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

3690

2009-2010 Regular Sessions

I N S E N A T E

March 27, 2009

Introduced by Sen. PERKINS -- (at request of the Environmental Facilities Corporation) -- 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 special powers of the New York state environmental facilities corporation

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

Section 1. Section 1281 of the public authorities law is amended by adding a new subdivision 35 to read as follows:

35. "MULTILATERAL DEVELOPMENT BANK" MEANS ANY BANK DEFINED AS SUCH BY FEDERAL LAW, INCLUDING THE EUROPEAN INVESTMENT BANK, THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT, THE INTERNATIONAL DEVELOPMENT ASSOCIATION, THE INTERNATIONAL FINANCE CORPORATION, THE MULTILATERAL INVESTMENT GUARANTEE AGENCY, THE AFRICAN DEVELOPMENT BANK, THE AFRICAN DEVELOPMENT FUND, THE ASIAN DEVELOPMENT BANK, THE INTER-AMERICAN DEVELOPMENT BANK, THE INTER-AMERICAN INVESTMENT CORPORATION, THE BANK FOR ECONOMIC COOPERATION AND DEVELOPMENT IN THE MIDDLE EAST AND NORTH AFRICA, AND ANY SUBSIDIARY OF ANY SUCH INSTITUTION.

S 2. Subdivision 6 of section 1285-j of the public authorities law, as amended by chapter 307 of the laws of 2005, is amended to read as follows:

6. Moneys in the water pollution control revolving fund may be invested as provided in subdivision four of section twelve hundred eighty-four of this title and may be further invested (a) in investment agreements continuously secured by obligations with any insurance or reinsurance company or corporate affiliate thereof rated by a nationally recognized rating agency in one of its two highest categories, any bank, trust company or broker or dealer, as defined by the securities exchange act of 1934, which is a dealer in government bonds, which reports to,

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

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trades with and is recognized as a primary dealer by a federal reserve bank and is a member of the securities investors protection corporation, if, (i) such obligations securing such investment agreements are obligations as set forth in section ten of the general municipal law, (ii) such obligations are delivered to a trustee for the benefit of the corporation or, with respect to moneys pledged under an indenture of trust relating to bonds or notes of the corporation, to the trustee under such indenture, or are supported by a safe keeping receipt issued by a depository satisfactory to the corporation as applicable, provided that such investment agreements must provide that the value of the underlying obligations shall be maintained at a current market value, calculated no less frequently than monthly, of not less than the amount deposited thereunder, (iii) a prior perfected security interest in the obligations which are securing such agreement has been granted to the corporation, as applicable, and (iv) such obligations are free and clear of adverse third party claims, or (b) in obligations as set forth in section ten of the general municipal law that are rated by a nationally recognized rating agency in one of its two highest rating categories, OR (C) IN OBLIGATIONS OF MULTILATERAL DEVELOPMENT BANKS THAT ARE RATED BY A NATIONALLY RECOGNIZED RATING AGENCY IN ONE OF ITS TWO HIGHEST RATING CATEGORIES, OR (D) IN OBLIGATIONS WHICH HAVE BEEN REFUNDED PRIOR TO MATURITY AND ARE PAYABLE FROM DEFEASANCE SECURITIES IN AN IRREVOCABLE ESCROW WHICH MEET THE REQUIREMENTS OF PARAGRAPHS (A), (B) OR (C) OF THIS SUBDIVISION.

S 3. Subdivision 6 of section 1285-m of the public authorities law, as amended by chapter 307 of the laws of 2005, is amended to read as follows:

6. Moneys in the drinking water revolving fund may be invested as provided in subdivision four of section twelve hundred eighty-four of this title and may be further invested:

(a) in investment agreements continuously secured by obligations with any insurance company or reinsurance company or corporate affiliate thereof rated by a nationally recognized rating agency in one of its two highest categories, any bank, trust company or broker or dealer, as defined by the securities exchange act of 1934, which is a dealer in government bonds, which reports to, trades with and is recognized as a primary dealer by a federal reserve bank and is a member of the securities investors protection corporation, if such investment agreement provides that:

(i) such obligations securing such investment agreements are obligations as set forth in section ten of the general municipal law;

(ii) such obligations are to be delivered to a trustee for the benefit of the corporation or, with respect to moneys pledged under an indenture of trust or trust agreement relating to bonds or notes of the corporation, to the trustee under such indenture or trust agreement, or are supported by a safe keeping receipt issued by a depository satisfactory to the corporation as applicable, provided that such investment agreements must provide that the value of the underlying obligations shall be maintained at a current market value, calculated no less frequently than monthly, of not less than the amount deposited thereunder;

(iii) a prior perfected security interest in the obligations which are securing such agreement has been granted to the corporation, such trustee or such depository as applicable; and

(iv) such obligations are free and clear of adverse third party claims; or

(b) in obligations as set forth in section ten of the general municipal law that are rated by a nationally recognized rating agency in one of its two highest rating categories; OR

(C) IN OBLIGATIONS OF MULTILATERAL DEVELOPMENT BANKS THAT ARE RATED BY A NATIONALLY RECOGNIZED RATING AGENCY IN ONE OF ITS TWO HIGHEST RATING CATEGORIES; OR

(D) IN OBLIGATIONS WHICH HAVE BEEN REFUNDED PRIOR TO MATURITY AND ARE PAYABLE FROM DEFEASANCE SECURITIES IN AN IRREVOCABLE ESCROW WHICH MEET THE REQUIREMENTS OF PARAGRAPH (A), (B) OR (C) OF THIS SUBDIVISION.

S 4. This act shall take effect immediately, provided however that the amendments to subdivision 6 of section 1285-j of the public authorities law made by section two of this act and the amendments to subdivision 6 of section 1285-m of the public authorities law made by section three of this act shall not affect the expiration of such subdivisions and shall expire and be deemed repealed therewith.