

11705

I N   A S S E M B L Y

October 13, 2010

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Introduced by COMMITTEE ON RULES -- (at request of M. of A. Alessi) --  
read once and referred to the Committee on Banks

AN ACT to amend the banking law, in relation to establishing the New York state infrastructure development bank; making an appropriation therefor; and providing for the repeal of such provisions upon expiration thereof

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

1     Section 1. Short title. This act shall be known and may be cited as  
2     the "New York state infrastructure development bank act".

3     S 2. The banking law is amended by adding a new article 17 to read as  
4     follows:

5     ARTICLE 17

6                     NEW YORK STATE INFRASTRUCTURE DEVELOPMENT BANK

7     SECTION 9100. DEFINITIONS.

8                     9101. ESTABLISHMENT.

9                     9102. BOARD OF DIRECTORS; POWERS AND DUTIES.

10                    9103. EXECUTIVE COMMITTEE.

11                    9104. RISK MANAGEMENT COMMITTEE.

12                    9105. AUDIT COMMITTEE.

13                    9106. ELIGIBILITY CRITERIA AND ASSISTANCE.

14                    9107. EXEMPTION FROM LOCAL TAXATION.

15                    9108. STATUS AND APPLICABILITY OF CERTAIN FEDERAL LAWS; FULL  
16     FAITH AND CREDIT.

17                    9109. AUDITS AND REPORTS.

18     S 9100. DEFINITIONS. FOR THE PURPOSES OF THIS ARTICLE:

19     1. THE TERM "BANK" SHALL MEAN THE NEW YORK STATE INFRASTRUCTURE DEVEL-  
20     OPMENT BANK ESTABLISHED PURSUANT TO THIS ARTICLE.

21     2. THE TERM "BOARD" SHALL MEAN THE NEW YORK STATE INFRASTRUCTURE  
22     DEVELOPMENT BANK BOARD ESTABLISHED UNDER SECTION NINETY-ONE HUNDRED TWO  
23     OF THIS ARTICLE.

24     3. THE TERM "CHIEF ASSET AND LIABILITY MANAGEMENT OFFICER" MEANS THE  
25     CHIEF INDIVIDUAL RESPONSIBLE FOR COORDINATING THE MANAGEMENT OF ASSETS  
26     AND LIABILITIES OF THE BANK.

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

LBD17815-01-0

1 4. THE TERM "CHIEF COMPLIANCE OFFICER" OR "CCO" MEANS THE CHIEF INDI-  
2 VIDUAL RESPONSIBLE FOR OVERSEEING AND MANAGING THE COMPLIANCE AND REGU-  
3 LATORY AFFAIRS ISSUES OF THE BANK.

4 5. THE TERM "CHIEF FINANCIAL OFFICER" MEANS THE CHIEF INDIVIDUAL  
5 RESPONSIBLE FOR MANAGING THE FINANCIAL RISKS, PLANNING, AND REPORTING OF  
6 THE BANK.

7 6. THE TERM "CHIEF LOAN ORIGINATION OFFICER" MEANS THE CHIEF INDIVID-  
8 UAL RESPONSIBLE FOR THE PROCESSING OF NEW LOANS PROVIDED BY THE BANK.

9 7. THE TERM "CHIEF OPERATIONS OFFICER" MEANS THE CHIEF INDIVIDUAL  
10 RESPONSIBLE FOR INFORMATION TECHNOLOGY AND THE DAY TO DAY OPERATIONS OF  
11 THE BANK.

12 8. THE TERM "CHIEF RISK OFFICER" OR "CRO" MEANS THE CHIEF INDIVIDUAL  
13 RESPONSIBLE FOR MANAGING OPERATIONAL AND COMPLIANCE-RELATED RISKS OF THE  
14 BANK.

15 9. THE TERM "CHIEF TREASURY OFFICER" MEANS THE CHIEF INDIVIDUAL  
16 RESPONSIBLE FOR MANAGING THE BANK'S TREASURY OPERATIONS.

17 10. THE TERMS "DEVELOPMENT" AND "DEVELOP" MEAN, WITH RESPECT TO AN  
18 INFRASTRUCTURE PROJECT, ANY:

19 (A) PRECONSTRUCTION PLANNING, FEASIBILITY REVIEW, PERMITTING, DESIGN  
20 WORK, AND OTHER PRECONSTRUCTION ACTIVITIES; AND

21 (B) CONSTRUCTION, RECONSTRUCTION, REHABILITATION, REPLACEMENT, OR  
22 EXPANSION.

23 11. THE TERM "DISADVANTAGED COMMUNITY" MEANS A COMMUNITY WITH A MEDIAN  
24 HOUSEHOLD INCOME OF LESS THAN EIGHTY PERCENT OF THE STATEWIDE MEDIAN  
25 HOUSEHOLD INCOME FOR THE STATE.

26 12. THE TERM "ENERGY INFRASTRUCTURE PROJECT" MEANS ANY PROJECT FOR  
27 ENERGY TRANSMISSION, ENERGY EFFICIENCY ENHANCEMENT FOR BUILDINGS, PUBLIC  
28 HOUSING, AND SCHOOLS, RENEWABLE ENERGY, AND ENERGY STORAGE.

29 13. THE TERM "ENTITY" MEANS AN INDIVIDUAL, CORPORATION, PARTNERSHIP  
30 (INCLUDING A PUBLIC-PRIVATE PARTNERSHIP), JOINT VENTURE, TRUST, THE  
31 STATE OR OTHER GOVERNMENTAL ENTITY, INCLUDING A POLITICAL SUBDIVISION OR  
32 ANY OTHER INSTRUMENTALITY OF THE STATE OR A REVOLVING FUND.

33 14. THE TERM "ENVIRONMENTAL INFRASTRUCTURE PROJECT" MEANS ANY PROJECT  
34 FOR THE ESTABLISHMENT, MAINTENANCE, OR ENHANCEMENT OF ANY DRINKING WATER  
35 AND WASTEWATER TREATMENT FACILITY, STORM WATER MANAGEMENT SYSTEM, DAM,  
36 LEVEE, OPEN SPACE MANAGEMENT SYSTEM, SOLID WASTE DISPOSAL FACILITY,  
37 HAZARDOUS WASTE FACILITY, OR INDUSTRIAL SITE CLEANUP.

38 15. THE TERM "EXECUTIVE DIRECTOR" MEANS THE INDIVIDUAL SERVING AS THE  
39 CHIEF EXECUTIVE OFFICER OF THE BANK.

40 16. THE TERM "GENERAL COUNSEL" MEANS THE INDIVIDUAL WHO SERVES AS THE  
41 CHIEF LAWYER FOR THE BANK.

42 17. THE TERM "INFRASTRUCTURE PROJECT" MEANS ANY ENERGY, ENVIRONMENTAL,  
43 TELECOMMUNICATIONS, OR TRANSPORTATION INFRASTRUCTURE PROJECT.

44 18. THE TERM "PUBLIC BENEFIT BOND" MEANS A BOND ISSUED WITH RESPECT TO  
45 AN INFRASTRUCTURE PROJECT IN ACCORDANCE WITH THIS ARTICLE:

46 (A) THE NET SPENDABLE PROCEEDS FROM THE SALE OF THE ISSUE MAY BE USED  
47 FOR EXPENDITURES INCURRED AFTER THE DATE OF ISSUANCE WITH RESPECT TO THE  
48 PROJECT, SUBJECT TO THE RULES OF THE BANK;

49 (B) THE BOND ISSUED BY THE BANK IS IN REGISTERED FORM AND MEETS THE  
50 REQUIREMENTS OF THIS ARTICLE AND OTHERWISE APPLICABLE LAW;

51 (C) THE TERM OF EACH BOND WHICH IS PART OF THE ISSUE IS GREATER THAN  
52 THIRTY YEARS; AND

53 (D) THE PAYMENT OF PRINCIPAL WITH RESPECT TO THE BOND IS THE OBLI-  
54 GATION OF THE BANK.

55 19. THE TERM "PUBLIC-PRIVATE PARTNERSHIP" MEANS ANY ENTITY:

(A) (I) WHICH IS UNDERTAKING THE DEVELOPMENT OF ALL OR PART OF AN INFRASTRUCTURE PROJECT, WHICH WILL HAVE A PUBLIC BENEFIT, PURSUANT TO REQUIREMENTS ESTABLISHED IN ONE OR MORE CONTRACTS BETWEEN THE ENTITY AND THE STATE OR AN INSTRUMENTALITY OF THE STATE; OR

(II) THE ACTIVITIES OF WHICH, WITH RESPECT TO SUCH AN INFRASTRUCTURE PROJECT, ARE SUBJECT TO REGULATION BY THE STATE OR ANY INSTRUMENTALITY OF THE STATE; AND

(B) WHICH OWNS, LEASES, OR OPERATES, OR WILL OWN, LEASE, OR OPERATE, THE PROJECT IN WHOLE OR IN PART, AND AT LEAST ONE OF THE PARTICIPANTS IN THE ENTITY IS A NONGOVERNMENTAL ENTITY.

20. THE TERM "REVOLVING FUND" MEANS A FUND OR PROGRAM ESTABLISHED BY THE STATE OR A POLITICAL SUBDIVISION OR OTHER INSTRUMENTALITY OF THE STATE, THE PRINCIPAL ACTIVITY OF WHICH IS TO MAKE LOANS, COMMITMENTS, OR OTHER FINANCIAL ACCOMMODATION AVAILABLE FOR THE DEVELOPMENT OF ONE OR MORE CATEGORIES OF INFRASTRUCTURE PROJECTS.

21. THE TERM "SMART GRID" MEANS AN ELECTRICITY DELIVERY SYSTEM USING A TWO-WAY DIGITAL COMMUNICATIONS SYSTEM AND ASSOCIATED EQUIPMENT AND SOFTWARE, INSTALLED ON THE ELECTRICAL DELIVERY SYSTEM AND ON THE PREMISES OF RETAIL END-USE CUSTOMERS, WHICH PROVIDES REAL-TIME MONITORING, DIAGNOSTIC, AND CONTROL INFORMATION AND SERVICES THAT IMPROVE THE EFFICIENCY AND RELIABILITY OF THE DISTRIBUTION AND USE OF ELECTRICITY.

22. THE TERM "SMART GROWTH" MEANS AN URBAN PLANNING AND TRANSPORTATION THEORY THAT CONCENTRATES GROWTH IN THE CENTER OF A CITY TO AVOID URBAN SPRAWL.

23. THE TERM "STATE" MEANS THE STATE OF NEW YORK.

24. THE TERM "TELECOMMUNICATIONS INFRASTRUCTURE PROJECT" MEANS ANY PROJECT INVOLVING INFRASTRUCTURE REQUIRED TO PROVIDE COMMUNICATIONS BY WIRE OR RADIO.

25. THE TERM "TRANSPORTATION INFRASTRUCTURE PROJECT" MEANS ANY PROJECT FOR THE CONSTRUCTION, MAINTENANCE, OR ENHANCEMENT OF HIGHWAYS, ROADS, BRIDGES, TRANSIT AND INTERMODAL SYSTEMS, INLAND WATERWAYS, COMMERCIAL PORTS, AIRPORTS, HIGH SPEED RAIL AND FREIGHT RAIL SYSTEMS.

S 9101. ESTABLISHMENT. THERE IS HEREBY ESTABLISHED WITHIN THE DEPARTMENT THE NEW YORK STATE INFRASTRUCTURE DEVELOPMENT BANK.

S 9102. BOARD OF DIRECTORS; POWERS AND DUTIES. 1. (A) THE BANK SHALL HAVE A BOARD OF DIRECTORS CONSISTING OF FIVE MEMBERS REPRESENTING DIFFERENT REGIONS OF THE STATE TO BE APPOINTED BY THE GOVERNOR AS FOLLOWS:

(I) TWO MEMBERS SHALL HAVE PUBLIC SECTOR EXPERIENCE; AND

(II) THREE MEMBERS SHALL HAVE PRIVATE SECTOR EXPERIENCE.

(B) AS DESIGNATED AT THE TIME OF APPOINTMENT, ONE OF THE DIRECTORS OF THE BOARD SHALL BE DESIGNATED CHAIRPERSON OF THE BOARD BY THE GOVERNOR AND ONE SHALL BE DESIGNATED AS VICE CHAIRPERSON OF THE BOARD BY THE GOVERNOR.

(C) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, EACH DIRECTOR SHALL BE APPOINTED FOR A TERM OF SIX YEARS.

(II) OF THE INITIAL MEMBERS OF THE BOARD:

(A) THE CHAIRPERSON AND THE VICE CHAIRPERSON SHALL BE APPOINTED FOR TERMS OF SIX YEARS;

(B) ONE MEMBER SHALL BE APPOINTED FOR A TERM OF FIVE YEARS;

(C) ONE MEMBER SHALL BE APPOINTED FOR A TERM OF FOUR YEARS;

(D) ONE MEMBER SHALL BE APPOINTED FOR A TERM OF THREE YEARS.

(D) THE INITIAL APPOINTMENTS BY THE GOVERNOR SHALL BE MADE NOT LATER THAN SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS ARTICLE.

(E) A VACANCY ON THE BOARD SHALL BE FILLED IN THE MANNER IN WHICH THE ORIGINAL APPOINTMENT WAS MADE. ANY DIRECTOR APPOINTED TO FILL A VACANCY

1 OCCURRING BEFORE THE EXPIRATION OF THE TERM FOR WHICH THE DIRECTOR'S  
2 PREDECESSOR WAS APPOINTED SHALL BE APPOINTED ONLY FOR THE REMAINDER OF  
3 SUCH TERM.

4 (F) A DIRECTOR MAY SERVE AFTER THE EXPIRATION OF THAT DIRECTOR'S TERM  
5 UNTIL A SUCCESSOR HAS TAKEN OFFICE.

6 (G) ANY DIRECTOR OF THE BOARD MAY BE REAPPOINTED ONCE BY THE GOVERNOR  
7 IN ACCORDANCE WITH THIS SUBDIVISION.

8 2. THREE DIRECTORS SHALL CONSTITUTE A QUORUM.

9 3. DIRECTORS OF THE BOARD SHALL SERVE ON A PART-TIME BASIS AND SHALL  
10 RECEIVE A PER DIEM WHEN ENGAGED IN THE ACTUAL PERFORMANCE OF BANK BUSI-  
11 NESS, PLUS REASONABLE REIMBURSEMENT FOR TRAVEL, SUBSISTENCE AND OTHER  
12 NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES.

13 4. NO DIRECTOR OF THE BOARD MAY PARTICIPATE IN ANY REVIEW OR DECISION  
14 AFFECTING A PROJECT UNDER CONSIDERATION FOR ASSISTANCE UNDER THIS ARTI-  
15 CLE IF THE DIRECTOR HAS OR IS AFFILIATED WITH ANY PERSON WHO HAS AN  
16 INTEREST IN SUCH PROJECT.

17 5. (A) IN ORDER TO CARRY OUT THE PURPOSES OF THE BANK, THE BOARD SHALL  
18 BE RESPONSIBLE FOR MONITORING AND OVERSEEING INFRASTRUCTURE PROJECTS,  
19 SHALL ESTABLISH CRITERIA FOR DETERMINING PROJECT ELIGIBILITY FOR FINAN-  
20 CIAL ASSISTANCE UNDER THIS ARTICLE AND SHALL HAVE THE FOLLOWING POWERS:

21 (I) TO ISSUE PUBLIC BENEFIT BONDS AND PROVIDE DIRECT SUBSIDIES TO  
22 INFRASTRUCTURE PROJECTS;

23 (II) TO BORROW ON THE GLOBAL CAPITAL MARKET AND LEND TO ENTITIES AND  
24 COMMERCIAL BANKS FOR FUNDING INFRASTRUCTURE PROJECTS; AND

25 (III) TO PURCHASE, POOL AND SELL INFRASTRUCTURE-RELATED LOANS AND  
26 SECURITIES ON SUCH MARKET.

27 (B) THE BOARD SHALL CONDUCT ITS BUSINESS IN A MANNER CONSISTENT WITH  
28 THE REQUIREMENTS OF THIS SECTION.

29 (C) THE PROVISION OF FINANCIAL ASSISTANCE BY THE BOARD PURSUANT TO  
30 THIS ARTICLE SHALL NOT BE CONSTRUED AS:

31 (I) LIMITING THE RIGHT OF THE STATE OR ANY POLITICAL SUBDIVISION OR  
32 OTHER INSTRUMENTALITY OF THE STATE TO APPROVE OR REGULATE THE RATES OF  
33 RETURN ON PRIVATE EQUITY INVESTED IN A PROJECT; OR

34 (II) OTHERWISE SUPERSEDING ANY LAW, RULE OR REGULATION OF THE STATE  
35 APPLICABLE TO A PROJECT.

36 (D) THE BOARD SHALL HAVE THE POWER TO REQUEST THE ASSISTANCE, ON A  
37 REIMBURSABLE BASIS, OF PERSONNEL FROM ANY STATE AGENCIES WITH SPECIFIC  
38 EXPERTISE NOT AVAILABLE FROM WITHIN THE BANK OR ELSEWHERE. THE HEAD OF  
39 ANY STATE AGENCY MAY ASSIGN, ON A REIMBURSABLE BASIS, ANY PERSONNEL OF  
40 SUCH AGENCY REQUESTED BY THE BOARD AND SHALL NOT UNREASONABLY REFUSE THE  
41 ASSISTANCE OF ANY PERSONNEL REQUESTED BY THE BOARD.

42 6. (A) ALL MEETINGS OF THE BOARD HELD TO CONDUCT THE BUSINESS OF THE  
43 BANK SHALL BE OPEN TO THE PUBLIC AND SHALL BE PRECEDED BY REASONABLE  
44 NOTICE.

45 (B) THE BOARD SHALL MEET NOT LATER THAN NINETY DAYS AFTER THE DATE ON  
46 WHICH ALL OF THE DIRECTORS OF THE BOARD ARE FIRST APPOINTED AND OTHER-  
47 WISE AT THE CALL OF THE CHAIRPERSON.

48 (C) PURSUANT TO SUCH RULES AS THE BOARD MAY ESTABLISH THROUGH THEIR  
49 BYLAWS, THE DIRECTORS MAY CLOSE A MEETING OF THE BOARD IF, AT THE MEET-  
50 ING, THERE IS LIKELY TO BE DISCLOSED INFORMATION WHICH COULD ADVERSELY  
51 AFFECT OR LEAD TO SPECULATION RELATING TO AN INFRASTRUCTURE PROJECT  
52 UNDER CONSIDERATION FOR ASSISTANCE UNDER THIS ARTICLE OR IN FINANCIAL OR  
53 SECURITIES OR COMMODITIES MARKETS OR INSTITUTIONS, UTILITIES, OR REAL  
54 ESTATE. THE DETERMINATION TO CLOSE ANY MEETING OF THE BOARD SHALL BE  
55 MADE IN A MEETING OF THE BOARD, OPEN TO THE THE PUBLIC, AND PRECEDED BY  
56 REASONABLE NOTICE. THE BOARD SHALL PREPARE MINUTES OF ANY MEETING WHICH

1 IS CLOSED TO THE PUBLIC AND MAKE SUCH MINUTES AVAILABLE AS SOON AS THE  
2 CONSIDERATIONS NECESSITATING CLOSING SUCH MEETING NO LONGER APPLY.

3 7. THE CHAIRPERSON OF THE BOARD, EXECUTIVE DIRECTOR, CRO AND CCO SHALL  
4 APPOINT, REMOVE, FIX THE COMPENSATION OF AND DEFINE THE DUTIES OF SUCH  
5 QUALIFIED PERSONNEL TO SERVE UNDER THE BOARD, EXECUTIVE COMMITTEE, RISK  
6 MANAGEMENT COMMITTEE OR AUDIT COMMITTEE, AS THE CASE MAY BE, AS NECES-  
7 SARY AND PRESCRIBED BY THIS ARTICLE, THE BYLAWS OF THE BANK AND THE  
8 BOARD.

9 S 9103. EXECUTIVE COMMITTEE. 1. THE BOARD SHALL HAVE AN EXECUTIVE  
10 COMMITTEE CONSISTING OF NINE MEMBERS, HEADED BY THE EXECUTIVE DIRECTOR  
11 OF THE BANK.

12 2. A MAJORITY OF THE BOARD SHALL HAVE THE AUTHORITY TO APPOINT AND  
13 REAPPOINT THE EXECUTIVE DIRECTOR.

14 3. THE EXECUTIVE DIRECTOR SHALL BE THE CHIEF EXECUTIVE OFFICER OF THE  
15 BANK, WITH SUCH EXECUTIVE FUNCTIONS, POWERS AND DUTIES AS MAY BE  
16 PRESCRIBED BY THIS ARTICLE, THE BYLAWS OF THE BANK OR THE BOARD.

17 4. THE BOARD SHALL APPOINT, REMOVE, FIX THE COMPENSATION AND DEFINE  
18 THE DUTIES OF EIGHT OTHER EXECUTIVE OFFICERS TO SERVE ON THE EXECUTIVE  
19 COMMITTEE AS THE:

- 20 (A) CHIEF COMPLIANCE OFFICER;
- 21 (B) CHIEF FINANCIAL OFFICER;
- 22 (C) CHIEF ASSET AND LIABILITY MANAGEMENT OFFICER;
- 23 (D) CHIEF LOAN ORIGATION OFFICER;
- 24 (E) CHIEF OPERATIONS OFFICER;
- 25 (F) CHIEF RISK OFFICER;
- 26 (G) CHIEF TREASURY OFFICER; AND
- 27 (H) GENERAL COUNSEL.

28 5. THE EXECUTIVE DIRECTOR AND OTHER EXECUTIVE OFFICERS SHALL HAVE  
29 DEMONSTRATED EXPERIENCE AND EXPERTISE IN ONE OR MORE OF THE FOLLOWING:

- 30 (A) TRANSPORTATION INFRASTRUCTURE.
- 31 (B) ENVIRONMENTAL INFRASTRUCTURE.
- 32 (C) ENERGY INFRASTRUCTURE.
- 33 (D) TELECOMMUNICATIONS INFRASTRUCTURE.
- 34 (E) ECONOMIC DEVELOPMENT.
- 35 (F) WORKFORCE DEVELOPMENT.
- 36 (G) PUBLIC HEALTH.
- 37 (H) PRIVATE OR PUBLIC FINANCE.

38 6. IN ORDER TO CARRY OUT THE PURPOSES OF THE BANK, THE EXECUTIVE  
39 COMMITTEE SHALL:

40 (A) ESTABLISH DISCLOSURE AND APPLICATION PROCEDURES FOR ENTITIES NOMI-  
41 NATING PROJECTS FOR ASSISTANCE UNDER THIS ARTICLE;

42 (B) ACCEPT, FOR CONSIDERATION, PROJECT PROPOSALS RELATING TO THE  
43 DEVELOPMENT OF INFRASTRUCTURE PROJECTS, WHICH MEET THE BASIC CRITERIA  
44 ESTABLISHED BY THE BOARD, AND WHICH ARE SUBMITTED BY AN ENTITY;

45 (C) PROVIDE RECOMMENDATIONS TO THE BOARD AND PLACE PROJECT PROPOSALS  
46 ACCEPTED BY THE EXECUTIVE COMMITTEE ON THE LIST FOR CONSIDERATION FOR  
47 FINANCIAL ASSISTANCE FROM THE BOARD;

48 (D) PROVIDE TECHNICAL ASSISTANCE TO ENTITIES RECEIVING FINANCING FROM  
49 THE BANK AND OTHERWISE IMPLEMENT DECISIONS OF THE BOARD.

50 7. A VACANCY IN THE POSITION OF EXECUTIVE DIRECTOR SHALL BE FILLED IN  
51 THE MANNER IN WHICH THE ORIGINAL APPOINTMENT WAS MADE.

52 8. THE COMPENSATION OF THE EXECUTIVE COMMITTEE SHALL BE DETERMINED BY  
53 THE BOARD.

54 9. THE EXECUTIVE OFFICERS MAY BE REMOVED AT THE DISCRETION OF A MAJOR-  
55 ITY OF THE BOARD.

10. THE EXECUTIVE OFFICERS SHALL SERVE FOR A TERM OF SIX YEARS AND MAY BE REAPPOINTED ONCE IN ACCORDANCE WITH THIS SECTION.

11. THE EXECUTIVE OFFICERS SHALL NOT:

(A) HOLD ANY OTHER PUBLIC OFFICE;

(B) HAVE ANY INTEREST IN AN INFRASTRUCTURE PROJECT CONSIDERED BY THE BOARD;

(C) HAVE ANY INTEREST IN AN INVESTMENT INSTITUTION, COMMERCIAL BANK OR OTHER ENTITY SEEKING FINANCIAL ASSISTANCE FOR ANY INFRASTRUCTURE PROJECT FROM THE BANK; AND

(D) HAVE ANY SUCH INTEREST DURING THE TWO YEAR PERIOD BEGINNING ON THE DATE SUCH OFFICER CEASES TO SERVE IN SUCH CAPACITY.

S 9104. RISK MANAGEMENT COMMITTEE. 1. THE BANK SHALL ESTABLISH A RISK MANAGEMENT COMMITTEE CONSISTING OF FIVE MEMBERS, HEADED BY THE CHIEF RISK OFFICER.

2. A MAJORITY OF THE BOARD SHALL HAVE THE AUTHORITY TO APPOINT AND REAPPOINT THE CRO OF THE BANK.

3. (A) THE CRO SHALL HAVE SUCH FUNCTIONS, POWERS AND DUTIES AS MAY BE PRESCRIBED BY THIS ARTICLE, THE BYLAWS OF THE BANK AND THE BOARD. THE CRO SHALL REPORT DIRECTLY TO THE BOARD.

(B) IN ORDER TO CARRY OUT THE PURPOSES OF THIS ARTICLE, THE RISK MANAGEMENT COMMITTEE SHALL:

(I) CREATE FINANCIAL, CREDIT AND OPERATIONAL RISK MANAGEMENT GUIDELINES FOR THE BANK;

(II) SET STANDARDS TO ENSURE DIVERSIFICATION OF LENDING ACTIVITIES BY BOTH REGION AND INFRASTRUCTURE PROJECT TYPE; AND

(III) CREATE CONFORMING STANDARDS FOR INFRASTRUCTURE FINANCE SECURITIES.

4. (A) THE BOARD SHALL APPOINT, REMOVE, FIX THE COMPENSATION AND DEFINE THE DUTIES OF FOUR OTHER RISK MANAGEMENT OFFICERS TO SERVE ON SUCH COMMITTEE.

(B) THE CRO AND OTHER RISK MANAGEMENT OFFICERS SHALL HAVE DEMONSTRATED EXPERIENCE AND EXPERTISE IN ONE OR MORE OF THE FOLLOWING:

(I) TREASURY AND ASSET AND LIABILITY MANAGEMENT.

(II) INVESTMENT REGULATIONS.

(III) CREDIT RISK MANAGEMENT AND CREDIT EVALUATIONS.

(IV) RELATE DISCIPLINES.

5. A VACANCY IN THE POSITION OF ANY RISK MANAGEMENT OFFICER SHALL BE FILLED IN THE MANNER IN WHICH THE ORIGINAL APPOINTMENT WAS MADE.

6. THE COMPENSATION OF THE RISK MANAGEMENT OFFICERS SHALL BE DETERMINED BY THE BOARD.

7. THE RISK MANAGEMENT OFFICERS MAY BE REMOVED AT THE DISCRETION OF THE MAJORITY OF THE BOARD.

8. THE RISK MANAGEMENT OFFICERS SHALL SERVE A SIX YEAR TERM AND MAY BE REAPPOINTED ONCE IN ACCORDANCE WITH THIS SECTION.

9. THE RISK MANAGEMENT OFFICERS SHALL NOT:

(A) HOLD ANY OTHER PUBLIC OFFICE;

(B) HAVE ANY INTEREST IN AN INFRASTRUCTURE PROJECT CONSIDERED BY THE BOARD;

(C) HAVE ANY INTEREST IN AN INVESTMENT INSTITUTION, COMMERCIAL BANK OR OTHER ENTITY SEEKING FINANCIAL ASSISTANCE FOR ANY INFRASTRUCTURE PROJECT FROM THE BANK; AND

(D) HAVE ANY SUCH INTEREST DURING THE TWO YEAR PERIOD BEGINNING ON THE DATE SUCH OFFICER CEASES TO SERVE IN SUCH CAPACITY.

S 9105. AUDIT COMMITTEE. 1. THE BANK SHALL ESTABLISH AN AUDIT COMMITTEE CONSISTING OF FIVE MEMBERS, HEADED BY THE CHIEF COMPLIANCE OFFICER.

1 2. A MAJORITY OF THE BOARD SHALL HAVE THE AUTHORITY TO APPOINT AND  
2 REAPPOINT THE CCO OF THE BANK.

3 3. (A) THE CCO SHALL HAVE SUCH FUNCTIONS, POWERS AND DUTIES AS MAY BE  
4 PRESCRIBED BY THIS ARTICLE, THE BYLAWS OF THE BANK AND THE BOARD. THE  
5 CCO SHALL REPORT DIRECTLY TO THE BOARD.

6 (B) IN ORDER TO CARRY OUT THE PURPOSES OF THIS ARTICLE, THE AUDIT  
7 COMMITTEE SHALL:

8 (I) PROVIDE INTERNAL CONTROLS AND INTERNAL AUDITING ACTIVITIES FOR THE  
9 BANK;

10 (II) MAINTAIN RESPONSIBILITY FOR THE ACCOUNTING ACTIVITIES OF THE  
11 BANK;

12 (III) ISSUE FINANCIAL REPORTS OF THE BANK; AND

13 (IV) COMPLETE REPORTS WITH OUTSIDE AUDITORS AND PUBLIC ACCOUNTANTS  
14 APPOINTED BY THE BOARD.

15 4. (A) THE BOARD SHALL APPOINT, REMOVE, FIX THE COMPENSATION AND  
16 DEFINE THE DUTIES OF FOUR OTHER AUDIT OFFICERS TO SERVE ON SUCH COMMIT-  
17 TEE.

18 (B) THE CCO AND OTHER AUDIT OFFICERS SHALL HAVE DEMONSTRATED EXPERI-  
19 ENCE AND EXPERTISE IN ONE OR MORE OF THE FOLLOWING:

20 (I) INTERNAL AUDITING.

21 (II) INTERNAL INVESTIGATIONS.

22 (III) ACCOUNTING PRACTICES.

23 (IV) FINANCING PRACTICES.

24 5. A VACANCY IN THE POSITION OF ANY AUDIT OFFICER SHALL BE FILLED IN  
25 THE MANNER IN WHICH THE ORIGINAL APPOINTMENT WAS MADE.

26 6. THE COMPENSATION OF THE AUDIT OFFICERS SHALL BE DETERMINED BY THE  
27 BOARD.

28 7. THE AUDIT OFFICERS MAY BE REMOVED AT THE DISCRETION OF THE MAJORITY  
29 OF THE BOARD.

30 8. THE AUDIT OFFICERS SHALL SERVE A SIX YEAR TERM AND MAY BE REAP-  
31 POINTED ONCE IN ACCORDANCE WITH THIS SECTION.

32 9. THE AUDIT OFFICERS SHALL NOT:

33 (A) HOLD ANY OTHER PUBLIC OFFICE;

34 (B) HAVE ANY INTEREST IN AN INFRASTRUCTURE PROJECT CONSIDERED BY THE  
35 BOARD;

36 (C) HAVE ANY INTEREST IN AN INVESTMENT INSTITUTION, COMMERCIAL BANK OR  
37 OTHER ENTITY SEEKING FINANCIAL ASSISTANCE FOR ANY INFRASTRUCTURE PROJECT  
38 FROM THE BANK; AND

39 (D) HAVE ANY SUCH INTEREST DURING THE TWO YEAR PERIOD BEGINNING ON THE  
40 DATE SUCH OFFICER CEASES TO SERVE IN SUCH CAPACITY.

41 S 9106. ELIGIBILITY CRITERIA AND ASSISTANCE. 1. NO FINANCIAL ASSIST-  
42 ANCE SHALL BE AVAILABLE UNDER THIS ARTICLE FROM THE BANK UNLESS THE  
43 APPLICANT FOR SUCH ASSISTANCE HAS DEMONSTRATED TO THE SATISFACTION OF  
44 THE BOARD THAT THE PROJECT FOR WHICH SUCH ASSISTANCE IS BEING SOUGHT  
45 MEETS:

46 (A) THE REQUIREMENTS OF THIS ARTICLE; AND

47 (B) ANY CRITERIA ESTABLISHED IN ACCORDANCE WITH THIS ARTICLE BY THE  
48 BOARD.

49 2. (A) CONSISTENT WITH THE REQUIREMENTS OF SUBDIVISIONS THREE AND FOUR  
50 OF THIS SECTION, THE BOARD SHALL ESTABLISH:

51 (I) CRITERIA FOR DETERMINING ELIGIBILITY FOR FINANCIAL ASSISTANCE  
52 UNDER THIS ARTICLE;

53 (II) DISCLOSURE AND APPLICATION PROCEDURES TO BE FOLLOWED BY ENTITIES  
54 TO NOMINATE PROJECTS FOR ASSISTANCE UNDER THIS ARTICLE; AND

55 (III) SUCH OTHER CRITERIA AS THE BOARD MAY CONSIDER TO BE APPROPRIATE  
56 FOR PURPOSES OF CARRYING OUT THIS ARTICLE.

(B) (I) THE BANK SHALL CONDUCT AN ANALYSIS THAT TAKES INTO ACCOUNT THE ECONOMIC, ENVIRONMENTAL, SOCIAL BENEFITS AND COSTS OF EACH PROJECT UNDER CONSIDERATION FOR FINANCIAL ASSISTANCE UNDER THIS ARTICLE, PRIORITIZING PROJECTS THAT CONTRIBUTE TO ECONOMIC GROWTH, LEAD TO JOB CREATION AND ARE OF REGIONAL OR LOCAL SIGNIFICANCE.

(II) THE CRITERIA ESTABLISHED PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH (A) OF THIS SUBDIVISION SHALL PROVIDE FOR THE CONSIDERATION OF THE FOLLOWING FACTORS IN CONSIDERING ELIGIBILITY FOR FINANCIAL ASSISTANCE UNDER THIS ARTICLE:

(A) THE MEANS BY WHICH DEVELOPMENT OF THE INFRASTRUCTURE PROJECT UNDER CONSIDERATION IS BEING FINANCED, INCLUDING:

(1) THE TERMS AND CONDITIONS AND FINANCIAL STRUCTURE OF THE PROPOSED FINANCING; AND

(2) THE FINANCIAL ASSUMPTIONS AND PROJECTIONS ON WHICH THE PROJECT IS BASED.

(B) THE LIKELIHOOD THAT THE PROVISION OF ASSISTANCE BY THE BANK WILL CAUSE SUCH DEVELOPMENT TO PROCEED MORE PROMPTLY AND WITH LOWER COSTS FOR FINANCING THAN WOULD BE THE CASE WITHOUT SUCH ASSISTANCE.

(C) THE EXTENT TO WHICH THE PROVISION OF ASSISTANCE BY THE BANK MAXIMIZES THE LEVEL OF PRIVATE INVESTMENT IN THE INFRASTRUCTURE PROJECT WHILE PROVIDING A PUBLIC BENEFIT.

3. (A) FOR ANY TRANSPORTATION INFRASTRUCTURE PROJECT, THE BOARD SHALL CONSIDER THE FOLLOWING:

(I) JOB CREATION, INCLUDING WORKFORCE DEVELOPMENT FOR WOMEN AND MINORITIES, RESPONSIBLE EMPLOYMENT PRACTICES, AND QUALITY JOB TRAINING OPPORTUNITIES.

(II) REDUCTION IN CARBON EMISSIONS.

(III) REDUCTION IN SURFACE AND AIR TRAFFIC CONGESTION.

(IV) SMART GROWTH IN URBAN AREAS.

(V) POVERTY AND INEQUALITY REDUCTION THROUGH TARGETED TRAINING AND EMPLOYMENT OPPORTUNITIES FOR LOW-INCOME WORKERS.

(VI) USE OF SMART TOLLING, SUCH AS VEHICLE MILES TRAVELED AND CONGESTION PRICING, FOR HIGHWAY, ROAD, AND BRIDGE PROJECTS.

(VII) PUBLIC HEALTH BENEFITS.

(B) FOR ANY ENVIRONMENTAL INFRASTRUCTURE PROJECT, THE BOARD SHALL CONSIDER THE FOLLOWING:

(I) PUBLIC HEALTH BENEFITS.

(II) POLLUTION REDUCTIONS.

(III) JOB CREATION, INCLUDING WORKFORCE DEVELOPMENT FOR WOMEN AND MINORITIES, RESPONSIBLE EMPLOYMENT PRACTICES AND QUALITY JOB TRAINING OPPORTUNITIES.

(IV) POVERTY AND INEQUALITY REDUCTION THROUGH TARGETED TRAINING AND EMPLOYMENT OPPORTUNITIES FOR LOW INCOME WORKERS.

(V) ENVIRONMENTAL JUSTICE.

(C) FOR ANY ENERGY INFRASTRUCTURE PROJECT, THE BOARD SHALL CONSIDER THE FOLLOWING:

(I) JOB CREATION, INCLUDING WORKFORCE DEVELOPMENT FOR WOMEN AND MINORITIES, RESPONSIBLE EMPLOYMENT PRACTICES AND QUALITY JOB TRAINING OPPORTUNITIES.

(II) POVERTY AND INEQUALITY REDUCTION THROUGH TARGETED TRAINING AND EMPLOYMENT OPPORTUNITIES FOR LOW INCOME WORKERS.

(III) REDUCTION IN CARBON EMISSIONS.

(IV) ENVIRONMENTAL JUSTICE.

(V) SMART GROWTH IN URBAN AREAS.

(VI) EXPANDED USE OF RENEWABLE ENERGY, INCLUDING, BUT NOT LIMITED TO HYDROELECTRIC, SOLAR, WIND AND WASTE-TO-ENERGY.



(VII) DEVELOPMENT OF A SMART GRID.

(VIII) ENERGY EFFICIENT BUILDING, HOUSING, SCHOOL MODERNIZATION AND WEATHERIZATION.

(IX) IN ANY CASE IN WHICH THE PROJECT IS ALSO A PUBLIC HOUSING PROJECT:

(A) IMPROVEMENT OF THE PHYSICAL SHAPE AND LAYOUT;

(B) ENVIRONMENTAL IMPROVEMENT; AND

(C) MOBILITY IMPROVEMENTS FOR RESIDENTS.

(X) PUBLIC HEALTH BENEFITS.

(D) FOR ANY TELECOMMUNICATIONS PROJECT, THE BOARD SHALL CONSIDER THE FOLLOWING:

(I) THE EXTENT TO WHICH ASSISTANCE EXPANDS OR IMPROVES BROADBAND AND WIRELESS SERVICES IN RURAL AND DISADVANTAGED COMMUNITIES.

(II) JOB CREATION, INCLUDING WORKFORCE DEVELOPMENT FOR WOMEN AND MINORITIES, RESPONSIBLE EMPLOYMENT PRACTICES AND QUALITY JOB TRAINING OPPORTUNITIES.

(III) POVERTY AND INEQUALITY REDUCTION THROUGH TARGETED TRAINING AND EMPLOYMENT OPPORTUNITIES FOR LOW INCOME WORKERS.

4. (A) CONSIDERATION OF PROJECTS BY THE EXECUTIVE COMMITTEE AND BOARD SHALL BE CONDUCTED WITH PERSONNEL ASSISTING THE BANK FROM RELEVANT STATE AND LOCAL AGENCIES FROM AMONG INDIVIDUALS WHO ARE FAMILIAR WITH AND EXPERIENCED IN THE SELECTION CRITERIA FOR COMPETITIVE PROJECTS.

(B) A FEE MAY BE CHARGED FOR THE REVIEW OF ANY PROJECT PROPOSAL IN SUCH AMOUNT AS MAY BE CONSIDERED APPROPRIATE BY THE EXECUTIVE COMMITTEE TO COVER THE COST OF SUCH REVIEW.

5. CONSISTENT WITH OTHER PROVISIONS OF THIS ARTICLE, ANY DETERMINATION OF THE BOARD TO PROVIDE ASSISTANCE TO ANY PROJECT, AND THE MANNER IN WHICH SUCH ASSISTANCE IS PROVIDED, INCLUDING THE TERMS, CONDITIONS, FEES AND CHARGES SHALL BE AT THE SOLE DISCRETION OF THE BOARD.

6. THE PROVISION OF ASSISTANCE BY THE BOARD IN ACCORDANCE WITH THIS ARTICLE SHALL NOT BE DEEMED TO RELIEVE ANY RECIPIENT OF ASSISTANCE OR THE RELATED PROJECT OF ANY OBLIGATION TO OBTAIN REQUIRED, STATE, LOCAL AND FEDERAL PERMIT AND APPROVALS.

7. AN ENTITY RECEIVING ASSISTANCE FROM THE BOARD SHALL MAKE ANNUAL REPORTS TO THE BOARD ON THE USE OF ANY SUCH ASSISTANCE, CRITERIA SET FORTH IN THIS SECTION AND A DISCLOSURE OF ALL ENTITIES WITH A DEVELOPMENT, OWNERSHIP OR OPERATIONAL INTEREST IN A PROJECT ASSISTED OR PROPOSED TO BE ASSISTED UNDER THIS ARTICLE.

S 9107. EXEMPTION FROM LOCAL TAXATION. ALL NOTES, DEBENTURES, BONDS OR OTHER SUCH OBLIGATIONS ISSUED BY THE BANK, AND THE INTEREST ON OR CREDIT WITH RESPECT TO SUCH BONDS OR OTHER OBLIGATIONS, SHALL NOT BE SUBJECT TO TAXATION BY ANY STATE, COUNTY, MUNICIPALITY OR LOCAL TAXING AUTHORITY.

S 9108. STATUS AND APPLICABILITY OF CERTAIN FEDERAL LAWS; FULL FAITH AND CREDIT. 1. THE BANK SHALL COMPLY WITH ALL FEDERAL LAWS REGULATING BUDGETARY AND AUDITING PRACTICES OF A GOVERNMENT CORPORATION, EXCEPT AS OTHERWISE PROVIDED FOR IN THIS ARTICLE.

2. ANY BOND OR OTHER OBLIGATION ISSUED BY THE BANK UNDER THIS ARTICLE SHALL BE AN OBLIGATION SUPPORTED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES.

3. ALL DEBT SECURITIES AND OTHER OBLIGATIONS ISSUED BY THE BANK PURSUANT TO THIS ARTICLE SHALL BE DEEMED TO BE EXEMPT SECURITIES WITHIN THE MEANING OF LAWS ADMINISTERED BY THE SECURITIES AND EXCHANGE COMMISSION TO THE SAME EXTENT AS SECURITIES WHICH ARE DIRECT OBLIGATIONS OF, OR OBLIGATIONS FULLY GUARANTEED AS TO PRINCIPAL OR INTEREST BY, THE UNITED STATES.

1 4. THE OBLIGATIONS OF THE BANK ISSUED PURSUANT TO THIS ARTICLE SHALL  
2 BE DEEMED TO BE OBLIGATIONS OF THE STATE.

3 S 9109. AUDITS AND REPORTS. 1. THE BOOKS OF ACCOUNT OF THE BANK SHALL  
4 BE MAINTAINED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND SHALL BE SUBJECT TO AN ANNUAL AUDIT BY INDEPENDENT PUBLIC  
5 ACCOUNTANTS APPOINTED BY THE BOARD AND OF NATIONALLY RECOGNIZED STAND-  
6 ING.  
7

8 2. (A) THE BOARD SHALL SUBMIT TO THE GOVERNOR AND LEGISLATURE, WITHIN  
9 NINETY DAYS AFTER THE LAST DAY OF EACH FISCAL YEAR, A COMPLETE AND  
10 DETAILED REPORT WITH RESPECT TO THE PRECEDING FISCAL YEAR, SETTING  
11 FORTH:

12 (I) A SUMMARY OF THE BANK'S OPERATIONS FOR SUCH PRECEDING FISCAL YEAR;

13 (II) A SCHEDULE OF THE BANK'S OBLIGATIONS AND CAPITAL SECURITIES  
14 OUTSTANDING AT THE END OF SUCH PRECEDING FISCAL YEAR, WITH A STATEMENT  
15 OF THE AMOUNTS ISSUED AND REDEEMED OR PAID DURING SUCH PRECEDING FISCAL  
16 YEAR; AND

17 (III) THE STATUS OF PROJECTS RECEIVING FUNDING OR OTHER ASSISTANCE  
18 PURSUANT TO THIS ARTICLE, INCLUDING, BUT NOT LIMITED TO DISCLOSURE OF  
19 ALL ENTITIES WITH A DEVELOPMENT, OWNERSHIP OR OPERATIONAL INTEREST IN  
20 SUCH PROJECTS.

21 (B) NOT LATER THAN FIVE YEARS AFTER THE EFFECTIVE DATE OF THIS ARTI-  
22 CLE, THE NEW YORK STATE COMPTROLLER SHALL SUBMIT TO THE GOVERNOR AND  
23 LEGISLATURE A REPORT EVALUATING ACTIVITIES OF THE BANK FOR THE FISCAL  
24 YEARS COVERED BY THE REPORT THAT INCLUDES AN ASSESSMENT OF THE IMPACT  
25 AND BENEFITS OF EACH FUNDED PROJECT, INCLUDING A REVIEW OF HOW EFFEC-  
26 TIVELY EACH PROJECT ACCOMPLISHED THE GOALS PRIORITIZED BY THE BANK'S  
27 PROJECT CRITERIA.

28 3. (A) THE BANK SHALL MAINTAIN ADEQUATE BOOKS AND RECORDS TO SUPPORT  
29 THE FINANCIAL TRANSACTIONS OF THE BANK WITH A DESCRIPTION OF FINANCIAL  
30 TRANSACTIONS AND INFRASTRUCTURE PROJECTS RECEIVING FUNDING, AND THE  
31 AMOUNT OF FUNDING FOR EACH PROJECT MAINTAINED ON A PUBLICLY ACCESSIBLE  
32 DATABASE.

33 (B) THE BOOKS AND RECORDS OF THE BANK SHALL BE MAINTAINED IN ACCORD-  
34 ANCE WITH RECOMMENDED ACCOUNTING PRACTICES AND SHALL BE OPEN TO  
35 INSPECTION BY THE SUPERINTENDENT AND THE NEW YORK STATE COMPTROLLER.

36 S 3. The sum of two hundred fifty million dollars (\$250,000,000) is  
37 hereby appropriated to the banking department out of any moneys in the  
38 state treasury in the general fund to the credit of the state purposes  
39 account, not otherwise appropriated, and made immediately available, for  
40 the purpose of carrying out the provisions of this act. Such moneys  
41 shall be payable on the audit and warrant of the comptroller on vouchers  
42 certified or approved by the superintendent of banking department in the  
43 manner prescribed by law.

44 S 4. This act shall take effect on the sixtieth day after it shall  
45 have become a law and shall expire and be deemed repealed December 31,  
46 2025.