



MEMO OF SUPPORT

[S1655 \(Skoufis\) / A5200 \(Solages\)](#)

Relates to preventing the use of funds, financial incentives, subsidies or tax exemptions for projects with non-public occupants

April 19, 2022

Title

An act to amend the general municipal law, in relation to preventing the use of funds, financial incentives, subsidies or tax exemptions for project occupants which are not public.

Summary

Section one adds a new subdivision to general municipal law section 862 that states that local Industrial Development Agencies (IDAs) cannot provide funds or subsidies for projects in which the project recipient is not publicly disclosed at the time of the public hearing for the project.

Section two adds a new subdivision to general municipal law section 874 stating local IDAs cannot grant tax exemptions if the project recipient is not publicly disclosed at the time of the public hearing for the project.

Section three states that the bill would take effect immediately.

Statement of Support

Reinvent Albany supports this legislation because it would ensure that recipients of funds and tax expenditures authorized by local IDAs are made public. New York State IDAs spend millions of public dollars annually in the form of tax expenditures, grants, and other subsidies. According to a 2019 [report](#) released by the NYS Senate Committee on Investigations and Government Operations, IDAs sometimes provide subsidies without disclosing the recipient or beneficiary of those subsidies to the public. IDAs should be transparent and accountable to the communities they serve. The public has a right to know which companies are receiving public funds.

We urge the Legislature to pass the bill.