

4099

2011-2012 Regular Sessions

I N S E N A T E

March 17, 2011

Introduced by Sen. SMITH -- read twice and ordered printed, and when
printed to be committed to the Committee on Banks

AN ACT to amend the banking law, in relation to creating a state infras-
tructure bank

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

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

3 ARTICLE XVII

4 STATE INFRASTRUCTURE BANK

5 SECTION 9100. CREATION.

6 9101. BOARD OF DIRECTORS.

7 9102. FUNCTIONS AND DUTIES OF THE BOARD OF DIRECTORS.

8 9103. AUTHORITY OF THE BANK.

9 9104. SUBSTANCE OF BONDS.

10 9105. FINANCING FOR ECONOMIC DEVELOPMENT FACILITIES.

11 9106. TAX EXEMPTION.

12 9107. PLEDGE OF STATE.

13 9108. FEES.

14 9109. REPORT.

15 9110. APPLICATION FOR BANK FINANCING.

16 9111. MANDATORY RESOLUTION.

17 9112. ISSUANCE OF BONDS.

18 9113. AUTHORIZED FINANCING OF BONDS.

19 9114. BOND RESOLUTIONS.

20 9115. PURCHASE OF BONDS BY THE BANK.

21 9116. TRUST AGREEMENT.

22 9117. LIABILITY OF THE STATE.

23 9118. REFUNDING BONDS.

24 9119. SECURITY.

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

LBD10317-01-1

1 S 9100. CREATION. 1. THERE IS HEREBY CREATED THE STATE INFRASTRUCTURE
2 BANK WHICH SHALL BE RESPONSIBLE FOR CARRYING OUT THE PROVISIONS OF THIS
3 ARTICLE.

4 2. THE BANK SHALL BE UNDER THE DIRECTION OF AN EXECUTIVE DIRECTOR
5 APPOINTED BY THE GOVERNOR, AND WHO SHALL SERVE AT THE PLEASURE OF THE
6 GOVERNOR. THE APPOINTMENT SHALL BE SUBJECT TO CONFIRMATION BY THE
7 SENATE.

8 S 9101. BOARD OF DIRECTORS. 1. THE BANK SHALL BE GOVERNED AND ITS
9 CORPORATE POWER EXERCISED BY A BOARD OF DIRECTORS THAT SHALL CONSIST OF
10 THE FOLLOWING PERSONS:

11 (A) THE DIRECTOR OF THE DIVISION OF THE BUDGET OR HIS OR HER DESIGNEE.

12 (B) THE STATE COMPTROLLER OR HIS OR HER DESIGNEE.

13 (C) THE COMMISSIONER OF THE DEPARTMENT OF TRANSPORTATION OR HIS OR HER
14 DESIGNEE, WHO SHALL SERVE AS CHAIR OF THE BOARD.

15 (D) AN APPOINTEE OF THE GOVERNOR.

16 (E) THE SECRETARY OF STATE OR HIS OR HER DESIGNEE.

17 2. ANY DESIGNATED DIRECTOR SHALL SERVE AT THE PLEASURE OF THE DESIG-
18 NATING POWER.

19 3. THREE OF THE MEMBERS SHALL CONSTITUTE A QUORUM AND THE AFFIRMATIVE
20 VOTE OF THREE BOARD MEMBERS SHALL BE NECESSARY FOR ANY ACTION TO BE
21 TAKEN BY THE BOARD.

22 4. A MEMBER OF THE BOARD SHALL NOT PARTICIPATE IN ANY BANK ACTION OR
23 ATTEMPT TO INFLUENCE ANY DECISION OR RECOMMENDATION BY ANY EMPLOYEE OF,
24 OR CONSULTANT TO, THE BANK THAT INVOLVES A SPONSOR OF WHICH HE OR SHE IS
25 A REPRESENTATIVE OR IN WHICH THE MEMBER OR A MEMBER OF HIS OR HER IMME-
26 DIATE FAMILY HAS A PERSONAL FINANCIAL INTEREST. FOR PURPOSES OF THIS
27 SECTION, "IMMEDIATE FAMILY" MEANS THE SPOUSE, CHILDREN, AND PARENTS OF
28 THE MEMBER.

29 5. EXCEPT AS PROVIDED IN THIS SUBDIVISION, THE MEMBERS OF THE BOARD
30 SHALL SERVE WITHOUT COMPENSATION, BUT SHALL BE REIMBURSED FOR ACTUAL AND
31 NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES TO THE
32 EXTENT THAT REIMBURSEMENT FOR THESE EXPENSES IS NOT OTHERWISE PROVIDED
33 OR PAYABLE BY ANOTHER PUBLIC AGENCY, AND SHALL RECEIVE ONE HUNDRED
34 DOLLARS FOR EACH FULL DAY OF ATTENDING MEETINGS OF THE AUTHORITY.

35 S 9102. FUNCTIONS AND DUTIES OF THE BOARD OF DIRECTORS. 1. THE EXECU-
36 TIVE DIRECTOR SHALL MANAGE AND CONDUCT THE BUSINESS AND AFFAIRS OF THE
37 BANK, THE INFRASTRUCTURE BANK FUND, AND GUARANTEE TRUST FUND, SUBJECT TO
38 THE DIRECTION OF THE BOARD. EXCEPT AS OTHERWISE PROVIDED IN THIS
39 SECTION, THE BOARD MAY ASSIGN TO THE EXECUTIVE DIRECTOR, BY RESOLUTION,
40 THOSE DUTIES GENERALLY NECESSARY OR CONVENIENT TO CARRY OUT ITS POWERS
41 AND PURPOSES UNDER THIS CHAPTER. ANY ACTION INVOLVING FINAL APPROVAL OF
42 ANY BONDS, NOTES, OR LOANS SHALL REQUIRE THE APPROVAL OF A MAJORITY OF
43 THE MEMBERS OF THE BOARD. SUBJECT TO ANY CONDITIONS THAT THE BOARD MAY
44 FROM TIME TO TIME PRESCRIBE, THE EXECUTIVE DIRECTOR MAY EXERCISE ANY
45 POWER, FUNCTION, OR DUTY CONFERRED BY LAW ON THE BANK IN CONNECTION WITH
46 THE ADMINISTRATION, MANAGEMENT, AND CONDUCT OF THE BUSINESS AND AFFAIRS
47 OF THE BANK, THE INFRASTRUCTURE BANK FUND, AND THE GUARANTEE TRUST FUND.

48 2. THE DIRECTORS, ON BEHALF OF THE BANK MAY PURCHASE INSURANCE FOR ITS
49 FIDUCIARIES OR FOR ITSELF TO COVER LIABILITY OR LOSSES OCCURRING BY
50 REASON OF THE ACT OR OMISSION OF A FIDUCIARY, IF THE INSURANCE PERMITS
51 RECOURSE BY THE INSURER AGAINST THE FIDUCIARY IN THE CASE OF A BREACH
52 FIDUCIARY OBLIGATION BY THE FIDUCIARY.

53 3. IN ADMINISTERING AND DIRECTING THE DAY-TO-DAY OPERATIONS OF THE
54 BANK, THE EXECUTIVE DIRECTOR, OR WHOEVER HE OR SHE SHALL ASSIGN, MAY DO
55 ANY OF THE FOLLOWING IF AUTHORIZED BY RESOLUTION OF THE BOARD:

56 (A) ENTER INTO CONTRACTS FOR INVESTMENT, GUARANTEE, OR ENHANCEMENT.

(B) ESTABLISH PROCEDURES, GUIDELINES, CRITERIA, TERMS, CONDITIONS, OR OTHER REQUIREMENTS OF ANY CONTRACT, BOND, GRANT, OR PROGRAM, AS THE CASE MAY BE, IN ORDER TO CARRY OUT THE INTENT AND PURPOSES OF THE BOARD IN AUTHORIZING ANY BOND, LOAN, OR GRANT PROGRAM PURSUANT TO THIS ARTICLE.

(C) DECLINE TO GUARANTEE ANY RISK, OR TO ENTER INTO ANY CONTRACT, IN WHICH THE MINIMUM REQUIREMENTS OF THE GUARANTEE TRUST FUND OR THE INFRASTRUCTURE BANK FUND ARE NOT COMPLIED WITH.

(D) REINSURE ANY RISK OR ANY PART OF ANY RISK.

(E) MAKE RULES FOR PAYMENTS THROUGH THE INFRASTRUCTURE BANK FUND AND THE SETTLEMENT OF CLAIMS AGAINST THE GUARANTEE TRUST FUND AND DETERMINE TO WHOM AND THROUGH WHOM THE PAYMENTS ARE TO BE MADE.

(F) ENTER INTO ANY CONTRACTS OR OBLIGATIONS RELATING TO THE INFRASTRUCTURE BANK FUND AND THE GUARANTEE TRUST FUND.

(G) INVEST AND REINVEST THE MONEYS BELONGING TO THE INFRASTRUCTURE BANK FUND AND THE GUARANTEE TRUST FUND AS PROVIDED BY THIS ARTICLE.

(H) ENTER INTO ANY CONTRACT OR AGREEMENT, EXECUTE ANY INSTRUMENT, CONDUCT ALL BUSINESS AND AFFAIRS, AND PERFORM ALL ACTS RELATING TO THE INFRASTRUCTURE BANK FUND AND THE GUARANTEE TRUST FUND WHETHER OR NOT SPECIFICALLY DESIGNATED IN THIS DIVISION.

4. THE BOARD MAY DELEGATE TO THE EXECUTIVE DIRECTOR, OR WHOMEVER HE OR SHE SHALL ASSIGN, THE AUTHORITY TO EXECUTE A CONTRACT OR AGREEMENT, EXECUTE AN INSTRUMENT, CONDUCT ALL BUSINESS AND AFFAIRS, AND PERFORM ALL ACTS RELATING TO THE INFRASTRUCTURE BANK FUND AND THE GUARANTEE TRUST FUND.

5. THE EXECUTIVE DIRECTOR MAY CONTRACT WITH ANY STATE AGENCY, PERSON, OR FIRM TO ENABLE THE BANK TO PROPERLY PERFORM THE DUTIES IMPOSED BY THIS ARTICLE.

6. THE BANK BOARD SHALL DO THE FOLLOWING:

(A) ADOPT BYLAWS FOR THE REGULATION OF ITS AFFAIRS AND THE CONDUCT OF ITS BUSINESS.

(B) ADOPT AN OFFICIAL SEAL.

7. THE BANK BOARD MAY DO OR DELEGATE THE FOLLOWING TO THE EXECUTIVE DIRECTOR:

(A) SUE AND BE SUED IN ITS OWN NAME.

(B) ISSUE BONDS AND AUTHORIZE SPECIAL PURPOSE TRUSTS TO ISSUE BONDS, INCLUDING, AT THE OPTION OF THE BOARD, BONDS BEARING INTEREST THAT IS TAXABLE FOR THE PURPOSE OF FEDERAL INCOME TAXATION, OR BORROW MONEY TO PAY ALL OR ANY PART OF THE COST OF ANY PROJECT, OR TO OTHERWISE CARRY OUT THE PURPOSES OF THIS ARTICLE.

(C) ENGAGE THE SERVICES OF PRIVATE CONSULTANTS TO RENDER PROFESSIONAL AND TECHNICAL ASSISTANCE AND ADVICE IN CARRYING OUT THE PURPOSES OF THIS ARTICLE.

(D) EMPLOY ATTORNEYS, FINANCIAL CONSULTANTS, AND OTHER ADVISERS AS MAY, IN THE BANK'S JUDGMENT, BE NECESSARY IN CONNECTION WITH THE ISSUANCE AND SALE, OR AUTHORIZATION OF SPECIAL PURPOSE TRUSTS FOR THE ISSUANCE AND SALE, OF ANY BONDS.

(E) CONTRACT FOR ENGINEERING, ARCHITECTURAL, ACCOUNTING, OR OTHER SERVICES OF APPROPRIATE STATE AGENCIES AS MAY, IN ITS JUDGMENT, BE NECESSARY FOR THE SUCCESSFUL DEVELOPMENT OF A PROJECT.

(F) PAY THE REASONABLE COSTS OF CONSULTING ENGINEERS, ARCHITECTS, ACCOUNTANTS, AND CONSTRUCTION, LAND USE, RECREATION, AND ENVIRONMENTAL EXPERTS EMPLOYED BY ANY SPONSOR OR PARTICIPATING PARTY IF, IN THE BANK'S JUDGMENT, THOSE SERVICES ARE NECESSARY FOR THE SUCCESSFUL DEVELOPMENT OF A PROJECT.

(G) ACQUIRE, TAKE TITLE TO, AND SELL BY INSTALLMENT SALE OR OTHERWISE, LANDS, STRUCTURES, REAL OR PERSONAL PROPERTY, RIGHTS, RIGHTS-OF-WAY,

1 FRANCHISES, EASEMENTS, AND OTHER INTERESTS IN LANDS THAT ARE LOCATED
2 WITHIN THE STATE, OR TRANSITION PROPERTY AS THE BANK MAY DEEM NECESSARY
3 OR CONVENIENT FOR THE FINANCING OF THE PROJECT, UPON TERMS AND CONDI-
4 TIONS THAT IT CONSIDERS TO BE REASONABLE.

5 (H) RECEIVE AND ACCEPT FROM ANY SOURCE INCLUDING, BUT NOT LIMITED TO,
6 THE FEDERAL GOVERNMENT, THE STATE, OR ANY AGENCY THEREOF, LOANS,
7 CONTRIBUTIONS, OR GRANTS, IN MONEY, PROPERTY, LABOR, OR OTHER THINGS OF
8 VALUE, FOR, OR IN AID OF, A PROJECT, OR ANY PORTION THEREOF.

9 (I) MAKE LOANS TO ANY SPONSOR OR PARTICIPATING PARTY, EITHER DIRECTLY
10 OR BY MAKING A LOAN TO A LENDING INSTITUTION, IN CONNECTION WITH THE
11 FINANCING OF A PROJECT IN ACCORDANCE WITH AN AGREEMENT BETWEEN THE BANK
12 AND THE SPONSOR OR A PARTICIPATING PARTY, EITHER AS A SOLE LENDER OR IN
13 PARTICIPATION WITH OTHER LENDERS. HOWEVER, NO LOAN SHALL EXCEED THE
14 TOTAL COST OF THE PROJECT AS DETERMINED BY THE SPONSOR OR THE PARTIC-
15 IPATING PARTY AND APPROVED BY THE BANK.

16 (J) MAKE LOANS TO ANY SPONSOR OR PARTICIPATING PARTY, EITHER DIRECTLY
17 OR BY MAKING A LOAN TO A LENDING INSTITUTION, IN ACCORDANCE WITH AN
18 AGREEMENT BETWEEN THE BANK AND THE SPONSOR OR PARTICIPATING PARTY TO
19 REFINANCE INDEBTEDNESS INCURRED BY THE SPONSOR OR PARTICIPATING PARTY IN
20 CONNECTION WITH PROJECTS UNDERTAKEN AND COMPLETED PRIOR TO ANY AGREEMENT
21 WITH THE BANK OR EXPECTATION THAT THE BANK WOULD PROVIDE FINANCING,
22 EITHER AS A SOLE LENDER OR IN PARTICIPATION WITH OTHER LENDERS.

23 (K) MORTGAGE ALL OR ANY PORTION OF THE BANK'S INTEREST IN A PROJECT
24 AND THE PROPERTY ON WHICH ANY PROJECT IS LOCATED, WHETHER OWNED OR THER-
25 EAFTER ACQUIRED, INCLUDING THE GRANTING OF A SECURITY INTEREST IN ANY
26 PROPERTY, TANGIBLE OR INTANGIBLE.

27 (L) ASSIGN OR PLEDGE ALL OR ANY PORTION OF THE BANK'S INTERESTS IN
28 TRANSITION PROPERTY AND THE REVENUES THEREFROM, OR ASSETS, THINGS OF
29 VALUE, MORTGAGES, DEEDS OF TRUST, BONDS, BOND PURCHASE AGREEMENTS, LOAN
30 AGREEMENTS, INDENTURES OF MORTGAGE OR TRUST, OR SIMILAR INSTRUMENTS,
31 NOTES, AND SECURITY INTERESTS IN PROPERTY, TANGIBLE OR INTANGIBLE AND
32 THE REVENUES THEREFROM, OF A SPONSOR OR A PARTICIPATING PARTY TO WHICH
33 THE BANK HAS MADE LOANS, AND THE REVENUES THEREFROM, INCLUDING PAYMENT
34 OR INCOME FROM ANY INTEREST OWNED OR HELD BY THE BANK, FOR THE BENEFIT
35 OF THE HOLDERS OF BONDS.

36 (M) MAKE, RECEIVE, OR SERVE AS A CONDUIT FOR THE MAKING OF, OR OTHER-
37 WISE PROVIDE FOR, GRANTS, CONTRIBUTIONS, GUARANTEES, INSURANCE, CREDIT
38 ENHANCEMENTS OR LIQUIDITY FACILITIES, OR OTHER FINANCIAL ENHANCEMENTS TO
39 A SPONSOR OR A PARTICIPATING PARTY AS FINANCIAL ASSISTANCE FOR A
40 PROJECT.

41 (N) LEASE THE PROJECT BEING FINANCED TO A SPONSOR OR A PARTICIPATING
42 PARTY, UPON TERMS AND CONDITIONS THAT THE BANK DEEMS PROPER BUT SHALL
43 NOT BE LEASED AT A LOSS; CHARGE AND COLLECT RENTS THEREFOR; TERMINATE
44 ANY LEASE UPON THE FAILURE OF THE LESSEE TO COMPLY WITH ANY OF THE OBLI-
45 GATIONS THEREOF; INCLUDE IN ANY LEASE, IF DESIRED, PROVISIONS THAT THE
46 LESSEE SHALL HAVE OPTIONS TO RENEW THE LEASE FOR A PERIOD OR PERIODS,
47 AND AT RENTS DETERMINED BY THE BANK; PURCHASE ANY OR ALL OF THE PROJECT;
48 OR, UPON PAYMENT OF ALL THE INDEBTEDNESS INCURRED BY THE BANK FOR THE
49 FINANCING OF THE PROJECT, THE BANK MAY CONVEY ANY OR ALL OF THE PROJECT
50 TO THE LESSEE OR LESSEES.

51 (O) CHARGE AND EQUITABLY APPORTION AMONG SPONSORS AND PARTICIPATING
52 PARTIES THE BANK'S ADMINISTRATIVE COSTS AND EXPENSES INCURRED IN THE
53 EXERCISE OF THE POWERS AND DUTIES CONFERRED BY THIS ARTICLE.

54 (P) ISSUE, OBTAIN, OR AID IN OBTAINING, FROM ANY DEPARTMENT OR AGENCY
55 OF THE UNITED STATES, FROM OTHER AGENCIES OF THE STATE, OR FROM ANY
56 PRIVATE COMPANY, ANY INSURANCE OR GUARANTEE TO, OR FOR, THE PAYMENT OR

1 REPAYMENT OF INTEREST OR PRINCIPAL, OR BOTH, OR ANY PART THEREOF, ON ANY
2 LOAN, LEASE, OR OBLIGATION OR ANY INSTRUMENT EVIDENCING OR SECURING THE
3 SAME, MADE OR ENTERED INTO PURSUANT TO THIS ARTICLE.

4 (Q) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, ENTER INTO
5 ANY AGREEMENT, CONTRACT, OR ANY OTHER INSTRUMENT WITH RESPECT TO ANY
6 INSURANCE OR GUARANTEE; ACCEPT PAYMENT IN THE MANNER AND FORM AS
7 PROVIDED THEREIN IN THE EVENT OF DEFAULT BY A SPONSOR OR A PARTICIPATING
8 PARTY; AND ISSUE OR ASSIGN ANY INSURANCE OR GUARANTEE AS SECURITY FOR
9 THE BANK'S BONDS.

10 (R) ENTER INTO ANY AGREEMENT OR CONTRACT, EXECUTE ANY INSTRUMENT, AND
11 PERFORM ANY ACT OR THING NECESSARY OR CONVENIENT TO, DIRECTLY OR INDI-
12 RECTLY, SECURE THE BANK'S BONDS, THE BONDS ISSUED BY A SPECIAL PURPOSE
13 TRUST, OR A SPONSOR'S OBLIGATIONS TO THE BANK OR TO A SPECIAL PURPOSE
14 TRUST, INCLUDING, BUT NOT LIMITED TO, BONDS OF A SPONSOR PURCHASED BY
15 THE BANK OR A SPECIAL PURPOSE TRUST FOR RETENTION OR SALE, WITH FUNDS OR
16 MONEYS THAT ARE LEGALLY AVAILABLE AND THAT ARE DUE OR PAYABLE TO THE
17 SPONSOR BY REASON OF ANY GRANT, ALLOCATION, APPORTIONMENT OR APPROPRI-
18 ATION OF THE STATE OR AGENCIES THEREOF, TO THE EXTENT THAT THE COMP-
19 TROLLER SHALL BE THE CUSTODIAN AT ANY TIME OF THESE FUNDS OR MONEYS, OR
20 WITH FUNDS OR MONEYS THAT ARE OR WILL BE LEGALLY AVAILABLE TO THE SPON-
21 SOR, THE BANK, OR THE STATE OR ANY AGENCIES THEREOF BY REASON OF ANY
22 GRANT, ALLOCATION, APPORTIONMENT, OR APPROPRIATION OF THE FEDERAL
23 GOVERNMENT OR AGENCIES THEREOF; AND IN THE EVENT OF WRITTEN NOTICE THAT
24 THE SPONSOR HAS NOT PAID OR IS IN DEFAULT ON ITS OBLIGATIONS TO THE BANK
25 OR A SPECIAL PURPOSE TRUST, DIRECT THE COMPTROLLER TO WITHHOLD PAYMENT
26 OF THOSE FUNDS OR MONEYS FROM THE SPONSOR OVER WHICH IT IS OR WILL BE
27 CUSTODIAN AND TO PAY THE SAME TO THE BANK OR SPECIAL PURPOSE TRUST OR
28 THEIR ASSIGNEE, OR DIRECT THE STATE OR ANY AGENCIES THEREOF TO WHICH ANY
29 GRANT, ALLOCATION, APPORTIONMENT OR APPROPRIATION OF THE FEDERAL GOVERN-
30 MENT OR AGENCIES THEREOF IS OR WILL BE LEGALLY AVAILABLE TO PAY THE SAME
31 UPON RECEIPT BY THE BANK OR SPECIAL PURPOSE TRUST OR THEIR ASSIGNEE,
32 UNTIL THE DEFAULT HAS BEEN CURED AND THE AMOUNTS THEN DUE AND UNPAID
33 HAVE BEEN PAID TO THE BANK OR SPECIAL PURPOSE TRUST OR THEIR ASSIGNEE,
34 OR UNTIL ARRANGEMENTS SATISFACTORY TO THE BANK OR SPECIAL PURPOSE TRUST
35 HAVE BEEN MADE TO CURE THE DEFAULT.

36 (S) ENTER INTO ANY AGREEMENT OR CONTRACT, EXECUTE ANY INSTRUMENT, AND
37 PERFORM ANY ACT OR THING NECESSARY, CONVENIENT, OR APPROPRIATE TO CARRY
38 OUT ANY POWER EXPRESSLY GIVEN TO THE BANK BY THIS ARTICLE, INCLUDING,
39 BUT NOT LIMITED TO, AGREEMENTS FOR THE SALE OF ALL OR ANY PART, INCLUD-
40 ING PRINCIPAL, INTEREST, REDEMPTION RIGHTS OR ANY OTHER RIGHTS OR OBLI-
41 GATIONS, OF BONDS OF THE BANK OR OF A SPECIAL PURPOSE TRUST, LIQUIDITY
42 AGREEMENTS, CONTRACTS COMMONLY KNOWN AS INTEREST RATE SWAP AGREEMENTS,
43 FORWARD PAYMENT CONVERSION AGREEMENTS, FUTURES OR CONTRACTS PROVIDING
44 FOR PAYMENTS BASED ON LEVELS OF, OR CHANGES IN, INTEREST RATES OR
45 CURRENCY EXCHANGE RATES, OR CONTRACTS TO EXCHANGE CASH-FLOWS OR A SERIES
46 OF PAYMENTS, OR CONTRACTS, INCLUDING OPTIONS, PUTS OR CALLS TO HEDGE
47 PAYMENTS, RATE, SPREAD, CURRENCY EXCHANGE, OR SIMILAR EXPOSURE, OR ANY
48 OTHER FINANCIAL INSTRUMENT COMMONLY KNOWN AS A STRUCTURED FINANCIAL
49 PRODUCT.

50 (T) PURCHASE, WITH THE PROCEEDS OF THE BANK'S BONDS, TRANSITION PROP-
51 erty OR BONDS ISSUED BY, OR FOR THE BENEFIT OF, ANY SPONSOR IN
52 CONNECTION WITH A PROJECT, PURSUANT TO A BOND PURCHASE AGREEMENT OR
53 OTHERWISE. BONDS OR TRANSITION PROPERTY PURCHASED PURSUANT TO THIS ARTI-
54 cle MAY BE HELD BY THE BANK, PLEDGED OR ASSIGNED BY THE BANK, OR SOLD TO
55 PUBLIC OR PRIVATE PURCHASERS AT PUBLIC OR NEGOTIATED SALE, IN WHOLE OR
56 IN PART, SEPARATELY OR TOGETHER WITH OTHER BONDS ISSUED BY THE BANK, AND

1 NOTWITHSTANDING ANY OTHER PROVISION OF LAW, MAY BE BOUGHT BY THE BANK AT
2 PRIVATE SALE.

3 (U) ENTER INTO PURCHASE AND SALE AGREEMENTS WITH ALL ENTITIES, PUBLIC
4 AND PRIVATE, INCLUDING STATE AND LOCAL GOVERNMENT PENSION FUNDS, WITH
5 RESPECT TO THE SALE OR PURCHASE OF BONDS OR TRANSITION PROPERTY.

6 (V) INVEST ANY MONEYS HELD IN RESERVE OR SINKING FUNDS, OR ANY MONEYS
7 NOT REQUIRED FOR IMMEDIATE USE OR DISBURSEMENT, IN OBLIGATIONS THAT ARE
8 AUTHORIZED BY LAW FOR THE INVESTMENT OF TRUST FUNDS IN THE CUSTODY OF
9 THE STATE COMPTROLLER.

10 (W) AUTHORIZE A SPECIAL PURPOSE TRUST OR TRUSTS TO PURCHASE OR RETAIN,
11 WITH THE PROCEEDS OF THE BONDS OF A SPECIAL PURPOSE TRUST, TRANSITION
12 PROPERTY OR BONDS ISSUED BY, OR FOR THE BENEFIT OF, ANY SPONSOR IN
13 CONNECTION WITH A PROJECT OR ISSUED BY THE BANK OR A SPECIAL PURPOSE
14 TRUST, PURSUANT TO A BOND PURCHASE AGREEMENT OR OTHERWISE. BONDS OR
15 TRANSITION PROPERTY PURCHASED PURSUANT TO THIS ARTICLE MAY BE HELD BY A
16 SPECIAL PURPOSE ENTITY, PLEDGED OR ASSIGNED BY A SPECIAL PURPOSE ENTITY,
17 OR SOLD TO PUBLIC OR PRIVATE PURCHASERS AT PUBLIC OR NEGOTIATED SALE, IN
18 WHOLE OR IN PART, WITH OR WITHOUT STRUCTURING, SUBORDINATION OR CREDIT
19 ENHANCEMENT, SEPARATELY OR TOGETHER WITH OTHER BONDS ISSUED BY A SPECIAL
20 PURPOSE TRUST, AND NOTWITHSTANDING ANY OTHER PROVISION OF LAW, MAY BE
21 BOUGHT BY THE BANK OR BY A SPECIAL PURPOSE TRUST AT PRIVATE SALE.

22 (X) APPLY FOR AND ACCEPT SUBVENTIONS, GRANTS, LOANS, ADVANCES, AND
23 CONTRIBUTIONS FROM ANY SOURCE OF MONEY, PROPERTY, LABOR, OR OTHER THINGS
24 OF VALUE. THE SOURCES MAY INCLUDE BOND PROCEEDS, DEDICATED TAXES, STATE
25 APPROPRIATIONS, FEDERAL APPROPRIATIONS, FEDERAL GRANT AND LOAN FUNDS,
26 PUBLIC AND PRIVATE SECTOR RETIREMENT SYSTEM FUNDS.

27 (Y) DO ALL THINGS NECESSARY AND CONVENIENT TO CARRY OUT ITS PURPOSES
28 AND EXERCISE ITS POWERS, PROVIDED, HOWEVER, THAT NOTHING HEREIN SHALL BE
29 CONSTRUED TO AUTHORIZE THE BANK TO ENGAGE DIRECTLY IN THE BUSINESS OF A
30 MANUFACTURING, INDUSTRIAL, REAL ESTATE DEVELOPMENT, OR NONGOVERNMENTAL
31 SERVICE ENTERPRISE. FURTHER, THE BANK SHALL NOT BE ORGANIZED TO ACCEPT
32 DEPOSITS OF MONEY FOR TIME OR DEMAND DEPOSITS OR TO CONSTITUTE A BANK OR
33 TRUST COMPANY.

34 8. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO EXTEND OR LIMIT ANY
35 AUTHORITY OF THE BANK PREVIOUSLY AUTHORIZED UNDER THIS CHAPTER.

36 S 9103. AUTHORITY OF THE BANK. 1. THE BANK MAY PROVIDE INSURANCE OR
37 REINSURANCE OF LOANS OR PORTIONS THEREOF, OR THEIR DEBT SERVICE, INCLUD-
38 ING AMOUNTS PAYABLE AS PREMIUMS OF PENALTIES IN THE EVENT OF MANDATORY
39 OR OPTIONAL PREPAYMENT, MADE TO FINANCE A PROJECT, AND TO PROVIDE INSUR-
40 ANCE OR REINSURANCE OR RESERVES, OR PORTIONS THEREOF, OR THE YIELD THER-
41 EFROM, ESTABLISHED TO SECURE BONDS ISSUED TO FUND THOSE LOANS OR
42 RESERVES.

43 2. THE BANK MAY ENTER INTO OR ARRANGE AGREEMENTS FOR INSURANCE OR
44 REINSURANCE WITH USERS, MORTGAGORS, LENDING INSTITUTIONS, INSURERS, AND
45 OTHERS, THE BANK BEING AUTHORIZED TO REINSURE OR CEDE RISKS TO THE
46 INSURERS IN ANY AMOUNTS AS THE BANK MAY DETERMINE AND THE INSURERS, IF
47 OTHERWISE AUTHORIZED TO REINSURE OR INSURE THOSE RISKS IN NEW YORK,
48 BEING HEREBY AUTHORIZED TO REINSURE THE BANK OR CEDE RISKS TO THE BANK
49 TO THE SAME EXTENT AS IF THE BANK WERE A COMPANY AUTHORIZED TO REINSURE
50 OR INSURE THOSE RISKS.

51 3. THE BANK MAY FIX A RATE OR RATES OF PREMIUM FOR INSURANCE OR REIN-
52 SURANCE, WHICH NEED NOT BE UNIFORM, AND MAY REFLECT ANY RISKS AND CLAS-
53 SIFICATIONS OF RISK AS THE BANK DETERMINES TO BE REASONABLE.

54 4. THE BANK MAY EXERCISE THOSE OTHER POWERS AS ARE NECESSARY OR INCI-
55 DENTAL TO INSURANCE, REINSURANCE, AND RELATED MATTERS.

1 5. THE BANK SHALL MAKE REASONABLE PROVISIONS FOR THE SECURITY OF LOANS
2 MADE BY THE BANK, AND ANY INSURANCE, REINSURANCE, AND OTHER FINANCING
3 ARRANGEMENTS NEGOTIATED BY THE BANK.

4 6. THE INSURANCE OR REINSURANCE PROVIDED FOR BY THE BANK SHALL NOT
5 CONSTITUTE A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR ANY
6 SUBDIVISION OF THE STATE.

7 S 9104. SUBSTANCE OF BONDS. 1. BONDS ISSUED BY THE BANK OR A SPECIAL
8 PURPOSE TRUST ARE LEGAL INVESTMENTS FOR ALL TRUST FUNDS, THE FUNDS OF
9 ALL INSURANCE COMPANIES, BANKS, BOTH COMMERCIAL AND SAVINGS, TRUST
10 COMPANIES, EXECUTORS, ADMINISTRATORS, TRUSTEES, AND OTHER FIDUCIARIES,
11 FOR STATE SCHOOL FUNDS, PENSION FUNDS, AND FOR ANY FUNDS THAT MAY BE
12 INVESTED IN COUNTY, SCHOOL, OR MUNICIPAL BONDS. THESE BONDS ARE SECURI-
13 TIES THAT MAY LEGALLY BE DEPOSITED WITH, AND RECEIVED BY, ANY STATE OR
14 MUNICIPAL OFFICER OR AGENCY OR POLITICAL SUBDIVISION OF THE STATE FOR
15 ANY PURPOSE FOR WHICH THE DEPOSIT OF BONDS OR OBLIGATIONS OF THE STATE
16 IS NOW, OR MAY HEREAFTER BE, AUTHORIZED BY LAW, INCLUDING, DEPOSITS TO
17 SECURE PUBLIC FUNDS.

18 2. NO LIABILITY SHALL BE INCURRED BY THE BANK BEYOND THE EXTENT TO
19 WHICH FUNDS HAVE BEEN PROVIDED UNDER THIS ARTICLE. HOWEVER, FOR THE
20 PURPOSES OF MEETING THE NECESSARY EXPENSES OF INITIAL ORGANIZATION AND
21 OPERATION UNTIL THE DATE THAT THE BANK DERIVES REVENUES OR PROCEEDS FROM
22 BONDS AS PROVIDED UNDER THIS ARTICLE, THE BANK MAY BORROW MONEY AS NEED-
23 ED FOR THE PURPOSES OF MEETING THE NECESSARY EXPENSES OF INITIAL ORGAN-
24 IZATION. THE BORROWED MONEY SHALL BE REPAYED WITH INTEREST WITHIN A
25 REASONABLE TIME AFTER THE BANK RECEIVES REVENUES OR PROCEEDS FROM BONDS
26 AS PROVIDED UNDER THIS ARTICLE.

27 S 9105. FINANCING FOR ECONOMIC DEVELOPMENT FACILITIES. 1. NOTWITH-
28 STANDING ANY OTHER PROVISION OF THIS ARTICLE, SECTION NINETY-ONE HUNDRED
29 TEN OF THIS ARTICLE SHALL NOT APPLY TO ANY CONDUIT FINANCING FOR ECONOM-
30 IC DEVELOPMENT FACILITIES BY THE BANK DIRECTLY FOR THE BENEFIT OF A
31 PARTICIPATING PARTY.

32 2. THE BANK SHALL CONSIDER A PROJECT FOR CONDUIT FINANCING FOR ECONOM-
33 IC DEVELOPMENT FACILITIES UPON FILING OF AN APPLICATION WITH THE BANK BY
34 AN APPROPRIATE PARTICIPATING PARTY, ON THE TERMS AND CONDITIONS THE BANK
35 SHALL DETERMINE. THE BANK SHALL ESTABLISH PROCEDURES FOR THE EXPEDITIOUS
36 REVIEW OF APPLICATIONS FOR THE ISSUANCE OR APPROVAL OF BONDS TO FINANCE
37 ECONOMIC DEVELOPMENT FACILITIES.

38 3. IN ORDER TO PROVIDE OR ARRANGE FOR THE FINANCING OF ECONOMIC DEVEL-
39 OPMENT FACILITIES, THE BANK MAY:

40 (A) ISSUE TAXABLE REVENUE BONDS PURSUANT TO SECTION NINETY-ONE HUNDRED
41 TWELVE OF THIS ARTICLE TO PROVIDE FINANCING FOR ECONOMIC DEVELOPMENT
42 PROJECTS COMPATIBLE WITH THE PUBLIC INTEREST AS SPECIFIED IN SUBDIVISION
43 FOUR OF THIS SECTION.

44 (B) ISSUE TAXABLE REVENUE BONDS PURSUANT TO SECTION NINETY-ONE HUNDRED
45 TWELVE OF THIS ARTICLE TO PROVIDE FINANCING FOR THE REVOLVING LOAN FUNDS
46 AND ECONOMIC DEVELOPMENT PROJECTS OF SMALL BUSINESS DEVELOPMENT CORPO-
47 RATIONS, LOCAL ECONOMIC DEVELOPMENT CORPORATIONS, COMMUNITY DEVELOPMENT
48 CORPORATIONS, AND NONPROFIT ORGANIZATIONS, WHICH REVOLVING LOAN FUNDS
49 AND ECONOMIC DEVELOPMENT PROJECTS SHALL BE COMPATIBLE WITH THE PUBLIC
50 INTEREST.

51 (C) ISSUE TAX-EXEMPT REVENUE BONDS PURSUANT TO SECTION NINETY-ONE
52 HUNDRED TWELVE OF THIS ARTICLE TO PROVIDE FINANCING FOR ECONOMIC DEVEL-
53 OPMENT FACILITIES AS PERMITTED BY FEDERAL LAW AND IN ACCORDANCE WITH
54 APPLICABLE STATE LAW RELATING TO THE DISTRIBUTION OF STATE ALLOCATIONS
55 FOR PRIVATE ACTIVITY BONDS. PROJECTS SO FINANCED SHALL BE COMPATIBLE

1 WITH THE PUBLIC INTEREST AS SPECIFIED IN SUBDIVISION FOUR OF THIS
2 SECTION.

3 (D) ISSUE TAX-EXEMPT REVENUE BONDS PURSUANT TO SECTION NINETY-ONE
4 HUNDRED TWELVE OF THIS ARTICLE FOR ECONOMIC DEVELOPMENT FACILITIES OF
5 PUBLIC SECTOR AND NONPROFIT ORGANIZATIONS QUALIFYING FOR EXEMPTION UNDER
6 FEDERAL LAW.

7 4. NO FINANCING SHALL BE MADE BY THE BANK UNDER THIS SECTION UNLESS
8 THE BANK SHALL HAVE FIRST DETERMINED THAT THE FINANCING OR ASSISTANCE
9 MEETS THE FOLLOWING PUBLIC INTEREST CRITERIA:

10 (A) THE FINANCING, LOAN, GRANT, OR OTHER ASSISTANCE IS FOR A PROJECT
11 OR A USE IN THE STATE OF NEW YORK.

12 (B) THOSE SEEKING FUNDS OR OTHER ASSISTANCE ARE CAPABLE OF MEETING
13 OBLIGATIONS INCURRED UNDER RELEVANT AGREEMENTS.

14 (C) IN THE CASE OF LOANS OR BONDS, PAYMENTS TO BE MADE UNDER APPLICA-
15 BLE FINANCING DOCUMENTS ARE ADEQUATE TO PAY THE CURRENT EXPENSES OF THE
16 BANK IN CONNECTION WITH THE FINANCING AND TO MAKE PAYMENTS ON THE BONDS.

17 (D) THE PROPOSED FINANCING IS APPROPRIATE FOR THE SPECIFIC PROJECT.

18 5. (A) ANY LOAN ENTERED INTO PURSUANT TO THIS SECTION MAY CONTAIN
19 PROVISIONS FOR PAYMENT OF A PENALTY IF ANY RECIPIENT OF FUNDS UNDER THIS
20 SECTION LEAVES THIS STATE PRIOR TO THE COMPLETION OF THE FULL TERM OF
21 THE LOAN.

22 (B) PROJECTS THAT THE BOARD DETERMINES WILL PRODUCE LONG-TERM EMPLOY-
23 MENT CREATION OR RETENTION SHALL RECEIVE FIRST PRIORITY FOR FINANCING.

24 (C) THE BANK SHALL REQUIRE THAT THE PROPOSED ECONOMIC DEVELOPMENT
25 FACILITIES BE CONSISTENT WITH ANY EXISTING LOCAL OR REGIONAL COMPREHEN-
26 SIVE PLAN.

27 (D) THE BANK SHALL DEVELOP A POLICY REGARDING FINANCING COMPANIES THAT
28 MOVE WITHIN THIS STATE SO AS TO MINIMIZE ANY DISPLACEMENT OF JOBS.

29 (E) IN ADDITION TO ANY OTHER METHODS THE BANK MAY USE TO IDENTIFY
30 ECONOMIC DEVELOPMENT PROJECTS, THE BANK SHALL UTILIZE EXISTING LOCAL
31 ECONOMIC DEVELOPMENT NETWORKS TO IDENTIFY THESE PROJECTS AND PREPARE A
32 PLAN, IN CONSULTATION WITH LOCAL ECONOMIC DEVELOPMENT NETWORKS AND THEIR
33 ORGANIZATIONS AND REPRESENTATIVES, TO IMPLEMENT THIS POLICY.

34 S 9106. TAX EXEMPTION. 1. NEITHER THE BANK NOR A SPECIAL PURPOSE TRUST
35 AUTHORIZED BY THE BANK SHALL BE REQUIRED TO PAY ANY PROPERTY TAXES OR
36 ASSESSMENTS UPON, OR WITH RESPECT TO, ANY PROJECT OR ANY PROPERTY
37 ACQUIRED BY, OR FOR, THE BANK UNDER THIS ARTICLE, OR UPON THE INCOME
38 THEREFROM, SO LONG AS THE BANK, ON BEHALF OF THE STATE, HOLDS TITLE TO
39 THE PROJECT OR TO THE PROPERTY CONTAINED IN THE PROJECT.

40 2. THE EXEMPTION OF THE BANK OR OF A SPECIAL PURPOSE TRUST FROM TAXA-
41 TION OF ANY PROPERTY SHALL CEASE WHEN TITLE TO THE PROPERTY IS TRANS-
42 FERRED FROM THE BANK TO ANY TAXABLE PERSON OR ENTITY. THIS SECTION SHALL
43 NOT EXEMPT ANY TAXABLE PERSON OR ENTITY FROM TAXATION, INCLUDING, BUT
44 NOT LIMITED TO, TAXATION UPON A POSSESSORY INTEREST, WITH RESPECT TO ANY
45 PROJECT, OR THE PROPERTY OF FACILITIES CONTAINED IN ANY PROJECT THAT MAY
46 OTHERWISE BE APPLICABLE TO THE PERSON.

47 S 9107. PLEDGE OF STATE. THE STATE SHALL HEREBY PLEDGE TO, AND AGREES
48 WITH, THE HOLDERS OF ANY BONDS ISSUED UNDER THIS ARTICLE, AND WITH THOSE
49 PARTIES WHO MAY ENTER INTO CONTRACTS WITH THE BANK PURSUANT TO THIS
50 ARTICLE, THAT THE STATE SHALL NOT LIMIT OR ALTER THE RIGHTS HEREBY VEST-
51 ED IN THE BANK TO FINANCE ANY PROJECT AND TO FULFILL THE TERMS OF ANY
52 LOAN AGREEMENT, LEASE, OR OTHER CONTRACT WITH THE AGENCY PURSUANT TO
53 THIS ARTICLE, OR IN ANY WAY IMPAIR THE RIGHTS OR REMEDIES OF THE BOND-
54 HOLDERS OR OF THE PARTIES UNTIL THOSE BONDS, TOGETHER WITH INTEREST
55 THEREON, ARE FULLY DISCHARGED OR PROVISION FOR THIS DISCHARGE HAS BEEN
56 MADE AND THOSE CONTRACTS ARE FULLY PERFORMED ON THE PART OF THE BANK.

1 THE BANK, AS AGENT FOR THE STATE, MAY INCLUDE THIS PLEDGE AND UNDERTAK-
2 ING FOR THE STATE IN ITS OBLIGATIONS OR CONTRACTS.

3 S 9108. FEES. THE BANK SHALL ESTABLISH A REASONABLE SCHEDULE OF ADMIN-
4 ISTRATIVE FEES, WHICH SHALL BE PAID BY THE SPONSOR OR THE PARTICIPATING
5 PARTY PURSUANT TO SECTION NINETY-ONE HUNDRED THIRTEEN OF THIS ARTICLE,
6 TO REIMBURSE THE STATE FOR THE COSTS OF ADMINISTERING THIS ARTICLE.

7 S 9109. REPORT. 1. THE BANK SHALL, NO LATER THAN NOVEMBER FIRST OF
8 EACH YEAR, SUBMIT TO THE GOVERNOR, THE DIRECTOR OF THE BUDGET, THE
9 TEMPORARY PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE ASSEMBLY, A
10 REPORT OF ITS ACTIVITIES PURSUANT TO THIS ARTICLE FOR THE PRECEDING
11 FISCAL YEAR. THE REPORT SHALL INCLUDE ALL OF THE FOLLOWING:

12 (A) A LISTING OF APPLICATIONS ACCEPTED, INCLUDING A DESCRIPTION OF THE
13 EXPECTED EMPLOYMENT IMPACT OF EACH PROJECT.

14 (B) A SPECIFICATION OF BONDS SOLD AND INTEREST RATES THEREON.

15 (C) THE AMOUNT OF OTHER PUBLIC AND PRIVATE FUNDS LEVERAGED BY THE
16 ASSISTANCE PROVIDED.

17 (D) A REPORT OF REVENUES AND EXPENDITURES FOR THE PRECEDING FISCAL
18 YEAR, INCLUDING ALL OF THE COSTS OF THE BANK.

19 (E) A PROJECTION OF THE NEEDS AND REQUIREMENTS OF THE BANK FOR THE
20 COMING YEAR.

21 (F) RECOMMENDATIONS FOR CHANGES IN STATE AND FEDERAL LAW NECESSARY TO
22 MEET THE OBJECTIVES OF THIS ARTICLE.

23 2. THE REPORT REQUIRED BY THIS SECTION SHALL BE SUBMITTED TO THE
24 GOVERNOR AND THE LEGISLATURE ON A QUARTERLY BASIS DURING THE TWO THOU-
25 SAND TWELVE--TWO THOUSAND THIRTEEN FISCAL YEAR AND THE TWO THOUSAND
26 THIRTEEN--TWO THOUSAND FOURTEEN FISCAL YEAR.

27 S 9110. APPLICATION FOR BANK FINANCING. 1. FOLLOWING CONSULTATION WITH
28 APPROPRIATE STATE AND LOCAL AGENCIES, THE BANK SHALL ESTABLISH CRITERIA,
29 PRIORITIES, AND GUIDELINES FOR THE SELECTION OF PROJECTS TO RECEIVE
30 ASSISTANCE FROM THE BANK. PROJECTS SHALL COMPLY WITH THE CRITERIA,
31 PRIORITIES, AND GUIDELINES ADOPTED BY THE BANK.

32 2. THE CRITERIA, PRIORITIES, AND GUIDELINES SHALL, AT A MINIMUM, BE
33 BASED UPON THE PLANS AND POLICIES OF THE DEPARTMENT OF ENVIRONMENTAL
34 CONSERVATION.

35 3. WHEN THE BANK ESTABLISHES OR MAKES CHANGES TO THE CRITERIA, PRIORI-
36 TIES, AND GUIDELINES, THE BANK SHALL NOTIFY THE GOVERNOR, THE FISCAL AND
37 POLICY COMMITTEES OF THE LEGISLATURE THAT EXERCISE LEGISLATIVE OVERSIGHT
38 OF THE BANK, AND APPROPRIATE STATE AND LOCAL AGENCIES.

39 4. THE RESOLUTION REQUIRED IN SECTION NINETY-ONE HUNDRED ELEVEN OF
40 THIS ARTICLE SHALL HAVE BEEN ADOPTED PRIOR TO THE PROJECT'S SELECTION BY
41 THE BANK.

42 S 9111. MANDATORY RESOLUTION. 1. PRIOR TO SUBMITTING A PROJECT TO THE
43 BANK FOR CONSIDERATION, THE LEGISLATIVE BODY OR BODIES OF THE SPONSOR OR
44 SPONSORS OF THE PROJECT SHALL FIND, BY RESOLUTION, EACH OF THE FOLLOW-
45 ING:

46 (A) THE PROJECT IS CONSISTENT WITH THE GENERAL PLAN OF BOTH THE CITY
47 AND COUNTY, OR ONLY THE COUNTY FOR PROJECTS IN UNINCORPORATED AREAS IN
48 WHICH THE PROJECT IS LOCATED.

49 (B) THE PROPOSED FINANCING IS APPROPRIATE FOR THE SPECIFIC PROJECT.

50 (C) THE PROJECT FACILITATES EFFECTIVE AND EFFICIENT USE OF EXISTING
51 AND FUTURE PUBLIC RESOURCES SO AS TO PROMOTE BOTH ECONOMIC DEVELOPMENT
52 AND CONSERVATION OF NATURAL RESOURCES. THE PROJECT DEVELOPS AND ENHANCES
53 PUBLIC INFRASTRUCTURE IN A MANNER THAT WILL ATTRACT, CREATE, AND SUSTAIN
54 LONG-TERM EMPLOYMENT OPPORTUNITIES.

1 (D) THE PROJECT IS CONSISTENT WITH THE CRITERIA, PRIORITIES, AND
2 GUIDELINES FOR THE SELECTION OF PROJECTS ADOPTED PURSUANT TO THIS ARTI-
3 CLE.

4 2. UPON THE ADOPTION OF THE RESOLUTION IN SUBDIVISION ONE OF THIS
5 SECTION BY THE LEGISLATIVE BODY, THE LEGISLATIVE BODY SHALL TRANSMIT THE
6 RESOLUTION TO THE EXECUTIVE DIRECTOR OF THE INFRASTRUCTURE BANK.

7 S 9112. ISSUANCE OF BONDS. 1. (A) THE BANK MAY, FROM TIME TO TIME,
8 ISSUE ITS REVENUE BONDS IN A PRINCIPAL AMOUNT THAT THE BANK SHALL DETER-
9 MINE TO BE NECESSARY TO PROVIDE SUFFICIENT FUNDS FOR ITS PURPOSES, WHICH
10 MAY INCLUDE, BUT SHALL NOT BE LIMITED TO, PROVIDING FUNDS FOR THE
11 PAYMENT OF COSTS OF A PROJECT, FOR THE PURCHASE OF BONDS OF A SPECIAL
12 PURPOSE TRUST OR A SPONSOR, PAYMENT OF INTEREST ON BONDS OF THE BANK OR
13 OF A SPECIAL PURPOSE TRUST, ESTABLISHMENT OF RESERVES TO SECURE BONDS,
14 REFUNDING PREVIOUSLY ISSUED BONDS OR REFUNDING BONDS OF THE BANK,
15 SPECIAL PURPOSE TRUST, OR A SPONSOR, AND PAYMENT OF OTHER EXPENDITURES
16 OF THE BANK OR SPECIAL PURPOSE TRUST INCIDENT TO ISSUANCE OF BONDS OR
17 REFUNDING BONDS OF THE BANK.

18 (B) THE BANK, BY PRIVATE SALE PURSUANT TO A BOND PURCHASE AGREEMENT,
19 MAY PURCHASE THE BONDS OF ANY LOCAL SPONSOR OR OF ANY SPECIAL PURPOSE
20 TRUST THAT ARE ISSUED PURSUANT TO ANY OTHER PROVISION OF APPLICABLE LAW,
21 AND MAY BE SECURED WITH ANY FUNDS, MONEYS, OR REVENUES THAT ARE LEGALLY
22 AVAILABLE.

23 (C) THE BANK MAY ALSO ISSUE BONDS OR AUTHORIZE A SPECIAL PURPOSE TRUST
24 TO ISSUE BONDS FOR THE PURPOSE OF MAKING LOANS TO A SPONSOR TO BE USED
25 BY A SPONSOR TO PAY FOR THE COST OF A PROJECT, AND THAT LOAN MAY BE
26 SECURED WITH ANY FUNDS, MONEYS, OR REVENUES THAT ARE LEGALLY AVAILABLE,
27 INCLUDING, BUT NOT LIMITED TO, ANY LEGALLY AVAILABLE FUNDS OR MONEYS
28 THAT ARE DUE OR PAYABLE TO THE SPONSOR BY REASON OF ANY GRANT, ALLO-
29 CATION, OR APPROPRIATION OF THE STATE OR AGENCIES THEREOF, TO THE EXTENT
30 THAT THE COMPTROLLER SHALL BE THE CUSTODIAN AT ANY TIME OF THESE FUNDS
31 OR MONEYS, AND ANY LEGALLY AVAILABLE FUNDS OR MONEYS THAT ARE OR WILL BE
32 DUE OR PAYABLE TO ANY SPONSOR, THE BANK, OR THE STATE OR THE AGENCIES
33 THEREOF BY REASON OF ANY GRANT, ALLOCATION, APPORTIONMENT, OR APPROPRI-
34 ATION OF THE FEDERAL GOVERNMENT OR AGENCIES THEREOF.

35 2. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, BUT CONSISTENT WITH THE
36 STATE CONSTITUTION, A SPONSOR MAY ISSUE BONDS FOR PURCHASE BY THE BANK
37 PURSUANT TO A BOND PURCHASE AGREEMENT. THE BANK MAY ISSUE BONDS OR
38 AUTHORIZE A SPECIAL PURPOSE TRUST TO ISSUE BONDS. THESE BONDS MAY BE
39 ISSUED PURSUANT TO THE CHARTER OF ANY CITY OR ANY CITY AND COUNTY THAT
40 AUTHORIZED THE ISSUANCE OF THESE BONDS AS A SPONSOR TO PAY THE COSTS AND
41 EXPENSES PURSUANT TO THIS ARTICLE, SUBJECT TO THE FOLLOWING CONDITIONS:

42 (A) WITH THE PRIOR APPROVAL OF THE BANK, THE SPONSOR MAY SELL THESE
43 BONDS IN ANY MANNER AS IT MAY DETERMINE, EITHER BY PRIVATE SALE OR BY
44 MEANS OF COMPETITIVE BID.

45 (B) BONDS MAY BE SOLD AT A DISCOUNT AT ANY RATE AS THE BANK AND SPON-
46 SOR SHALL DETERMINE.

47 (C) BONDS SHALL BEAR INTEREST AT ANY RATE AND BE PAYABLE AT ANY TIME
48 AS THE SPONSOR SHALL DETERMINE WITH THE CONSENT OF THE BANK.

49 3. THE TOTAL AMOUNT OF BONDS ISSUED TO FINANCE PUBLIC DEVELOPMENT
50 FACILITIES THAT MAY BE OUTSTANDING AT ANY ONE TIME UNDER THIS CHAPTER
51 SHALL NOT EXCEED FIVE BILLION DOLLARS. THE TOTAL AMOUNT OF RATE
52 REDUCTION BONDS THAT MAY BE OUTSTANDING AT ANY ONE TIME UNDER THIS CHAP-
53 TER SHALL NOT EXCEED TEN BILLION DOLLARS.

54 4. BONDS FOR WHICH MONEYS OR SECURITIES HAVE BEEN DEPOSITED IN TRUST,
55 IN AMOUNTS NECESSARY TO PAY OR REDEEM THE PRINCIPAL, INTEREST, AND ANY

REDEMPTION PREMIUM THEREON, SHALL BE DEEMED NOT TO BE OUTSTANDING FOR PURPOSES OF THIS SECTION.

5. THE BANK MAY GIVE FINAL APPROVAL FOR THE ISSUANCE OF THE BONDS OR OF THE AUTHORIZATION OF A SPECIAL PURPOSE TRUST UPON TERMS IT DEEMS NECESSARY OR DESIRABLE.

(A) THE EXECUTIVE DIRECTOR MAY ESTABLISH THE TERMS AND CONDITIONS FOR THE ISSUANCE OF THE BONDS OR OF THE AUTHORIZATION OF A SPECIAL PURPOSE TRUST AND TAKE ANY OTHER ACTION NECESSARY OR DESIRABLE FOR THE ISSUANCE OF THE BONDS OR OF A SPECIAL PURPOSE TRUST AUTHORIZED BY THE BANK.

(B) ANY ACTION UNDER THIS SECTION SHALL BE AT THE DISCRETION OF THE BANK.

6. THE COMPTROLLER, THE GOVERNOR, OR THE LIEUTENANT GOVERNOR IS AN ELECTED REPRESENTATIVE OF THE STATE AUTHORIZED TO FULFILL THE PUBLIC APPROVAL REQUIREMENT OF SECTION 147(F) OF TITLE 26 OF THE INTERNAL REVENUE CODE (26 U.S.C.A. SEC. 147(F)), INCLUDING SUBSEQUENT AMENDMENTS THERETO, OR ITS SUCCESSOR PROVISION, FOR THE ISSUANCE OF TAX-EXEMPT BONDS ISSUED BY THE BANK, A SPECIAL PURPOSE TRUST, OR A SPONSOR PURSUANT TO THIS CHAPTER.

S 9113. AUTHORIZED FINANCING OF BONDS. 1. BONDS MAY BE AUTHORIZED TO FINANCE A SINGLE PROJECT FOR A SINGLE SPONSOR OR A PARTICIPATING PARTY, A SERIES OF PROJECTS FOR A SINGLE SPONSOR OR A PARTICIPATING PARTY, A SINGLE PROJECT FOR SEVERAL SPONSORS OR PARTICIPATING PARTIES, OR SEVERAL PROJECTS FOR SEVERAL SPONSORS OR PARTICIPATING PARTIES.

2. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED BY THE BANK, EVERY ISSUE OF ITS BONDS SHALL BE PAYABLE FROM ANY REVENUES OR OTHER MONEYS OF THE BANK AVAILABLE THEREFOR AND NOT OTHERWISE PLEDGED. THESE REVENUES OR MONEYS MAY INCLUDE THE PROCEEDS OF ADDITIONAL BONDS, SUBJECT ONLY TO ANY AGREEMENTS WITH THE HOLDERS OF PARTICULAR BONDS PLEDGING ANY PARTICULAR REVENUES OR MONEYS. NOTWITHSTANDING THAT THE BONDS MAY BE PAYABLE FROM A SPECIAL FUND, THESE BONDS SHALL BE DEEMED TO BE NEGOTIABLE INSTRUMENTS FOR ALL PURPOSES.

3. BONDS MAY BE ISSUED IN ONE OR MORE SERIES, MAY BE ISSUED AS SERIAL BONDS OR AS TERM BONDS OR AS A COMBINATION THEREOF. THE BONDS SHALL BE AUTHORIZED BY RESOLUTION OF THE BANK AND SHALL, AS PROVIDED BY THE RESOLUTION, BEAR THE DATE OF ISSUANCE, THE TIME OF MATURITY, WHICH SHALL NOT EXCEED FIFTY YEARS FROM THE DATE OF ISSUANCE, BEAR THE RATE OR RATES OF INTEREST, BE PAYABLE AT THE TIME OR TIMES PROVIDED, BE IN THE DENOMINATIONS PROVIDED, BE IN THE FORM OR FORMS PROVIDED, CARRY THE REGISTRATION PRIVILEGES PROVIDED, BE EXECUTED IN THE MANNER PROVIDED, BE PAYABLE IN LAWFUL MONEY OF THE UNITED STATES, OR OTHER DESIGNATED CURRENCY, AT THE PLACE OR PLACES PROVIDED, AND BE SUBJECT TO ANY TERMS OF REDEMPTION PROVIDED THEREIN.

4. SALE OF THE BONDS OF THE BANK OR OF A SPECIAL PURPOSE TRUST SHALL BE COORDINATED BY THE COMPTROLLER. THE COMPTROLLER SHALL SELL THE BONDS WITHIN NINETY DAYS OF RECEIVING A CERTIFIED COPY OF THE RESOLUTION AUTHORIZING THE SALE OF BONDS, UNLESS THE BOARD ADOPTS A RESOLUTION EXTENDING THE NINETY-DAY PERIOD.

5. THE SALE MAY BE A PUBLIC OR PRIVATE SALE, AND FOR ANY PRICE OR PRICES, AND ON ANY TERMS AND CONDITIONS, AS THE BANK DETERMINES PROPER, AFTER GIVING DUE CONSIDERATION TO THE RECOMMENDATIONS OF ANY SPECIAL PURPOSE TRUST AND ANY SPONSOR TO BE ASSISTED FROM THE PROCEEDS OF THE BONDS. PENDING PREPARATION OF DEFINITIVE BONDS, THE COMPTROLLER MAY ISSUE INTERIM RECEIPTS, CERTIFICATES, OR TEMPORARY BONDS THAT SHALL BE EXCHANGED FOR DEFINITIVE BONDS.

S 9114. BOND RESOLUTIONS. ANY RESOLUTION AUTHORIZING ANY BONDS OR THE AUTHORIZATION OF A SPECIAL PURPOSE TRUST OR ANY ISSUE OF BONDS OF THE

1 BANK OR A SPECIAL PURPOSE TRUST MAY CONTAIN THE FOLLOWING PROVISIONS,
2 WHICH SHALL BE A PART OF THE CONTRACT WITH THE HOLDERS OF THE BONDS TO
3 BE AUTHORIZED:

4 1. PROVISIONS PLEDGING THE FULL FAITH AND CREDIT OF THE BANK, OR
5 PLEDGING ALL OR ANY PART OF THE REVENUES OF ANY PROJECT, OR ANY REVEN-
6 UE-PRODUCING CONTRACT OR CONTRACTS MADE BY THE BANK WITH ANY SPONSOR, OR
7 ANY OTHER MONEYS OF THE BANK, TO SECURE THE PAYMENT OF THE BONDS OR OF
8 ANY PARTICULAR ISSUE OF BONDS, SUBJECT TO THOSE AGREEMENTS WITH BOND-
9 HOLDERS AS MAY THEN EXIST AND CONSISTENT WITH THE STATE CONSTITUTION.

10 2. PROVISIONS SETTING OUT THE RENTALS, FEES, PURCHASE PAYMENTS, LOAN
11 REPAYMENTS, AND OTHER CHARGES, AND THE AMOUNTS TO BE RAISED IN EACH YEAR
12 THEREBY, AND THE USE AND DISPOSITION OF THE REVENUES.

13 3. PROVISIONS SETTING ASIDE RESERVES OR SINKING FUNDS, OR PROVIDING
14 FOR THE USE OF SUBORDINATED CLASSES OF BONDS BY THE BANK OR A SPECIAL
15 PURPOSE TRUST, AND THE REGULATION AND DISPOSITION THEREOF.

16 4. LIMITATIONS ON THE ISSUANCE OF ADDITIONAL BONDS, THE TERMS UPON
17 WHICH ADDITIONAL BONDS MAY BE ISSUED AND SECURED, AND THE REFUNDING OF
18 OUTSTANDING BONDS.

19 5. THE PROCEDURE, IF ANY, BY WHICH THE TERMS OF ANY CONTRACT WITH
20 BONDHOLDERS MAY BE AMENDED OR ABROGATED, THE AMOUNT OF BONDS AND THE
21 HOLDERS THEREOF THAT ARE REQUIRED TO GIVE CONSENT THERETO, AND THE
22 MANNER IN WHICH THE CONSENT MAY BE GIVEN.

23 6. LIMITATIONS ON THE BANK'S EXPENDITURES FOR OPERATION AND ADMINIS-
24 TRATION, OR OTHER EXPENSES.

25 7. DEFINITIONS OF ACTS OR OMISSIONS TO ACT THAT CONSTITUTE A DEFAULT
26 IN THE DUTIES OF THE BANK TO HOLDERS OF ITS OBLIGATIONS, AND PROVIDING
27 THE RIGHTS AND REMEDIES OF THE HOLDERS IN THE EVENT OF A DEFAULT.

28 8. THE MORTGAGING OF ANY PROJECT AND THE SITE THEREOF FOR THE PURPOSE
29 OF SECURING THE INTERESTS OF THE BONDHOLDERS.

30 9. THE MORTGAGING OF LAND, IMPROVEMENTS, OR OTHER ASSETS OWNED BY A
31 SPONSOR OR PARTICIPATING PARTY FOR THE PURPOSE OF SECURING THE INTERESTS
32 OF THE BONDHOLDERS.

33 S 9115. PURCHASE OF BONDS BY THE BANK. THE BANK, A SPECIAL PURPOSE
34 TRUST, OR ANY SPONSOR OR PARTICIPATING PARTY MAY, OUT OF ANY FUNDS
35 AVAILABLE THEREFOR, PURCHASE THEIR RESPECTIVE BONDS. THE BANK AND A
36 SPECIAL PURPOSE TRUST MAY HOLD, PLEDGE, CANCEL, OR RESELL THEIR BONDS,
37 SUBJECT TO AND IN ACCORDANCE WITH AGREEMENTS WITH BONDHOLDERS.

38 S 9116. TRUST AGREEMENT. IN THE DISCRETION OF THE BANK, A SPECIAL
39 PURPOSE TRUST, OR THE SPONSOR, AS THE CASE MAY BE, ANY BONDS ISSUED
40 UNDER THIS ARTICLE MAY BE SECURED BY A TRUST AGREEMENT BETWEEN THE BANK,
41 A SPECIAL PURPOSE TRUST, OR THE SPONSOR AND A CORPORATE TRUSTEE OR TRUS-
42 TEES, THAT MAY INCLUDE THE COMPTROLLER OR ANY TRUST COMPANY OR BANK
43 HAVING THE POWERS OF A TRUST COMPANY WITHIN OR WITHOUT THE STATE.

44 1. THE TRUST AGREEMENT OR THE RESOLUTION PROVIDING FOR THE ISSUANCE OF
45 THE BONDS MAY PLEDGE OR ASSIGN ANY FUNDS OR ASSETS OF THE BANK OR
46 SPECIAL PURPOSE TRUST LEGALLY AVAILABLE FOR PLEDGE OR ASSIGNMENT, ALL OR
47 A PORTION OF THE REVENUES TO BE RECEIVED BY THE BANK, DIRECTLY OR INDI-
48 RECTLY, WITH RESPECT TO THE PROJECT, OR THE PROCEEDS OF ANY CONTRACT OR
49 CONTRACTS, LOAN OR LOAN AGREEMENTS, BOND OR BOND PURCHASE AGREEMENTS,
50 AND MAY CONVEY OR MORTGAGE THE PROJECT OR PROJECTS, OR ANY PORTION THER-
51 EOF, TO BE FINANCED OUT OF THE PROCEEDS OF THE BONDS. THE TRUST AGREE-
52 MENT OR RESOLUTION PROVIDING FOR THE ISSUANCE OF THE BONDS MAY CONTAIN
53 PROVISIONS FOR PROTECTING AND ENFORCING THE RIGHTS AND REMEDIES OF BOND-
54 HOLDERS AS MAY BE REASONABLE AND PROPER AND NOT IN VIOLATION OF LAW,
55 INCLUDING PROVISIONS SPECIFICALLY AUTHORIZED TO BE INCLUDED IN ANY
56 RESOLUTION OR RESOLUTIONS OF THE BANK OR A SPONSOR AUTHORIZING BONDS.

1 2. ANY BANK OR TRUST COMPANY DOING BUSINESS UNDER THE LAWS OF THE
2 STATE THAT MAY ACT AS A DEPOSITORY OF THE PROCEEDS OF BONDS OR OF REVEN-
3 UES OR OTHER MONEYS SHALL FURNISH INDEMNIFYING BONDS OR PLEDGE SECURI-
4 TIES WHEN REQUIRED BY THE BANK, A SPECIAL PURPOSE TRUST, OR A SPONSOR.

5 3. THE TRUST AGREEMENT MAY SET FORTH THE RIGHTS AND REMEDIES OF THE
6 BONDHOLDERS AND OF THE TRUSTEE OR TRUSTEES, AND MAY RESTRICT THE INDI-
7 VIDUAL RIGHT OF ACTION BY BONDHOLDERS. IN ADDITION, ANY TRUST AGREEMENT
8 OR RESOLUTION MAY CONTAIN OTHER PROVISIONS THAT THE BANK MAY DEEM
9 REASONABLE AND PROPER FOR THE SECURITY OF THE BONDHOLDERS.

10 4. THE TRUST AGREEMENT MAY PROVIDE FOR THE PLEDGE OR ASSIGNMENT OF
11 FUNDS OR MONEYS IN THE CUSTODY OF THE COMPTROLLER THAT ARE LEGALLY
12 AVAILABLE TO A SPONSOR AND THAT ARE DUE OR PAYABLE TO THE SPONSOR BY
13 REASON OF ANY GRANT, ALLOCATION, APPORTIONMENT, OR APPROPRIATION OF THE
14 STATE OR AGENCIES THEREOF, AND ANY LEGALLY AVAILABLE FUNDS OR MONEYS
15 THAT ARE OR WILL BE DUE OR PAYABLE, TO ANY SPONSOR, THE BANK, THE STATE
16 OR THE AGENCIES THEREOF BY REASON OF ANY GRANT, ALLOCATION, APPORTION-
17 MENT, OR APPROPRIATION OF THE FEDERAL GOVERNMENT OR AGENCIES THEREOF.

18 S 9117. LIABILITY OF THE STATE. 1. BONDS ISSUED UNDER THIS ARTICLE DO
19 NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL
20 SUBDIVISION THEREOF, OTHER THAN THE BANK OR A SPECIAL PURPOSE TRUST, AND
21 DO NOT CONSTITUTE A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR
22 ANY OF ITS POLITICAL SUBDIVISIONS, OTHER THAN THE BANK OR SPECIAL
23 PURPOSE TRUST, BUT ARE PAYABLE SOLELY FROM THE FUNDS PROVIDED THEREFOR
24 UNDER THIS ARTICLE AND SHALL BE CONSISTENT WITH THE STATE CONSTITUTION.
25 THIS SECTION SHALL IN NO WAY PRECLUDE BOND GUARANTEES OR ENHANCEMENTS
26 PURSUANT TO THIS TITLE. ALL THE BONDS SHALL CONTAIN ON THE FACE THEREOF
27 A STATEMENT TO THE FOLLOWING EFFECT: "NEITHER THE FULL FAITH AND CREDIT
28 NOR THE TAXING POWER OF THE STATE OF NEW YORK IS PLEDGED TO THE PAYMENT
29 OF THE PRINCIPAL OF, OR INTEREST ON, THIS BOND."

30 2. THE ISSUANCE OF BONDS UNDER THIS ARTICLE SHALL NOT DIRECTLY OR
31 INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVI-
32 SION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION THEREFOR OR TO
33 MAKE ANY APPROPRIATION FOR THEIR PAYMENT. NOTHING IN THIS SECTION SHALL
34 PREVENT, OR BE CONSTRUED TO PREVENT, THE BANK FROM PLEDGING THE FULL
35 FAITH AND CREDIT OF THE INFRASTRUCTURE BANK FUND TO THE PAYMENT OF BONDS
36 OR ISSUANCE OF BONDS AUTHORIZED PURSUANT TO THIS ARTICLE.

37 S 9118. REFUNDING BONDS. 1. THE BANK OR A SPECIAL PURPOSE TRUST MAY
38 ISSUE BONDS FOR THE PURPOSE OF REFUNDING ANY BONDS, NOTES, OR OTHER
39 SECURITIES OF THE BANK, A SPECIAL PURPOSE TRUST, OR A SPONSOR THEN
40 OUTSTANDING, INCLUDING THE PAYMENT OF ANY REDEMPTION PREMIUM THEREON AND
41 ANY INTEREST ACCRUED, OR TO ACCRUE, ON THEIR EARLIEST OR ANY SUBSEQUENT
42 DATE OF REDEMPTION, PURCHASE, OR MATURITY OF THESE BONDS. THE BANK, OR A
43 SPONSOR, IF IT DEEMS ADVISABLE, MAY ISSUE OR AUTHORIZE A SPONSOR TO
44 ISSUE BONDS FOR THE ADDITIONAL PURPOSE OF PAYING ALL OR ANY PART OF THE
45 COST OF CONSTRUCTING AND ACQUIRING ADDITIONS, IMPROVEMENTS, EXTENSIONS,
46 OR ENLARGEMENTS OF ANY PROJECT OR ANY PORTION THEREOF.

47 2. THE PROCEEDS OF ANY BONDS ISSUED FOR THE PURPOSE OF REFUNDING
48 OUTSTANDING BONDS AS PROVIDED IN SUBDIVISION ONE OF THIS SECTION MAY, IN
49 THE DISCRETION OF THE BANK, BE APPLIED TO THE PURCHASE OR RETIREMENT AT
50 MATURITY OR REDEMPTION OF THOSE OUTSTANDING BONDS EITHER ON THEIR EARLI-
51 EST OR ANY SUBSEQUENT REDEMPTION DATE OR UPON THE PURCHASE OR RETIREMENT
52 AT THE MATURITY THEREOF AND MAY, PENDING THIS APPLICATION, BE PLACED IN
53 ESCROW TO BE APPLIED TO THE PURCHASE OR RETIREMENT AT MATURITY OR
54 REDEMPTION OF THOSE OUTSTANDING BONDS ON THE DATE OR DATES AS MAY BE
55 DETERMINED BY THE BANK.

1 3. PENDING THIS USE, THE ESCROWED PROCEEDS MAY BE INVESTED AND REIN-
2 VESTED BY THE COMPTROLLER OR A TRUSTEE IN OBLIGATIONS OF, OR GUARANTEED
3 BY, THE UNITED STATES, OR IN CERTIFICATES OF DEPOSIT OR TIME DEPOSITS
4 SECURED BY OBLIGATIONS OF, OR GUARANTEED BY, THE UNITED STATES, MATURING
5 AT THE TIME OR TIMES APPROPRIATE TO ASSURE PROMPT PAYMENT, OF THE PRIN-
6 CIPAL, INTEREST, AND REDEMPTION PREMIUM, IF ANY, OF THE OUTSTANDING
7 BONDS TO BE REFUNDED. THE INTEREST, INCOME, AND PROFITS, IF ANY, EARNED
8 OR REALIZED ON THE INVESTMENT MAY ALSO BE APPLIED TO THE PAYMENT OF THE
9 OUTSTANDING BONDS TO BE REFUNDED. AFTER THE TERMS OF THE ESCROW HAVE
10 BEEN FULLY SATISFIED AND CARRIED OUT, ANY BALANCE OF THE PROCEEDS AND
11 INTEREST, INCOME, AND PROFITS, IF ANY, EARNED OR REALIZED ON THE INVEST-
12 MENTS THEREOF, SHALL BE RETURNED TO THE AGENCY FOR USE IN CARRYING OUT
13 THE PURPOSES OF THIS ARTICLE.

14 4. THE PORTION OF THE PROCEEDS OF THE BONDS ISSUED FOR THE ADDITIONAL
15 PURPOSE OF PAYING ALL OR ANY PART OF THE COST OF CONSTRUCTION AND
16 ACQUIRING ADDITIONS, IMPROVEMENTS, EXTENSIONS, OR ENLARGEMENTS OF ANY
17 PROJECT MAY BE INVESTED AND REINVESTED BY THE COMPTROLLER OR A TRUSTEE
18 IN OBLIGATIONS OF, OR GUARANTEED BY, THE UNITED STATES, OR IN CERTIF-
19 ICATES OF DEPOSIT OR TIME DEPOSITS SECURED BY OBLIGATIONS OF, OR GUARAN-
20 TEED BY, THE UNITED STATES, MATURING NOT LATER THAN THE TIME OR TIMES
21 WHEN THESE PROCEEDS WILL BE NEEDED FOR THE PURPOSE OF PAYING ALL OR ANY
22 PART OF THE COST. THE INTEREST, INCOME, AND PROFITS, IF ANY, EARNED OR
23 REALIZED ON THIS INVESTMENT MAY BE APPLIED TO THE PAYMENT OF ALL, OR ANY
24 PART OF, THE COST OR MAY BE USED BY THE BANK IN CARRYING OUT THE
25 PURPOSES OF THIS ARTICLE.

26 S 9119. SECURITY. 1. ANY ISSUE OF REVENUE BONDS BY THE BANK MAY BE
27 SECURED AND MADE MORE ATTRACTIVE TO CAPITAL MARKETS THROUGH FINANCIAL
28 INSTRUMENTS, INCLUDING, BUT NOT LIMITED TO:

29 (A) DEEDS OF TRUST ON THE RESOURCES, FACILITIES, AND REVENUES OF THE
30 PROJECTS.

31 (B) CREDIT ENHANCEMENTS, INCLUDING, BUT NOT LIMITED TO, LETTERS OF
32 CREDIT, BOND INSURANCE, AND SURETY BONDS PROVIDED BY PRIVATE FINANCIAL
33 INSTITUTIONS.

34 (C) INSURANCE AND GUARANTEES PROVIDED BY THE BANK ITSELF.

35 2. THE BANK MAY MAKE LOANS TO HELP ESTABLISH AND SUPPORT THE REVOLVING
36 LOAN FUNDS OF SMALL BUSINESS DEVELOPMENT CORPORATIONS, ECONOMIC DEVELOP-
37 MENT CORPORATIONS, COMMUNITY DEVELOPMENT CORPORATIONS, AND NONPROFIT
38 CORPORATIONS. THE LOANS MAY BE MADE FROM ANY MONEYS AVAILABLE TO THE
39 BANK.

40 S 2. This act shall take effect immediately.