PROGRAM BILL #40 R

GOVERNOR'S PROGRAM BILL

2014

MEMORANDUM

AN ACT to amend the economic development law and the public authorities Law, in relation to enacting the northern New York power proceeds allocation act

Purpose:

The bill would create a program funded by the sale of certain unallocated hydropower produced by the Power Authority of the State of New York ("NYPA") at its St. Lawrence-FDR Power Project to support economic development in St. Lawrence County.

Summary of Provisions:

Section 1 of the bill provides that the bill would be known as the "Northern New York Power Proceeds Allocation Act" ("Act")

Section 2 of the bill would add Article 7-A to the Economic Development Law ("EDL") consisting of EDL §§ 197-a, 197-b, and 197-c. EDL § 197-a would define terms for purposes of EDL Article 7-A. EDL § 197-b would create the Northern New York Power Proceeds Allocation Board ("Allocation Board"), which would consist of five members, three of whom must reside in St. Lawrence County. EDL § 197-c would establish the powers and duties of the Allocation Board and NYPA and describe the procedures governing applications for fund benefits, the evaluation of applications, and the award of fund benefits.

Section 3 of the bill would add subdivision 24 to Section 1005 of the Public Authorities Law ("PAL"), which would provide for the creation of the "Northern New York Economic Development Fund," as well as NYPA's duties and responsibilities regarding the Fund and other aspects of the program created in EDL Article 7-A.

Section 4 of the bill provides that the bill would be effective immediately.

Existing Law:

PAL § 1005 establishes NYPA's existing powers and duties.

Statement in Support:

Chapter 58 of the Laws of 2012 (Part GG), enacted the Western New York Power Proceeds Allocation Act and created a program to support eligible economic development projects located or proposed to be located in western New York funded by the sale of certain unallocated hydropower produced by NYPA at its Niagara Power Project.

This bill would create a similar program to support eligible economic development projects located or proposed to be located in St. Lawrence County by eligible applicants. As more specifically provided for in the bill, this program would be funded by the sale of certain unallocated hydropower produced by NYPA at its St. Lawrence-FDR Power Project which has been made available to the Town of Massena Electric Department under a contract with NYPA entered into in 2012 entitled "Agreement Governing the Sale of St. Lawrence-FDR Project Power and Energy to the Town of Massena Electric Department for Economic Development Purposes."

Budget Implications:

None.

Effective Date:

This bill would take effect immediately.