

6083

2009-2010 Regular Sessions

I N A S S E M B L Y

February 24, 2009

Introduced by M. of A. SCHROEDER -- read once and referred to the  
Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to the Erie  
county fiscal stability authority's borrowing determinations

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

1 Section 1. Paragraph (i) of subdivision 2 of section 3959 of the  
2 public authorities law, as added by chapter 182 of the laws of 2005, is  
3 amended to read as follows:  
4 (i) shall, with respect to any proposed borrowing by or on behalf of  
5 the county or any covered organization on or after July first, two thou-  
6 sand five, review the terms of and comment, within thirty days after  
7 notification by the county or covered organization of a proposed borrow-  
8 ing, on the prudence of each proposed issuance of bonds or notes to be  
9 issued by the county or covered organization and no such borrowing shall  
10 be made unless first reviewed[,] AND commented upon [and approved] by  
11 the authority. The authority shall comment within thirty days after  
12 notification by the county or covered organization of a proposed borrow-  
13 ing to the county executive, the comptroller, the legislature, the  
14 director of the budget, the chair of the state senate finance committee,  
15 the chair of the state assembly ways and means committee and the state  
16 comptroller [and indicate approval or disapproval of the proposed  
17 borrowing]. WITH RESPECT TO ANY PROPOSED BORROWING BY THE COUNTY, THE  
18 APPROVAL OF SUCH BORROWING BY THE AUTHORITY SHALL NOT BE REQUIRED IN THE  
19 EVENT THAT THE COUNTY'S RATINGS FROM AT LEAST TWO NATIONALLY RECOGNIZED  
20 RATING AGENCIES ARE INVESTMENT GRADE AT THE TIME OF SUCH BORROWING. NO  
21 SUCH PROPOSED BORROWING BY THE COUNTY SHALL BE MADE UNLESS FIRST  
22 APPROVED BY THE AUTHORITY IN THE EVENT THAT THE COUNTY DOES NOT HAVE  
23 RATINGS FROM AT LEAST TWO NATIONALLY RECOGNIZED RATING AGENCIES WHICH  
24 ARE INVESTMENT GRADE AT THE TIME OF SUCH BORROWING. Notwithstanding the  
25 foregoing, neither the county nor any covered organization shall be

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

LBD09170-01-9

1 prohibited from issuing bonds or notes to pay outstanding bonds or  
2 notes; and, provided further, revenue anticipation notes issued in July  
3 two thousand five, shall be excluded from this requirement;  
4 S 2. This act shall take effect immediately.