

STATE OF NEW YORK

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9567

IN ASSEMBLY

January 28, 2004

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Introduced by M. of A. BRODSKY, KOON, TOKASZ, COLTON, NORMAN, BRADLEY, GLICK, BENJAMIN, ROBINSON, TOCCI -- Multi-Sponsored by -- M. of A. CAHILL, CHRISTENSEN, M. COHEN, L. DIAZ, GREENE, GRODENCHIK, HEASTIE, MAGEE, O`DONNELL, PHEFFER, SEMINERIO, SWEENEY, WEISENBERG -- read once and referred to the Committee on Economic Development, Job Creation, Commerce and Industry

AN ACT to amend the business corporation law, in relation to the responsible use of state developmental assistance

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

1 Section 1. The business corporation law is amended by adding a new  
2 article 17 to read as follows:

3 ARTICLE 17

4 RESPONSIBLE USE OF STATE DEVELOPMENTAL ASSISTANCE

5 SECTION 1714. DEFINITIONS.

6 1715. PROHIBITION AGAINST OUTSOURCING JOBS WHEN RECEIVING STATE  
7 AID.

8 1716. ENFORCEMENT.

9 S 1714. DEFINITIONS.

10 FOR THE PURPOSES OF THIS ARTICLE, THE FOLLOWING TERMS SHALL HAVE  
THE

11 FOLLOWING MEANINGS:

12 1. "CORPORATE PARENT" SHALL MEAN ANY PERSON, LIMITED LIABILITY COMPA-  
13 NY, ORGANIZATION, BUSINESS, PARTNERSHIP, GROUP OR CORPORATE  
ENTITY  
14 RECOGNIZED BY LAW, OR ANY COMBINATION THEREOF, THAT POSSESSES,  
OWNS, OR  
15 CONTROLS AN INTEREST GREATER THAN FIFTY PERCENT OF A RECIPIENT  
CORPO-  
16 RATION.  
17 2. "DEVELOPMENTAL ASSISTANCE" (A) SHALL MEAN ANY FORM OF PUBLIC  
18 ASSISTANCE, INCLUDING TAX EXPENDITURES, MADE FOR THE PURPOSE OF  
STIMU-  
19 LATING ECONOMIC DEVELOPMENT OF A CORPORATION, INDUSTRY,  
GEOGRAPHIC  
20 JURISDICTION OR ANY OTHER SECTOR OF THE STATE'S ECONOMY, INCLUDING  
BUT  
21 NOT LIMITED TO INDUSTRIAL DEVELOPMENT BONDS, TRAINING GRANTS,  
LOANS,  
22 LOAN GUARANTEES, ENTERPRISE ZONES, EMPOWERMENT ZONES, TAX  
INCREMENT  
23 FINANCING, FEE WAIVERS, LAND PRICE SUBSIDIES, INFRASTRUCTURE WHOSE  
PRIN-  
24 CIPAL BENEFICIARY IS A SINGLE BUSINESS OR DEFINED GROUP OF BUSINESSES  
AT

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

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1 THE TIME IT IS BUILT OR IMPROVED, MATCHING FUNDS, TAX ABATEMENTS, TAX  
2 CREDITS AND TAX DISCOUNTS OF EVERY KIND, INCLUDING CORPORATE  
FRANCHISE,  
3 PERSONAL INCOME, SALES AND COMPENSATING USE, RAW MATERIALS, REAL  
PROPER-  
4 TY, JOB CREATION, INDIVIDUAL INVESTMENT, EXCISE, UTILITY, INVENTORY,

5 ACCELERATED DEPRECIATION, AND RESEARCH AND DEVELOPMENT TAX  
CREDITS AND  
6 DISCOUNTS.  
7 (B) SHALL NOT INCLUDE:  
8 (I) ASSISTANCE GENERALLY AVAILABLE TO ALL BUSINESSES OR TO A GENERAL  
9 CLASS OF SIMILAR BUSINESSES, SUCH AS A LINE OF BUSINESS, SIZE, LOCATION,  
10 OR SIMILAR GENERAL CRITERIA;  
11 (II) REDEVELOPMENT PROPERTY POLLUTED AS DEFINED IN THE  
ENVIRONMENTAL  
12 CONSERVATION LAW OR PURSUANT TO FEDERAL LAW, RULES, OR REGULATIONS;  
13 (III) ASSISTANCE PROVIDED FOR THE SOLE PURPOSE OF RENOVATING OLD OR  
14 DECAYING BUILDING STOCK OR BRINGING SUCH STOCK INTO COMPLIANCE WITH  
THE  
15 RELEVANT BUILDING AND FIRE CODES, AND ASSISTANCE PROVIDED FOR  
DESIGNATED  
16 HISTORIC PRESERVATION DISTRICTS, PROVIDED THAT SUCH ASSISTANCE IN  
EITHER  
17 CASE IS EQUAL TO OR LESS THAN FIFTY PERCENT OF THE TOTAL COST;  
18 (IV) ASSISTANCE FOR HOUSING;  
19 (V) ASSISTANCE FOR POLLUTION CONTROL OR ABATEMENT;  
20 (VI) ASSISTANCE FOR ENERGY CONSERVATION;  
21 (VII) TAX REDUCTIONS RESULTING FROM CONFORMITY WITH FEDERAL TAX LAW;  
22 (VIII) WORKERS' COMPENSATION AND UNEMPLOYMENT COMPENSATION;  
23 (IX) BENEFITS DERIVED FROM REGULATION;  
24 (X) ASSISTANCE FOR COLLABORATION BETWEEN AN INSTITUTION OF HIGHER  
25 EDUCATION WITHIN THE STATE AND A BUSINESS;  
26 (XI) GENERAL CHANGES IN TAX INCREMENT FINANCING LAW AND OTHER  
GENERAL  
27 TAX LAW CHANGES OF A PRINCIPALLY TECHNICAL NATURE;  
28 (XII) FEDERAL ASSISTANCE UNTIL SUCH ASSISTANCE HAS BEEN REPAID TO AND  
29 REINVESTED BY THE STATE OR A MUNICIPAL AGENCY; AND  
30 (XIII) FEDERAL LOAN FUNDS PROVIDED THROUGH THE UNITED STATES  
DEPART-  
31 MENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION.  
32 3. "OUTSOURCING JOBS" MEANS TO RELOCATE OR MOVE EMPLOYMENT, JOBS,  
OR  
33 POSITIONS FROM THE STATE OF NEW YORK TO AN OUTSIDE LOCALITY.

34 S 1715. PROHIBITION AGAINST OUTSOURCING JOBS WHEN RECEIVING STATE AID.  
35 OUTSOURCING JOBS IS PROHIBITED BY ANY CORPORATION, BUSINESS,  
LIMITED  
36 LIABILITY COMPANY, OR CORPORATE PARENT THAT RECEIVES  
DEVELOPMENTAL  
37 ASSISTANCE. IF A CORPORATION, BUSINESS, LIMITED LIABILITY COMPANY, OR  
38 CORPORATE PARENT OUTSOURCES JOBS, SUCH ENTITY SHALL RETURN SUCH  
DEVELOP-  
39 MENTAL ASSISTANCE TO THE STATE. A CORPORATION, BUSINESS, LIMITED  
LIABIL-  
40 ITY COMPANY, OR CORPORATE PARENT THAT VIOLATES THIS SECTION SHALL  
NOT  
41 RECEIVE ANY DEVELOPMENTAL ASSISTANCE FOR A PERIOD OF FIVE YEARS  
FROM THE  
42 DATE OF DETERMINATION THEREOF.

43 S 1716. ENFORCEMENT.

44 THE ATTORNEY GENERAL SHALL HAVE THE AUTHORITY TO ENFORCE THE  
45 PROVISIONS OF THIS ARTICLE.

46 S 2. If any item, clause, sentence, subparagraph, paragraph, subdivi-  
47 sion, section, or any other part of this act, or the application thereof  
48 to any person or circumstances, is held to be invalid, such holding  
49 shall not affect, impair, or invalidate the remainder of this act, of  
50 the application of such section or part of a section held invalid, to  
51 any other person or circumstances, but shall be confined in its opera-  
52 tion to the item, clause, sentence, subparagraph, paragraph, subdivi-  
53 sion, section, or other part of this act directly involved in such hold-  
54 ing, or to the person and circumstances therein involved.

55 S 3. This act shall take effect on the first of January next succeed-  
56 ing the date on which it shall have become a law.

.SO DOC A 9567 \*END\* BTXT