION FOURTEEN HUNDRED SIXTY-TWO OR PARAGRAPH FOUR OF SUBDIVISION
18 (F) OF SECTION FIFTEEN HUNDRED FIFTEEN OF THIS CHAPTER, THEN THE CAPTIVE
19 REIT OR CAPTIVE RIC IS SUBJECT TO THE OPENING PROVISIONS OF THIS PARA-
20 GRAPH AND THE PROVISIONS OF SUBPARAGRAPH FOUR OF THIS PARAGRAPH. THE
21 CAPTIVE REIT OR CAPTIVE RIC MUST BE INCLUDED IN A COMBINED REPORT UNDER
22 THIS ARTICLE WITH ANOTHER CORPORATION IF EITHER THE SUBSTANTIAL INTER-
23 CORPORATE TRANSACTIONS REQUIREMENT IN THE OPENING PROVISIONS OF THIS
24 PARAGRAPH OR THE INTER-COMPANY TRANSACTIONS OR AGREEMENT, UNDERSTANDING,
25 ARRANGEMENT OR TRANSACTION REQUIREMENT OF SUBPARAGRAPH FOUR OF THIS
26 PARAGRAPH IS SATISFIED AND MORE THAN FIFTY PERCENT OF THE VOTING STOCK
27 OF THE CAPTIVE REIT OR THE CAPTIVE RIC AND SUBSTANTIALLY ALL OF THE
28 CAPITAL STOCK OF THAT OTHER CORPORATION ARE OWNED AND CONTROLLED,
29 DIRECTLY OR INDIRECTLY, BY THE SAME CORPORATION.

30 S 4. Subparagraph 1 of paragraph (b) of subdivision 4 of section 211
31 of the tax law, as amended by section 2 of part T of chapter 407 of the
32 laws of 1999, is amended to read as follows:

33 (1) Tax. (I) In the case of a combined report the tax shall be meas-
34 ured by the combined entire net income, combined minimum taxable income,
35 combined pre-nineteen hundred ninety minimum taxable income or combined
36 capital, of all the corporations included in the report, INCLUDING ANY
37 CAPTIVE REIT OR CAPTIVE RIC; provided, however, in no event shall the
38 tax measured by combined capital exceed the limitation provided for in
39 paragraph (b) of subdivision one of section two hundred ten of this
40 article.

41 (II) IN THE CASE OF A CAPTIVE REIT OR CAPTIVE RIC REQUIRED UNDER THIS
42 SUBDIVISION TO BE INCLUDED IN A COMBINED REPORT, ENTIRE NET INCOME MUST
43 BE COMPUTED AS REQUIRED UNDER SUBDIVISION FIVE (IN THE CASE OF A CAPTIVE
44 REIT) OR SUBDIVISION SEVEN (IN THE CASE OF A CAPTIVE RIC) OF SECTION TWO
45 HUNDRED NINE OF THIS ARTICLE. HOWEVER, THE DEDUCTION UNDER THE INTERNAL
46 REVENUE CODE FOR DIVIDENDS PAID BY THE CAPTIVE REIT OR CAPTIVE RIC TO
47 ANY MEMBER OF THE AFFILIATED GROUP THAT INCLUDES THE CORPORATION THAT
48 DIRECTLY OR INDIRECTLY OWNS OVER FIFTY PERCENT OF THE VOTING STOCK OF
49 THE CAPTIVE REIT OR CAPTIVE RIC SHALL NOT BE ALLOWED FOR TAXABLE YEARS
50 BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND EIGHT. THE TERM
51 "AFFILIATED GROUP" MEANS "AFFILIATED GROUP" AS DEFINED IN SECTION
52 FIFTEEN HUNDRED FOUR OF THE INTERNAL REVENUE CODE, BUT WITHOUT REGARD TO
53 THE EXCEPTIONS PROVIDED FOR IN SUBSECTION (B) OF THAT SECTION.

54 S 5. Subsection (d) of section 1452 of the tax law, as amended by
55 chapter 298 of the laws of 1985, is amended to read as follows:

1 (d) Corporations taxable under article {nine-a} NINE-A. Notwithstanding
2 the provisions of this article, all corporations of classes now or
3 heretofore taxable under article {nine-a} NINE-A of this chapter shall
4 continue to be taxable under article {nine-a} NINE-A, except: (1) corpo-
5 rations organized under article {five-a} FIVE-A of the banking law; (2)
6 corporations subject to article three-A of the banking law, or regis-
7 tered under the federal bank holding company act of nineteen hundred
8 fifty-six, as amended, or registered as a savings and loan holding
9 company (but excluding a diversified savings and loan holding company)
10 under the federal national housing act, as amended, which make a
11 combined return under the provisions of subsection (f) of section four-
12 teen hundred sixty-two; {and} (3) banking corporations described in
13 paragraph nine of subsection (a) of THIS section {fourteen hundred
14 fifty-two}; AND (4) ANY CAPTIVE REIT OR CAPTIVE RIC THAT IS REQUIRED TO
15 BE INCLUDED IN A COMBINED RETURN UNDER THE PROVISIONS OF SUBSECTION (F)
16 OF SECTION FOURTEEN HUNDRED SIXTY-TWO OF THIS ARTICLE. Provided, howev-
17 er, that a corporation described in paragraph three of this subsection
18 which was subject to the tax imposed by article nine-A of this chapter
19 for its taxable year ending during nineteen hundred eighty-four may, on
20 or before the due date for filing its return (determined with regard to
21 extensions) for its taxable year ending during nineteen hundred eighty-
22 five, make a one time election to continue to be taxable under such
23 article nine-A. Such election shall continue to be in effect until
24 revoked by the taxpayer. In no event shall such election or revocation
25 be for a part of a taxable year.

26 S 6. Subsection (m) of section 1452 of the tax law is amended by
27 adding a new paragraph 4 to read as follows:

28 (4) THE PROVISIONS OF THIS SUBSECTION SHALL NOT APPLY TO A CAPTIVE
29 REIT OR A CAPTIVE RIC.

30 S 7. Subparagraphs (ii) and (iii) of paragraph 11 of subsection (e) of
31 section 1453 of the tax law, as amended by section 2 of part F of chap-
32 ter 60 of the laws of 2007, are amended to read as follows:

33 (ii) sixty percent of dividend income from subsidiary capital {which
34 does not include fifty percent of disallowed investment proceeds as
35 described in subsection (u) of this section for taxable years beginning
36 on or after January first, two thousand seven and before January first,
37 two thousand nine, and seventy-five percent of such disallowed invest-
38 ment proceeds for taxable years beginning on or after January first, two
39 thousand nine and before January first, two thousand eleven, and one
40 hundred percent of such disallowed investment proceeds for taxable years
41 beginning on or after January first, two thousand eleven} EXCEPT AS
42 PROVIDED IN PARAGRAPH EIGHTEEN OF THIS SUBSECTION, and

43 (iii) sixty percent of the amount by which gains from subsidiary capi-
44 tal exceed losses from subsidiary capital, to the extent such gains and
45 losses were taken into account in determining the entire taxable income
46 referred to in subsection (a) of this section, {except that fifty
47 percent of gains or losses from disallowed investment proceeds as
48 described in subsection (u) of this section for taxable years beginning
49 on or after January first, two thousand seven and before January first,
50 two thousand nine, and seventy-five percent of gains or losses from such
51 disallowed investment proceeds for taxable years beginning on or after
52 January first, two thousand nine and before January first, two thousand
53 eleven, and one hundred percent of gains or losses from such disallowed
54 investment proceeds for taxable years beginning on or after January
55 first, two thousand eleven shall not be considered in determining such
56 amount,}

1 S 8. Subsection (e) of section 1453 of the tax law is amended by
2 adding a new paragraph 18 to read as follows:

3 (18) ONE HUNDRED PERCENT OF DIVIDEND INCOME FROM SUBSIDIARY CAPITAL
4 RECEIVED DURING THE TAXABLE YEAR IF THAT DIVIDEND INCOME IS DIRECTLY
5 ATTRIBUTABLE TO A DIVIDEND FROM A CAPTIVE REIT OR CAPTIVE RIC FOR WHICH
6 THE CAPTIVE REIT OR CAPTIVE RIC CLAIMED A FEDERAL DIVIDENDS PAID
7 DEDUCTION AND THAT CAPTIVE REIT OR CAPTIVE RIC IS INCLUDED IN A COMBINED
8 REPORT OR RETURN UNDER ARTICLE NINE-A, ARTICLE THIRTY-TWO OR ARTICLE
9 THIRTY-THREE OF THIS CHAPTER.

10 S 9. Subsection (u) of section 1453 of the tax law is REPEALED.

11 S 10. Paragraph 2 of subsection (f) of section 1462 of the tax law is
12 amended by adding a new subparagraph (v) to read as follows:

13 (V) (A) FOR PURPOSES OF THIS SUBPARAGRAPH, THE TERM "CLOSEST CONTROL-
14 LING STOCKHOLDER" MEANS THE CORPORATION THAT INDIRECTLY OWNS OR CONTROLS
15 OVER FIFTY PERCENT OF THE VOTING STOCK OF A CAPTIVE REIT OR CAPTIVE RIC,
16 IS SUBJECT TO TAX UNDER THIS ARTICLE, ARTICLE NINE-A OR ARTICLE THIRTY-
17 THREE OF THIS CHAPTER OR OTHERWISE REQUIRED TO BE INCLUDED IN A COMBINED
18 RETURN UNDER THIS ARTICLE, ARTICLE NINE-A OR ARTICLE THIRTY-THREE OF
19 THIS CHAPTER, AND IS THE FEWEST TIERS OF CORPORATIONS AWAY IN THE OWNER-
20 SHIP STRUCTURE FROM THE CAPTIVE REIT OR CAPTIVE RIC. THE COMMISSIONER IS
21 AUTHORIZED TO PRESCRIBE BY REGULATION OR PUBLISHED GUIDANCE THE CRITERIA
22 FOR DETERMINING THE CLOSEST CONTROLLING STOCKHOLDER.

23 (B) A CAPTIVE REIT OR A CAPTIVE RIC MUST BE INCLUDED IN A COMBINED
24 RETURN WITH THE BANKING CORPORATION OR BANK HOLDING COMPANY THAT DIRECT-
25 LY OWNS OR CONTROLS OVER FIFTY PERCENT OF THE VOTING STOCK OF THE
26 CAPTIVE REIT OR CAPTIVE RIC IF THAT BANKING CORPORATION OR BANK HOLDING
27 COMPANY IS SUBJECT TO TAX OR REQUIRED TO BE INCLUDED IN A COMBINED
28 RETURN UNDER THIS ARTICLE.

29 (C) IF OVER FIFTY PERCENT OF THE VOTING STOCK OF A CAPTIVE REIT OR
30 CAPTIVE RIC IS NOT DIRECTLY OWNED OR CONTROLLED BY A BANKING CORPORATION
31 OR BANK HOLDING COMPANY THAT IS SUBJECT TO TAX OR REQUIRED TO BE
32 INCLUDED IN A COMBINED RETURN UNDER THIS ARTICLE, THEN THE CAPTIVE REIT
33 OR CAPTIVE RIC MUST BE INCLUDED IN A COMBINED RETURN OR REPORT WITH THE
34 CORPORATION THAT IS THE CLOSEST CONTROLLING STOCKHOLDER OF THE CAPTIVE
35 REIT OR CAPTIVE RIC. IF THE CLOSEST CONTROLLING STOCKHOLDER OF THE
36 CAPTIVE REIT OR CAPTIVE RIC IS A BANKING CORPORATION OR BANK HOLDING
37 COMPANY THAT IS SUBJECT TO TAX OR OTHERWISE REQUIRED TO BE INCLUDED IN A
38 COMBINED RETURN UNDER THIS ARTICLE, THEN THE CAPTIVE REIT OR CAPTIVE RIC
39 MUST BE INCLUDED IN A COMBINED RETURN UNDER THIS ARTICLE.

40 (D) IF THE CORPORATION WHICH DIRECTLY OWNS OR CONTROLS THE VOTING
41 STOCK OF THE CAPTIVE REIT OR CAPTIVE RIC IS DESCRIBED IN SUBPARAGRAPH
42 (II) OR (IV) OF PARAGRAPH FOUR OF THIS SUBSECTION AS A CORPORATION NOT
43 PERMITTED TO MAKE A COMBINED RETURN, THEN THE PROVISIONS IN CLAUSE (C)
44 OF THIS SUBPARAGRAPH MUST BE APPLIED TO DETERMINE THE CORPORATION IN
45 WHOSE COMBINED RETURN OR REPORT THE CAPTIVE REIT OR CAPTIVE RIC SHOULD
46 BE INCLUDED. IF, UNDER CLAUSE (C) OF THIS SUBPARAGRAPH, THE CORPORATION
47 THAT IS THE CLOSEST CONTROLLING STOCKHOLDER OF THE CAPTIVE REIT OR
48 CAPTIVE RIC IS DESCRIBED IN SUBPARAGRAPH (II) OR (IV) OF PARAGRAPH FOUR
49 OF THIS SUBSECTION AS A CORPORATION NOT PERMITTED TO MAKE A COMBINED
50 RETURN, THEN THAT CORPORATION IS DEEMED TO NOT BE IN THE OWNERSHIP
51 STRUCTURE OF THE CAPTIVE REIT OR CAPTIVE RIC, AND THE CLOSEST CONTROL-
52 LING STOCKHOLDER WILL BE DETERMINED WITHOUT REGARD TO THAT CORPORATION.

53 (E) IF A CAPTIVE REIT OWNS THE STOCK OF A QUALIFIED REIT SUBSIDIARY
54 (AS DEFINED IN PARAGRAPH TWO OF SUBSECTION (I) OF SECTION EIGHT HUNDRED
55 FIFTY-SIX OF THE INTERNAL REVENUE CODE), THEN THE QUALIFIED REIT SUBSID-

1 IARY MUST BE INCLUDED IN ANY COMBINED RETURN REQUIRED TO BE MADE BY THE
2 CAPTIVE REIT THAT OWNS ITS STOCK.

3 (F) IF A CAPTIVE REIT OR A CAPTIVE RIC IS REQUIRED UNDER THIS SUBPARA-
4 GRAPH TO BE INCLUDED IN A COMBINED RETURN WITH ANOTHER CORPORATION, AND
5 THAT OTHER CORPORATION IS REQUIRED TO BE INCLUDED IN A COMBINED RETURN
6 WITH ANOTHER CORPORATION UNDER OTHER PROVISIONS OF THIS SUBSECTION, THE
7 CAPTIVE REIT OR CAPTIVE RIC MUST BE INCLUDED IN THAT COMBINED RETURN
8 WITH THOSE CORPORATIONS.

9 (G) IF THE BANKING CORPORATION OR BANK HOLDING COMPANY THAT DIRECTLY
10 OR INDIRECTLY OWNS OR CONTROLS OVER FIFTY PERCENT OF THE VOTING STOCK OF
11 THE CAPTIVE REIT OR CAPTIVE RIC AND IS THE CLOSEST CONTROLLING STOCK-
12 HOLDER OF THE CAPTIVE REIT OR CAPTIVE RIC IS A MEMBER OF AN AFFILIATED
13 GROUP (1) THAT DOES NOT INCLUDE ANY CORPORATION THAT IS ENGAGED IN A
14 BUSINESS THAT A SUBSIDIARY OF A BANK HOLDING COMPANY WOULD NOT BE
15 PERMITTED TO ENGAGE IN, UNLESS SUCH BUSINESS IS DE MINIMUS, AND (2)
16 WHOSE MEMBERS OWN ASSETS THE COMBINED AVERAGE VALUE OF WHICH DOES NOT
17 EXCEED EIGHT BILLION DOLLARS, THEN THE CAPTIVE REIT OR CAPTIVE RIC MUST
18 NOT BE INCLUDED IN A COMBINED RETURN UNDER THIS ARTICLE OR ARTICLE
19 NINE-A OR ARTICLE THIRTY-THREE OF THIS CHAPTER. IN THAT INSTANCE, THE
20 CAPTIVE REIT OR CAPTIVE RIC IS SUBJECT TO THE PROVISIONS OF SUBDIVISION
21 FIVE OR SEVEN OF SECTION TWO HUNDRED NINE OF THIS CHAPTER. THE TERM
22 "AFFILIATED GROUP" MEANS "AFFILIATED GROUP" AS DEFINED IN SECTION
23 FIFTEEN HUNDRED FOUR OF THE INTERNAL REVENUE CODE, BUT WITHOUT REGARD TO
24 THE EXCEPTIONS PROVIDED FOR IN SUBSECTION (B) OF THAT SECTION.

25 S 11. Paragraph 3 of subsection (f) of section 1462 of the tax law, as
26 added by chapter 298 of the laws of 1985, is amended to read as follows:

27 (3) (I) In the case of a combined return, the tax shall be measured by
28 the combined entire net income, combined alternative entire net income
29 or combined assets of all the corporations included in the return,
30 INCLUDING ANY CAPTIVE REIT OR CAPTIVE RIC. The allocation percentage
31 shall be computed based on the combined factors with respect to all the
32 corporations included in the combined return. In computing combined
33 entire net income and combined alternative entire net income intercorpo-
34 rate dividends and all other intercorporate transactions shall be elimi-
35 nated and in computing combined assets intercorporate stockholdings and
36 intercorporate bills, notes and accounts receivable and payable and
37 other intercorporate indebtedness shall be eliminated.

38 (II) IN THE CASE OF A CAPTIVE REIT REQUIRED UNDER THIS SUBSECTION TO
39 BE INCLUDED IN A COMBINED RETURN, "ENTIRE NET INCOME" MEANS "REAL ESTATE
40 INVESTMENT TRUST TAXABLE INCOME" AS DEFINED IN PARAGRAPH TWO OF SUBDIVI-
41 SION (B) OF SECTION EIGHT HUNDRED FIFTY-SEVEN (AS MODIFIED BY SECTION
42 EIGHT HUNDRED FIFTY-EIGHT) OF THE INTERNAL REVENUE CODE, PLUS THE AMOUNT
43 TAXABLE UNDER PARAGRAPH THREE OF SUBDIVISION (B) OF SECTION EIGHT
44 HUNDRED FIFTY-SEVEN OF THAT CODE, SUBJECT TO THE MODIFICATIONS REQUIRED
45 BY SECTION FOURTEEN HUNDRED FIFTY-THREE OF THIS ARTICLE. IN THE CASE OF
46 A CAPTIVE RIC REQUIRED UNDER THIS SUBSECTION TO BE INCLUDED IN A
47 COMBINED RETURN, "ENTIRE NET INCOME" MEANS "INVESTMENT COMPANY TAXABLE
48 INCOME" AS DEFINED IN PARAGRAPH TWO OF SUBDIVISION (B) OF SECTION EIGHT
49 HUNDRED FIFTY-TWO (AS MODIFIED BY SECTION EIGHT HUNDRED FIFTY-FIVE) OF
50 THE INTERNAL REVENUE CODE, PLUS THE AMOUNT TAXABLE UNDER PARAGRAPH THREE
51 OF SUBDIVISION (B) OF SECTION EIGHT HUNDRED FIFTY-TWO OF THAT CODE,
52 SUBJECT TO THE MODIFICATIONS REQUIRED BY SECTION FOURTEEN HUNDRED
53 FIFTY-THREE OF THIS ARTICLE. HOWEVER, THE DEDUCTION UNDER THE INTERNAL
54 REVENUE CODE FOR DIVIDENDS PAID BY THE CAPTIVE REIT OR CAPTIVE RIC TO
55 ANY MEMBER OF THE AFFILIATED GROUP THAT INCLUDES THE CORPORATION THAT
56 DIRECTLY OR INDIRECTLY OWNS OVER FIFTY PERCENT OF THE VOTING STOCK OF

1 THE CAPTIVE REIT OR CAPTIVE RIC WILL BE LIMITED TO THE FOLLOWING
2 PERCENTAGES: (A) FIFTY PERCENT FOR TAXABLE YEARS BEGINNING ON OR AFTER
3 JANUARY FIRST, TWO THOUSAND EIGHT AND BEFORE JANUARY FIRST, TWO THOUSAND
4 NINE; (B) TWENTY-FIVE PERCENT FOR TAXABLE YEARS BEGINNING ON OR AFTER
5 JANUARY FIRST, TWO THOUSAND NINE AND BEFORE JANUARY FIRST, TWO THOUSAND
6 ELEVEN; AND (C) ZERO PERCENT FOR TAXABLE YEARS BEGINNING ON OR AFTER
7 JANUARY FIRST, TWO THOUSAND ELEVEN. THE TERM "AFFILIATED GROUP" MEANS
8 "AFFILIATED GROUP" AS DEFINED IN SECTION FIFTEEN HUNDRED FOUR OF THE
9 INTERNAL REVENUE CODE, BUT WITHOUT REGARD TO THE EXCEPTIONS PROVIDED FOR
10 IN SUBSECTION (B) OF SECTION FIFTEEN HUNDRED FOUR.

11 S 12. Subparagraphs (A) and (B) of paragraph 1 of subdivision (b) of
12 section 1503 of the tax law, as amended by section 4 of part F of chapter
13 60 of the laws of 2007, are amended to read as follows:

14 (A) income, gains and losses from subsidiary capital which do not
15 include {(i)} the amount of a recovery in respect of any war loss{, and
16 (ii) fifty percent of disallowed investment proceeds as described in
17 paragraph seventeen of this subdivision for taxable years beginning on
18 or after January first, two thousand seven and before January first, two
19 thousand nine, and seventy-five percent of such disallowed investment
20 proceeds for taxable years beginning on or after January first, two
21 thousand nine and before January first, two thousand eleven, and one
22 hundred percent of such disallowed investment proceeds for taxable years
23 beginning on or after January first, two thousand eleven};

24 (B) fifty percent of dividends {(i)} other than from subsidiaries{, except
25 subsidiaries whose dividends are described in subparagraph (E) of
26 paragraph seventeen of this subdivision, and (ii) other than fifty
27 percent of disallowed investment proceeds as described in paragraph
28 seventeen of this subdivision for taxable years beginning on or after
29 January first, two thousand seven and before January first, two thousand
30 nine, and seventy-five percent of such disallowed investment proceeds
31 for taxable years beginning on or after January first, two thousand nine
32 and before January first, two thousand eleven, and one hundred percent
33 of such disallowed investment proceeds for taxable years beginning on or
34 after January first, two thousand eleven,} except that in the case of a
35 life insurance company, such modification shall apply only with respect
36 to the company's share of such dividends, which share means the percent-
37 age determined under paragraph one of subsection (a) of section eight
38 hundred twelve of the internal revenue code;

39 S 13. Subparagraph (H) of paragraph 2 of subdivision (b) of section
40 1503 of the tax law, as amended by section 5 of part F of chapter 60 of
41 the laws of 2007, is amended to read as follows:

42 (H) in the discretion of the commissioner, any amount of interest
43 directly or indirectly and any other amount directly attributable as a
44 carrying charge or otherwise to subsidiary capital or to income, gains
45 or losses from subsidiary capital{, except to the extent that such
46 amounts are directly or indirectly attributable to (i) subsidiary capi-
47 tal, the income, gains or losses from which are not excluded from entire
48 net income pursuant to subparagraph (A) of paragraph one of this subdi-
49 vision, or (ii) income, gains or losses from subsidiary capital that are
50 not excluded from entire net income pursuant to such subparagraph (A)};

51 S 14. Paragraph 17 of subdivision (b) of section 1503 of the tax law
52 is REPEALED.

53 S 15. Paragraph 2 of subdivision (c) of section 1504 of the tax law,
54 as amended by section 7 of part F of chapter 60 of the laws of 2007, is
55 amended to read as follows:

1 (2) Subsidiary capital. The portion of the taxpayer's subsidiary capital to be allocated within the state shall be determined by multiplying the amount of subsidiary capital invested in each subsidiary during the period covered by its return (or, in the case of any such capital so invested during only a portion of such period, such portion of such capital) by the percentage, if any, of the entire capital, or the issued capital stock, or the net income, as the case may be, of such subsidiary required to be allocated within the state on the return or returns, if any, required of such subsidiary under this chapter for the preceding year, and adding the sums so obtained{; except that, for purposes of this paragraph, the amount of such subsidiary capital, prior to allocation, shall be reduced by one hundred percent of the investments in the stock of, and any indebtedness from, subsidiaries the income, gains or losses from which are not excluded from entire net income pursuant to subparagraph (A) of paragraph one of subdivision (b) of section fifteen hundred three of this article, but only to the extent such investments or indebtedness are directly or indirectly attributable to income, gains or losses that are not so excluded}.

19 S 16. Subdivision (f) of section 1515 of the tax law, as amended by section 7 of part J of chapter 60 of the laws of 2007, is amended to read as follows:

22 (f) (1) Any taxpayer, which owns or controls either directly or indirectly substantially all the capital stock of one or more other corporations, or substantially all the capital stock of which is owned or controlled either directly or indirectly by one or more other corporations or by interests which own or control either directly or indirectly substantially all the capital stock of one or more other corporations, (hereinafter referred to in this paragraph as "related corporations"), shall make a combined return with any related corporations if there are substantial intercorporate transactions among the related corporations, regardless of the transfer price for such intercorporate transactions. It is not necessary that there be substantial intercorporate transactions between any one corporation and every other related corporation. It is necessary, however, that there be substantial intercorporate transactions between the taxpayer and a related corporation or collectively, a group of such related corporations. The return shall set forth such information as the commissioner may require.

38 (2) In determining whether there are substantial intercorporate transactions, the commissioner shall consider and evaluate all activities and transactions of the taxpayer and its related corporations. Activities and transactions that will be considered include, but are not limited to: (i) manufacturing, acquiring goods or property, or performing services, for related corporations; (ii) selling goods acquired from related corporations; (iii) financing sales of related corporations; (iv) performing related customer services using common facilities and employees for related corporations; (v) selling policies or contracts of insurance for related corporations; (vi) reinsuring risks for related corporations; (vii) collecting premiums or other consideration for any policy or contract of insurance for related corporations; (viii) incurring expenses that benefit, directly or indirectly, one or more related corporations and (ix) transferring assets, including such assets as accounts receivable, patents or trademarks from one or more related corporations.

54 (3) Except as provided in paragraph one of this subdivision, no combined return covering any corporation shall be required unless the commissioner deems such return necessary because of intercompany trans-

1 actions or some agreement, understanding, arrangement or transaction
2 referred to in subdivision (g) of this section, in order properly to
3 reflect the tax liability under this article.

4 (4)(I) FOR PURPOSES OF THIS PARAGRAPH, THE TERM "CLOSEST CONTROLLING
5 STOCKHOLDER" MEANS THE CORPORATION THAT INDIRECTLY OWNS OR CONTROLS OVER
6 FIFTY PERCENT OF THE VOTING STOCK OF A CAPTIVE REIT OR CAPTIVE RIC, IS
7 SUBJECT TO TAX UNDER SECTION FIFTEEN HUNDRED ONE OF THIS ARTICLE, ARTI-
8 CLE NINE-A OR ARTICLE THIRTY-TWO OF THIS CHAPTER OR REQUIRED TO BE
9 INCLUDED IN A COMBINED RETURN OR REPORT UNDER THIS ARTICLE, ARTICLE
10 NINE-A OR ARTICLE THIRTY-TWO OF THIS CHAPTER, AND IS THE FEWEST TIERS OF
11 CORPORATIONS AWAY IN THE OWNERSHIP STRUCTURE FROM THE CAPTIVE REIT OR
12 CAPTIVE RIC. THE COMMISSIONER IS AUTHORIZED TO PRESCRIBE BY REGULATION
13 OR PUBLISHED GUIDANCE THE CRITERIA FOR DETERMINING THE CLOSEST CONTROL-
14 LING STOCKHOLDER.

15 (II) A CAPTIVE REIT OR A CAPTIVE RIC MUST BE INCLUDED IN A COMBINED
16 RETURN WITH THE CORPORATION THAT DIRECTLY OWNS OR CONTROLS OVER FIFTY
17 PERCENT OF THE VOTING STOCK OF THE CAPTIVE REIT OR CAPTIVE RIC IF THAT
18 CORPORATION IS A LIFE INSURANCE CORPORATION AND IS SUBJECT TO TAX OR
19 REQUIRED TO BE INCLUDED IN A COMBINED RETURN UNDER THIS ARTICLE.

20 (III) IF OVER FIFTY PERCENT OF THE VOTING STOCK OF A CAPTIVE REIT OR
21 CAPTIVE RIC IS NOT DIRECTLY OWNED OR CONTROLLED BY A LIFE INSURANCE
22 CORPORATION THAT IS SUBJECT TO TAX OR REQUIRED TO BE INCLUDED IN A
23 COMBINED RETURN UNDER THIS ARTICLE, THEN THE CAPTIVE REIT OR CAPTIVE RIC
24 MUST BE INCLUDED IN A COMBINED REPORT OR RETURN WITH THE CORPORATION
25 THAT IS THE CLOSEST CONTROLLING STOCKHOLDER OF THE CAPTIVE REIT OR
26 CAPTIVE RIC. IF THE CLOSEST CONTROLLING STOCKHOLDER OF THE CAPTIVE REIT
27 OR CAPTIVE RIC IS A LIFE INSURANCE CORPORATION THAT IS SUBJECT TO TAX OR
28 REQUIRED TO BE INCLUDED IN A COMBINED RETURN UNDER THIS ARTICLE, THEN
29 THE CAPTIVE REIT OR CAPTIVE RIC MUST BE INCLUDED IN A COMBINED RETURN
30 UNDER THIS ARTICLE.

31 (IV) IF A CAPTIVE REIT OWNS THE STOCK OF A QUALIFIED REIT SUBSIDIARY
32 (AS DEFINED IN PARAGRAPH TWO OF SUBSECTION (I) OF SECTION EIGHT HUNDRED
33 FIFTY-SIX OF THE INTERNAL REVENUE CODE), THEN THE QUALIFIED REIT SUBSID-
34 IARY MUST BE INCLUDED IN ANY COMBINED RETURN REQUIRED TO BE MADE BY THE
35 CAPTIVE REIT THAT OWNS THE STOCK OF THE QUALIFIED REIT SUBSIDIARY.

36 (V) IF A CAPTIVE REIT OR A CAPTIVE RIC IS REQUIRED UNDER THIS PARA-
37 GRAPH TO BE INCLUDED IN A COMBINED RETURN WITH ANOTHER CORPORATION, AND
38 THAT OTHER CORPORATION IS REQUIRED TO BE INCLUDED IN A COMBINED RETURN
39 WITH ANOTHER RELATED CORPORATION UNDER THIS SUBDIVISION, THEN THE
40 CAPTIVE REIT OR THE CAPTIVE RIC MUST BE INCLUDED IN THAT COMBINED RETURN
41 WITH THE OTHER RELATED CORPORATION.

42 (5)(I) In the case of a combined return, the tax shall be measured by
43 the combined entire net income or combined capital of all the corpo-
44 rations included in the return, INCLUDING ANY CAPTIVE REIT OR CAPTIVE
45 RIC. In computing combined entire net income intercorporate dividends
46 shall be eliminated, in computing combined business and investment capi-
47 tal intercorporate stockholdings and intercorporate bills, notes and
48 accounts receivable and payable and other intercorporate indebtedness
49 shall be eliminated and in computing combined subsidiary capital inter-
50 corporate stockholdings shall be eliminated. No taxpayer subject to the
51 tax imposed by section fifteen hundred two-a or section fifteen hundred
52 two-b of this article may be required or permitted to be included in a
53 combined return.

54 (II) IN THE CASE OF A CAPTIVE REIT REQUIRED UNDER THIS SUBDIVISION TO
55 BE INCLUDED IN A COMBINED RETURN, "ENTIRE NET INCOME" MEANS "REAL ESTATE
56 INVESTMENT TRUST TAXABLE INCOME" AS DEFINED IN PARAGRAPH TWO OF SUBDIVI-

1 SION (B) OF SECTION EIGHT HUNDRED FIFTY-SEVEN (AS MODIFIED BY SECTION
2 EIGHT HUNDRED FIFTY-EIGHT) OF THE INTERNAL REVENUE CODE, PLUS THE AMOUNT
3 TAXABLE UNDER PARAGRAPH THREE OF SUBDIVISION (B) OF SECTION EIGHT
4 HUNDRED FIFTY-SEVEN OF THAT CODE, SUBJECT TO THE MODIFICATIONS REQUIRED
5 BY SECTION FIFTEEN HUNDRED THREE OF THIS ARTICLE. IN THE CASE OF A
6 CAPTIVE RIC REQUIRED UNDER THIS SUBDIVISION TO BE INCLUDED IN A COMBINED
7 RETURN, "ENTIRE NET INCOME" MEANS "INVESTMENT COMPANY TAXABLE INCOME" AS
8 DEFINED IN PARAGRAPH TWO OF SUBDIVISION (B) OF SECTION EIGHT HUNDRED
9 FIFTY-TWO (AS MODIFIED BY SECTION EIGHT HUNDRED FIFTY-FIVE) OF THE
10 INTERNAL REVENUE CODE, PLUS THE AMOUNT TAXABLE UNDER PARAGRAPH THREE OF
11 SUBDIVISION (B) OF SECTION EIGHT HUNDRED FIFTY-TWO OF THAT CODE, SUBJECT
12 TO THE MODIFICATIONS REQUIRED BY SECTION FIFTEEN HUNDRED THREE OF THIS
13 ARTICLE. HOWEVER, THE DEDUCTION UNDER THE INTERNAL REVENUE CODE FOR
14 DIVIDENDS PAID BY THE CAPTIVE REIT OR CAPTIVE RIC TO ANY MEMBER OF THE
15 AFFILIATED GROUP THAT INCLUDES THE CORPORATION THAT DIRECTLY OR INDIVI-
16 RECTLY OWNS OVER FIFTY PERCENT OF THE VOTING STOCK OF THE CAPTIVE REIT
17 OR CAPTIVE RIC SHALL NOT BE ALLOWED. THE TERM "AFFILIATED GROUP" MEANS
18 "AFFILIATED GROUP" AS DEFINED IN SECTION FIFTEEN HUNDRED FOUR OF THE
19 INTERNAL REVENUE CODE, BUT WITHOUT REGARD TO THE EXCEPTIONS PROVIDED FOR
20 IN SUBSECTION (B) OF THAT SECTION.

21 S 17. The commissioner of taxation and finance shall prepare a report
22 that will analyze the effect of the amendments made by this part on
23 taxpayers in this state. Copies of such report shall be submitted by the
24 commissioner to the governor, the temporary president of the senate, the
25 speaker of the assembly, the chairman of the senate finance committee,
26 and the chairman of the assembly ways and means committee immediately
27 upon completion, but shall not be due until June 1, 2009. The report
28 shall examine the effect of these provisions on the business entities
29 subject to them and will include statistical information, to the extent
30 practicable, regarding the total amount of taxes that were paid under
31 these provisions, the amount that would have been paid but for these
32 provisions, the number and types of entities subject to these
33 provisions, and whatever other information the commissioner determines
34 is relevant to such analysis. To enable the commissioner to prepare such
35 report in a timely manner, the taxpayers affected by the amendments made
36 by this act should provide the commissioner with sufficient information
37 about their income, expenses and corporate structures in a format that
38 the commissioner will be able to utilize and analyze. The commissioner
39 shall develop the format to be used in consultation with taxpayers and
40 will make that format available to taxpayers by December 31, 2008.
41 Taxpayers shall file the information in that format, together with any
42 other data or information the taxpayer determines to be relevant, with
43 the commissioner by March 31, 2009. All information provided by taxpay-
44 ers under this section shall be kept confidential by the commissioner,
45 and shall not be used by the commissioner in auditing the taxpayers' tax
46 liabilities under the tax law.

47 S 18. This act shall take effect immediately and shall apply to tax-
48 able years beginning after 2007 and before 2011; provided however the
49 provisions of this act shall be deemed repealed January 1, 2011 for
50 taxable years beginning on or after January 1, 2011.

52 Section 1. Paragraph (b) of subdivision 1 of section 210 of the tax
53 law, as amended by section 1 of part M of chapter 61 of the laws of
54 2005, is amended to read as follows:

1 (b) Capital base. (1) The amount prescribed by this paragraph FOR
2 TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND EIGHT shall
3 be computed at {one and seventy-eight hundredths mills} .178 PERCENT for
4 each dollar of the taxpayer's total business and investment capital, or
5 the portion thereof allocated within the state as hereinafter provided{,
6 except that in}. FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST,
7 TWO THOUSAND EIGHT, THE AMOUNT PRESCRIBED BY THIS PARAGRAPH SHALL BE
8 COMPUTED AT .15 PERCENT FOR EACH DOLLAR OF THE TAXPAYER'S TOTAL BUSINESS
9 AND INVESTMENT CAPITAL, OR THE PORTION THEREOF ALLOCATED WITHIN THE
10 STATE AS HEREINAFTER PROVIDED. HOWEVER, IN the case of a cooperative
11 housing corporation as defined in the internal revenue code, the appli-
12 cable rate shall be {four-tenths of a mill} .04 PERCENT. In no event
13 shall the amount prescribed by this paragraph exceed three hundred fifty
14 thousand dollars for QUALIFIED NEW YORK manufacturers and {one million
15 dollars for all other taxpayers} FOR ALL OTHER TAXPAYERS TEN MILLION
16 DOLLARS FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOU-
17 SAND EIGHT BUT BEFORE JANUARY FIRST, TWO THOUSAND ELEVEN AND ONE MILLION
18 DOLLARS FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOU-
19 SAND ELEVEN.

20 (2) For purposes of subparagraph one of this paragraph, the term
21 "manufacturer" shall mean a taxpayer which during the taxable year is
22 principally engaged in the production of goods by manufacturing, proc-
23 essing, assembling, refining, mining, extracting, farming, agriculture,
24 horticulture, floriculture, viticulture or commercial fishing. More-
25 over, for purposes of computing the capital base in a combined report,
26 the combined group shall be considered a "manufacturer" for purposes of
27 this subparagraph only if the combined group during the taxable year is
28 principally engaged in the activities set forth {above} IN THIS SUBPARA-
29 GRAPH, or any combination thereof. A taxpayer or a combined group shall
30 be "principally engaged" in activities described above if, during the
31 taxable year, more than fifty percent of the gross receipts of the
32 taxpayer or combined group, respectively, are derived from receipts from
33 the sale of goods produced by such activities. In computing a combined
34 group's gross receipts, intercorporate receipts shall be eliminated. A
35 "QUALIFIED NEW YORK MANUFACTURER" IS A MANUFACTURER THAT HAS PROPERTY IN
36 NEW YORK THAT IS DESCRIBED IN CLAUSE (A) OF SUBPARAGRAPH (I) OF PARA-
37 GRAPH (B) OF SUBDIVISION TWELVE OF THIS SECTION AND EITHER (I) THE
38 ADJUSTED BASIS OF THAT PROPERTY FOR FEDERAL INCOME TAX PURPOSES AT THE
39 CLOSE OF THE TAXABLE YEAR IS AT LEAST ONE MILLION DOLLARS OR (II) ALL OF
40 ITS REAL AND PERSONAL PROPERTY IS LOCATED IN NEW YORK. IN ADDITION, A
41 "QUALIFIED NEW YORK MANUFACTURER" MEANS A TAXPAYER THAT IS DEFINED AS A
42 QUALIFIED EMERGING TECHNOLOGY COMPANY UNDER PARAGRAPH (C) OF SUBDIVISION
43 ONE OF SECTION THIRTY-ONE HUNDRED TWO-E OF THE PUBLIC AUTHORITIES LAW
44 REGARDLESS OF THE TEN MILLION DOLLAR LIMITATION EXPRESSED IN SUBPARA-
45 GRAPH ONE OF SUCH PARAGRAPH.

46 S 2. This act shall take effect immediately and shall apply to taxable
47 years beginning on or after January 1, 2008.

48

PART HH-1

49 Section 1. Paragraph (b) of subdivision 9 of section 208 of the tax
50 law is amended by adding a new subparagraph 19 to read as follows:

51 (19) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE
52 HUNDRED NINETY-NINE OF THE INTERNAL REVENUE CODE.

53 S 2. Subdivision (a) of section 292 of the tax law is amended by
54 adding a new paragraph 7 to read as follows:

1 (7) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE
2 HUNDRED NINETY-NINE OF THE INTERNAL REVENUE CODE MUST BE ADDED TO FEDER-
3 AL UNRELATED BUSINESS TAXABLE INCOME.

4 S 3. Subsection (b) of section 612 of the tax law is amended by adding
5 a new paragraph 38 to read as follows:

6 (38) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE
7 HUNDRED NINETY-NINE OF THE INTERNAL REVENUE CODE.

8 S 4. Subsection 4 of section 618 of the tax law, as amended by chapter
9 190 of the laws of 1990, is amended to read as follows:

10 (4) There shall be added or subtracted (as the case may be) the
11 modifications described in paragraphs (6), (10), (17), (18), (19), (20),
12 (21), (22), (23), (24), (25), (26), (27) {and}, (29) AND (38) of
13 subsection (b) and in paragraphs (11), (13), (15), (19), (20), (21),
14 (22), (23), (24), (25), (26) and (28) of subsection (c) of section six
15 hundred twelve OF THIS PART.

16 S 5. Subsection 4 of section 618 of the tax law, as amended by chapter
17 265 of the laws of 1987, is amended to read as follows:

18 (4) There shall be added or subtracted (as the case may be) the
19 modifications described in paragraphs (6), (10), (17), (18), (19), (20),
20 (21), (22), (23), (24), (25), (27), (28) {and}, (29) AND (38) of
21 subsection (b) and in paragraphs (11), (13), (15), (19), (20), (21),
22 (22), (23), (24), (25), (26) and (28) of subsection (c) of section six
23 hundred twelve OF THIS PART.

24 S 6. Subsection (b) of section 1453 of the tax law is amended by
25 adding a new paragraph 14 to read as follows:

26 (14) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE
27 HUNDRED NINETY-NINE OF THE INTERNAL REVENUE CODE.

28 S 7. Paragraph 2 of subdivision (b) of section 1503 of the tax law is
29 amended by adding a new subparagraph (U) to read as follows:

30 (U) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE
31 HUNDRED NINETY-NINE OF THE INTERNAL REVENUE CODE.

32 S 8. Paragraph (b) of subdivision 8 of section 11-602 of the adminis-
33 trative code of the city of New York is amended by adding a new subpara-
34 graph 18 to read as follows:

35 (18) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE
36 HUNDRED NINETY-NINE OF THE INTERNAL REVENUE CODE.

37 S 9. Subdivision (b) of section 11-641 of the administrative code of
38 the city of New York is amended by adding a new paragraph 15 to read as
39 follows:

40 (15) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE
41 HUNDRED NINETY-NINE OF THE INTERNAL REVENUE CODE.

42 S 10. Subdivision (b) of section 11-1712 of the administrative code of
43 the city of New York is amended by adding a new paragraph 34 to read as
44 follows:

45 (34) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE
46 HUNDRED NINETY-NINE OF THE INTERNAL REVENUE CODE.

47 S 11. Subdivision 4 of section 11-1718 of the administrative code of
48 the city of New York, as amended by chapter 760 of the laws of 1992, is
49 amended to read as follows:

50 (4) There shall be added or subtracted (as the case may be) the
51 modifications described in paragraphs six, ten, seventeen, eighteen,
52 nineteen, twenty, twenty-one, twenty-two, twenty-three, twenty-four,
53 twenty-five, twenty-six, twenty-seven {and}, twenty-nine AND THIRTY-FOUR
54 of subdivision (b) and in paragraphs eleven, thirteen, fifteen, nine-
55 teen, twenty, twenty-one, twenty-two, twenty-three, twenty-four, twen-

1 ty-five, twenty-six and twenty-eight of subdivision (c) of section
2 11-1712 OF THIS SUBCHAPTER.

3 S 12. Subdivision 4 of section 11-1718 of the administrative code of
4 the city of New York, as separately amended by chapters 265 and 333 of
5 the laws of 1987, is amended to read as follows:

6 (4) There shall be added or subtracted (as the case may be) the
7 modifications described in paragraphs six, ten, seventeen, eighteen,
8 nineteen, twenty, twenty-one, twenty-two, twenty-three, twenty-four,
9 twenty-five, twenty-seven, twenty-eight {and}, twenty-nine AND
10 THIRTY-FOUR of subdivision (b) and in paragraphs eleven, thirteen,
11 fifteen, nineteen, twenty, twenty-one, twenty-two, twenty-three, twen-
12 ty-four, twenty-five, twenty-six and twenty-eight of subdivision (c) of
13 section 11-1712 OF THIS SUBCHAPTER.

14 S 13. This act shall take effect immediately and apply to taxable
15 years beginning on or after January 1, 2008; provided, however, that the
16 amendments to subsection 4 of section 618 of the tax law made by section
17 four of this act shall expire on the same date as such subsection
18 expires, when upon such date the provisions of section five of this act
19 shall take effect; provided, further, that the amendments to subdivision
20 4 of section 11-1718 of the administrative code of the city of New York
21 made by section eleven of this act shall expire on the same date as such
22 subdivision expires, when upon such date the provisions of section
23 twelve of this act shall take effect.

24

PART II-1

25 Section 1. Subdivision 1 of section 183-a of the tax law, as amended
26 by section 1 of part C of chapter 60 of the laws of 2004, is amended to
27 read as follows:

28 1. The term "corporation" as used in this section shall include an
29 association, within the meaning of paragraph three of subsection (a) of
30 section seventy-seven hundred one of the internal revenue code (includ-
31 ing a limited liability company), a publicly traded partnership treated
32 as a corporation for purposes of the internal revenue code pursuant to
33 section seventy-seven hundred four thereof and any business conducted by
34 a trustee or trustees wherein interest or ownership is evidenced by
35 certificates or other written instruments. Every corporation, joint-
36 stock company or association formed for or principally engaged in the
37 conduct of canal, steamboat, ferry (except a ferry company operating
38 between any of the boroughs of the city of New York under a lease grant-
39 ed by the city), express, navigation, pipe line, transfer, baggage
40 express, omnibus, taxicab, telegraph, or telephone business, or formed
41 for or principally engaged in the conduct of two or more such busi-
42 nesses, and every corporation, joint-stock company or association formed
43 for or principally engaged in the conduct of a railroad, palace car,
44 sleeping car or trucking business or formed for or principally engaged
45 in the conduct of two or more of such businesses and which has made an
46 election pursuant to subdivision ten of section one hundred eighty-three
47 of this article, and every other corporation, joint-stock company or
48 association principally engaged in the conduct of a transportation or
49 transmission business, except a corporation, joint-stock company or
50 association formed for or principally engaged in the conduct of a rail-
51 road, palace car, sleeping car or trucking business or formed for or
52 principally engaged in the conduct of two or more of such businesses and
53 which has not made the election provided for in subdivision ten of
54 section one hundred eighty-three of this article, and except a corpo-

1 ration, joint-stock company or association principally engaged in the
2 conduct of aviation (including air freight forwarders acting as principal and like indirect air carriers) and except a corporation principally
3 engaged in providing telecommunication services between aircraft and
4 dispatcher, aircraft and air traffic control or ground station and
5 ground station (or any combination of the foregoing), at least ninety
6 percent of the voting stock of which corporation is owned, directly or
7 indirectly, by air carriers and which corporation's principal function
8 is to fulfill the requirements of (i) the federal aviation administration
9 (or the successor thereto) or (ii) the international civil
10 aviation organization (or the successor thereto), relating to the existence
11 of a communication system between aircraft and dispatcher, aircraft
12 and air traffic control or ground station and ground station (or any
13 combination of the foregoing) for the purposes of air safety and navigation
14 and except a corporation, joint-stock company or association which
15 is liable to taxation under article thirty-two of this chapter, shall
16 pay for the privilege of exercising its corporate franchise, or of doing
17 business, or of employing capital, or of owning or leasing property in
18 the metropolitan commuter transportation district in such corporate or
19 organized capacity, or of maintaining an office in such district, a tax
20 surcharge for all or any part of its years commencing on or after January
21 first, nineteen hundred eighty-two but ending before December thirty-first,
22 two thousand {nine} THIRTEEN, which tax surcharge, in addition
23 to the tax imposed by section one hundred eighty-three of this article,
24 shall be computed at the rate of eighteen {per centum} PERCENT of the
25 tax imposed under such section one hundred eighty-three for such years
26 or any part of such years ending before December thirty-first, nineteen
27 hundred eighty-three after the deduction of any credits otherwise allowable
28 under this article, and at the rate of seventeen {per centum} PERCENT of the
29 tax imposed under such section for such years or any part
30 of such years ending on or after December thirty-first, nineteen hundred
31 eighty-three after the deduction of any credits otherwise allowable
32 under this article; provided, however, that such rates of tax surcharge
33 shall be applied only to that portion of the tax imposed under section
34 one hundred eighty-three of this article after the deduction of any
35 credits otherwise allowable under this article which is attributable to
36 the taxpayer's business activity carried on within the metropolitan
37 commuter transportation district as so determined in the manner
38 prescribed by the rules and regulations promulgated by the commissioner;
39 and provided, further, that the tax surcharge imposed by this section
40 shall not be imposed upon any taxpayer for more than three hundred
41 {twenty-four} SEVENTY-TWO months.

42 S 2. Subdivision 1 of section 184-a of the tax law, as amended by
43 section 2 of part C of chapter 60 of the laws of 2004, is amended to
44 read as follows:

45 1. The term "corporation" as used in this section shall include an
46 association, within the meaning of paragraph three of subsection (a) of
47 section seventy-seven hundred one of the internal revenue code (including
48 a limited liability company), and a publicly traded partnership
49 treated as a corporation for purposes of the internal revenue code
50 pursuant to section seventy-seven hundred four thereof. Every corporation,
51 joint-stock company or association formed for or principally
52 engaged in the conduct of canal, steamboat, ferry (except a ferry company
53 operating between any of the boroughs of the city of New York under a
54 lease granted by the city), express, navigation, pipe line, transfer,
55 baggage express, omnibus, taxicab, telegraph or local telephone busi-

1 ness, or formed for or principally engaged in the conduct of two or more
2 such businesses, and every corporation, joint-stock company or associa-
3 tion formed for or principally engaged in the conduct of a surface
4 railroad, whether or not operated by steam, subway railroad, elevated
5 railroad, palace car, sleeping car or trucking business or principally
6 engaged in the conduct of two or more such businesses and which has made
7 an election pursuant to subdivision ten of section one hundred eighty-
8 three of this article, and every other corporation, joint-stock company
9 or association formed for or principally engaged in the conduct of a
10 transportation or transmission business (other than a telephone busi-
11 ness) except a corporation, joint-stock company or association formed
12 for or principally engaged in the conduct of a surface railroad, whether
13 or not operated by steam, subway railroad, elevated railroad, palace
14 car, sleeping car or trucking business or principally engaged in the
15 conduct of two or more such businesses and which has not made the
16 election provided for in subdivision ten of section one hundred eighty-
17 three of this article, and except a corporation, joint-stock company or
18 association principally engaged in the conduct of aviation (including
19 air freight forwarders acting as principal and like indirect air carri-
20 ers) and except a corporation principally engaged in providing telecom-
21 munication services between aircraft and dispatcher, aircraft and air
22 traffic control or ground station and ground station (or any combination
23 of the foregoing), at least ninety percent of the voting stock of which
24 corporation is owned, directly or indirectly, by air carriers and which
25 corporation's principal function is to fulfill the requirements of (i)
26 the federal aviation administration (or the successor thereto) or (ii)
27 the international civil aviation organization (or the successor there-
28 to), relating to the existence of a communication system between
29 aircraft and dispatcher, aircraft and air traffic control or ground
30 station and ground station (or any combination of the foregoing) for the
31 purposes of air safety and navigation and except a corporation, joint-
32 stock company or association which is liable to taxation under article
33 thirty-two of this chapter, shall pay for the privilege of exercising
34 its corporate franchise, or of doing business, or of employing capital,
35 or of owning or leasing property in the metropolitan commuter transpor-
36 tation district in such corporate or organized capacity, or of maintain-
37 ing an office in such district, a tax surcharge for all or any part of
38 its taxable years commencing on or after January first, nineteen hundred
39 eighty-two, but ending before December thirty-first, two thousand {nine}
40 THIRTEEN, which tax surcharge, in addition to the tax imposed by section
41 one hundred eighty-four of this article, shall be computed at the rate
42 of eighteen {per centum} PERCENT of the tax imposed under such section
43 one hundred eighty-four for such taxable years or any part of such tax-
44 able years ending before December thirty-first, nineteen hundred eighty-
45 three after the deduction of any credits otherwise allowable under this
46 article, and at the rate of seventeen {per centum} PERCENT of the tax
47 imposed under such section for such taxable years or any part of such
48 taxable years ending on or after December thirty-first, nineteen hundred
49 eighty-three after the deduction of any credits otherwise allowable
50 under this article; provided, however, that such rates of tax surcharge
51 shall be applied only to that portion of the tax imposed under section
52 one hundred eighty-four of this article after the deduction of any cred-
53 its otherwise allowable under this article which is attributable to the
54 taxpayer's business activity carried on within the metropolitan commuter
55 transportation district; and provided, further, that the tax surcharge
56 imposed by this section on corporations, joint-stock companies and asso-

1 ciations formed for or principally engaged in the conduct of telephone
2 or telegraph business shall be computed in accordance with this subdivi-
3 sion and paragraph (c) of subdivision two of this section as if the
4 three-quarters of one {per centum} PERCENT rate of tax provided for in
5 subdivision one of section one hundred eighty-four of this article were
6 applicable to such telephone and telegraph businesses for taxable years
7 commencing on or after January first, nineteen hundred eighty-five and
8 ending on or before December thirty-first, nineteen hundred eighty-nine;
9 and provided, further, that the tax surcharge imposed by this section
10 shall not be imposed upon any taxpayer for more than three hundred
11 {twenty-four} SEVENTY-TWO months. Provided, however, that for taxable
12 years beginning in two thousand and thereafter, for purposes of this
13 subdivision the tax imposed under section one hundred eighty-four of
14 this article shall be deemed to have been imposed at the rate of three-
15 quarters of one percent, except that in the case of a corporation,
16 joint-stock company or association which has made an election pursuant
17 to subdivision ten of section one hundred eighty-three of this article,
18 for purposes of this subdivision the tax imposed under section one
19 hundred eighty-four of this article shall be deemed to have been imposed
20 at the rate of six-tenths of one percent.

21 S 3. Subdivision 1 of section 186-c of the tax law, as amended by
22 section 3 of part C of chapter 60 of the laws of 2004, is amended to
23 read as follows:

24 1. (a) (1) Every utility doing business in the metropolitan commuter
25 transportation district shall pay a tax surcharge, in addition to the
26 tax imposed by section one hundred eighty-six-a of this article, for all
27 or any parts of its taxable years commencing on or after January first,
28 nineteen hundred eighty-two but ending before December thirty-first, two
29 thousand {nine} THIRTEEN, to be computed at the rate of eighteen {per
30 centum} PERCENT of the tax imposed under section one hundred
31 eighty-six-a of this article for such taxable years or any part of such
32 taxable years ending before December thirty-first, nineteen hundred
33 eighty-three after the deduction of any credits otherwise allowable
34 under this article, and at the rate of seventeen {per centum} PERCENT of
35 the tax imposed under such section for such taxable years or any part of
36 such taxable years ending on or after December thirty-first, nineteen
37 hundred eighty-three after the deduction of credits otherwise allowable
38 under this article except any utility credit provided for by article
39 thirteen-A of this chapter; provided, however, that such rates of tax
40 surcharge shall be applied only to that portion of the tax imposed under
41 section one hundred eighty-six-a of this article after the deduction of
42 credits otherwise allowable under this article, except any utility cred-
43 it provided for by article thirteen-A of this chapter, which is attrib-
44 utable to the taxpayer's gross income or gross operating income from
45 business activity carried on within the metropolitan commuter transpor-
46 tation district; and provided, further, that the tax surcharge imposed
47 by this section shall not be imposed upon any taxpayer for more than
48 three hundred {twenty-four} SEVENTY-TWO months.

49 (2) Provided however, that commencing January first, two thousand, in
50 the case of the tax imposed under paragraph (a) of subdivision one of
51 section one hundred eighty-six-a of this article (relating to providers
52 of telecommunications services) such tax surcharge shall be calculated
53 as if the tax imposed under section one hundred eighty-six-a of this
54 article were imposed at a rate of three and one-half percent.

55 (b) In addition to the surcharge imposed by paragraph (a) of this
56 subdivision, there is hereby imposed a surcharge on the gross receipts

1 from telecommunication services relating to the metropolitan commuter
2 transportation district at the rate of seventeen percent of the state
3 tax rate under section one hundred eighty-six-e of this article for all
4 or part of taxable years commencing on and after January first, nineteen
5 hundred ninety-five but ending before December thirty-first, two thou-
6 sand {nine} THIRTEEN. All the definitions and other provisions of
7 section one hundred eighty-six-e of this article shall apply to the tax
8 imposed by this paragraph with such modification and limitation as may
9 be necessary (including substituting the words "metropolitan commuter
10 transportation district" for "state" where appropriate) in order to
11 adapt the language of such section one hundred eighty-six-e of this
12 article to the surcharge imposed by this paragraph within such metropol-
13 itan commuter transportation district so as to include (1) any intra-
14 district telecommunication services, except any telecommunication
15 services the gross receipts from which are subject to tax under subpara-
16 graph four of this paragraph, (2) any inter-district telecommunication
17 services which originate or terminate in such district and are charged
18 to a service address therein regardless of where the amounts charged for
19 such services are billed or ultimately paid, except any telecommuni-
20 cations services the gross receipts from which are subject to tax under
21 subparagraph four of this paragraph, (3) as apportioned to such
22 district, private telecommunication services, except any telecommuni-
23 cation services the gross receipts from which are subject to tax under
24 subparagraph four of this paragraph, and (4) mobile telecommunications
25 service provided by a home service provider where the place of primary
26 use is within such metropolitan commuter transportation district.
27 Provided however, commencing October first, nineteen hundred ninety-
28 eight such tax surcharge shall be calculated as if the tax imposed under
29 section one hundred eighty-six-e of this article were imposed at a rate
30 of three and one-half percent.

31 S 4. Subdivision 1 of section 209-B of the tax law, as amended by
32 section 1 of part N of chapter 60 of the laws of 2007, is amended to
33 read as follows:

34 1. For the privilege of exercising its corporate franchise, or of
35 doing business, or of employing capital, or of owning or leasing proper-
36 ty in a corporate or organized capacity, or of maintaining an office in
37 the metropolitan commuter transportation district, for all or any part
38 of its taxable year, there is hereby imposed on every corporation, other
39 than a New York S corporation, subject to tax under section two hundred
40 nine of this article, or any receiver, referee, trustee, assignee or
41 other fiduciary, or any officer or agent appointed by any court, who
42 conducts the business of any such corporation, for the taxable years
43 commencing on or after January first, nineteen hundred eighty-two but
44 ending before December thirty-first, two thousand {nine} THIRTEEN, a tax
45 surcharge, in addition to the tax imposed under section two hundred nine
46 of this article, to be computed at the rate of eighteen {per centum}
47 PERCENT of the tax imposed under such section two hundred nine for such
48 taxable years or any part of such taxable years ending before December
49 thirty-first, nineteen hundred eighty-three after the deduction of any
50 credits otherwise allowable under this article, and at the rate of
51 seventeen {per centum} PERCENT of the tax imposed under such section for
52 such taxable years or any part of such taxable years ending on or after
53 December thirty-first, nineteen hundred eighty-three after the deduction
54 of any credits otherwise allowable under this article; provided, howev-
55 er, that such rates of tax surcharge shall be applied only to that
56 portion of the tax imposed under section two hundred nine of this arti-

1 cle after the deduction of any credits otherwise allowable under this
2 article which is attributable to the taxpayer's business activity
3 carried on within the metropolitan commuter transportation district; and
4 provided, further, that the tax surcharge imposed by this section shall
5 not be imposed upon any taxpayer for more than three hundred {twenty-
6 four} SEVENTY-TWO months. Provided however, that for taxable years
7 commencing on or after July first, nineteen hundred ninety-eight, such
8 surcharge shall be calculated as if the tax imposed under section two
9 hundred ten of this article were imposed under the law in effect for
10 taxable years commencing on or after July first, nineteen hundred nine-
11 ty-seven and before July first, nineteen hundred ninety-eight. Provided
12 however, that for taxable years commencing on or after January first,
13 two thousand seven, such surcharge shall be calculated using the highest
14 of the tax bases imposed pursuant to paragraphs (a), (b), (c) or (d) of
15 subdivision one of section two hundred ten of this article and the
16 amount imposed under paragraph (e) of subdivision one of such section
17 two hundred ten, for the taxable year; and, provided further that, if
18 such highest amount is the tax base imposed under paragraph (a), (b) or
19 (c) of such subdivision, then the surcharge shall be computed as if the
20 tax rates and limitations under such paragraph were the tax rates and
21 limitations under such paragraph in effect for taxable years commencing
22 on or after July first, nineteen hundred ninety-seven and before July
23 first, nineteen hundred ninety-eight.

24 S 5. Subsection 1 of section 1455-B of the tax law, as amended by
25 section 5 of part C of chapter 60 of the laws of 2004, is amended to
26 read as follows:

27 1. For the privilege of exercising its franchise or doing business in
28 the metropolitan commuter transportation district in a corporate or
29 organized capacity, there is hereby imposed on every taxpayer subject to
30 tax under this article, other than a New York S corporation, for the
31 taxable years commencing on or after January first, nineteen hundred
32 eighty-two but ending before December thirty-first, two thousand {nine}
33 THIRTEEN, a tax surcharge, in addition to the tax imposed under section
34 fourteen hundred fifty-one of this article, at the rate of eighteen {per
35 centum} PERCENT of the tax imposed under such section fourteen hundred
36 fifty-one of this article, for such taxable years or any part of such
37 taxable years ending before December thirty-first, nineteen hundred
38 eighty-three after the deduction of any credits otherwise allowable
39 under this article, and at the rate of seventeen {per centum} PERCENT of
40 the tax imposed under such section for such taxable years or any part of
41 such taxable years ending on or after December thirty-first, nineteen
42 hundred eighty-three after the deduction of any credits otherwise allow-
43 able under this article; provided however, that such rates of tax
44 surcharge shall be applied only to that portion of the tax imposed under
45 section fourteen hundred fifty-one of this article after the deduction
46 of any credits otherwise allowable under this article which is attribut-
47 able to the taxpayer's business activity carried on within the metropol-
48 itan commuter transportation district; and provided, further, that the
49 tax surcharge imposed by this section shall not be imposed upon any
50 taxpayer for more than three hundred {twenty-four} SEVENTY-TWO months.
51 Provided however, that for taxable years commencing on or after July
52 first, two thousand, such surcharge shall be calculated as if the rate
53 of the basic tax computed under subsection (a) of section fourteen
54 hundred fifty-five of this article was nine percent.

1 S 6. Subdivision (a) of section 1505-a of the tax law, as amended by
2 section 6 of part C of chapter 60 of the laws of 2004, is amended to
3 read as follows:

4 (a) (1) Every domestic insurance corporation and every foreign or
5 alien insurance corporation, and every life insurance corporation
6 described in subdivision (b) of section fifteen hundred one of this
7 article, for the privilege of exercising its corporate franchise, or of
8 doing business, or of employing capital, or of owning or leasing proper-
9 ty in the metropolitan commuter transportation district in a corporate
10 or organized capacity, or of maintaining an office in the metropolitan
11 commuter transportation district, for all or any part of its taxable
12 years commencing on or after January first, nineteen hundred eighty-two,
13 but ending before December thirty-first, two thousand {nine} THIRTEEN,
14 except corporations specified in subdivision (c) of section fifteen
15 hundred twelve of this article, shall annually pay, in addition to the
16 taxes otherwise imposed by this article, a tax surcharge on the taxes
17 imposed under this article after the deduction of any credits otherwise
18 allowable under this article as allocated to such district. Such taxes
19 shall be allocated to such district for purposes of computing such tax
20 surcharge upon taxpayers subject to tax under subdivision (b) of section
21 fifteen hundred ten of this article by applying the methodology, proce-
22 dures and computations set forth in subdivisions (a) and (b) of section
23 fifteen hundred four of this article, except that references to terms
24 denoting New York premiums, and total wages, salaries, personal service
25 compensation and commissions within New York shall be read as denoting
26 within the metropolitan commuter transportation district and terms
27 denoting total premiums and total wages, salaries, personal service
28 compensation and commissions shall be read as denoting within the state.
29 If it shall appear to the commissioner that the application of the meth-
30 odology, procedures and computations set forth in such subdivisions (a)
31 and (b) does not properly reflect the activity, business or income of a
32 taxpayer within the metropolitan commuter transportation district, then
33 the commissioner shall be authorized, in the commissioner's discretion,
34 to adjust such methodology, procedures and computations for the purpose
35 of allocating such taxes by:

36 (A) excluding one or more factors therein;

37 (B) including one or more other factors therein, such as expenses,
38 purchases, receipts other than premiums, real property or tangible
39 personal property; or

40 (C) any other similar or different method which allocates such taxes
41 by attributing a fair and proper portion of such taxes to the metropol-
42 itan commuter transportation district. The commissioner from time to
43 time shall publish all rulings of general public interest with respect
44 to any application of the provisions of the preceding sentence. The
45 commissioner may promulgate rules and regulations to further implement
46 the provisions of this section.

47 (2) Such taxes shall be allocated to such district for purposes of
48 computing such tax surcharge upon taxpayers subject to tax under section
49 fifteen hundred two-a of this article pursuant to a fraction, the denom-
50 inator of which shall be the direct premiums subject to tax under
51 section fifteen hundred ten of this article, and the numerator of which
52 shall be the direct premiums subject to tax under section fifteen
53 hundred ten of this article that are written on risks located or resi-
54 dent in the metropolitan commuter transportation district, including
55 premiums written, procured or received in the metropolitan commuter
56 transportation district on business that cannot be specifically assigned

1 as located or resident in an area of New York state outside the metro-
2 politan commuter transportation district, or in another state or states;
3 provided, however, in the case of special risk premiums, the numerator
4 shall include only those premiums written, procured or received in the
5 metropolitan commuter transportation district on property or risks
6 located or resident in the metropolitan commuter transportation
7 district. If it shall appear to the commissioner that the application of
8 the methodology, procedures and computations set forth in this paragraph
9 does not properly reflect the activity, business or income of a taxpayer
10 within the metropolitan commuter transportation district, then the
11 commissioner shall be authorized, in the commissioner's discretion, to
12 adjust such methodology, procedures and computations for the purpose of
13 allocating such taxes by: (A) excluding the factor therein and including
14 one or more other factors such as expenses, purchases, receipts other
15 than premiums, real property or tangible personal property; or (B) any
16 other similar or different method which allocates such taxes by attri-
17 buting a fair and proper portion of such taxes to the metropolitan
18 commuter transportation district. The commissioner from time to time
19 shall publish all rulings of general public interest with respect to any
20 application of the provisions of the preceding sentence. The commission-
21 er may promulgate rules and regulations to further implement the
22 provisions of this section.

23 (3) Such tax surcharge shall be computed at the rate of eighteen {per
24 centum} PERCENT of the taxes imposed under sections fifteen hundred one
25 and fifteen hundred ten of this article as limited by section fifteen
26 hundred five of this article, as allocated to such district, for such
27 taxable years or any part of such taxable years ending before December
28 thirty-first, nineteen hundred eighty-three after the deduction of any
29 credits otherwise allowable under this article, at the rate of seventeen
30 {per centum} PERCENT of the taxes imposed under such sections as limited
31 by section fifteen hundred five of this article, as allocated to such
32 district, for such taxable years or any part of such taxable years
33 ending on or after December thirty-first, nineteen hundred eighty-three
34 and before January first, two thousand three after the deduction of any
35 credits otherwise allowable under this article, and at the rate of
36 seventeen {per centum} PERCENT of the taxes imposed under sections
37 fifteen hundred one, fifteen hundred two-a, and fifteen hundred ten of
38 this article, as limited or otherwise determined by subdivision (a) or
39 (b) of section fifteen hundred five of this article, as allocated to
40 such district, for such taxable years or any part of such taxable years
41 ending after December thirty-first, two thousand two after the deduction
42 of any credits otherwise allowable under this article; provided, howev-
43 er, that the tax surcharge imposed by this section shall not be imposed
44 upon any taxpayer for more than three hundred {twenty-four} SEVENTY-TWO
45 months. Provided however, that for taxable years commencing on or after
46 July first, two thousand, and in the case of taxpayers subject to tax
47 under section fifteen hundred two-a of this article, for taxable years
48 of such taxpayers beginning on or after July first, two thousand and
49 before January first, two thousand three, such surcharge shall be calcu-
50 lated as if (i) the rate of the tax computed under paragraph one of
51 subdivision (a) of section fifteen hundred two of this article was nine
52 percent and (ii) the rate of the limitation on tax set forth in section
53 fifteen hundred five of this article for domestic, foreign and alien
54 insurance corporations except life insurance corporations was two and
55 six-tenths percent.

56 S 7. This act shall take effect immediately.

1

PART JJ-1

2 Section 1. Paragraph (a) of subdivision 1 of section 197-b of the tax
3 law, as amended by section 9 of part Y of chapter 63 of the laws of
4 2000, is amended to read as follows:

5 (a) For taxable years beginning on or after January first, nineteen
6 hundred seventy-seven, every taxpayer subject to tax under section one
7 hundred eighty-two, one hundred eighty-two-a, former section one hundred
8 eighty-two-b, one hundred eighty-four, one hundred eighty-six-a or one
9 hundred eighty-six-e of this article, {shall} MUST pay in each {such}
10 year an amount equal to (I) twenty-five percent of the tax imposed under
11 each of such sections for the preceding taxable year{,} if {such} THE
12 preceding year's tax exceeded one thousand dollars BUT WAS EQUAL TO OR
13 LESS THAN ONE HUNDRED THOUSAND DOLLARS, OR (II) THIRTY PERCENT OF THE
14 TAX IMPOSED UNDER ANY OF THESE SECTIONS FOR THE PRECEDING TAXABLE YEAR
15 IF THE PRECEDING YEAR'S TAX EXCEEDED ONE HUNDRED THOUSAND DOLLARS. If
16 {such} THE preceding year's tax under section one hundred eighty-four,
17 one hundred eighty-six-a or one hundred eighty-six-e of this article
18 exceeded one thousand dollars and {such} THE taxpayer is subject to the
19 tax surcharge imposed by section one hundred eighty-four-a or one
20 hundred eighty-six-c of this article, respectively, {such} THE taxpayer
21 {shall} MUST also pay in each such year an amount equal to (I) twenty-
22 five percent of the tax surcharge imposed under such section for the
23 preceding taxable year IF THE PRECEDING YEAR'S TAX EXCEEDED ONE THOUSAND
24 DOLLARS BUT WAS EQUAL TO OR LESS THAN ONE HUNDRED THOUSAND DOLLARS, OR
25 (II) THIRTY PERCENT OF THE TAX SURCHARGE IMPOSED UNDER THAT SECTION FOR
26 THE PRECEDING TAXABLE YEAR IF THE PRECEDING YEAR'S TAX EXCEEDED ONE
27 HUNDRED THOUSAND DOLLARS. {Such} THE amount or amounts {shall} MUST be
28 paid with the return or report required to be filed with respect to
29 {such} THE tax or tax surcharge for {such} THE preceding taxable year or
30 with an application for extension of the time for filing {such} THE
31 return or report.

32 S 2. Subdivision (a) of section 213-b of the tax law, as amended by
33 chapter 166 of the laws of 1991, is amended to read as follows:

34 (a) First installments for certain taxpayers.--In privilege periods of
35 twelve months ending at any time during the calendar year nineteen
36 hundred seventy and thereafter, every taxpayer subject to the tax
37 imposed by section two hundred nine of this chapter {shall} MUST pay
38 with the report required to be filed for the preceding privilege period,
39 or with an application for extension of the time for filing {such} THE
40 report, an amount equal to (I) twenty-five {per centum} PERCENT of the
41 preceding year's tax{,} if {such} THE preceding year's tax exceeded one
42 thousand dollars BUT WAS EQUAL TO OR LESS THAN ONE HUNDRED THOUSAND
43 DOLLARS, OR (II) THIRTY PERCENT OF THE PRECEDING YEAR'S TAX IF THE
44 PRECEDING YEAR'S TAX EXCEEDED ONE HUNDRED THOUSAND DOLLARS. If {such}
45 THE preceding year's tax under section two hundred nine of this chapter
46 exceeded one thousand dollars and {such} THE taxpayer is subject to the
47 tax surcharge imposed by section two hundred nine-B of this chapter,
48 {such} THE taxpayer {shall} MUST also pay with the tax surcharge report
49 required to be filed for the preceding privilege period, or with an
50 application for extension of the time for filing {such} THE report, an
51 amount equal to (I) twenty-five percent of the tax surcharge imposed for
52 the preceding year IF THE PRECEDING YEAR'S TAX WAS EQUAL TO OR LESS THAN
53 ONE HUNDRED THOUSAND DOLLARS, OR (II) THIRTY PERCENT OF THE TAX
54 SURCHARGE IMPOSED FOR THE PRECEDING YEAR IF THE PRECEDING YEAR'S TAX
55 EXCEEDED ONE HUNDRED THOUSAND DOLLARS.

1 S 3. Subsection (a) of section 1461 of the tax law, as amended by
2 chapter 166 of the laws of 1991, is amended to read as follows:

3 (a) Every taxpayer subject to the tax imposed by section fourteen
4 hundred fifty-one {shall} MUST pay an amount equal to (I) twenty-five
5 percent of the preceding year's tax{,} if {such} THE preceding year's
6 tax exceeded one thousand dollars BUT WAS EQUAL TO OR LESS THAN ONE
7 HUNDRED THOUSAND DOLLARS, OR (II) THIRTY PERCENT OF THE PRECEDING YEAR'S
8 TAX IF THE PRECEDING YEAR'S TAX EXCEEDED ONE HUNDRED THOUSAND DOLLARS.
9 {Such} THE amount {shall} MUST be paid with the return required to be
10 filed for the preceding taxable year or with an application for an
11 extension of the time for filing {such} THE return. If {such} THE
12 preceding year's tax under section fourteen hundred fifty-one exceeded
13 one thousand dollars and {such} THE taxpayer is subject to the tax
14 surcharge imposed by section fourteen hundred fifty-five-B, {such} THE
15 taxpayer {shall} MUST also pay with the tax surcharge return required to
16 be filed for the preceding taxable year, or with an application for an
17 extension of the time for filing {such} THE return, an amount equal to
18 (I) twenty-five percent of the tax surcharge imposed for the preceding
19 year IF THE PRECEDING YEAR'S TAX WAS EQUAL TO OR LESS THAN ONE HUNDRED
20 THOUSAND DOLLARS, OR (II) THIRTY PERCENT OF THE TAX SURCHARGE IMPOSED
21 FOR THE PRECEDING YEAR IF THE PRECEDING YEAR'S TAX EXCEEDED ONE HUNDRED
22 THOUSAND DOLLARS.

23 S 4. Paragraph 1 of subdivision (a) of section 1514 of the tax law, as
24 amended by section 89 of part A of chapter 389 of the laws of 1997, is
25 amended to read as follows:

26 (1) Except as otherwise provided in paragraph two of this subdivision,
27 for taxable years beginning on or after January first, nineteen hundred
28 seventy-six, every taxpayer subject to tax under this article {shall}
29 MUST pay in each {such} year an amount equal to (I) twenty-five percent
30 of the tax imposed under {such} THIS article for the preceding taxable
31 year{,} if {such} THE preceding year's tax exceeded one thousand dollars
32 BUT WAS EQUAL TO OR LESS THAN ONE HUNDRED THOUSAND DOLLARS, OR (II)
33 THIRTY PERCENT OF THE TAX IMPOSED UNDER THIS ARTICLE FOR THE PRECEDING
34 TAXABLE YEAR IF THE PRECEDING YEAR'S TAX EXCEEDED ONE HUNDRED THOUSAND
35 DOLLARS. If {such} THE preceding year's tax exceeded one thousand
36 dollars and {such} THE taxpayer is subject to the tax surcharge imposed
37 by section fifteen hundred five-a of this article, {such} THE taxpayer
38 {shall} MUST also pay an amount equal to (I) twenty-five percent of the
39 tax surcharge imposed under section fifteen hundred five-a for the
40 preceding taxable year IF THE PRECEDING YEAR'S TAX WAS EQUAL TO OR LESS
41 THAN ONE HUNDRED THOUSAND DOLLARS, OR (II) THIRTY PERCENT OF THE TAX
42 SURCHARGE IMPOSED FOR THE PRECEDING TAXABLE YEAR IF THE PRECEDING YEAR'S
43 TAX EXCEEDED ONE HUNDRED THOUSAND DOLLARS.

44 S 5. This act shall take effect immediately and shall apply to taxable
45 years beginning on or after January 1, 2009.

46

PART KK-1

47 Section 1. Paragraph 1 of subdivision (b) of section 1116 of the tax
48 law, as amended by chapter 888 of the laws of 1983, is amended to read
49 as follows:

50 (1) (I) retail sales of tangible personal property by any shop or
51 store operated by an organization described in paragraph (4), {para-
52 graph} (5) or {paragraph} (6) of subdivision (a) of this section; (II)
53 SALES, OTHER THAN FOR RESALE, OF SERVICES DESCRIBED IN SUBDIVISION (B)
54 OR PARAGRAPH FIVE OF SUBDIVISION (C) OF SECTION ELEVEN HUNDRED FIVE OF

1 THIS ARTICLE BY THAT ORGANIZATION, WHETHER OR NOT AT A SHOP OR STORE;
2 (III) RETAIL SALES OF TANGIBLE PERSONAL PROPERTY AND SALES, OTHER THAN
3 FOR RESALE, OF THOSE SERVICES BY THAT ORGANIZATION, MADE WITH A DEGREE
4 OF REGULARITY, FREQUENCY, AND CONTINUITY BY REMOTE MEANS, SUCH AS BY
5 TELEPHONE, THE INTERNET, MAIL ORDER OR OTHERWISE; OR (IV) RETAIL SALES
6 OF TANGIBLE PERSONAL PROPERTY BY LEASE OR RENTAL BY THAT ORGANIZATION AS
7 LESSOR, WHETHER OR NOT AT A SHOP OR STORE;

8 S 2. This act shall take effect September 1, 2008, and shall apply to
9 sales made, uses occurring and services rendered on or after such date,
10 in accordance with applicable transitional provisions in sections 1106
11 and 1217 of the tax law.

12

PART LL-1

13 Section 1. The commissioner of taxation and finance is directed to
14 institute a re-registration program pursuant to section 1134 of the tax
15 law, which program should be completed by March 31, 2012. Notwithstanding
16 any law to the contrary, every certificate of registration filed
17 pursuant to this re-registration program by a person required to file
18 sales and compensating use tax returns for the monthly or quarterly
19 periods described in section 1136 of the tax law must be accompanied by
20 a 50 dollar application fee to constitute a complete application. This
21 fee must be paid and disposed of in the same manner as the taxes imposed
22 by section 1105 of the tax law and may be determined, assessed,
23 collected and enforced in the same manner as the tax imposed by article
24 28 of the tax law. Notwithstanding section 1148 of the tax law, or any
25 other law to the contrary, such commissioner must retain from the applica-
26 tion fees collected or received an amount that such commissioner
27 determines is necessary to cover reasonable costs of such commissioner
28 in implementing, administering and enforcing registrations pursuant to
29 this section, but no more than the amount of those fees. The provisions
30 of subdivisions (a) and (c) of section 1139 of the tax law apply, except
31 that no interest is allowed or paid on any refund. A person may be
32 subject to the re-registration program directed by this section even if
33 such person holds a certificate of authority that has not been in effect
34 for a period of at least three years.

35 S 2. This act shall take effect November 1, 2008, and apply to certif-
36 icates of registration required to be filed under section 1134 of the
37 tax law on or after such date.

38

PART MM-1

39 Section 1. Subdivisions 1 and 2 of section 470 of the tax law, as
40 amended by chapter 61 of the laws of 1989, are amended and a new subdi-
41 vision 19 is added to read as follows:

42 1. "Cigarette." (A) Any roll for smoking made wholly or in part of
43 tobacco or of any other substance{, irrespective of size or shape and
44 whether or not such} WRAPPED IN PAPER OR IN ANY OTHER SUBSTANCE NOT
45 CONTAINING tobacco {or substance is flavored, adulterated or mixed
46 with}, AND (B) ANY ROLL FOR SMOKING MADE WHOLLY OR IN PART OF TOBACCO
47 WRAPPED IN any {other ingredient,} SUBSTANCE CONTAINING TOBACCO THAT,
48 BECAUSE OF ITS APPEARANCE, the {wrapper or cover of which is made of
49 paper or any other substance or material except} TYPE OF tobacco USED IN
50 THE FILLER, OR ITS PACKAGING AND LABELING, IS LIKELY TO BE OFFERED TO,
51 OR PURCHASED BY, CONSUMERS AS A CIGARETTE DESCRIBED IN PARAGRAPH (A) OF
52 THIS SUBDIVISION. HOWEVER, A ROLL WILL NOT BE CONSIDERED TO BE A CIGA-

1 RETTE FOR PURPOSES OF PARAGRAPH (B) OF THIS SUBDIVISION IF IT IS NOT
2 TREATED AS A CIGARETTE FOR FEDERAL EXCISE TAX PURPOSES UNDER THE APPLI-
3 CABLE FEDERAL STATUTE IN EFFECT ON APRIL FIRST, TWO THOUSAND EIGHT.

4 2. "Tobacco products." Any cigar or {roll for smoking, other than a
5 cigarette, made in whole or in part of tobacco, and any} tobacco, other
6 than cigarettes, intended for consumption by smoking, chewing, or as
7 snuff.

8 19. "CIGAR." ANY ROLL OF TOBACCO WRAPPED IN LEAF TOBACCO OR IN ANY
9 SUBSTANCE CONTAINING TOBACCO (OTHER THAN ANY ROLL OF TOBACCO THAT IS A
10 CIGARETTE AS DEFINED IN SUBDIVISION ONE OF THIS SECTION). HOWEVER, A
11 ROLL WILL NOT BE CONSIDERED TO BE A CIGAR FOR PURPOSES OF THIS SUBDIVI-
12 SION IF IT IS NOT TREATED AS A CIGAR FOR FEDERAL EXCISE TAX PURPOSES
13 UNDER THE APPLICABLE FEDERAL STATUTE IN EFFECT ON APRIL FIRST, TWO THOU-
14 SAND EIGHT.

15 S 2. Subdivision 2-a of section 480-b of the tax law, as added by
16 chapter 583 of the laws of 2006, is amended to read as follows:

17 2-a. An agent may not affix, or cause to be affixed, a New York state
18 cigarette tax stamp to a package of cigarettes unless: (a) the ciga-
19 rettes have been certified by the manufacturer {in accordance with} IF
20 CERTIFICATION IS REQUIRED UNDER subdivision three of section one hundred
21 fifty-six-c of the executive law; and (b) the package has been marked in
22 {the} SUCH manner AS MAY BE required by subdivision six of section one
23 hundred fifty-six-c of the executive law.

24 S 3. Subdivision 1 of section 11-1301 of the administrative code of
25 the city of New York is amended to read as follows:

26 1. "Cigarette." (A) Any roll for smoking made wholly or in part of
27 tobacco or any other substance {irrespective of size or shape and whether
28 or not such} WRAPPED IN PAPER OR IN ANY OTHER SUBSTANCE NOT CONTAIN-
29 ING tobacco {or substance is flavored, adulterated or mixed with}, AND
30 (B) ANY ROLL FOR SMOKING MADE WHOLLY OR IN PART OF TOBACCO WRAPPED IN
31 any {other ingredient,} SUBSTANCE CONTAINING TOBACCO WHICH, BECAUSE OF
32 ITS APPEARANCE, the {wrapper or cover of which is made of paper or any
33 other substance or material except} TYPE OF tobacco USED IN THE FILLER,
34 OR ITS PACKAGING AND LABELING, IS LIKELY TO BE OFFERED TO, OR PURCHASED
35 BY, CONSUMERS AS A CIGARETTE DESCRIBED IN PARAGRAPH (A) OF THIS SUBDIVI-
36 SION. HOWEVER, A ROLL WILL NOT BE CONSIDERED TO BE A CIGARETTE FOR
37 PURPOSES OF PARAGRAPH (B) OF THIS SUBDIVISION IF IT IS NOT TREATED AS A
38 CIGARETTE FOR FEDERAL EXCISE TAX PURPOSES UNDER THE APPLICABLE FEDERAL
39 STATUTE IN EFFECT ON APRIL FIRST, TWO THOUSAND EIGHT.

40 S 4. Subdivision b of section 20-201 of the administrative code of the
41 city of New York, as added by local law number 2 of the city of New York
42 for the year 2000, is amended to read as follows:

43 b. "Cigarette" shall mean (1) any roll for smoking made wholly or in
44 part of tobacco or any other substance {irrespective of size or shape
45 and whether or not such} WRAPPED IN PAPER OR IN ANY OTHER SUBSTANCE NOT
46 CONTAINING tobacco {or substance is flavored, adulterated or mixed
47 with}, AND (2) ANY ROLL FOR SMOKING MADE WHOLLY OR IN PART OF TOBACCO
48 WRAPPED IN any {other ingredient,} SUBSTANCE CONTAINING TOBACCO THAT,
49 BECAUSE OF ITS APPEARANCE, the {wrapper or cover of which is made of
50 paper or any other substance or material except} TYPE OF tobacco USED IN
51 THE FILLER, OR ITS PACKAGING AND LABELING, IS LIKELY TO BE OFFERED TO,
52 OR PURCHASED BY, CONSUMERS AS A CIGARETTE DESCRIBED IN PARAGRAPH ONE OF
53 THIS SUBDIVISION. HOWEVER, A ROLL WILL NOT BE CONSIDERED TO BE A CIGA-
54 RETTE FOR PURPOSES OF PARAGRAPH TWO OF THIS SUBDIVISION IF IT IS NOT
55 TREATED AS A CIGARETTE FOR FEDERAL EXCISE TAX PURPOSES UNDER THE APPLI-
56 CABLE FEDERAL STATUTE IN EFFECT ON APRIL FIRST, TWO THOUSAND EIGHT.

1 S 5. Subdivision 2 of section 1 of chapter 235 of the laws of 1952
2 relating to enabling any city of the state having a population of one
3 million or more to adopt, and amend local laws, imposing certain speci-
4 fied types of taxes on cigarettes which the legislature has or would
5 have power and authority to impose, to provide for the review of such
6 taxes, and to limit the application of such local laws, as amended by
7 chapter 290 of the laws of 1961, is amended to read as follows:

8 (2) As used herein, the term "cigarette" shall mean and include (A)
9 any roll for smoking made wholly or in part of tobacco or of any other
10 substance{, irrespective of size or shape and whether or not such}
11 WRAPPED IN PAPER OR IN ANY OTHER SUBSTANCE NOT CONTAINING tobacco {or
12 substance is flavored, adulterated or mixed with}, AND (B) ANY ROLL FOR
13 SMOKING MADE WHOLLY OR IN PART OF TOBACCO WRAPPED IN any {other ingredi-
14 ent,} SUBSTANCE CONTAINING TOBACCO THAT, BECAUSE OF ITS APPEARANCE, the
15 {wrapper or cover of which is made of paper or any other substance of
16 material except} TYPE OF tobacco USED IN THE FILLER, OR ITS PACKAGING
17 AND LABELING, IS LIKELY TO BE OFFERED TO, OR PURCHASED BY, CONSUMERS AS
18 A CIGARETTE DESCRIBED IN PARAGRAPH (A) OF THIS SUBDIVISION. HOWEVER, A
19 ROLL WILL NOT BE CONSIDERED TO BE A CIGARETTE FOR PURPOSES OF PARAGRAPH
20 (B) OF THIS SUBDIVISION IF IT IS NOT TREATED AS A CIGARETTE FOR FEDERAL
21 EXCISE TAX PURPOSES UNDER THE APPLICABLE FEDERAL STATUTE IN EFFECT ON
22 APRIL FIRST, TWO THOUSAND EIGHT. THE TERM "CIGAR" DOES NOT INCLUDE ANY
23 CIGARETTE AS DEFINED IN THIS SUBDIVISION.

24 S 6. Notwithstanding any provision of law to the contrary, any retail-
25 er subject to article 20, 20-A, 28, 29, or 37 of the tax law, at the
26 retailer's option, may continue to sell its inventory of tobacco
27 products that, as the result of the amendments made by this act, are
28 first being defined as cigarettes for a period of thirty days after the
29 effective date of this act. Any retailer selling its inventory of these
30 tobacco products without a cigarette tax stamp during this time is not
31 in violation of article 20, 20-A, 28, 29 or 37 of the tax law.

32 S 7. This act shall take effect July 1, 2008; provided, however, that
33 any tobacco product manufacturer required to file a certification
34 between April 16 and April 30, 2008, under subdivision 1 of section
35 480-b of the tax law, with respect to cigarettes that are first being
36 defined as cigarettes as a result of the amendments made by this act,
37 must file that certification no later than July 1, 2008.

38

PART NN-1

39 Section 1. Section 8 of part W3 of chapter 62 of the laws of 2003,
40 amending the alcoholic beverage control law relating to sales for off-
41 premises consumption, is amended to read as follows:

42 S 8. This act shall take effect immediately {and}; PROVIDED, HOWEVER,
43 THAT SECTION SEVEN OF THIS ACT shall expire and be deemed repealed 5
44 years after such date.

45 S 2. This act shall take effect immediately.

46

PART OO-1

47 Section 1. Paragraph 8 of subdivision (b) of section 1101 of the tax
48 law is amended by adding a new subparagraph (vi) to read as follows:

49 (VI) FOR PURPOSES OF SUBCLAUSE (I) OF CLAUSE (C) OF SUBPARAGRAPH (I)
50 OF THIS PARAGRAPH, A PERSON MAKING SALES OF TANGIBLE PERSONAL PROPERTY
51 OR SERVICES TAXABLE UNDER THIS ARTICLE ("SELLER") SHALL BE PRESUMED TO
52 BE SOLICITING BUSINESS THROUGH AN INDEPENDENT CONTRACTOR OR OTHER REP-

1 SENTATIVE IF THE SELLER ENTERS INTO AN AGREEMENT WITH A RESIDENT OF THIS
2 STATE UNDER WHICH THE RESIDENT, FOR A COMMISSION OR OTHER CONSIDERATION,
3 DIRECTLY OR INDIRECTLY REFERS POTENTIAL CUSTOMERS, WHETHER BY A LINK ON
4 AN INTERNET WEBSITE OR OTHERWISE, TO THE SELLER, IF THE CUMULATIVE GROSS
5 RECEIPTS FROM SALES BY THE SELLER TO CUSTOMERS IN THE STATE WHO ARE
6 REFERRED TO THE SELLER BY ALL RESIDENTS WITH THIS TYPE OF AN AGREEMENT
7 WITH THE SELLER IS IN EXCESS OF TEN THOUSAND DOLLARS DURING THE PRECED-
8 ING FOUR QUARTERLY PERIODS ENDING ON THE LAST DAY OF FEBRUARY, MAY,
9 AUGUST, AND NOVEMBER. THIS PRESUMPTION MAY BE REBUTTED BY PROOF THAT
10 THE RESIDENT WITH WHOM THE SELLER HAS AN AGREEMENT DID NOT ENGAGE IN ANY
11 SOLICITATION IN THE STATE ON BEHALF OF THE SELLER THAT WOULD SATISFY THE
12 NEXUS REQUIREMENT OF THE UNITED STATES CONSTITUTION DURING THE FOUR
13 QUARTERLY PERIODS IN QUESTION. NOTHING IN THIS SUBPARAGRAPH SHALL BE
14 CONSTRUED TO NARROW THE SCOPE OF THE TERMS INDEPENDENT CONTRACTOR OR
15 OTHER REPRESENTATIVE FOR PURPOSES OF SUBCLAUSE (I) OF CLAUSE (C) OF
16 SUBPARAGRAPH (I) OF THIS PARAGRAPH.

17 S 2. For sales tax quarterly periods commencing before June 1, 2008,
18 the commissioner of taxation and finance may not determine tax, or
19 related interest or penalty, pursuant to section 1138 of the tax law,
20 required to be collected but for this section by a person meeting the
21 following conditions, against that person: (a) on the effective date of
22 this act, the person (1) is presumed to be a vendor by reason of section
23 one of this act; (2) is a vendor solely by reason of activities
24 described in subclause (I) of clause (C) of subparagraph (i) of para-
25 graph (8) of subdivision (b) of section 1101 of the tax law but without
26 regard to whether the person is a vendor under clause (A) of subpara-
27 graph (i) of paragraph (8) of subdivision (b) of such section; (3) is
28 not registered as a vendor pursuant to section 1134 of the tax law, was
29 not registered at any time in the nine months prior to that effective
30 date, and was not registered as a vendor at the time of making the sale
31 for which the person failed to collect sales tax; and (b) the person
32 registers as a vendor pursuant to section 1134 of the tax law and
33 commences to collect sales tax by June 1, 2008. Nothing in this section
34 precludes the commissioner of taxation and finance from determining,
35 pursuant to section 1138 of the tax law, sales and use tax, interest,
36 and penalties against a person not meeting the conditions set forth in
37 the preceding sentence.

38 S 3. This act shall take effect immediately and shall apply to sales
39 made, uses occurring, and services rendered on or after the date this
40 act shall have become a law in accordance with applicable transition
41 provisions in sections 1106 and 1217 of the tax law and without regard
42 as to the date the seller and the resident entered into the agreement
43 described in section one of this act. Provided, however, that the term
44 "the preceding four quarterly periods ending on the last day of Febru-
45 ary, May, August, and November" as used in section one of this act may
46 include quarterly periods commencing prior to the effective date of this
47 act.

48

PART PP-1

49 Section 1. Section 3 of chapter 349 of the laws of 1982 amending the
50 multiple dwelling law relating to the legalization of interim multiple
51 dwellings in cities over one million, as amended by chapter 62 of the
52 laws of 2007, is amended to read as follows:

53 S 3. Effective date and termination. This act shall take effect imme-
54 diately. The provisions of this act and all regulations, orders and

1 requirements thereunder shall terminate at the close of the calendar day
2 May 31, {2008} 2010.

3 S 2. Paragraph (v) of subdivision 1 of section 284 of the multiple
4 dwelling law, as amended by chapter 62 of the laws of 2007, is amended
5 to read as follows:

6 (v) An owner of an interim multiple dwelling who has not complied with
7 the requirements of paragraph (i), (ii), (iii) or (iv) of this subdivi-
8 sion by the effective date of this paragraph as provided in chapter
9 eighty-five of the laws of two thousand two shall hereafter be deemed in
10 compliance with this subdivision provided that such owner filed an
11 alteration application by September first, nineteen hundred ninety-nine,
12 took all reasonable and necessary action to obtain an approved alter-
13 ation permit by March first, two thousand, achieves compliance with the
14 standards of safety and fire protection set forth in article seven-B of
15 this chapter for the residential portions of the building by May first,
16 two thousand {eight} TEN or within twelve months from obtaining an
17 approved alteration permit whichever is later, and takes all reasonable
18 and necessary action to obtain a certificate of occupancy as a class A
19 multiple dwelling for the residential portions of the building or struc-
20 ture by May thirty-first, two thousand {eight} TEN or within one month
21 from achieving compliance with the aforementioned standards for the
22 residential portions of the building, whichever is later.

23 S 3. Section 1 of part J of chapter 405 of the laws of 1999 amending
24 the real property tax law relating to improving the administration of
25 the school tax relief (STAR) program, as amended by chapter 62 of the
26 laws of 2007, is amended to read as follows:

27 Section 1. Notwithstanding the provisions of article 5 of the general
28 construction law, the provisions of the tax law amended by sections
29 94-a, 94-d and 94-g of chapter 2 of the laws of 1995 are hereby revived
30 and shall continue in full force and effect as they existed on March 31,
31 1999 through May 31, {2008} 2010, when upon such date they shall expire
32 and be repealed. Sections 1, 2, 3, 4, and 5, and such part of section 10
33 of chapter 336 of the laws of 1999 as relates to providing for the
34 effectiveness of such sections 1, 2, 3, 4 and 5 shall be nullified in
35 effect on the effective date of this section, except that the amendments
36 made to: paragraph (2) of subdivision a of section 1612 of the tax law
37 by such section 1; and subdivision b of section 1612 of the tax law by
38 such section 2; and the repeal of section 152 of chapter 166 of the laws
39 of 1991 made by such section 5 shall continue to remain in effect.

40 S 4. This act shall take effect immediately; provided however, that
41 the amendments to paragraph (v) of subdivision 1 of section 284 of the
42 multiple dwelling law made by section two of this act shall not affect
43 the repeal of such section and shall be deemed repealed therewith,
44 pursuant to section 3 of chapter 349 of the laws of 1982, as amended.

45

PART QQ-1

46 Section 1. Section 470 of the tax law is amended by adding a new
47 subdivision 18 to read as follows:

48 18. "SNUFF." ANY FINELY CUT, GROUND, OR POWDERED TOBACCO THAT IS NOT
49 INTENDED TO BE SMOKED.

50 S 2. Subdivision 1 of section 471-b of the tax law, as amended by
51 section 1 of part T of chapter 85 of the laws of 2002, is amended to
52 read as follows:

53 1. There is hereby imposed and shall be paid a tax on all tobacco
54 products possessed in this state by any person for sale, except that no

1 tax shall be imposed on tobacco products sold under such circumstances
2 that this state is without power to impose such tax, or sold to the
3 United States, or sold to or by a voluntary unincorporated organization
4 of the armed forces of the United States operating a place for the sale
5 of goods pursuant to regulations promulgated by the appropriate executive
6 agency of the United States, to the extent provided in such regulations
7 and policy statements of such an agency applicable to such sales.

8 (A) Such tax on tobacco products OTHER THAN SNUFF shall be at the rate
9 of thirty-seven percent of the wholesale price, and is intended to be
10 imposed only once upon the sale of any tobacco products OTHER THAN
11 SNUFF.

12 (B) SUCH TAX ON SNUFF SHALL BE AT THE RATE OF NINETY-SIX CENTS PER
13 OUNCE AND A PROPORTIONATE RATE ON ANY FRACTIONAL PARTS OF AN OUNCE,
14 PROVIDED THAT CANS OR PACKAGES OF SNUFF WITH A NET WEIGHT OF LESS THAN
15 ONE OUNCE SHALL BE TAXED AT THE EQUIVALENT RATE OF CANS OR PACKAGES
16 WEIGHING ONE OUNCE. SUCH TAX SHALL BE COMPUTED BASED ON THE NET WEIGHT
17 AS LISTED BY THE MANUFACTURER, AND IS INTENDED TO BE IMPOSED ONLY ONCE
18 UPON THE SALE OF ANY SNUFF.

19 It shall be presumed that all tobacco products within the state are
20 subject to tax until the contrary is established, and the burden of
21 proof that any tobacco products are not taxable hereunder shall be upon
22 the person in possession thereof.

23 S 3. Section 471-c of the tax law, as amended by section 2 of part T
24 of chapter 85 of the laws of 2002, is amended to read as follows:

25 S 471-c. Use tax on tobacco products. There is hereby imposed and
26 shall be paid a tax on all tobacco products used in the state by any
27 person, except that no such tax shall be imposed (1) if the tax provided
28 in section four hundred seventy-one-b of this article is paid, or (2) on
29 the use of tobacco products which are exempt from the tax imposed by
30 said section, or (3) on the use of two hundred fifty cigars or less or
31 five pounds or less of tobacco brought into the state on, or in the
32 possession of, any person.

33 (A) Such tax on tobacco products OTHER THAN SNUFF shall be at the rate
34 of thirty-seven percent of the wholesale price.

35 (B) SUCH TAX ON SNUFF SHALL BE AT THE RATE OF NINETY-SIX CENTS PER
36 OUNCE AND A PROPORTIONATE RATE ON ANY FRACTIONAL PARTS OF AN OUNCE,
37 PROVIDED THAT CANS OR PACKAGES OF SNUFF WITH A NET WEIGHT OF LESS THAN
38 ONE OUNCE SHALL BE TAXED AT THE EQUIVALENT RATE OF CANS OR PACKAGES
39 WEIGHING ONE OUNCE. SUCH TAX SHALL BE COMPUTED BASED ON THE NET WEIGHT
40 AS LISTED BY THE MANUFACTURER.

41 Within twenty-four hours after liability for the tax accrues, each
42 such person shall file with the commissioner a return in such form as
43 the commissioner may prescribe together with a remittance of the tax
44 shown to be due thereon. For purposes of this article, the word "use"
45 means the exercise of any right or power actual or constructive and
46 shall include but is not limited to the receipt, storage or any keeping
47 or retention for any length of time, but shall not include possession
48 for sale. All the other provisions of this article, if not inconsistent,
49 shall apply to the administration and enforcement of the tax imposed by
50 this section in the same manner as if the language of said provisions
51 had been incorporated in full into this section.

52 S 4. This act shall take effect July 1, 2008, and shall apply to snuff
53 which first becomes subject to taxation under article 20 of the tax law
54 on or after that date.

1

PART RR-1

2 Section 1. Subdivision 1 of section 471 of the tax law, as amended by
3 section 30 of part A of chapter 1 of the laws of 2002, is amended to
4 read as follows:

5 1. There is hereby imposed and shall be paid a tax on all cigarettes
6 possessed in the state by any person for sale, except that no tax shall
7 be imposed on cigarettes sold under such circumstances that this state
8 is without power to impose such tax or sold to the United States or sold
9 to or by a voluntary unincorporated organization of the armed forces of
10 the United States operating a place for the sale of goods pursuant to
11 regulations promulgated by the appropriate executive agency of the
12 United States, to the extent provided in such regulations and policy
13 statements of such an agency applicable to such sales. Such tax on ciga-
14 rettes shall be at the rate of TWO DOLLARS AND seventy-five cents for
15 each {ten} TWENTY cigarettes or fraction thereof, provided, however,
16 that if a package of cigarettes contains more than twenty cigarettes,
17 the rate of tax on the cigarettes in such package in excess of twenty
18 shall be {thirty-seven and one-half} SIXTY-EIGHT AND THREE-QUARTERS
19 cents for each five cigarettes or fraction thereof. Such tax is intended
20 to be imposed upon only one sale of the same package of cigarettes. It
21 shall be presumed that all cigarettes within the state are subject to
22 tax until the contrary is established, and the burden of proof that any
23 cigarettes are not taxable hereunder shall be upon the person in
24 possession thereof.

25 S 2. Section 471-a of the tax law, as amended by section 31 of part A
26 of chapter 1 of the laws of 2002, is amended to read as follows:

27 S 471-a. Use tax on cigarettes. There is hereby imposed and shall be
28 paid a tax on all cigarettes used in the state by any person, except
29 that no tax shall be imposed (1) if the tax provided in section four
30 hundred seventy-one OF THIS ARTICLE is paid, (2) on the use of ciga-
31 rettes which are exempt from the tax imposed by said section, or (3) on
32 the use of four hundred or less cigarettes, brought into the state on,
33 or in the possession of, any person. Such tax on cigarettes shall be at
34 the rate of TWO DOLLARS AND seventy-five cents for each {ten} TWENTY
35 cigarettes or fraction thereof, provided, however, that if a package of
36 cigarettes contains more than twenty cigarettes, the rate of tax on the
37 cigarettes in such package in excess of twenty shall be {thirty-seven
38 and one-half} SIXTY-EIGHT AND THREE-QUARTERS cents for each five ciga-
39 rettes or fraction thereof. Within twenty-four hours after liability for
40 the tax accrues, each such person shall file with the commissioner a
41 return in such form as the commissioner may prescribe together with a
42 remittance of the tax shown to be due thereon. For purposes of this
43 article, the word "use" means the exercise of any right or power actual
44 or constructive and shall include but is not limited to the receipt,
45 storage or any keeping or retention for any length of time, but shall
46 not include possession for sale. All other provisions of this article if
47 not inconsistent shall apply to the administration and enforcement of
48 the tax imposed by this section in the same manner as if the language of
49 said provisions had been incorporated in full into this section.

50 S 3. Section 482 of the tax law, as amended by section 53 of part J of
51 chapter 82 of the laws of 2002, is amended to read as follows:

52 S 482. Deposit and disposition of revenue. All taxes, fees, interest
53 and penalties collected or received by the commissioner under this arti-
54 cle and article twenty-A of this chapter shall be deposited and disposed
55 of pursuant to the provisions of section one hundred seventy-one-a of

1 this chapter. From the taxes {and}, interest and penalties collected or
2 received by the commissioner under sections four hundred seventy-one and
3 four hundred seventy-one-a of this article, effective on and after March
4 first, two thousand, forty-nine and fifty-five hundredths, and effective
5 on and after February first, two thousand two, forty-three and seventy
6 hundredths; and effective on and after May first, two thousand two,
7 sixty-four and fifty-five hundredths; and effective on and after April
8 first, two thousand three, sixty-one and twenty-two hundredths percent;
9 AND EFFECTIVE ON AND AFTER JUNE THIRD, TWO THOUSAND EIGHT, SEVENTY AND
10 SIXTY-THREE HUNDREDTHS PERCENT collected or received under such sections
11 shall be deposited to the credit of the tobacco control and insurance
12 initiatives pool to be established and distributed by the commissioner
13 of health in accordance with section twenty-eight hundred seven-v of the
14 public health law.

15 S 4. Notwithstanding any other provision of law to the contrary, the
16 tax due on cigarettes possessed in New York state as of the close of
17 business on June 2, 2008 by any person for sale solely attributable to
18 the increase imposed by the amendments to section 471 of the tax law, as
19 amended by section one of this act, may be paid in two installments due
20 on the twentieth day of August and the twenty-second day of December,
21 2008, subject to such terms and conditions as the commissioner of taxa-
22 tion and finance may prescribe; provided, however, at least 25 percent
23 of that tax due must be paid by August 20, 2008.

24 S 5. This act shall take effect June 3, 2008, and shall apply to all
25 cigarettes possessed in the state by any person for sale and all ciga-
26 rettes used in the state by any person on or after June 3, 2008.

27

PART SS-1

28 Section 1. Subparagraph (vi) of paragraph 3 of subdivision (c) of
29 section 1105 of the tax law, as amended by section 2 of part B of chap-
30 ter 63 of the laws of 2000, is amended to read as follows:

31 (vi) such services rendered {on or after September first, nineteen
32 hundred eighty-two,} with respect to tangible personal property for use
33 or consumption predominantly either in the production for sale of tangi-
34 ble personal property by farming or in a commercial horse boarding oper-
35 ation, or in both, as such tangible personal property is specified in
36 paragraph six of subdivision (a) of section eleven hundred fifteen of
37 this article. {The exemption provided by this subparagraph shall not
38 apply to the taxes imposed pursuant to section eleven hundred seven of
39 this article.}

40 S 2. Subdivision (a) of section 1142-A of the tax law, as amended by
41 section 1 of part R of chapter 61 of the laws of 2005, is amended to
42 read as follows:

43 (a) Every person required to collect the taxes described in paragraph
44 six of subdivision (c) of section eleven hundred five, subdivision (c)
45 of section eleven hundred seven and paragraph one of subdivision (a) of
46 section twelve hundred twelve-A of this chapter, OR, IF THE TAX
47 DESCRIBED IN SUBDIVISION (C) OF SECTION ELEVEN HUNDRED SEVEN OF THIS
48 ARTICLE IS NOT IN EFFECT, A SIMILAR TAX IMPOSED PURSUANT TO THE AUTHORI-
49 TY OF SUBDIVISION (A) OF SECTION TWELVE HUNDRED TEN OF THIS CHAPTER, in
50 a county with a population density in excess of fifty thousand persons
51 per square mile in any city in this state having a population of one
52 million or more, shall be subject to the requirements set forth in this
53 section, except as otherwise provided herein.

1 S 3. Clause 1 of subparagraph (i) of the opening paragraph of section
2 1210 of the tax law, as separately amended by chapters 4, 5, 8 and 9 of
3 the laws of 2003, is amended to read as follows:

4 (1) for the period beginning {June} AUGUST first, {nineteen hundred
5 seventy-four and ending June thirtieth, nineteen hundred seventy-five}
6 TWO THOUSAND EIGHT, any such city having a population of one million or
7 more is hereby authorized and empowered to adopt and amend local laws,
8 ordinances or resolutions imposing such taxes in any such city, at the
9 rate of four percent;

10 S 4. Subparagraph (i) of paragraph 1 of subdivision (a) of section
11 1210 of the tax law, as amended by chapter 82 of the laws of 2007, is
12 amended to read as follows:

13 (i) Either, all of the taxes described in article twenty-eight of this
14 chapter, at the same uniform rate, as to which taxes all provisions of
15 the local laws, ordinances or resolutions imposing such taxes shall be
16 identical, except as to rate and except as otherwise provided {herein},
17 with the corresponding provisions in such article twenty-eight, includ-
18 ing the definition and exemption provisions of such article, so far as
19 the provisions of such article twenty-eight can be made applicable to
20 the taxes imposed by such city or county and with such limitations and
21 special provisions as are set forth in this article. {However, any
22 local law enacted by any city of one million or more, imposing the taxes
23 authorized by this subdivision, shall omit the exemption provided in
24 subdivision (c) of section eleven hundred fifteen insofar as it applies
25 to fuel, gas, electricity, refrigeration and steam, and gas, electric,
26 refrigeration and steam service of whatever nature for use or consump-
27 tion directly and exclusively in the production of gas, electricity,
28 refrigeration or steam and, unless such city elects otherwise, the
29 provision for refund or credit contained in clause six of subdivision
30 (a) of section eleven hundred nineteen, and may omit (A) the exception
31 provided in paragraph three of subdivision (c) of section eleven hundred
32 five for receipts from laundering, dry-cleaning, tailoring, weaving,
33 pressing, shoe repairing and shoe shining and (B) the exception provided
34 in paragraph one of subdivision (f) of section eleven hundred five for
35 charges to a patron for admission to, or use of, facilities for sporting
36 activities in which such patron is to be a participant, such as bowling
37 alleys and swimming pools. Furthermore, any local law enacted by a city
38 of one million or more imposing the taxes authorized by this subdivision
39 may impose the taxes described in paragraph six of subdivision (c) of
40 section eleven hundred five at a rate in addition to the rate prescribed
41 by this section not to exceed two per centum in multiples of one-half of
42 one per centum.} The taxes authorized under this subdivision may not be
43 imposed by a city or county unless the local law, ordinance or resol-
44 ution imposes such taxes so as to include all portions and all types of
45 receipts, charges or rents, subject to state tax under sections eleven
46 hundred five and eleven hundred ten OF THIS CHAPTER, except as OTHERWISE
47 provided {in the following sentence}. Any local law, ordinance or resol-
48 ution enacted by any city of less than one million or by any county or
49 school district, imposing the taxes authorized by this subdivision,
50 shall, notwithstanding any provision of law to the contrary, exclude
51 from the operation of such local taxes all sales of tangible personal
52 property for use or consumption directly and predominantly in the
53 production of tangible personal property, gas, electricity, refriger-
54 ation or steam, for sale, by manufacturing, processing, generating,
55 assembly, refining, mining or extracting; and all sales of tangible
56 personal property for use or consumption predominantly either in the

1 production of tangible personal property, for sale, by farming or in a
2 commercial horse boarding operation, or in both; and, unless such city,
3 county or school district elects otherwise, shall omit the provision for
4 credit or refund contained in clause six of subdivision (a) of section
5 eleven hundred nineteen OF THIS CHAPTER. Any local law, ordinance or
6 resolution enacted by any city, county or school district, imposing the
7 taxes authorized by this subdivision, shall omit the residential solar
8 energy systems equipment exemption provided for in subdivision (ee), the
9 clothing and footwear exemption provided for in paragraph thirty of
10 subdivision (a) and the qualified empire zone enterprise exemptions
11 provided for in subdivision (z) of section eleven hundred fifteen OF
12 THIS CHAPTER, unless such city, county or school district elects other-
13 wise as to either such residential solar energy systems equipment
14 exemption or such clothing and footwear exemption or such qualified
15 empire zone enterprise exemptions; provided that if such a city having a
16 population of one million or more IN WHICH THE TAXES IMPOSED BY SECTION
17 ELEVEN HUNDRED SEVEN OF THIS CHAPTER ARE IN EFFECT enacts the resolution
18 described in subdivision (k) of this section or repeals such resolution
19 or enacts the resolution described in subdivision (l) of this section or
20 repeals such resolution or enacts the resolution described in subdivi-
21 sion (n) of this section or repeals such resolution, such resolution or
22 repeal shall also be deemed to amend any local law, ordinance or resol-
23 ution enacted by such a city imposing such taxes pursuant to the author-
24 ity of this subdivision, whether or not such taxes are suspended at the
25 time such city enacts its resolution pursuant to subdivision (k), (l) or
26 (n) of this section or at the time of any such repeal; provided,
27 further, that any such local law, ordinance or resolution and section
28 eleven hundred seven OF THIS CHAPTER, as deemed to be amended in the
29 event a city of one million or more enacts a resolution pursuant to the
30 authority of subdivision (k), (l) or (n) of this section, shall be
31 further amended, as provided in section twelve hundred eighteen OF THIS
32 SUBPART, so that the residential solar energy systems equipment
33 exemption or the clothing and footwear exemption or the qualified empire
34 zone enterprise exemptions in any such local law, ordinance or resol-
35 ution or in such section eleven hundred seven are the same, as the case
36 may be, as the residential solar energy systems equipment exemption
37 provided for in subdivision (ee), the clothing and footwear exemption in
38 paragraph thirty of subdivision (a) or the qualified empire zone enter-
39 prise exemptions in subdivision (z) of section eleven hundred fifteen OF
40 THIS CHAPTER. {Notwithstanding any provision of law to the contrary,
41 clothing and footwear and any item used or consumed to make or repair
42 such clothing and which becomes a physical component part of such cloth-
43 ing shall be exempt from sales and compensating use taxes imposed by a
44 city of one million or more.}

45 S 5. Paragraph 4 of subdivision (a) of section 1210 of the tax law, as
46 amended by chapter 298 of the laws of 1995, is amended to read as
47 follows:

48 (4) Notwithstanding any other provision of law to the contrary, any
49 local law enacted by any city of one million or more that imposes the
50 taxes authorized by this subdivision (I) MAY OMIT THE EXCEPTION PROVIDED
51 IN SUBPARAGRAPH (II) OF PARAGRAPH THREE OF SUBDIVISION (C) OF SECTION
52 ELEVEN HUNDRED FIVE OF THIS CHAPTER FOR RECEIPTS FROM LAUNDERING,
53 DRY-CLEANING, TAILORING, WEAVING, PRESSING, SHOE REPAIRING AND SHOE
54 SHINING; (II) MAY IMPOSE THE TAX DESCRIBED IN PARAGRAPH SIX OF SUBDIVI-
55 SION (C) OF SECTION ELEVEN HUNDRED FIVE OF THIS CHAPTER AT A RATE IN
56 ADDITION TO THE RATE PRESCRIBED BY THIS SECTION NOT TO EXCEED TWO

1 PERCENT IN MULTIPLES OF ONE-HALF OF ONE PERCENT; (III) SHALL PROVIDE
2 THAT THE TAX DESCRIBED IN PARAGRAPH SIX OF SUBDIVISION (C) OF SECTION
3 ELEVEN HUNDRED FIVE OF THIS CHAPTER DOES NOT APPLY TO FACILITIES OWNED
4 AND OPERATED BY THE CITY OR AN AGENCY OR INSTRUMENTALITY OF THE CITY OR
5 A PUBLIC CORPORATION THE MAJORITY OF WHOSE MEMBERS ARE APPOINTED BY THE
6 CHIEF EXECUTIVE OFFICER OF THE CITY OR THE LEGISLATIVE BODY OF THE CITY
7 OR BOTH OF THEM; (IV) shall not include any tax on receipts from, or the
8 use of, the services described in paragraph seven of subdivision (c) of
9 section eleven hundred five of this chapter; (V) SHALL PROVIDE THAT, FOR
10 PURPOSES OF THE TAX DESCRIBED IN SUBDIVISION (E) OF SECTION ELEVEN
11 HUNDRED FIVE OF THIS CHAPTER, "PERMANENT RESIDENT" MEANS ANY OCCUPANT OF
12 ANY ROOM OR ROOMS IN A HOTEL FOR AT LEAST ONE HUNDRED EIGHTY CONSECUTIVE
13 DAYS WITH REGARD TO THE PERIOD OF SUCH OCCUPANCY; (VI) MAY OMIT THE
14 EXCEPTION PROVIDED IN PARAGRAPH ONE OF SUBDIVISION (F) OF SECTION ELEVEN
15 HUNDRED FIVE OF THIS CHAPTER FOR CHARGES TO A PATRON FOR ADMISSION TO,
16 OR USE OF, FACILITIES FOR SPORTING ACTIVITIES IN WHICH THE PATRON IS TO
17 BE A PARTICIPANT, SUCH AS BOWLING ALLEYS AND SWIMMING POOLS; (VII) SHALL
18 NOT PROVIDE THE CLOTHING AND FOOTWEAR EXEMPTION IN PARAGRAPH THIRTY OF
19 SUBDIVISION (A) OF SECTION ELEVEN HUNDRED FIFTEEN OF THIS CHAPTER BUT
20 MUST EXEMPT CLOTHING AND FOOTWEAR AND ANY ITEM USED OR CONSUMED TO MAKE
21 OR REPAIR EXEMPT CLOTHING AND WHICH BECOMES A PHYSICAL COMPONENT PART OF
22 THAT EXEMPT CLOTHING; (VIII) SHALL OMIT THE EXEMPTION PROVIDED IN PARA-
23 GRAPH FORTY-ONE OF SUBDIVISION (A) OF SECTION ELEVEN HUNDRED FIFTEEN OF
24 THIS CHAPTER; (IX) SHALL OMIT THE EXEMPTION PROVIDED IN SUBDIVISION (C)
25 OF SECTION ELEVEN HUNDRED FIFTEEN OF THIS CHAPTER INSOFAR AS IT APPLIES
26 TO FUEL, GAS, ELECTRICITY, REFRIGERATION AND STEAM, AND GAS, ELECTRIC,
27 REFRIGERATION AND STEAM SERVICE OF WHATEVER NATURE FOR USE OR CONSUMP-
28 TION DIRECTLY AND EXCLUSIVELY IN THE PRODUCTION OF GAS, ELECTRICITY,
29 REFRIGERATION OR STEAM; AND (X) SHALL OMIT, UNLESS SUCH CITY ELECTS
30 OTHERWISE, THE PROVISION FOR REFUND OR CREDIT CONTAINED IN CLAUSE SIX OF
31 SUBDIVISION (A) OF SECTION ELEVEN HUNDRED NINETEEN OF THIS CHAPTER.

32 S 6. Subdivision (f) of section 1210 of the tax law, as amended by
33 section 5 of part K of chapter 686 of the laws of 2003, is amended to
34 read as follows:

35 (f) On the first day of the first month following the month in which a
36 municipal assistance corporation is created under article ten of the
37 public authorities law, any taxes imposed pursuant to this section by
38 the city in aid of which such corporation was created and, except as
39 hereinafter provided for in subdivisions (h) and (j) of this section,
40 the power of such city to adopt and amend local laws, ordinances or
41 resolutions imposing taxes pursuant to the authority of such section
42 shall, notwithstanding any provision of THIS article {twenty-nine of
43 this chapter} to the contrary, be suspended until the later of July
44 first, two thousand eight, or the {date on} LAST DAY OF THE MONTH IN
45 which all the notes and bonds of such municipal assistance corporation
46 shall have been fully paid and discharged together with interest thereon
47 and interest on unpaid installments of interest.

48 S 7. Subdivision (i) of section 1210 of the tax law, as added by chap-
49 ter 168 of the laws of 1975, is amended to read as follows:

50 (i) On the first day of the first month following the month in which
51 the {state} taxes provided for in section eleven hundred seven OF THIS
52 CHAPTER are terminated, the suspension provided for in subdivision (f)
53 of this section shall terminate and {any} THE SALES AND COMPENSATING USE
54 taxes {which were in effect} IMPOSED BY A CITY HAVING A POPULATION OF
55 ONE MILLION OR MORE immediately prior to the effective date of the
56 suspension shall go into full force and effect, PROVIDED THAT THE

1 RESUMED TAXES, AND ANY LOCAL LAW IMPOSING THOSE TAXES, SHALL INCORPORATE
2 AMENDMENTS TO THIS ARTICLE AND ARTICLE TWENTY-EIGHT OF THIS CHAPTER SO
3 THAT THE RESUMED TAXES ARE, EXCEPT AS OTHERWISE PROVIDED BY LAW, IDENTI-
4 CAL TO THE TAXES AUTHORIZED TO BE IMPOSED BY THE CITY.

5 S 7-a. Subdivisions (f) and (g) of section 1212-A of the tax law are
6 REPEALED.

7 S 8. Subdivision (a) of section 1223 of the tax law, as separately
8 amended by chapters 30 and 37 of the laws of 2006, is amended to read as
9 follows:

10 (a) No transaction taxable under sections twelve hundred two through
11 twelve hundred four OF THIS ARTICLE shall be taxed pursuant to this
12 article by any county or by any city located therein, or by both, at an
13 aggregate rate in excess of the highest rate set forth in the applicable
14 subdivision of section twelve hundred one OF THIS ARTICLE or, in the
15 case of any taxes imposed pursuant to the authority of section twelve
16 hundred ten or twelve hundred eleven OF THIS ARTICLE (other than taxes
17 imposed by {a city having a population of one million or more for the
18 limited period provided in section twelve hundred ten or pursuant to
19 subdivision (h) of section twelve hundred ten or by} the county of
20 Nassau, Erie, Steuben, Cattaraugus, Suffolk, Oneida, Genesee, Greene,
21 Franklin, Herkimer, Tioga, Orleans, Allegany, Ulster, Albany, Rensse-
22 laer, Tompkins, Wyoming, Columbia, Schuyler, Rockland, Chenango, Monroe,
23 Chemung, Seneca, Sullivan, Wayne, Livingston, Schenectady, Montgomery,
24 Delaware, Clinton, Niagara, Yates, Lewis, Essex, Dutchess, Schoharie,
25 Putnam, Chautauqua, Orange, Oswego, Ontario, Jefferson or Onondaga and
26 by the county of Cortland and the city of Cortland and by the county of
27 Broome and the city of Binghamton and by the county of Cayuga and the
28 city of Auburn and by the county of Otsego and the city of Oneonta and
29 by the county of Madison and the city of Oneida and by the county of
30 Fulton and the city of Groversville or the city of Johnstown as provided
31 in section twelve hundred ten OF THIS ARTICLE) at a rate in excess of
32 three percent, except that, in the city of Yonkers, in the city of Mount
33 Vernon, in the city of New Rochelle, in the city of Fulton and in the
34 city of Oswego, the rate may not be in excess of four percent and in the
35 city of White Plains, the rate may not be in excess of three and one-
36 half percent and except that in the city of Poughkeepsie in the county
37 of Dutchess, if such county withdraws from the metropolitan commuter
38 transportation district pursuant to section twelve hundred
39 seventy-nine-b of the public authorities law and if the revenues from a
40 three-eighths percent rate of such tax imposed by such county, pursuant
41 to the authority of section twelve hundred ten of this article, are
42 required by local laws, ordinances or resolutions to be set aside for
43 mass transportation purposes, the rate may not be in excess of three and
44 three-eighths percent.

45 S 9. Subdivision (c) of section 1261 of the tax law, as amended by
46 chapter 182 of the laws of 2005, is amended to read as follows:

47 (c) (1) The comptroller, after reserving such refund fund and such
48 costs shall, on or before the twelfth day of each month pay to the
49 appropriate fiscal officers of the foregoing taxing jurisdictions the
50 taxes, penalties and interest imposed by such jurisdictions under the
51 authority of sections twelve hundred ten through twelve hundred twelve-A
52 OF THIS ARTICLE, collected by the commissioner pursuant to this article
53 during the next preceding calendar month, provided, however, that the
54 comptroller shall on or before the last day of June and December make a
55 partial payment consisting of the collections made during and including

1 the first twenty-five days of said months to said fiscal officers of the
2 foregoing taxing jurisdictions.

3 (2) However, the taxes, penalties and interest from the additional one
4 percent rate which the city of Yonkers is authorized to impose pursuant
5 to section twelve hundred ten OF THIS ARTICLE, after the comptroller has
6 reserved such refund fund and such cost shall be paid to the special
7 sales and compensating use tax fund for the city of Yonkers established
8 by section ninety-two-f of the state finance law at the times set forth
9 in the preceding sentence.

10 (3) However, the taxes, penalties and interest which (i) the county of
11 Nassau, (ii) the county of Erie, to the extent the county of Erie is
12 contractually or statutorily obligated to allocate and apply or pay net
13 collections to the city of Buffalo and to the extent that such county
14 has set aside net collections for educational purposes attributable to
15 the Buffalo school district, or the city of Buffalo or (iii) the county
16 of Erie is authorized to impose pursuant to section twelve hundred ten
17 of this article, other than such taxes in the amounts described, respec-
18 tively, in subdivisions one and two of section one thousand two hundred
19 sixty-two-e of this part, during the period that such section authorizes
20 Nassau county to establish special or local assistance programs there-
21 under, together with any penalties and interest related thereto, and
22 after the comptroller has reserved such refund fund and such costs,
23 shall, commencing on the next payment date after the effective date of
24 this sentence and of each month thereafter, until such date as (i) the
25 Nassau county interim finance authority shall have no obligations
26 outstanding, or (ii) the Buffalo fiscal stability authority shall cease
27 to exist, or (iii) the Erie county fiscal stability authority shall
28 cease to exist, be paid by the comptroller, respectively, to (i) the
29 Nassau county interim finance authority to be applied by the Nassau
30 county interim finance authority, or (ii) to the Buffalo fiscal stabili-
31 ty authority to be applied by the Buffalo fiscal stability authority, or
32 (iii) to the Erie county fiscal stability authority to be applied by the
33 Erie county fiscal stability authority, as the case may be, in the
34 following order of priority: first pursuant to the Nassau county interim
35 finance authority's contracts with bondholders or the Buffalo fiscal
36 stability authority's contracts with bondholders or the Erie county
37 fiscal stability authority's contracts with bondholders, respectively,
38 then to pay the Nassau county interim finance authority's operating
39 expenses not otherwise provided for or the Buffalo fiscal stability
40 authority's operating expenses not otherwise provided for or the Erie
41 county fiscal stability authority's operating expenses not otherwise
42 provided for, respectively, and then (i) pursuant to the Nassau county
43 interim finance authority's agreements with the county of Nassau, which
44 agreements shall require the Nassau county interim finance authority to
45 transfer such taxes, penalties and interest remaining after providing
46 for contractual or other obligations of the Nassau county interim
47 finance authority, and subject to any agreement between such authority
48 and the county of Nassau, to the county of Nassau as frequently as prac-
49 ticable; or (ii) pursuant to the Buffalo fiscal stability authority's
50 agreements with the city of Buffalo, which agreements shall require the
51 Buffalo fiscal stability authority to transfer such taxes, penalties and
52 interest remaining after providing for contractual or other obligations
53 of the Buffalo fiscal stability authority, and subject to any agreement
54 between such authority and the city of Buffalo, to the city of Buffalo
55 or the city of Buffalo school district, as the case may be, as frequent-
56 ly as practicable; or (iii) pursuant to the Erie county fiscal stability

1 authority's agreements with the county of Erie, which agreements shall
2 require the Erie county fiscal stability authority to transfer such
3 taxes, penalties and interest remaining after providing for contractual
4 or other obligations of the Erie county fiscal stability authority, and
5 subject to any agreement between such authority and the county of Erie,
6 to the county of Erie as frequently as practicable. During the period
7 that the comptroller is required to make payments to the Nassau county
8 interim finance authority described in the previous sentence, the county
9 of Nassau shall have no right, title or interest in or to such taxes,
10 penalties and interest required to be paid to the Nassau county interim
11 finance authority, except as provided in such authority's agreements
12 with the county of Nassau. During the period that the comptroller is
13 required to make payments to the Buffalo fiscal stability authority
14 described in the second previous sentence, the city of Buffalo and such
15 school district shall have no right, title or interest in or to such
16 taxes, penalties and interest required to be paid to the Buffalo fiscal
17 stability authority, except as provided in such authority's agreements
18 with the city of Buffalo. During the period that the comptroller is
19 required to make payments to the Erie county fiscal stability authority
20 described in the third previous sentence, the county of Erie shall have
21 no right, title or interest in or to such taxes, penalties and interest
22 required to be paid to the Erie county fiscal stability authority,
23 except as provided in such authority's agreements with the county of
24 Erie.

25 (4) The amount so payable shall be certified to the comptroller by the
26 commissioner or the commissioner's delegate, who shall not be held
27 liable for any inaccuracy in such certificate. Provided, however, any
28 such certification may be based on such information as may be available
29 to the commissioner at the time such certificate must be made under this
30 section and may be estimated on the basis of percentages or other
31 indices calculated from distributions for prior periods.

32 (5) HOWEVER, THE COMPTROLLER SHALL WITHHOLD FROM THE TAXES, PENALTIES
33 AND INTEREST IMPOSED BY THE CITY OF NEW YORK ON AND AFTER AUGUST FIRST,
34 TWO THOUSAND EIGHT, AND DEPOSIT SUCH AMOUNTS TO THE STATE TREASURY AS
35 REIMBURSEMENT FOR APPROPRIATED DISBURSEMENTS MADE BY THE NEW YORK STATE
36 FINANCIAL CONTROL BOARD ESTABLISHED BY THE NEW YORK STATE FINANCIAL
37 EMERGENCY ACT FOR THE CITY OF NEW YORK AND BY THE STATE DEPUTY COMP-
38 TROLLER FOR THE CITY OF NEW YORK ESTABLISHED BY SECTION FORTY-ONE-A OF
39 THE EXECUTIVE LAW, AS THE ACTUAL, REASONABLE EXPENSES OF THAT BOARD OR
40 THAT DEPUTY COMPTROLLER, INCURRED ON BEHALF OF THE CITY, FOR QUARTERLY
41 PERIODS COMMENCING JULY FIRST, TWO THOUSAND EIGHT, AND ENDING ON THE
42 DATE WHEN THOSE EXPENSES ARE NO LONGER INCURRED BY THAT BOARD OR DEPUTY
43 COMPTROLLER; AND THE COMPTROLLER SHALL PAY THOSE WITHHELD AMOUNTS IMME-
44 DIATELY INTO THE MISCELLANEOUS SPECIAL REVENUE FUND FINANCIAL CONTROL
45 BOARD ACCOUNT 339-15 AND THE MISCELLANEOUS SPECIAL REVENUE FUND FINAN-
46 CIAL OVERSIGHT ACCOUNT 339-DI OF THE STATE. DURING THE PERIOD THAT THE
47 COMPTROLLER IS REQUIRED TO WITHHOLD AMOUNTS AND MAKE PAYMENTS DESCRIBED
48 IN THIS PARAGRAPH, THE CITY OF NEW YORK HAS NO RIGHT, TITLE OR INTEREST
49 IN OR TO THOSE TAXES, PENALTIES AND INTEREST REQUIRED TO BE PAID INTO
50 THE ABOVE REFERENCED MISCELLANEOUS SPECIAL REVENUE FUNDS.

51 (6) Where the amount so paid over to any city, county, school district
52 or the special sales and compensating use tax fund for the city of Yon-
53 ers in any such distribution or to ANY such authority is more or less
54 than the amount then due to such city, county, school district or such
55 fund or to such authority, the amount of the overpayment or underpayment
56 shall be certified to the comptroller by the commissioner or the commis-

1 sioner's delegate, who shall not be held liable for any inaccuracy in
2 such certificate. The amount of the overpayment or underpayment shall
3 be so certified to the comptroller as soon after the discovery of the
4 overpayment or underpayment as reasonably possible and subsequent
5 payments and distributions by the comptroller to such city, county,
6 school district or the special sales and compensating use tax fund for
7 the city of Yonkers or to such authority shall be adjusted by subtract-
8 ing the amount of any such overpayment from or by adding the amount of
9 any such underpayment to such number of subsequent payments and distrib-
10 utions as the comptroller and the commissioner shall consider reasonable
11 in view of the amount of the overpayment or underpayment and all other
12 facts and circumstances.

13 S 10. Section 92-b of the state finance law is amended by adding a new
14 subdivision 7 to read as follows:

15 7. WHEN ALL THE NOTES AND BONDS OF THE MUNICIPAL ASSISTANCE CORPO-
16 RATION FOR THE CITY OF NEW YORK HAVE BEEN FULLY PAID AND DISCHARGED,
17 TOGETHER WITH INTEREST THEREON AND INTEREST ON UNPAID INSTALLMENTS OF
18 INTEREST, AND THE CHAIRMAN OF THE CORPORATION MAKES THE FINAL CERTIF-
19 ICATION REQUIRED BY SUBDIVISION SEVEN OF SECTION NINETY-TWO-D OF THIS
20 ARTICLE, THE COMPTROLLER MUST NOTIFY THE COMMISSIONER OF TAXATION AND
21 FINANCE THAT ALL REMAINING FUNDS HELD IN THE STOCK TRANSFER TAX FUND
22 MUST BE RELEASED TO THE STOCK TRANSFER INCENTIVE FUND. FROM THAT TIME
23 FORWARD, ALL FUNDS PREVIOUSLY DEPOSITED IN THE STOCK TRANSFER TAX FUND
24 PURSUANT TO SUBDIVISION TWO OF THIS SECTION WILL BE DEPOSITED DIRECTLY
25 INTO THE STOCK TRANSFER INCENTIVE FUND PURSUANT TO ALL THE RULES, REGU-
26 LATIIONS OR INSTRUCTIONS THAT THE COMMISSIONER MAY PRESCRIBE, AFTER
27 DEDUCTING THE AMOUNT THE COMMISSIONER DETERMINES TO BE NECESSARY FOR
28 REASONABLE COSTS OF THE DEPARTMENT IN ADMINISTERING, COLLECTING AND
29 DISTRIBUTING THE TAX IMPOSED BY ARTICLE TWELVE OF THE TAX LAW. NOTWITH-
30 STANDING ANY OTHER PROVISIONS OF THIS ARTICLE, TO THE EXTENT THOSE
31 MONEY'S ARE NOT REQUIRED BY THE STOCK TRANSFER INCENTIVE FUND FOR THE
32 PURPOSE OF ADMINISTERING AND MAKING DISTRIBUTIONS IN ACCORDANCE WITH THE
33 PROVISIONS OF SECTION TWO HUNDRED EIGHTY-A OF THE TAX LAW, AS CERTIFIED
34 BY THE COMMISSIONER OF TAXATION AND FINANCE, THE BALANCE WILL BE APPRO-
35 PRIATED TO THE CITY OF NEW YORK FOR THE SUPPORT OF LOCAL GOVERNMENT.

36 S 11. Subdivision 4 of section 92-d of the state finance law, as added
37 by chapter 168 of the laws of 1975, is amended to read as follows:

38 4. On or before the twelfth day of each month, the commissioner of
39 taxation and finance shall certify to the comptroller the amount of all
40 revenues so received during the prior month as a result of the taxes,
41 interest and penalties so imposed and in addition on or before the last
42 day of June the commissioner shall certify the amount of such revenues
43 received during and including the first twenty-five days of June. The
44 amount of revenues so certified shall be deposited by the comptroller in
45 the municipal assistance tax fund and the amount attributable to the
46 taxes, interest and penalties imposed within the territorial limits of a
47 city in aid of which a municipal assistance corporation has been created
48 shall be credited to a special account established in such fund for such
49 corporation. Notwithstanding the foregoing provisions, the {state tax
50 commission} COMMISSIONER OF TAXATION AND FINANCE may prorate revenue
51 attributable to the first OR LAST quarterly return period during which
52 the taxes imposed by section eleven hundred seven or eleven hundred
53 eight (as the case may be) of the tax law {applies} APPLY so as to sepa-
54 rate from the revenue collected for that quarter pursuant to such taxes
55 the revenue collected pursuant to local legislation adopted by a city
56 pursuant to section twelve hundred ten or twelve hundred twelve-A of the

1 tax law. Such a proration by the {state tax commission} COMMISSIONER OF
2 TAXATION AND FINANCE shall be made on the basis of the ratio of the
3 number of months during which such taxes were imposed during such quar-
4 terly return period to the total number of months in such quarterly
5 return period when such proration is reasonably necessary to ascertain
6 the amount of such money which must be deposited by the comptroller in
7 such special account and the amount of such money which must be deposit-
8 ed pursuant to section twelve hundred sixty-one of the tax law. The
9 commissioner of taxation and finance shall not be held liable for any
10 inaccuracy in any certification under this subdivision.

11 S 12. Subdivision 7 of section 92-d of the state finance law, as
12 amended by chapter 692 of the laws of 1978, is amended to read as
13 follows:

14 7. In the event that the amount of revenues in the special account
15 established for the municipal assistance corporation for the city of New
16 York in the municipal assistance tax fund which have been appropriated
17 to such corporation shall at any time be less than the amount which the
18 chairman of such corporation has certified to the comptroller as
19 required in order to comply with its agreements with the holders of its
20 notes and bonds and to carry out its corporate purposes, including the
21 maintenance of the capital reserve fund, then and in such event the
22 comptroller shall forthwith certify to the commissioner of taxation and
23 finance the amount of the difference between the revenues in such
24 special account and the amount so certified as required by such corpo-
25 ration and upon receipt of such certificate the commissioner of taxation
26 and finance shall approve a voucher for payment of the amount of such
27 difference into such special account in the municipal assistance tax
28 fund from the stock transfer tax fund established pursuant to subdivi-
29 sion one of section ninety-two-b of this chapter at the next date for
30 payment from such fund as provided in subdivision four of such section,
31 anything in said section to the contrary notwithstanding. In the case of
32 every twelve month period commencing after June thirtieth, nineteen
33 hundred seventy-seven, the comptroller shall, before the last day of
34 September, December, March and June of each such period, certify to the
35 commissioner of taxation and finance the amount from the stock transfer
36 tax fund, if any, determined by the comptroller to be required during
37 the next following three months in order to provide the amounts certi-
38 fied by the chairman of the municipal assistance corporation for the
39 city of New York, or if no such amount is necessary, a statement to that
40 effect. The amount so determined shall be arrived at after taking into
41 account a statement, to be furnished by the commissioner of taxation and
42 finance to the comptroller, of such information, including revenue
43 collection and estimates of revenue collection for certain periods of
44 the taxes imposed by section eleven hundred seven of the tax law, as
45 such commissioner is reasonably able to provide in order to aid such
46 comptroller in making the above determination with respect to disposi-
47 tion of revenues in the stock transfer tax fund. Such commissioner shall
48 not be held liable for any inaccuracy of any such information provided
49 in such statement. The foregoing certificate or statement, as the case
50 may be, of such comptroller shall be made regardless of the amount of
51 revenues in the special account established for the municipal assistance
52 tax fund which have been appropriated to such corporation. WHEN ALL THE
53 NOTES AND BONDS OF THE CORPORATION HAVE BEEN FULLY PAID AND DISCHARGED,
54 TOGETHER WITH THE INTEREST THEREON AND INTEREST ON UNPAID INSTALLMENTS
55 OF INTEREST, THE CHAIRMAN OF THE CORPORATION MUST MAKE A FINAL CERTIF-
56 ICATION TO THE COMPTROLLER THAT THE CORPORATION HAS NO MORE LIABILITIES.

1 UPON RECEIPT OF THAT CERTIFICATION, THE COMPTROLLER MUST NOTIFY THE
2 COMMISSIONER OF TAXATION AND FINANCE THAT ALL FUNDS HELD IN THE STOCK
3 TRANSFER TAX FUND MUST BE DEPOSITED IN THE STOCK TRANSFER INCENTIVE FUND
4 PURSUANT TO SUBDIVISION SEVEN OF SECTION NINETY-TWO-B OF THIS ARTICLE.

5 S 13. Subchapter 1 of chapter 20 of title 11 of the administrative
6 code of the city of New York is REPEALED and a new subchapter 1 is added
7 to read as follows:

SUBCHAPTER 1

GENERAL SALES AND COMPENSATING USE TAXES

10 S 11-2001 IMPOSITION OF GENERAL SALES AND COMPENSATING USE TAXES. (A)
11 ON AND AFTER AUGUST FIRST, TWO THOUSAND EIGHT, THERE ARE HEREBY IMPOSED
12 AND THERE SHALL BE PAID ALL OF THE SALES AND COMPENSATING USE TAXES
13 DESCRIBED IN ARTICLE TWENTY-EIGHT OF THE TAX LAW AS AUTHORIZED BY SUBDI-
14 VISION (A) OF SECTION TWELVE HUNDRED TEN OF THE TAX LAW, AT THE RATE OF
15 FOUR PERCENT, PROVIDED THAT THE TAXES DESCRIBED IN PARAGRAPH SIX OF
16 SUBDIVISION (C) OF SECTION ELEVEN HUNDRED FIVE OF THE TAX LAW SHALL BE
17 IMPOSED AND PAID AT THE RATE OF SIX PERCENT.

18 (B) NOTWITHSTANDING ANY CONTRARY PROVISION OF THIS SECTION OR OTHER
19 LAW, THIS SECTION:

20 (1) DOES NOT IMPOSE TAX ON (I) RECEIPTS FROM THE SALE OF THE SERVICES
21 OF LAUNDERING, DRY-CLEANING, TAILORING, WEAVING, PRESSING, SHOE REPAIR-
22 ING AND SHOE SHINING DESCRIBED IN SUBPARAGRAPH (II) OF PARAGRAPH THREE
23 OF SUBDIVISION (C) OF SECTION ELEVEN HUNDRED FIVE OF THE TAX LAW; (II)
24 RECEIPTS FROM THE SALE OF SERVICES DESCRIBED IN PARAGRAPH SIX OF SUBDI-
25 VISION (C) OF SECTION ELEVEN HUNDRED FIVE OF THE TAX LAW AT FACILITIES
26 OWNED AND OPERATED BY THE CITY OR AN AGENCY OR INSTRUMENTALITY OF THE
27 CITY OR A PUBLIC CORPORATION THE MAJORITY OF WHOSE MEMBERS ARE APPOINTED
28 BY THE MAYOR OR THE CITY COUNCIL OR BOTH OF THEM;

29 (2) FOR PURPOSES OF THE TAX DESCRIBED IN SUBDIVISION (E) OF SECTION
30 ELEVEN HUNDRED FIVE OF THE TAX LAW, DEFINES "PERMANENT RESIDENT" TO MEAN
31 ANY OCCUPANT OF ANY ROOM OR ROOMS IN A HOTEL FOR AT LEAST ONE HUNDRED
32 EIGHTY CONSECUTIVE DAYS WITH REGARD TO THE PERIOD OF SUCH OCCUPANCY;

33 (3) DOES NOT OMIT FROM THE TAX DESCRIBED IN PARAGRAPH ONE OF SUBDIVI-
34 SION (F) OF SECTION ELEVEN HUNDRED FIVE OF THE TAX LAW CHARGES TO A
35 PATRON FOR ADMISSION TO, OR USE OF, FACILITIES FOR SPORTING ACTIVITIES
36 IN WHICH SUCH PATRON IS TO BE A PARTICIPANT, SUCH AS BOWLING ALLEYS AND
37 SWIMMING POOLS;

38 (4) DOES NOT PROVIDE THE CLOTHING AND FOOTWEAR EXEMPTION IN PARAGRAPH
39 THIRTY OF SUBDIVISION (A) OF SECTION ELEVEN HUNDRED FIFTEEN OF THE TAX
40 LAW BUT DOES EXEMPT CLOTHING AND FOOTWEAR AND ANY ITEM USED OR CONSUMED
41 TO MAKE OR REPAIR EXEMPT CLOTHING AND WHICH BECOMES A PHYSICAL COMPONENT
42 PART OF THAT EXEMPT CLOTHING;

43 (5) OMITS THE EXEMPTION PROVIDED IN PARAGRAPH FORTY-ONE OF SUBDIVISION
44 (A) OF SECTION ELEVEN HUNDRED FIFTEEN OF THE TAX LAW;

45 (6) OMITS THE EXEMPTION PROVIDED IN SUBDIVISION (C) OF SECTION ELEVEN
46 HUNDRED FIFTEEN OF THE TAX LAW INsofar AS IT APPLIES TO FUEL, GAS, ELEC-
47 TRICITY, REFRIGERATION AND STEAM, AND GAS, ELECTRIC, REFRIGERATION AND
48 STEAM SERVICE OF WHATEVER NATURE FOR USE OR CONSUMPTION DIRECTLY AND
49 EXCLUSIVELY IN THE PRODUCTION OF GAS, ELECTRICITY, REFRIGERATION OR
50 STEAM; AND

51 (7) OMITS THE PROVISION FOR REFUND OR CREDIT CONTAINED IN CLAUSE SIX
52 OF SUBDIVISION (A) OF SECTION ELEVEN HUNDRED NINETEEN OF THE TAX LAW.

53 (C) THE TAXES IMPOSED BY THIS SECTION SHALL BE IN ADDITION TO ANY AND
54 ALL OTHER TAXES AUTHORIZED OR IMPOSED UNDER ANY OTHER PROVISION OF LAW.

1 (D) THE TAXES IMPOSED BY THIS SECTION SHALL BE ADMINISTERED AND
2 COLLECTED BY THE STATE COMMISSIONER OF TAXATION AND FINANCE AS PROVIDED
3 IN ARTICLES TWENTY-EIGHT AND TWENTY-NINE OF THE TAX LAW.

4 (E) THE PROVISIONS OF ARTICLES TWENTY-EIGHT AND TWENTY-NINE OF THE TAX
5 LAW RELATING OR APPLICABLE TO THE TAXES IMPOSED BY THIS SECTION, INCLUD-
6 ING THE APPLICABLE DEFINITIONS, TRANSITIONAL PROVISIONS, LIMITATIONS,
7 SPECIAL PROVISIONS, EXEMPTIONS, EXCLUSIONS, REFUNDS, CREDITS AND ADMIN-
8 ISTRATIVE PROVISIONS, SO FAR AS THOSE PROVISIONS CAN BE MADE APPLICABLE
9 TO THE TAXES IMPOSED BY THIS SECTION, SHALL APPLY TO THE TAXES IMPOSED
10 BY THIS SECTION WITH THE SAME FORCE AND EFFECT AS IF THOSE PROVISIONS
11 HAD BEEN INCORPORATED IN FULL INTO THIS SECTION AND HAD EXPRESSLY
12 REFERRED TO THE TAXES IMPOSED BY THIS SECTION, EXCEPT TO THE EXTENT THAT
13 ANY PROVISION OF ARTICLE TWENTY-EIGHT OR TWENTY-NINE OF THE TAX LAW IS
14 EITHER INCONSISTENT WITH OR NOT RELEVANT TO THE TAXES IMPOSED BY THIS
15 SECTION.

16 (F) NET COLLECTIONS FROM THE TAXES IMPOSED BY THIS SECTION PAID TO
17 THIS CITY BY THE STATE COMPTROLLER SHALL BE CREDITED TO AND DEPOSITED IN
18 THE GENERAL FUND OF THIS CITY, BUT NO PART OF SUCH REVENUES MAY BE
19 EXPENDED UNLESS APPROPRIATED IN THE ANNUAL BUDGET OF THIS CITY.

20 (G) IF ANY PROVISION OF THIS SECTION OR THE APPLICATION THEREOF SHALL
21 FOR ANY REASON BE ADJUDGED BY ANY COURT OF COMPETENT JURISDICTION TO BE
22 INVALID, SUCH JUDGMENT SHALL NOT AFFECT, IMPAIR OR INVALIDATE THE
23 REMAINDER OF THIS SECTION BUT SHALL BE CONFINED IN ITS OPERATION TO THE
24 PROVISION THEREOF DIRECTLY INVOLVED IN THE CONTROVERSY IN WHICH SUCH
25 JUDGMENT SHALL HAVE BEEN RENDERED AND THE APPLICATION OF SUCH PROVISION
26 TO OTHER PERSONS OR CIRCUMSTANCES SHALL NOT BE AFFECTED THEREBY.

27 S 11-2002 IMPOSITION OF SPECIAL SALES TAXES. (A) FOR THE PERIOD
28 COMMENCING AUGUST FIRST, TWO THOUSAND EIGHT, AND ENDING DECEMBER THIR-
29 TY-FIRST, TWO THOUSAND EIGHT, THERE ARE HEREBY IMPOSED AND THERE SHALL
30 BE PAID SALES TAXES AT THE RATE OF FOUR PERCENT ON RECEIPTS FROM EVERY
31 SALE OF THE SERVICES OF BEAUTY, BARBERING, HAIR RESTORING, MANICURING,
32 PEDICURING, ELECTROLYSIS, MASSAGE SERVICES AND SIMILAR SERVICES, AND
33 EVERY SALE OF SERVICES BY WEIGHT CONTROL SALONS, HEALTH SALONS, GYMNASI-
34 UMS, TURKISH AND SAUNA BATH AND SIMILAR ESTABLISHMENTS AND EVERY CHARGE
35 FOR THE USE OF SUCH FACILITIES, WHETHER OR NOT ANY TANGIBLE PERSONAL
36 PROPERTY IS TRANSFERRED IN CONJUNCTION THEREWITH; BUT EXCLUDING SERVICES
37 RENDERED BY A PHYSICIAN, OSTEOPATH, DENTIST, NURSE, PHYSIOTHERAPIST,
38 CHIROPRACTOR, PODIATRIST, OPTOMETRIST, OPHTHALMIC DISPENSER OR A PERSON
39 PERFORMING SIMILAR SERVICES LICENSED UNDER TITLE EIGHT OF THE EDUCATION
40 LAW, AS AMENDED, AND EXCLUDING SUCH SERVICES WHEN PERFORMED ON PETS AND
41 OTHER ANIMALS, AS AUTHORIZED BY SUBDIVISION (A) OF SECTION TWELVE
42 HUNDRED TWELVE-A OF THE TAX LAW.

43 (B) THE TAXES IMPOSED BY THIS SECTION SHALL BE IN ADDITION TO ANY AND
44 ALL OTHER TAXES AUTHORIZED OR IMPOSED UNDER ANY OTHER PROVISION OF LAW.

45 (C) THE TAXES IMPOSED BY THIS SECTION SHALL BE ADMINISTERED AND
46 COLLECTED BY THE STATE COMMISSIONER OF TAXATION AND FINANCE AS PROVIDED
47 IN ARTICLES TWENTY-EIGHT AND TWENTY-NINE OF THE TAX LAW.

48 (D) THE PROVISIONS OF ARTICLES TWENTY-EIGHT AND TWENTY-NINE OF THE TAX
49 LAW RELATING OR APPLICABLE TO THE TAXES IMPOSED BY THIS SECTION, INCLUD-
50 ING THE APPLICABLE DEFINITIONS, TRANSITIONAL PROVISIONS, LIMITATIONS,
51 SPECIAL PROVISIONS, EXEMPTIONS, EXCLUSIONS, REFUNDS, CREDITS AND ADMIN-
52 ISTRATIVE PROVISIONS, SO FAR AS THOSE PROVISIONS CAN BE MADE APPLICABLE
53 TO THE TAXES IMPOSED BY THIS SECTION, SHALL APPLY TO THE TAXES IMPOSED
54 BY THIS SECTION WITH THE SAME FORCE AND EFFECT AS IF THOSE PROVISIONS
55 HAD BEEN INCORPORATED IN FULL INTO THIS SECTION AND HAD EXPRESSLY
56 REFERRED TO THE TAXES IMPOSED BY THIS SECTION, EXCEPT TO THE EXTENT THAT

1 ANY PROVISION OF ARTICLE TWENTY-EIGHT OR TWENTY-NINE OF THE TAX LAW IS
2 EITHER INCONSISTENT WITH OR NOT RELEVANT TO THE TAXES IMPOSED BY THIS
3 SECTION.

4 (E) NET COLLECTIONS FROM THE TAXES IMPOSED BY THIS SECTION PAID TO
5 THIS CITY BY THE STATE COMPTROLLER SHALL BE CREDITED TO AND DEPOSITED IN
6 THE GENERAL FUND OF THIS CITY, BUT NO PART OF SUCH REVENUES MAY BE
7 EXPENDED UNLESS APPROPRIATED IN THE ANNUAL BUDGET OF THIS CITY.

8 (F) IF ANY PROVISION OF THIS SECTION OR THE APPLICATION THEREOF SHALL
9 FOR ANY REASON BE ADJUDGED BY ANY COURT OF COMPETENT JURISDICTION TO BE
10 INVALID, SUCH JUDGMENT SHALL NOT AFFECT, IMPAIR OR INVALIDATE THE
11 REMAINDER OF THIS SECTION BUT SHALL BE CONFINED IN ITS OPERATION TO THE
12 PROVISION THEREOF DIRECTLY INVOLVED IN THE CONTROVERSY IN WHICH SUCH
13 JUDGMENT SHALL HAVE BEEN RENDERED AND THE APPLICATION OF SUCH PROVISION
14 TO OTHER PERSONS OR CIRCUMSTANCES SHALL NOT BE AFFECTED THEREBY.

15 S 13-a. The subchapter heading of subchapter 3 of chapter 20 of title
16 11 of the administrative code of the city of New York, as amended by
17 chapter 297 of the laws of 1995, is amended to read as follows:

18 SALES TAX ON CREDIT SERVICES{, PROTECTIVE AND DETECTIVE SERVICES, AND
19 INTERIOR CLEANING AND MAINTENANCE SERVICES}

20 S 13-b. Paragraphs 2 and 3 of subdivision (a) of section 11-2040 of
21 the administrative code of the city of New York are REPEALED.

22 S 13-c. Section 11-2041 of the administrative code of the city of New
23 York, as amended by local law number 61 of the city of New York for the
24 year 1989, subdivision (b) as amended by chapter 297 of the laws of
25 1995, is amended to read as follows:

26 S 11-2041 Transitional provisions. {(a)} The taxes imposed under
27 {paragraphs} PARAGRAPH one {and two} of subdivision (a) of section
28 11-2040 of this subchapter shall be paid with respect to receipts from
29 all sales of services on or after September first, nineteen hundred
30 seventy-five although rendered or agreed to be rendered under a prior
31 contract. Where a service is sold on a monthly, quarterly, yearly or
32 other term basis, the charge for such service shall be subject to tax
33 under this subchapter to the extent that such charge is applicable to
34 any period on or after September first, nineteen hundred seventy-five,
35 and such charge shall be apportioned on the basis of the ratio of the
36 number of days falling within such period to the total number of days in
37 the full term or period.

38 {(b)} The taxes imposed under paragraph three of subdivision (a) of
39 section 11-2040 of this subchapter shall be paid with respect to
40 receipts from all sales of services on or after December first, nineteen
41 hundred eighty-nine although rendered or agreed to be rendered under a
42 prior contract. Where a service is sold on a monthly, quarterly, yearly
43 or other term basis, the charge for such service shall be subject to tax
44 under this subchapter to the extent that such charge is applicable to
45 any period on or after December first, nineteen hundred eighty-nine, and
46 such charge shall be apportioned on the basis of the ratio of the number
47 of days falling within such period to the total number of days in the
48 full term or period.}

49 S 14. Section 11-2043 of the administrative code of the city of New
50 York is amended to read as follows:

51 S 11-2043 Refunds or credits based on proof of certain uses. A refund
52 or credit equal to the amount of the sales or compensating use tax
53 imposed by section eleven hundred seven of the tax law OR BY SECTION
54 11-2001 OF THIS CHAPTER, AS THE CASE MAY BE, and paid on the sale or use
55 of tangible personal property which is later used by such purchaser in
56 performing a service subject to tax under this subchapter shall be

1 allowed such purchaser against the tax imposed by this subchapter and
2 collected by such person on the sale of such services if such property
3 has become a physical component part of the property upon which the
4 service is performed or has been transferred to the purchaser of the
5 service in conjunction with the performance of the service subject to
6 tax; provided, however, that any such refund or credit shall be without
7 interest.

8 S 15. Section 66-h of the public service law, as added by chapter 166
9 of the laws of 1991, is amended to read as follows:

10 S 66-h. Certain electric corporations; payment equivalent to tax. The
11 commission shall require each electric corporation that purchases elec-
12 tricity from an energy business as defined in subdivision (c) of section
13 three hundred one-i of the tax law (1) that is a co-generation facility,
14 as such term is defined in subdivision two-a of section two of this
15 chapter, or (2) that is a qualifying facility, as such term is defined
16 by section two hundred one of the Public Utility Regulatory Policies Act
17 of 1978 (Public Law 95-617) that is a co-generation facility, or (3)
18 that has executed or will execute a contract for the sale of electricity
19 through negotiation with an electric corporation or an auction conducted
20 by an electric corporation pursuant to a competitive bidding plan
21 approved by the commission, to pay, in addition to payments made for
22 such purchased electricity under a contract with such electric corpo-
23 ration, an amount equal to the tax imposed under article thirteen-A of
24 the tax law with respect to each Mcf of natural gas used to generate
25 such electricity AND THE SALES AND COMPENSATING USE TAXES IMPOSED ON
26 SUCH GAS BY OR PURSUANT TO THE AUTHORITY OF SECTION ELEVEN HUNDRED SEVEN
27 OR SUBDIVISION (A) OF SECTION TWELVE HUNDRED TEN OF THE TAX LAW, UNLESS
28 SUCH SALES AND COMPENSATING USE TAXES IMPOSED ARE OTHERWISE ACCOUNTED
29 FOR IN THE PAYMENTS THE ELECTRIC CORPORATION MAKES UNDER THAT CONTRACT;
30 provided, however, that any such amount paid by such electric corpo-
31 ration shall be recovered through a fuel adjustment mechanism authorized
32 by the commission; provided, further, that such amount shall not be
33 recovered from charges for residential use provided by such electric
34 corporation.

35 S 16. This act shall take effect immediately, provided that sections
36 one through fourteen of this act shall take effect August 1, 2008, and
37 shall apply to sales made, uses occurring and services rendered on or
38 after that date in accordance with applicable transitional provisions in
39 sections 1106, 1107 and 1217 of the tax law.

40

PART TT-1

41 Section 1. Section 16 of chapter 508 of the laws of 1993 amending the
42 tax law and the criminal procedure law relating to enhancing the
43 enforcement of the taxes on alcoholic beverages with respect to liquors,
44 as amended by section 1 of part D of chapter 60 of the laws of 2007, is
45 amended to read as follows:

46 S 16. This act shall take effect on the first day of the first month
47 beginning more than 90 days after this act shall become a law; provided,
48 however, that any rules or regulations necessary to implement the
49 provisions of this act may be promulgated and any procedures, forms, or
50 instructions necessary for such implementation may be adopted and issued
51 on or after the date this act shall have become a law {provided, howev-
52 er, that all the provisions contained in this act shall remain in full
53 force and effect until October 31, 2009 at which time such sections of
54 the tax law shall revert to the language of such sections such as it

1 existed on the date immediately preceding the effective date of this
2 act}.

3 S 2. This act shall take effect immediately and apply to offenses
4 committed on and after such effective date.

5 PART UU-1

6 Section 1. The tax law is amended by adding a new section 29 to read
7 as follows:

8 S 29. MANDATORY ELECTRONIC FILING AND PAYMENT. (A) FOR PURPOSES OF
9 THIS SECTION, THE FOLLOWING TERMS HAVE THE SPECIFIED MEANINGS:

10 (1) "AUTHORIZED TAX DOCUMENT" MEANS A TAX DOCUMENT WHICH THE COMMIS-
11 SIONER HAS AUTHORIZED TO BE FILED ELECTRONICALLY.

12 (2) "ELECTRONIC" MEANS COMPUTER TECHNOLOGY.

13 (3) "ORIGINAL TAX DOCUMENT" MEANS A TAX DOCUMENT THAT IS FILED DURING
14 THE CALENDAR YEAR FOR WHICH THAT TAX DOCUMENT IS REQUIRED OR PERMITTED
15 TO BE FILED.

16 (4) "TAX" MEANS ANY TAX OR OTHER MATTER ADMINISTERED BY THE COMMIS-
17 SIONER PURSUANT TO THIS CHAPTER OR ANY OTHER PROVISION OF LAW; PROVIDED,
18 HOWEVER, THAT THE TERM "TAX" DOES NOT INCLUDE THE TAXES IMPOSED BY, OR
19 PURSUANT TO THE AUTHORITY OF, ARTICLES TWENTY-TWO, THIRTY, THIRTY-A OR
20 THIRTY-B OF THIS CHAPTER.

21 (5) "TAX DOCUMENT" MEANS A RETURN, REPORT OR ANY OTHER DOCUMENT RELAT-
22 ING TO A TAX OR OTHER MATTER ADMINISTERED BY THE COMMISSIONER.

23 (6) "TAX RETURN PREPARER" MEANS ANY PERSON WHO PREPARES FOR COMPEN-
24 SATION, OR WHO EMPLOYS OR ENGAGES ONE OR MORE PERSONS TO PREPARE FOR
25 COMPENSATION, ANY AUTHORIZED TAX DOCUMENT. FOR PURPOSES OF THIS SECTION,
26 THE TERM "TAX RETURN PREPARER" ALSO INCLUDES A PAYROLL SERVICE.

27 (7) "TAX SOFTWARE" MEANS ANY COMPUTER SOFTWARE PROGRAM INTENDED FOR
28 TAX RETURN PREPARATION PURPOSES. FOR PURPOSES OF THIS SECTION, THE TERM
29 "TAX SOFTWARE" INCLUDES, BUT IS NOT LIMITED TO, AN OFF-THE-SHELF SOFT-
30 WARE PROGRAM LOADED ONTO A TAX RETURN PREPARER'S OR TAXPAYER'S COMPUTER,
31 AN ONLINE TAX PREPARATION APPLICATION, OR A TAX PREPARATION APPLICATION
32 HOSTED BY THE DEPARTMENT.

33 (B) IF A TAX RETURN PREPARER PREPARED MORE THAN ONE HUNDRED ORIGINAL
34 TAX DOCUMENTS DURING ANY CALENDAR YEAR BEGINNING ON OR AFTER JANUARY
35 FIRST, TWO THOUSAND SEVEN, AND IF, IN ANY SUCCEEDING CALENDAR YEAR THAT
36 TAX RETURN PREPARER PREPARES ONE OR MORE AUTHORIZED TAX DOCUMENTS USING
37 TAX SOFTWARE, THEN, FOR THAT SUCCEEDING CALENDAR YEAR AND FOR EACH
38 SUBSEQUENT CALENDAR YEAR THEREAFTER, ALL AUTHORIZED TAX DOCUMENTS
39 PREPARED BY THAT TAX RETURN PREPARER MUST BE FILED ELECTRONICALLY, IN
40 ACCORDANCE WITH INSTRUCTIONS PRESCRIBED BY THE COMMISSIONER.

41 (C) IF A TAXPAYER DOES NOT UTILIZE A TAX RETURN PREPARER TO PREPARE AN
42 AUTHORIZED TAX DOCUMENT DURING ANY CALENDAR YEAR BEGINNING ON OR AFTER
43 JANUARY FIRST, TWO THOUSAND EIGHT, BUT INSTEAD PREPARES THAT DOCUMENT
44 ITSELF USING TAX SOFTWARE, THEN, FOR THAT CALENDAR YEAR AND FOR EACH
45 SUBSEQUENT CALENDAR YEAR THEREAFTER, ALL AUTHORIZED TAX DOCUMENTS
46 PREPARED BY THE TAXPAYER USING TAX SOFTWARE MUST BE FILED ELECTRON-
47 ICALLY, IN ACCORDANCE WITH INSTRUCTIONS PRESCRIBED BY THE COMMISSIONER.

48 (D) ANY TAX LIABILITY OR OTHER AMOUNT DUE SHOWN ON, OR REQUIRED TO BE
49 PAID WITH, AN AUTHORIZED TAX DOCUMENT REQUIRED TO BE FILED ELECTRON-
50 ICALLY PURSUANT TO SUBDIVISION (B) OR (C) OF THIS SECTION MUST BE PAID
51 BY THE TAXPAYER ELECTRONICALLY, IN ACCORDANCE WITH INSTRUCTIONS
52 PRESCRIBED BY THE COMMISSIONER.

53 (E) FAILURE TO ELECTRONICALLY FILE OR ELECTRONICALLY PAY. (1) IF A TAX
54 RETURN PREPARER IS REQUIRED TO FILE AUTHORIZED TAX DOCUMENTS ELECTRON-

1 ICALLY PURSUANT TO SUBDIVISION (B) OF THIS SECTION, AND THAT PREPARER
2 FAILS TO FILE ONE OR MORE OF THOSE DOCUMENTS ELECTRONICALLY, THEN THAT
3 PREPARER WILL BE SUBJECT TO A PENALTY OF FIFTY DOLLARS FOR EACH FAILURE
4 TO ELECTRONICALLY FILE AN AUTHORIZED TAX DOCUMENT, UNLESS IT IS SHOWN
5 THAT THE FAILURE IS DUE TO REASONABLE CAUSE AND NOT DUE TO WILLFUL
6 NEGLECT. FOR PURPOSES OF THIS PARAGRAPH, REASONABLE CAUSE SHALL
7 INCLUDE, BUT NOT BE LIMITED TO, A TAXPAYER'S ELECTION NOT TO ELECTRON-
8 ICALLY FILE THE AUTHORIZED TAX DOCUMENT.

9 (2) IF A TAXPAYER IS REQUIRED TO ELECTRONICALLY PAY ANY TAX LIABILITY
10 OR OTHER AMOUNT DUE SHOWN ON, OR REQUIRED TO BE PAID WITH, AN AUTHORIZED
11 TAX DOCUMENT REQUIRED TO BE FILED ELECTRONICALLY PURSUANT TO SUBDIVISION
12 (B) OR (C) OF THIS SECTION, AND THAT TAXPAYER FAILS TO ELECTRONICALLY
13 PAY ONE OR MORE OF THOSE LIABILITIES OR OTHER AMOUNTS DUE, THEN THAT
14 TAXPAYER WILL BE SUBJECT TO A PENALTY OF FIFTY DOLLARS FOR EACH FAILURE
15 TO ELECTRONICALLY PAY.

16 (3) THE PENALTIES PROVIDED FOR BY THIS SUBDIVISION MUST BE PAID UPON
17 NOTICE AND DEMAND, AND WILL BE ASSESSED, COLLECTED AND PAID IN THE SAME
18 MANNER AS THE TAX TO WHICH THE ELECTRONIC TRANSACTION RELATES. HOWEVER,
19 IF THE ELECTRONIC TRANSACTION RELATES TO ANOTHER MATTER ADMINISTERED BY
20 THE COMMISSIONER, THEN THE PENALTY WILL BE ASSESSED, COLLECTED AND PAID
21 IN THE SAME MANNER AS PRESCRIBED BY ARTICLE TWENTY-SEVEN OF THIS CHAP-
22 TER.

23 (F) THE PROVISIONS OF SECTIONS NINE AND TEN OF THIS CHAPTER ARE NOT
24 AFFECTED BY THIS SECTION AND WILL REMAIN IN FULL FORCE AND EFFECT.

25 (G) THE COMMISSIONER IS AUTHORIZED TO PROMULGATE ANY REGULATIONS
26 NECESSARY TO IMPLEMENT THIS SECTION.

27 S 2. This act shall take effect immediately; provided, however, a
28 penalty for failure to electronically file or failure to electronically
29 pay as required under the provisions of this act shall not be imposed
30 for any failure that occurs prior to 60 days succeeding the date on
31 which this act shall have become a law.

32

PART VV-1

33 Section 1. Notwithstanding any provision of law to the contrary, the
34 department of environmental conservation shall not accept any request
35 for participation in the brownfield cleanup program pursuant to section
36 27-1407 of the environmental conservation law for ninety days from the
37 effective date of this act.

38 S 2. This act shall take effect immediately and shall expire and be
39 deemed repealed 90 days after such date.

40

PART WW-1

41 Section 1. Paragraph 2 of subdivision (a) of section 24 of the tax
42 law, as added by section 1 of part P of chapter 60 of the laws of 2004,
43 is amended to read as follows:

44 (2) The amount of the credit shall be the product (or pro rata share
45 of the product, in the case of a member of a partnership) of {ten} THIR-
46 TY percent and the qualified production costs paid or incurred in the
47 production of a qualified film, provided that the qualified production
48 costs (excluding post production costs) paid or incurred which are
49 attributable to the use of tangible property or the performance of
50 services at a qualified film production facility in the production of
51 such qualified film equal or exceed seventy-five percent of the
52 production costs (excluding post production costs) paid or incurred

1 which are attributable to the use of tangible property or the performance
2 of services at any film production facility within and without the
3 state in the production of such qualified film. However, if the qualified
4 production costs (excluding post production costs) which are
5 attributable to the use of tangible property or the performance of
6 services at a qualified film production facility in the production of
7 such qualified film is less than three million dollars, then the portion
8 of the qualified {productions} PRODUCTION costs attributable to the use
9 of tangible property or the performance of services in the production of
10 such qualified film outside of a qualified film production facility
11 shall be allowed only if the shooting days spent in New York outside of
12 a film production facility in the production of such qualified film
13 equal or exceed seventy-five percent of the total shooting days spent
14 within and without New York outside of a film production facility in the
15 production of such qualified film. The credit shall be allowed for the
16 taxable year in which the production of such qualified film is
17 completed.

18 S 2. Paragraph (b) of subdivision 36 of section 210 of the tax law, as
19 added by section 2 of part P of chapter 60 of the laws of 2004, is
20 amended to read as follows:

21 (b) Application of credit. The credit allowed under this subdivision
22 for any taxable year shall not reduce the tax due for such year to less
23 than the amount prescribed in paragraph (d) of subdivision one of this
24 section. Provided, however, that if the amount of the credit allowable
25 under this subdivision for any taxable year reduces the tax to such
26 amount, {fifty percent of} the excess shall be treated as an overpayment
27 of tax to be credited or refunded in accordance with the provisions of
28 section {ten hundred} ONE THOUSAND eighty-six of this chapter. Provided,
29 however, the provisions of subsection (c) of section {ten hundred} ONE
30 THOUSAND eighty-eight of this chapter notwithstanding, no interest shall
31 be paid thereon. {The balance of such credit not credited or refunded in
32 such taxable year may be carried over to the immediately succeeding
33 taxable year and may be deducted from the taxpayer's tax for such year.
34 The excess, if any, of the amount of the credit over the tax for such
35 succeeding year shall be treated as an overpayment of tax to be credited
36 or refunded in accordance with the provisions of section ten hundred
37 eighty-six of this chapter. Provided, however, the provisions of
38 subsection (c) of section ten hundred eighty-eight of this chapter
39 notwithstanding, no interest shall be paid thereon.}

40 S 3. Paragraph 2 of subsection (gg) of section 606 of the tax law, as
41 added by section 4 of part P of chapter 60 of the laws of 2004, is
42 amended to read as follows:

43 (2) Application of credit. If the amount of the credit allowable under
44 this subsection for any taxable year exceeds the taxpayer's tax for such
45 year, {fifty percent of} the excess shall be treated as an overpayment
46 of tax to be credited or refunded as provided in section six hundred
47 eighty-six of this article, provided, however, that no interest shall be
48 paid thereon. {The balance of such credit not credited or refunded in
49 such taxable year may be carried over to the immediately succeeding
50 taxable year and may be deducted from the taxpayer's tax for such year.
51 The excess, if any, of the amount of the credit over the tax for such
52 succeeding year shall be treated as an overpayment of tax to be credited
53 or refunded as provided in section six hundred eighty-six of this article,
54 provided, however, that no interest shall be paid thereon.}

55 S 4. Subdivision (a) of section 7 of part P of chapter 60 of the laws
56 of 2004, amending the tax law relating to the empire state film

1 production credit, as amended by section 1 of part Y of chapter 62 of
2 the laws of 2006, is amended to read as follows:

3 (a) The aggregate amount of tax credits allowed under section 24,
4 subdivision 36 of section 210 and subsection (gg) of section 606 of the
5 tax law in any calendar year shall be \$25 million in 2004 and 2005
6 {and}, \$60 million in 2006 {through 2011} AND 2007, \$65 MILLION IN 2008,
7 \$75 MILLION IN 2009, \$85 MILLION IN 2010, \$90 MILLION IN 2011 AND 2012,
8 AND \$110 MILLION IN 2013. Such aggregate amount of credits shall be
9 allocated by the governor's office for motion picture and television
10 development among taxpayers in order of priority based upon the date of
11 filing an application for allocation of film production credit with such
12 office. If the total amount of allocated credits applied for in any
13 particular year exceeds the aggregate amount of tax credits allowed for
14 such year under this section, such excess shall be treated as having
15 been applied for on the first day of the subsequent year.

16 S 5. Section 9 of part P of chapter 60 of the laws of 2004 amending
17 the tax law relating to the empire state film production credit, as
18 amended by section 7 of part N of chapter 61 of the laws of 2006, is
19 amended to read as follows:

20 S 9. This act shall take effect immediately and shall apply to taxable
21 years beginning on or after January 1, 2004, with respect to "qualified
22 production costs" paid or incurred on or after such effective date,
23 providing final applications are approved on or after the effective
24 date, regardless of whether the initial application relating to such
25 qualified film was first submitted before such date, provided further
26 that this act shall expire and be deemed repealed {December 31, 2011}
27 JANUARY 1, 2014, provided further that the expiration and repeal of this
28 act shall not affect the carry over of any credit allowed pursuant to
29 this act and, subsequent to the expiration and repeal of this act, such
30 carry over credits shall be allowed as provided by and pursuant to the
31 provisions of this act, and provided further that the IMB credit for
32 energy taxes under subsection (t-1) of section 606 of the tax law
33 contained in section three of this act shall expire on the same date as
34 provided in subdivision (a) of section 49 of part Y of chapter 63 of the
35 laws of 2000.

36 S 6. This act shall take effect immediately and applies to taxable
37 years beginning on or after January 1, 2008 and shall apply to applica-
38 tions filed on or after the date it becomes law; provided, however, that
39 the amendments to section 24 of the tax law made by section one of this
40 act, subdivision 36 of section 210 of the tax law made by section two of
41 this act and subsection (gg) of section 606 of the tax law made by
42 section three of this act shall not affect the repeal of such section,
43 subdivision and subsection, respectively, and shall be deemed to be
44 repealed therewith.

45

PART XX-1

46 Section 1. Subdivision 4 of section 22 of the public housing law, as
47 amended by section 1 of part M of chapter 60 of the laws of 2007, is
48 amended to read as follows:

49 4. Statewide limitation. The aggregate dollar amount of credit which
50 the commissioner may allocate to eligible low-income buildings under
51 this article shall be {sixteen} TWENTY million dollars. The limitation
52 provided by this subdivision applies only to allocation of the aggregate
53 dollar amount of credit by the commissioner, and does not apply to

1 allowance to a taxpayer of the credit with respect to an eligible low-
2 income building for each year of the credit period.

3 S 2. This act shall take effect immediately.

4

PART YY-1

5 Section 1. Paragraph c of subdivision 2 of section 124 of part A of
6 chapter 56 of the laws of 1998, amending the tax law and other laws
7 relating to extending the dates of application of the investment tax
8 credit under articles 9-A, 22 and 32 of the tax law, as amended by
9 section 5 of part V of chapter 85 of the laws of 2002, is amended to
10 read as follows:

11 c. Sections fifteen through twenty-seven of this act shall apply to
12 property placed in service on or after October 1, 1998 and before Octo-
13 ber 1, {2008} 2011.

14 S 2. Section 2 of part L of chapter 63 of the laws of 2000, amending
15 the tax law and other laws relating to extending the dates of applica-
16 tion of the investment tax credit under article 33 of the tax law, as
17 amended by section 6 of part V of chapter 85 of the laws of 2002, is
18 amended to read as follows:

19 S 2. This act shall take effect immediately and shall apply to proper-
20 ty placed in service on or after January 1, 2002 and before October 1,
21 {2008} 2011.

22 S 3. This act shall take effect immediately.

23

PART ZZ-1

24 Section 1. Subdivision 40 of section 210 of the tax law, as added by
25 chapter 522 of the laws of 2006, is amended to read as follows:

26 40. Credit for companies who provide transportation to {handicapped}
27 individuals WITH DISABILITIES. (a) Allowance and amount of credit. A
28 taxpayer, who provides a taxicab service as defined in section one
29 hundred forty-eight-a of the vehicle and traffic law, or a livery
30 service as defined in section one hundred twenty-one-e of the vehicle
31 and traffic law, shall be allowed a credit, to be computed as provided
32 in this subdivision, against the tax imposed by this article. The amount
33 of the credit shall be equal to the incremental cost associated with
34 upgrading a vehicle so that it is {handicapped} accessible BY INDIVID-
35 UALS WITH DISABILITIES as defined in paragraph (b) of this subsection.
36 Provided, however, that such credit shall not exceed \$10,000 per vehi-
37 cle.

38 (b) Definitions. The term "{handicapped} accessible BY INDIVIDUALS
39 WITH DISABILITIES" shall, for the purposes of this subdivision, refer to
40 a vehicle that complies with federal regulations promulgated pursuant to
41 the Americans with Disabilities Act applicable to vans under 22 feet in
42 length, by the federal Department of Transportation, in Code of Federal
43 Regulations, title 49, parts 37 and 38, and by the federal Architecture
44 and Transportation Barriers Compliance Board, In Code of Federal Regu-
45 lations, title 36, sections 1192.23, and the Federal Motor Vehicle Safe-
46 ty Standards, Code of Federal Regulations, title 49, part 57.

47 (c) Application of credit. If the amount of the credit shall exceed
48 the taxpayer's tax for such year the excess shall be carried over to the
49 following year or years, and may be deducted from the taxpayer's tax for
50 such year or years.

1 S 2. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
 2 of the tax law, as separately amended by chapters 522 and 547 of the
 3 laws of 2006, is amended to read as follows:

4 (B) shall be treated as the owner of a new business with respect to
 5 such share if the corporation qualifies as a new business pursuant to
 6 paragraph (j) of subdivision twelve of section two hundred ten of this
 7 chapter.

8
 9
 10 With respect to the following
 11 credit under this section:

12 Investment tax credit
 13 under subsection (a)

The corporation's credit base under
 section two hundred ten or section
 fourteen hundred fifty-six of this
 chapter is:

Investment credit base
 or qualified
 rehabilitation
 expenditures under
 subdivision twelve of
 section two hundred ten

18 Empire zone
 19 investment tax credit
 20 under subsection (j)

Cost or other basis
 under subdivision
 twelve-B
 of section two hundred
 ten

23 Empire zone
 24 wage tax credit
 25 under subsection (k)

Eligible wages under
 subdivision nineteen of
 section two hundred ten
 or subsection (e) of
 section fourteen hundred
 fifty-six

29 Empire zone
 30 capital tax credit
 31 under subsection (l)

Qualified investments
 and contributions under
 subdivision twenty of
 section two hundred ten
 or subsection (d) of
 section fourteen hundred
 fifty-six

36 Agricultural property tax
 37 credit under subsection (n)

Allowable school
 district property taxes under
 subdivision twenty-two of
 section two hundred ten

40 Credit for employment
 41 of persons with dis-
 42 abilities under
 43 subsection (o)

Qualified first-year wages or
 qualified second-year wages
 under subdivision
 twenty-three of section
 two hundred ten
 or subsection (f)
 of section fourteen
 hundred fifty-six

1 Employment incentive	Applicable investment credit
2 credit under subsection	base under subdivision
3 (a-1)	twelve-D of section two
4	hundred ten
5 Empire zone	Applicable investment
6 employment	credit under sub-
7 incentive credit under	division twelve-C
8 subsection (j-1)	of section two hundred ten
9 Alternative fuels credit	Cost under subdivision
10 under subsection (p)	twenty-four of section two
11	hundred ten
12 Qualified emerging	Applicable credit base
13 technology company	under subdivision twelve-E
14 employment credit	of section two hundred ten
15 under subsection (q)	
16 Qualified emerging	Qualified investments under
17 technology company	subdivision twelve-F of
18 capital tax credit	section two hundred ten
19 under subsection (r)	
20 Credit for purchase of an	Cost of an automated
21 automated external defibrillator	external defibrillator under
22 under subsection (s)	subdivision twenty-five of
23	section two hundred ten
24	or subsection (j) of section
25	fourteen hundred fifty-six
26 Low-income housing	Credit amount under
27 credit under subsection (x)	subdivision thirty
28	of section two hundred ten or
29	subsection (1) of section
30	fourteen hundred fifty-six
31 Credit for transportation	Amount of credit under sub-
32 improvement contributions	division thirty-two of section
33 under subsection (z)	two hundred ten or subsection
34	(n) of section fourteen
35	hundred fifty-six
36 QEZE credit for real property	Amount of credit under
37 taxes under subsection (bb)	subdivision twenty-seven of
38	section two hundred ten or
39	subsection (o) of section
40	fourteen hundred fifty-six
41 QEZE tax reduction credit	Amount of benefit period
42 under subsection (cc)	factor, employment increase factor
43	and zone allocation
44	factor (without regard
45	to pro ration) under
46	subdivision twenty-eight of
47	section two hundred ten or

1	subsection (p) of section
2	fourteen hundred fifty-six
3	and amount of tax factor
4	as determined under
5	subdivision (f) of section sixteen
6	Green building credit
7	under subsection (y)
8	Amount of green building credit
9	under subdivision thirty-one
10	of section two hundred ten
11	or subsection (m) of section
12	fourteen hundred fifty-six
13	Credit for long-term
14	care insurance premiums
15	under subsection (aa)
16	Qualified costs under
17	subdivision twenty-five-a of
18	section two hundred ten
19	or subsection (k) of section
20	fourteen hundred fifty-six
21	Brownfield redevelopment
22	credit under subsection
23	(dd)
24	Amount of credit
25	under subdivision
26	thirty-three of section
27	two hundred ten
28	or subsection (q) of
29	section fourteen hundred
30	fifty-six
31	Remediated brownfield
32	credit for real property
33	taxes for qualified
34	sites under subsection
35	(ee)
36	Amount of credit under
37	subdivision thirty-four
38	of section two hundred
39	ten or subsection (r) of
40	section fourteen hundred
41	fifty-six
42	Environmental
43	remediation
44	insurance credit under
45	subsection (ff)
46	Amount of credit under
47	subdivision thirty-five of
48	section two hundred
49	ten or subsection
50	(s) of section
51	fourteen hundred
52	fifty-six
53	Empire state film production
54	credit under subsection (gg)
55	Amount of credit for qualified
56	production costs in production
57	of a qualified film under
58	subdivision thirty-six of
59	section two hundred ten
60	Qualified emerging
61	technology company facilities,
62	operations and training credit
63	under subsection (nn)
64	Qualifying expenditures and
65	development activities under
66	subdivision twelve-G of section
67	two hundred ten
68	Security training tax
69	credit under
70	subsection (ii)
71	Amount of credit
72	under subdivision thirty-seven
73	of section two hundred ten or
74	under subsection (t) of

	section fourteen hundred fifty-six
2	Credit for qualified fuel
3	cell electric generating equipment
4	expenditures under subsection (g-2)
5	Amount of credit under
6	subdivision thirty-seven
7	of section two hundred ten
8	or subsection (t) of
9	section fourteen hundred
10	fifty-six
11	Empire state commercial production
12	credit under subsection (jj)
13	Amount of credit for qualified
14	production costs in production
15	of a qualified commercial under
16	subdivision thirty-eight of sec-
17	tion two hundred ten
18	Biofuel production
19	tax credit under
20	subsection (jj)
21	Amount of credit under
22	subdivision thirty-eight of
23	section two hundred ten
24	Clean heating fuel credit
25	under subsection (mm)
26	Amount of credit under
27	subdivision thirty-nine of
28	section two hundred ten
29	Credit for rehabilitation
30	of historic properties
31	under subsection (oo)
32	Amount of credit under
33	subdivision forty of
34	subsection two hundred ten
35	Credit for companies who
36	provide transportation
37	to {handicapped} individuals
38	WITH DISABILITIES
39	under subsection (oo)
40	Amount of credit under
41	subdivision forty of
42	section two hundred ten
43	S 3. Subsection (oo) of section 606 of the tax law, as added by chap-
44	ter 522 of the laws of 2006, is amended to read as follows:
45	(oo) Credit for companies who provide transportation to {handicapped}
46	individuals WITH DISABILITIES. (a) Allowance and amount of credit. A
47	taxpayer, who provides a taxicab service as defined in section one
48	hundred forty-eight-a of the vehicle and traffic law, or a livery
49	service as defined in section one hundred twenty-one-e of the vehicle
50	and traffic law, shall be allowed a credit, to be computed as provided
51	in this subsection, against the tax imposed by this article. The amount
52	of the credit shall be equal to the incremental cost associated with
53	upgrading a vehicle so that it is {handicapped} accessible BY INDIVID-
54	UALS WITH DISABILITIES as defined in paragraph (b) of this subsection.
55	Provided, however, that such credit shall not exceed \$10,000 per vehi-
56	cle.
57	(b) Definition. The term "{handicapped} accessible BY INDIVIDUALS WITH
58	DISABILITIES" shall, for the purposes of this subsection, refer to a
59	vehicle that complies with federal regulations promulgated pursuant to
60	the Americans with Disabilities Act applicable to vans under 22 feet in
61	length, by the federal Department of Transportation, in Code of Federal
62	Regulations, title 49, parts 37 and 38, and by the federal Architecture
63	and Transportation Barriers Compliance Board, In Code of Federal Requ-

1 lations, title 36, sections 1192.23, and the Federal Motor Vehicle Safety Standards, Code of Federal Regulations, title 49, part 57.

3 (c) Application of credit. If the amount of the credit shall exceed
4 the taxpayer's tax for such year the excess shall be carried over to the
5 following year or years, and may be deducted from the taxpayer's tax for
6 such year or years.

7 S 4. Section 5 of chapter 522 of the laws of 2006 relating to providing
8 a tax credit to companies who provide transportation to handicapped
9 individuals, is amended to read as follows:

10 S 5. This act shall take effect immediately and shall be deemed to
11 have been in full force and effect on and after January 1, 2006 and
12 shall remain in effect until December 31, {2008} 2010 when upon such
13 date it shall be deemed repealed; provided, however the IMB credit for
14 energy taxes under subsection (t-1), the state film production credit
15 under subsection (gg) and the empire state commercial production credit
16 under subsection (jj) of section 606 of the tax law contained in section
17 two of this act shall expire on the same date as provided in subdivision
18 (a) of section 49 of part Y of chapter 63 of the laws of 2000, as
19 amended, section 9 of part P of chapter 60 of the laws of 2004, as
20 amended and section 10 of part V of a chapter of the laws of 2006, in
21 legislative bill numbers S. 6460-C and A.9560-B, as amended, respec-
22 tively.

23 S 5. This act shall take effect immediately; provided, however that
24 the empire state film production credit under subsection (gg), the
25 empire state commercial production credit under subsection (jj) and the
26 credit for companies who provide transportation to handicapped individ-
27 uals under subsection (oo) of section 606 of the tax law contained in
28 section two of this act shall expire on the same date as provided in
29 section 9 of part P of chapter 60 of the laws of 2004, as amended,
30 section 10 of part V of chapter 62 of the laws of 2006, as amended and
31 section 5 of chapter 522 of the laws of 2006, as amended, respectively;
32 and provided further, however, that the amendments to subdivision 40 of
33 section 210 and subsection (oo) of section 606 of the tax law, made by
34 sections one and three of this act, respectively, shall not affect the
35 repeal of such subdivision and subsection and shall be deemed repealed
36 therewith.

37

PART AAA-1

38 Section 1. Paragraph 1 of subdivision 39 of section 210 of the tax
39 law, as added by section 1 of part D of chapter 35 of the laws of 2006,
40 is amended to read as follows:

41 (1) A taxpayer shall be allowed a credit against the tax imposed by
42 this article. Such credit, to be computed as hereinafter provided, shall
43 be allowed for bioheat, used for space heating or hot water production
44 for residential purposes within this state purchased on or after July
45 first, two thousand six and before July first, two thousand seven AND ON
46 OR AFTER JANUARY FIRST, TWO THOUSAND EIGHT AND BEFORE JANUARY FIRST, TWO
47 THOUSAND TWELVE. Such credit shall be \$0.01 per percent of biodiesel per
48 gallon of bioheat, not to exceed twenty cents per gallon, purchased by
49 such taxpayer.

50 S 2. Paragraph 1 of subsection (mm) of section 606 of the tax law, as
51 added by section 2 of part D of chapter 35 of the laws of 2006, is
52 amended to read as follows:

53 (1) A taxpayer shall be allowed a credit against the tax imposed by
54 this article. Such credit, to be computed as hereinafter provided, shall

1 be allowed for bioheat, used for space heating or hot water production
2 for residential purposes within this state and purchased on or after
3 July first, two thousand six and before July first, two thousand seven
4 AND ON OR AFTER JANUARY FIRST, TWO THOUSAND EIGHT AND BEFORE JANUARY
5 FIRST, TWO THOUSAND TWELVE. Such credit shall be \$0.01 per percent of
6 biodiesel per gallon of bioheat, not to exceed twenty cents per gallon,
7 purchased by such taxpayer.

8 S 3. Section 4 of part D of chapter 35 of the laws of 2006 amending
9 the tax law relating to a clean heating fuel credit, is amended to read
10 as follows:

11 S 4. This act shall take effect immediately and shall apply to taxable
12 years beginning {in 2006 and 2007} AFTER DECEMBER 31, 2005 AND BEFORE
13 JANUARY 1, 2012; provided, however that the IMB credit for energy taxes
14 under subsection (t-1) and the state film production credit under
15 subsection (gg) and the empire state commercial production credit under
16 subsection (jj) of section 606 of the tax law contained in section three
17 of this act shall expire on the same date as provided in subdivision (a)
18 of section 49 of part Y of chapter 63 of the laws of 2000, as amended
19 and section 9 of part P of chapter 60 of the laws of 2004, as amended,
20 and section 10 of part V of a chapter of the laws of 2006 amending the
21 tax law relating to the empire state commercial production tax credit,
22 as proposed in legislative bill numbers S.6460-C and A.9560-B, as
23 amended respectively.

24 S 4. This act shall take effect immediately.

25

PART BBB-1

26 Section 1. Paragraph (a) of subdivision 7 of section 352-e of the
27 general business law, as amended by section 2 of part O of chapter 62 of
28 the laws of 2003, is amended to read as follows:

29 (a) The department of law shall collect the following fees for the
30 filing of each offering statement or prospectus as described in subdivi-
31 sion one of this section: seven hundred fifty dollars for every offering
32 not in excess of two hundred fifty thousand dollars; for every offering
33 in excess of two hundred fifty thousand dollars, four-tenths of one
34 percent of the total amount of the offering but not in excess of {twen-
35 ty} THIRTY thousand dollars of which one-half of said amount shall be a
36 nonrefundable deposit paid at the time of submitting the offering state-
37 ment to the department of law for review and the balance payable upon
38 the issuance of a letter of acceptance for filing said offering state-
39 ment. The department of law shall, in addition, collect a fee of two
40 hundred twenty-five dollars for each amendment to an offering statement.
41 For each application granted by the department of law which permits the
42 applicant to solicit public interest or public funds preliminary to the
43 filing of an offering statement or for the issuance of a "no-filing
44 required" letter, the department of law shall collect a fee of two
45 hundred twenty-five dollars. In the event the sponsor thereafter files
46 an offering statement, the fee paid for the preliminary application
47 shall be credited against the balance of the fee due and payable on
48 filing. For each application granted pursuant to section three hundred
49 fifty-two-g of this article, the department of law shall collect a fee
50 of two-tenths of one percent of the amount of the offering of securi-
51 ties; however, the minimum fee shall be seven hundred fifty dollars and
52 the maximum fee shall be {twenty} THIRTY thousand dollars. ALL REVENUE
53 FROM THAT PORTION OF ANY FEE IMPOSED PURSUANT TO THIS PARAGRAPH, WHICH
54 EXCEEDS TWENTY THOUSAND DOLLARS SHALL BE PAID BY THE DEPARTMENT OF LAW

1 TO THE STATE COMPTROLLER TO BE DEPOSITED IN AND CREDITED TO THE REAL
2 ESTATE FINANCE BUREAU FUND, ESTABLISHED PURSUANT TO SECTION EIGHTY OF
3 THE STATE FINANCE LAW.

4 S 2. The state finance law is amended by adding a new section 80 to
5 read as follows:

6 S 80. REAL ESTATE FINANCE BUREAU FUND. 1. THERE IS HEREBY ESTABLISHED
7 IN THE CUSTODY OF THE STATE COMPTROLLER A SPECIAL FUND TO BE KNOWN AS
8 THE "REAL ESTATE FINANCE BUREAU FUND".

9 2. THE REAL ESTATE FINANCE BUREAU FUND SHALL CONSIST OF MONEYS APPRO-
10 PRIATED THERETO, FUNDS TRANSFERRED FROM ANY OTHER FUND OR SOURCES, AND
11 MONEYS DEPOSITED THEREIN PURSUANT TO PARAGRAPH (A) OF SUBDIVISION SEVEN
12 OF SECTION THREE HUNDRED FIFTY-TWO-E OF THE GENERAL BUSINESS LAW.

13 3. THE MONEYS IN THE REAL ESTATE FINANCE BUREAU FUND SHALL BE KEPT
14 SEPARATE FROM AND SHALL NOT BE COMMINGLED WITH ANY OTHER MONEYS IN THE
15 CUSTODY OF THE STATE COMPTROLLER. SUCH MONEYS SHALL BE ALLOCATED TO AND
16 EXPENDED BY THE DEPARTMENT OF LAW SOLELY FOR INCREASING THE STAFFING,
17 EFFICIENCY AND ADMINISTRATION OF THE REAL ESTATE FINANCE BUREAU OF SUCH
18 DEPARTMENT.

19 S 3. This act shall take effect immediately.

20 PART CCC-1

21 Section 1. The second undesignated paragraph of paragraph (c) of
22 subdivision 19 of section 210 of the tax law, as amended by section 14-a
23 of part CC of chapter 85 of the laws of 2002, is amended to read as
24 follows:

25 The credit shall be allowed only with respect to the first taxable
26 year during which payments of empire zone wages are made and the condi-
27 tions set forth in this paragraph are satisfied, and with respect to
28 each of the four taxable years next following (but only, with respect to
29 each of such years, if such conditions are satisfied), in accordance
30 with paragraph (d) of this subdivision. Subsequent certifications of the
31 taxpayer pursuant to article eighteen-B of the general municipal law, at
32 the same or a different location in the same empire zone or zone equiv-
33 alent area or at a location in a different empire zone or zone equiv-
34 alent area, shall not extend the five taxable year time limitation on
35 the allowance of the credit set forth in the preceding sentence.
36 Provided, further, however, that no credit shall be allowed with respect
37 to any taxable year beginning more than four years following the taxable
38 year in which designation as an empire zone expired or more than ten
39 years after the designation as a zone equivalent area. IN LIEU OF THE
40 FIVE YEAR TIME PERIOD DESCRIBED IN THE PRECEDING SENTENCES OF THIS PARA-
41 GRAPH FOR THE ALLOWANCE OF THIS CREDIT, WITH RESPECT TO A BUSINESS
42 ENTERPRISE WHICH QUALIFIES AS A NEW BUSINESS PURSUANT TO PARAGRAPH FIVE
43 OF SUBDIVISION (J) OF SECTION FOURTEEN OF THIS CHAPTER, THE CREDIT SHALL
44 BE ALLOWED WITH RESPECT TO THE FIRST TAXABLE YEAR OF THE BUSINESS ENTER-
45 PRIZE`S BUSINESS TAX BENEFIT PERIOD, AS DETERMINED PURSUANT TO PARAGRAPH
46 ONE-A OF SUBDIVISION (A) OF SECTION FOURTEEN OF THIS CHAPTER, DURING
47 WHICH PAYMENTS OF EMPIRE ZONE WAGES ARE MADE AND WITH RESPECT TO EACH OF
48 THE FOUR TAXABLE YEARS NEXT FOLLOWING, IN ACCORDANCE WITH PARAGRAPH (D)
49 OF THIS SUBDIVISION.

50 S 2. Subdivision (w) of section 959 of the general municipal law, as
51 added by section 2 of part V-1 of chapter 109 of the laws of 2006, is
52 amended to read as follows:

53 (w) Approve applications for qualification of a business enterprise as
54 the owner of a qualified investment project or as the owner of a signif-

1 ificant capital investment project, as defined in subdivisions (s) and
2 (t), respectively, of section nine hundred fifty-seven of this article.
3 As a condition for approval of such application, the commissioner is
4 authorized to specify certain requirements to be satisfied as a condi-
5 tion for approval of such application as the commissioner deems neces-
6 sary to ensure that the project will make a substantial contribution to
7 the economic development of this state. An application for qualification
8 of a business enterprise as the owner of a qualified investment must be
9 submitted by December thirty-first, two thousand {seven} NINE. AN APPLI-
10 CATION FOR QUALIFICATION OF A BUSINESS AS THE OWNER OF A SIGNIFICANT
11 CAPITAL INVESTMENT PROJECT AS DEFINED IN SUBDIVISION (T) OF SECTION NINE
12 HUNDRED FIFTY-SEVEN OF THIS ARTICLE, WHICH APPLICATION IS SUBMITTED BY
13 AN ENTITY PREVIOUSLY QUALIFIED BY THE COMMISSIONER AS THE OWNER OF A
14 QUALIFIED INVESTMENT PROJECT OR AN ENTITY WHICH IS A RELATED PERSON, AS
15 THAT TERM IS DEFINED IN SECTION 465(B)(3)(C) OF THE INTERNAL REVENUE
16 CODE, TO AN ENTITY PREVIOUSLY QUALIFIED BY THE COMMISSIONER AS THE OWNER
17 OF A QUALIFIED INVESTMENT PROJECT, MUST BE SUBMITTED BY JUNE THIRTIETH,
18 TWO THOUSAND ELEVEN. No {application} APPLICATIONS submitted after
19 {such} THESE {date} DATES may be approved.

20 S 3. This act shall take effect immediately.

21 S 2. Severability clause. If any clause, sentence, paragraph, subdivi-
22 sion, section or part of this act shall be adjudged by any court of
23 competent jurisdiction to be invalid, such judgment shall not affect,
24 impair, or invalidate the remainder thereof, but shall be confined in
25 its operation to the clause, sentence, paragraph, subdivision, section
26 or part thereof directly involved in the controversy in which such judg-
27 ment shall have been rendered. It is hereby declared to be the intent of
28 the legislature that this act would have been enacted even if such
29 invalid provisions had not been included herein.

30 S 3. This act shall take effect immediately provided, however, that
31 the applicable effective date of Parts A through CCC-1 of this act shall
32 be as specifically set forth in the last section of such Parts.