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

3161

2009-2010 Regular Sessions

I N S E N A T E

March 12, 2009

Introduced by Sen. STACHOWSKI -- read twice and ordered printed, and when printed to be committed 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 ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Paragraph (i) of subdivision 2 of section 3959 of the public authorities law, as added by chapter 182 of the laws of 2005, is amended to read as follows:

(i) shall, with respect to any proposed borrowing by or on behalf of the county or any covered organization on or after July first, two thousand five, review the terms of and comment, within thirty days after notification by the county or covered organization of a proposed borrowing, on the prudence of each proposed issuance of bonds or notes to be issued by the county or covered organization and no such borrowing shall be made unless first reviewed[,] AND commented upon [and approved] by the authority. The authority shall comment within thirty days after notification by the county or covered organization of a proposed borrowing to the county executive, the comptroller, the legislature, the director of the budget, the chair of the state senate finance committee, the chair of the state assembly ways and means committee and the state comptroller [and indicate approval or disapproval of the proposed borrowing]. WITH RESPECT TO ANY PROPOSED BORROWING BY THE COUNTY, THE APPROVAL OF SUCH BORROWING BY THE AUTHORITY SHALL NOT BE REQUIRED IN THE EVENT THAT THE COUNTY'S RATINGS FROM AT LEAST TWO NATIONALLY RECOGNIZED RATING AGENCIES ARE INVESTMENT GRADE AT THE TIME OF SUCH BORROWING. NO SUCH PROPOSED BORROWING BY THE COUNTY SHALL BE MADE UNLESS FIRST APPROVED BY THE AUTHORITY IN THE EVENT THAT THE COUNTY DOES NOT HAVE RATINGS FROM AT LEAST TWO NATIONALLY RECOGNIZED RATING AGENCIES WHICH ARE INVESTMENT GRADE AT THE TIME OF SUCH BORROWING. Notwithstanding the

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

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foregoing, neither the county nor any covered organization shall be prohibited from issuing bonds or notes to pay outstanding bonds or notes; and, provided further, revenue anticipation notes issued in July two thousand five, shall be excluded from this requirement;

S 2. This act shall take effect immediately.