S T A T E O F N E W Y O R K

9470--B

I N A S S E M B L Y

(PREFILED)

January 6, 2010

Introduced by M. of A. MAGEE -- read once and referred to the Committee on Corporations, Authorities and Commissions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public authorities law, in relation to projects at the New York state fair

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

Section 1. Section 1680-k of the public authorities law is amended by adding a new subdivision 3 to read as follows:

3. (A) NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW TO THE CONTRARY, THE AUTHORITY IS HEREBY AUTHORIZED TO ISSUE BONDS OR NOTES IN ONE OR MORE SERIES FOR THE PURPOSE OF FUNDING PROJECT COSTS FOR THE CONSTRUCTION OF CULINARY AND HOSPITALITY EDUCATION FACILITIES BY THE DIVISION OF THE STATE FAIR. THE AGGREGATE PRINCIPAL AMOUNT OF BONDS AUTHORIZED TO BE ISSUED PURSUANT TO THIS SUBDIVISION SHALL NOT EXCEED TWENTY MILLION DOLLARS, EXCLUDING BONDS ISSUED TO FUND ONE OR MORE DEBT SERVICE RESERVE FUNDS, TO PAY COSTS OF ISSUANCE OF SUCH BONDS, AND BONDS OR NOTES ISSUED TO REFUND OR OTHERWISE REPAY SUCH BONDS OR NOTES PREVIOUSLY ISSUED. SUCH BONDS AND NOTES OF THE AUTHORITY SHALL NOT BE A DEBT OF THE STATE, AND THE STATE SHALL NOT BE LIABLE THEREON, NOR SHALL THEY BE PAYABLE OUT OF ANY FUNDS OTHER THAN THOSE APPROPRIATED BY THE STATE TO THE AUTHORITY FOR PRINCIPAL, INTEREST, AND RELATED EXPENSES PURSUANT TO A SERVICE CONTRACT AND SUCH BONDS AND NOTES SHALL CONTAIN ON THE FACE THEREOF A STATEMENT TO SUCH EFFECT. EXCEPT FOR PURPOSES OF COMPLYING WITH THE INTERNAL REVENUE CODE, ANY INTEREST INCOME EARNED ON BOND PROCEEDS SHALL ONLY BE USED TO PAY DEBT SERVICE ON SUCH BONDS.

(B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, IN ORDER TO ASSIST THE AUTHORITY IN UNDERTAKING THE FINANCING OF THE CONSTRUCTION OF CULINARY AND HOSPITALITY EDUCATION FACILITIES BY THE DIVISION OF THE STATE FAIR, THE DIRECTOR OF THE BUDGET IS HEREBY AUTHORIZED TO ENTER INTO ONE OR MORE SERVICE CONTRACTS WITH THE AUTHORITY,

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

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NONE OF WHICH SHALL EXCEED THIRTY YEARS IN DURATION, UPON SUCH TERMS AND CONDITIONS AS THE DIRECTOR OF THE BUDGET AND THE AUTHORITY AGREE, SO AS TO ANNUALLY PROVIDE TO THE AUTHORITY, IN THE AGGREGATE, A SUM NOT TO EXCEED THE PRINCIPAL, INTEREST, AND RELATED EXPENSES REQUIRED FOR SUCH BONDS AND NOTES. ANY SERVICE CONTRACT ENTERED INTO PURSUANT TO THIS SECTION SHALL PROVIDE THAT THE OBLIGATION OF THE STATE TO PAY THE AMOUNT THEREIN PROVIDED SHALL NOT CONSTITUTE A DEBT OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION AND SHALL BE DEEMED EXECUTORY ONLY TO THE EXTENT OF MONIES AVAILABLE AND THAT NO LIABILITY SHALL BE INCURRED BY THE STATE BEYOND THE MONIES AVAILABLE FOR SUCH PURPOSE, SUBJECT TO ANNUAL APPROPRIATION BY THE LEGISLATURE. ANY SUCH CONTRACT OR ANY PAYMENTS MADE OR TO BE MADE THEREUNDER MAY BE ASSIGNED AND PLEDGED BY THE AUTHORITY AS SECURITY FOR ITS BONDS AND NOTES, AS AUTHORIZED BY THIS SECTION.

(C) PRIOR TO THE COMMENCEMENT OF CONSTRUCTION OF ANY PROJECT FINANCED PURSUANT TO THIS SUBDIVISION, THE COMMISSIONER OF AGRICULTURE AND MARKETS AND THE AUTHORITY SHALL ENTER INTO AN AGREEMENT PROVIDING FOR THE DESIGN, CONSTRUCTION, RECONSTRUCTION, REHABILITATION AND IMPROVEMENT PROJECTS OF CULINARY AND HOSPITALITY EDUCATION FACILITIES BY THE DIVISION OF THE STATE FAIR. SUCH AGREEMENT SHALL PROVIDE FOR THE DORMITORY AUTHORITY TO (I) PROCURE SUCH ARCHITECTS, ENGINEERS, CONSTRUCTION MANAGERS AND CONTRACTORS NECESSARY TO DESIGN, MANAGE AND CONSTRUCT THE PROJECT (INCLUDING THE PERFORMANCE OF SERVICES RELATING TO PLANNING, DESIGN REVIEW, BUDGETING, CONSTRUCTION SCHEDULING, CONSTRUCTABILITY REVIEWS, COORDINATION OF PRIME CONTRACTORS, COST CONTROL AND PROCESSING OF CHANGE ORDERS); AND (II) MONITOR, SUPERVISE, REVIEW AND COORDINATE THE SERVICES OF ALL ARCHITECTS, ENGINEERS, CONSTRUCTION MANAGERS AND CONTRACTORS ENGAGED PURSUANT TO SUCH AGREEMENT TO THE EXTENT THAT THE AUTHORITY DEEMS IT NECESSARY TO FULFILL ITS RESPONSIBILITIES AS AGENT OR REPRESENTATIVE OF THE DEPARTMENT OF AGRICULTURE AND MARKETS UNDER SUCH AGREEMENT. THE AGREEMENT SHALL CONTAIN SUCH OTHER TERMS AND CONDITIONS AS MAY BE AGREED UPON BY THE COMMISSIONER AND THE AUTHORITY.

S 2. This act shall take effect immediately.