

2497

2009-2010 Regular Sessions

I N S E N A T E

February 20, 2009

Introduced by Sen. VOLKER -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the general municipal law, the public housing law, the state finance law and chapter 585 of the laws of 1939 relating to the rate of interest to be paid by certain public corporations upon judgments and accrued claims, in relation to the rate of interest on judgments

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

1 Section 1. Subdivision 1 of section 3-a of the general municipal law,
2 as amended by chapter 4 of the laws of 1991, is amended to read as
3 follows:

4 1. Except as provided in subdivisions two, four and five of this
5 section, the rate of interest to be paid by a municipal corporation upon
6 any judgment or accrued claim against the municipal corporation shall
7 [not exceed nine per centum per annum] BE CALCULATED AT A RATE EQUAL TO
8 THE WEEKLY AVERAGE ONE YEAR CONSTANT MATURITY TREASURY YIELD, AS
9 PUBLISHED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, FOR
10 THE CALENDAR WEEK PRECEDING THE DATE OF THE ENTRY OF THE JUDGMENT AWARD-
11 ING DAMAGES. IN NO EVENT, HOWEVER, SHALL A MUNICIPAL CORPORATION PAY A
12 RATE OF INTEREST ON ANY JUDGMENT OR ACCRUED CLAIM MORE THAN NINE PER
13 CENTUM PER ANNUM.

14 S 2. Subdivision 5 of section 157 of the public housing law, as
15 amended by chapter 681 of the laws of 1982, is amended to read as
16 follows:

17 5. The rate of interest to be paid by an authority upon any judgment
18 or accrued claim against the authority shall [not exceed nine per centum
19 per annum] BE CALCULATED AT A RATE EQUAL TO THE WEEKLY AVERAGE ONE YEAR
20 CONSTANT MATURITY TREASURY YIELD, AS PUBLISHED BY THE BOARD OF GOVERNORS
21 OF THE FEDERAL RESERVE SYSTEM, FOR THE CALENDAR WEEK PRECEDING THE DATE
22 OF THE ENTRY OF THE JUDGMENT AWARDED DAMAGES. IN NO EVENT, HOWEVER,

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

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1 SHALL AN AUTHORITY PAY A RATE OF INTEREST ON ANY JUDGMENT OR ACCRUED
2 CLAIM MORE THAN NINE PER CENTUM PER ANNUM.

3 S 3. Section 16 of the state finance law, as amended by chapter 681 of
4 the laws of 1982, is amended to read as follows:

5 S 16. Rate of interest on judgments and accrued claims against the
6 state. The rate of interest to be paid by the state upon any judgment
7 or accrued claim against the state shall [not exceed nine per centum per
8 annum] BE CALCULATED AT A RATE EQUAL TO THE WEEKLY AVERAGE ONE YEAR
9 CONSTANT MATURITY TREASURY YIELD, AS PUBLISHED BY THE BOARD OF GOVERNORS
10 OF THE FEDERAL RESERVE SYSTEM, FOR THE CALENDAR WEEK PRECEDING THE DATE
11 OF THE ENTRY OF THE JUDGMENT AWARDDING DAMAGES. IN NO EVENT, HOWEVER,
12 SHALL THE STATE PAY A RATE OF INTEREST ON ANY JUDGMENT OR ACCRUED CLAIM
13 MORE THAN NINE PER CENTUM PER ANNUM.

14 S 4. Section 1 of chapter 585 of the laws of 1939, relating to the
15 rate of interest to be paid by certain public corporations upon judg-
16 ments and accrued claims, as amended by chapter 681 of the laws of 1982,
17 is amended to read as follows:

18 Section 1. The rate of interest to be paid by a public corporation
19 upon any judgment or accrued claim against the public corporation shall
20 [not exceed nine per centum per annum] BE CALCULATED AT A RATE EQUAL TO
21 THE WEEKLY AVERAGE ONE YEAR CONSTANT MATURITY TREASURY YIELD, AS
22 PUBLISHED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, FOR
23 THE CALENDAR WEEK PRECEDING THE DATE OF THE ENTRY OF THE JUDGMENT AWARD-
24 ING DAMAGES. IN NO EVENT, HOWEVER, SHALL A PUBLIC CORPORATION PAY A
25 RATE OF INTEREST ON ANY JUDGMENT OR ACCRUED CLAIM MORE THAN NINE PER
26 CENTUM PER ANNUM. The term "public corporation" as used in this act
27 shall mean and include every corporation created for the construction of
28 public improvements, other than a county, city, town, village, school
29 district or fire district or an improvement district established in a
30 town or towns, and possessing both the power to contract indebtedness
31 and the power to collect rentals, charges, rates or fees for services or
32 facilities furnished or supplied.

33 S 5. This act shall take effect on the first of January next succeed-
34 ing the date on which it shall have become a law.