



MEMO OF SUPPORT

S373 (Gianaris) / A409 (Solages)

Prohibits non-disclosure agreements in corporate subsidy and economic development agreements

February 13, 2026

TITLE OF BILL

An act to amend the urban development corporation act, the state finance law, the general municipal law and the economic development law, in relation to prohibiting confidentiality and non-disclosure provisions from inclusion in certain contracts entered into by the state or a municipality.

STATEMENT OF SUPPORT

Reinvent Albany strongly supports this bill because it will prevent government agreements with corporations from happening in the shadows.

The US has seen a rise in the use of non-disclosure agreements (NDAs) in subsidy deals, including in New York – in 2020, Erie County officials [signed an NDA](#) with Amazon prohibiting the county from disclosing the company's identity until a certain point in negotiations. [In other states](#), officials have negotiated secret deals with distributors and manufacturers for as much as \$1 billion.

It's plainly ridiculous that New Yorkers should be kept in the dark about what company their taxes might be subsidizing. Companies like Amazon, Facebook, and Tesla seek NDAs because they know that public opposition can tank the projects, which [ultimately happened](#) in Grand Island, New York. That's why it's imperative that NDAs be banned in subsidy negotiations.

We urge the Legislature to pass the bill.

SUMMARY OF PROVISIONS

Sections 1 through 4 forbid government entities from entering into negotiations or contracts regarding tax incentives, payments in lieu of taxes, tax abatements, bonds, notes, loans, or grants from including NDAs by creating the following sections of law:

- Urban Development Act §174(1)(11-a) (for the state, parties negotiating for the state, municipalities, and public corporations)
- State Finance Law §149 (for state agencies and public authorities)
- General Municipal Law §99-aa (for municipalities, municipal corporations, public authorities, and local authorities)
- Economic Development Law §107 (for the state, municipalities, and public corporations)

Section 5 states that the bill takes effect immediately.