

3692--B

2009-2010 Regular Sessions

I N S E N A T E

March 27, 2009

Introduced by Sens. PERKINS, THOMPSON -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Corporations, Authorities and Commissions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public authorities law, in relation to the New York state interim short-term financing account and to amend chapter 555 of the laws of 1989 amending the public authorities law and other laws, relating to establishing a New York state infrastructure trust fund, in relation to interim short-term financing account within the state of New York mortgage agency mortgage insurance fund

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

1 Section 1. Section 2425 of the public authorities law is amended by
2 adding a new closing paragraph to read as follows:
3 ALSO, IT IS HEREBY FOUND AND DECLARED THAT IT IS IN THE PUBLIC INTER-
4 EST TO PROVIDE THE OPPORTUNITY FOR INTERIM SHORT-TERM FINANCING FOR THE
5 STATE OF NEW YORK MORTGAGE AGENCY'S MORTGAGE ACQUISITION PROGRAMS TO
6 FURTHER EXPAND THE AGENCY'S MISSION TO PROVIDE AFFORDABLE HOUSING TO LOW
7 AND MODERATE INCOME FIRST-TIME HOMEBUYERS.
8 S 2. Section 2426 of the public authorities law is amended by adding a
9 new subdivision 23 to read as follows:
10 23. "INTERIM SHORT-TERM FINANCING SUPPORT". AUTHORITY GRANTED THE
11 STATE OF NEW YORK MORTGAGE AGENCY ("SONYMA") TO USE THE MONIES IN ITS
12 MORTGAGE INSURANCE FUND TO ACQUIRE MORTGAGE LOANS PENDING OBTAINING
13 LONG-TERM FINANCING.

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

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1 S 3. The opening paragraph of section 2427 of the public authorities
2 law, as amended by chapter 3 of the laws of 2004, is amended and a new
3 subdivision 11 is added to read as follows:

4 The agency shall have the following additional powers only with
5 respect to insuring mortgage loans [and], providing development corpo-
6 ration credit support, AND INTERIM SHORT-TERM FINANCING SUPPORT:

7 11. TO PROVIDE FOR INTERIM SHORT-TERM FINANCING SUPPORT FOR THE STATE
8 OF NEW YORK MORTGAGE AGENCY'S SINGLE FAMILY PROGRAMS.

9 S 4. The public authorities law is amended by adding a new section
10 2428-b to read as follows:

11 S 2428-B. INTERIM SHORT-TERM FINANCING SUPPORT. 1. THE AGENCY IS
12 AUTHORIZED, SUBJECT TO THE PROVISIONS OF THIS TITLE, TO PROVIDE
13 SHORT-TERM INTERIM FINANCING SUPPORT FOR THE AGENCY'S MORTGAGE ACQUI-
14 SITION PROGRAMS BY MAKING MONIES IN THE MORTGAGE INSURANCE FUND AVAIL-
15 FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE MORTGAGE LOANS UNTIL SUCH
16 TIME AS PERMANENT FINANCING BECOMES AVAILABLE.

17 2. THE BOARD OF DIRECTORS OF THE AGENCY, BY A VOTE OF A MAJORITY OF
18 ALL OF ITS MEMBERS OR OF A COMMITTEE THEREOF SO EMPOWERED, SHALL APPROVE
19 THE TERMS OF THE INTERIM SHORT-TERM FINANCING LOANS.

20 3. ON OR BEFORE THE FIFTEENTH DAY OF MAY IN EACH YEAR, THE CHAIRMAN OF
21 THE BOARD OF THE AGENCY SHALL REPORT TO THE MEMBERS ON ANY DISBURSEMENTS
22 MADE FROM THE INTERIM SHORT-TERM FINANCING ACCOUNT FOR THE CONSECUTIVE
23 TWELVE-MONTH PERIOD ENDING ON THE THIRTY-FIRST DAY OF MARCH IN THE
24 PRECEDING YEAR.

25 S 5. Section 2429-a of the public authorities law, as amended by chap-
26 ter 3 of the laws of 2004, is amended to read as follows:

27 S 2429-a. Payment of insurance [and], development corporation credit
28 support, AND INTERIM SHORT-TERM FINANCING SUPPORT. 1. The agency shall
29 establish procedures to be followed by a mortgagee in the event of a
30 default under the terms of any mortgage insured by the agency. The agen-
31 cy may require that prior to submitting a claim to the agency for
32 payment of insurance the mortgagee shall take such actions with respect
33 to the property securing the defaulted mortgage as may be specified by
34 the agency to be satisfactory evidence of a continuing default, includ-
35 ing but not limited to the following: (i) becoming lawfully the mortga-
36 gee in possession thereof; (ii) causing a receiver to be appointed of
37 such property; (iii) obtaining voluntary conveyance of the mortgagor's
38 right and title to such property; or (iv) obtaining by foreclosure clear
39 and unencumbered title to such property, all in such manner as the agen-
40 cy may require. Following submission of a valid claim the agency shall
41 pay an amount which shall not exceed the lesser of (1) the then
42 outstanding insured principal amount of the mortgage multiplied by the
43 per centum of such outstanding amount insured by the agency and a per
44 centum of the mortgagee's cost arising from the default, inclusive of
45 public liens and delinquent and unpaid interest, all as the agency may
46 from time to time allow, which per centum shall not exceed the per
47 centum of the outstanding principal indebtedness insured by the agency
48 or (2) the insured amount of the mortgage at the date of execution of
49 the insurance contract or its latest amendment, if any, except that the
50 agency shall pay the greater of the two amounts on claims by a public
51 employee pension fund, or by a public benefit corporation derived from
52 the sale of notes or bonds issued by said corporation, provided that no
53 more than the actual loss suffered by such public employee pension fund
54 or public benefit corporation shall be paid. Such payment may be made by
55 the agency in a lump sum, or in partial payments made within such period

1 of time as may be agreed to between the agency and the mortgagee, all in
2 accordance with procedures to be established by the agency.

3 2. The agency shall establish, by contract or otherwise, procedures to
4 be followed with respect to development corporation credit support for
5 which the development corporation credit support account has been deter-
6 mined by the agency to be a source or potential source of payment.

7 3. THE AGENCY SHALL ESTABLISH BY CONTRACT OR OTHERWISE, PROCEDURES TO
8 BE FOLLOWED WITH RESPECT TO MAKING INTERIM SHORT-TERM FINANCING SUPPORT
9 FOR THE TEMPORARY ACQUISITION OF MORTGAGE LOANS.

10 S 6. Section 2429-b of the public authorities law, as amended by
11 section 13 of chapter 3 of the laws of 2004, is amended to read as
12 follows:

13 S 2429-b. Mortgage insurance fund. 1. (a) The agency shall create and
14 establish a mortgage insurance fund. Within such fund, the agency shall
15 establish: (i) a special account, which shall be divided into sub-ac-
16 counts for each region as defined in subdivision nine of section twen-
17 ty-four hundred twenty-six of this title; (ii) a single family pool
18 insurance account; (iii) a project pool insurance account; [and] (iv) a
19 development corporation credit support account; AND (V) AN INTERIM
20 SHORT-TERM FINANCING ACCOUNT. The single family pool insurance account
21 shall be used for all business relating to the insurance of mortgages on
22 properties with one to four dwelling units, the project pool insurance
23 account shall be used for all business relating to the insurance of
24 mortgages on properties other than those with one to four dwelling
25 units, [and] the development corporation credit support account shall be
26 used for all business relating to development corporation credit
27 support, AND THE INTERIM SHORT-TERM FINANCING ACCOUNT SHALL BE USED FOR
28 ALL BUSINESS RELATING TO INTERIM SHORT-TERM FINANCING SUPPORT. Separate
29 sub-accounts may be established within the special account, the pool
30 insurance accounts, [and] the development corporation credit support
31 account AND THE INTERIM SHORT-TERM FINANCING ACCOUNT as deemed appropri-
32 ate by the agency.

33 (b) (i) The mortgage insurance fund shall be used as a revolving fund
34 for carrying out the provisions of this title with respect to mortgages
35 insured and development corporation credit support AND INTERIM
36 SHORT-TERM FINANCING SUPPORT, provided thereunder. (ii) The agency
37 shall pay into such fund all moneys which may be made available to the
38 agency for the purposes of such fund from any source, including but not
39 limited to the moneys received from recording officers pursuant to the
40 provisions of subdivision two of section two hundred sixty-one of the
41 tax law. The agency shall credit the amount of moneys received from the
42 recording officer of each county, pursuant to subdivision two of section
43 two hundred sixty-one of the tax law, to the special account. In any
44 fiscal year, no more than fifty per centum of the amount received from
45 the recording officers during the consecutive twelve month period ending
46 on the preceding March thirty-first may be used by the agency for the
47 purpose of insuring mortgages on property located in any one region
48 pursuant to section two thousand four hundred twenty-eight of this part,
49 provided, however, that this provision shall not include or be applied
50 to pool insurance OR PRIMARY MORTGAGE INSURANCE of mortgage loans
51 purchased by the agency. The agency shall credit any other moneys which
52 may be made available to the agency for the purposes of such fund from
53 any other source to the special account, the single family pool insur-
54 ance account, the project pool insurance account, [or] the development
55 corporation credit support account, OR THE INTERIM SHORT-TERM FINANCING
56 ACCOUNT as appropriate. Any income or interest earned by, or increment

1 to, the mortgage insurance fund due to the investment thereof shall be
2 credited to the special account, the applicable pool insurance account,
3 [or] the development corporation credit support account, OR INTERIM
4 SHORT-TERM FINANCING ACCOUNT, as appropriate.

5 (c) The agency may credit from the special account to the single fami-
6 ly pool insurance account, to the project pool insurance account and to
7 the development corporation credit support account such moneys as are
8 required to satisfy the mortgage insurance fund requirement of such
9 accounts, except that during any twelve-month period ending on March
10 thirty-first the aggregate amount credited to the development corpo-
11 ration credit support account (excluding amounts described in the last
12 sentence of paragraph (b) of this subdivision) shall not exceed the
13 lesser of (i) fifty million dollars or (ii) the aggregate of the amounts
14 required under the contracts executed by the agency to provide develop-
15 ment corporation support. THE AGENCY MAY CREDIT FROM THE SPECIAL
16 ACCOUNT TO THE INTERIM SHORT-TERM FINANCING ACCOUNT SUCH MONEYS AS ARE
17 IN EXCESS OF THE AMOUNTS REQUIRED TO SATISFY THE MORTGAGE INSURANCE FUND
18 REQUIREMENTS OF THE SINGLE FAMILY POOL INSURANCE ACCOUNT, THE PROJECT
19 POOL INSURANCE ACCOUNT, AND THE DEVELOPMENT CORPORATION CREDIT SUPPORT
20 ACCOUNT.

21 (d) Moneys, investments and cash equivalents of the special account,
22 the single family pool insurance account, the project pool insurance
23 account [and], the development corporation credit support account, AND
24 THE INTERIM SHORT-TERM FINANCING ACCOUNT shall be kept separate and
25 shall not be commingled with each other or with any other accounts which
26 may be established from time to time, except as otherwise authorized by
27 this section.

28 (e) Moneys, investments and cash equivalents of the pool insurance
29 accounts [and], the development corporation credit support account, AND
30 THE INTERIM SHORT-TERM FINANCING ACCOUNT shall be excluded from the
31 excess balance calculation set forth in subdivision two of this section.
32 However, if at any time the moneys, investments and cash equivalents
33 (valued as determined by the agency) of either pool insurance account
34 [or], the development corporation credit support account, OR THE INTERIM
35 SHORT-TERM FINANCING ACCOUNT exceed the amount necessary to attain and
36 maintain the credit rating or, with respect to development corporation
37 credit support, credit worthiness (as determined by the agency) required
38 to accomplish the purposes of such account the agency shall transfer
39 such excess to the special account and such excess shall be included in
40 the excess balance calculation.

41 1-a. All moneys held in the mortgage insurance fund, except as herein-
42 after provided, shall be used, as required, solely for the payment of
43 the agency's liabilities arising from mortgages insured as provided in
44 section twenty-four hundred twenty-nine-a of this part [and], from the
45 provision of development corporation credit support as provided in
46 section twenty-four hundred twenty-eight-a of this part, AND FROM THE
47 PROVISION OF INTERIM SHORT-TERM FINANCING SUPPORT AS PROVIDED IN SECTION
48 TWENTY-FOUR HUNDRED TWENTY-EIGHT-B OF THIS PART; provided, however, that
49 no moneys shall be withdrawn from any account at any time in such amount
50 as would reduce the amount of, as applicable, the special account,
51 either pool insurance account or the development corporation credit
52 support account to less than its applicable mortgage insurance fund
53 requirement, except for the purpose of paying such liabilities as the
54 same become due and for the payment of which other moneys of the agency
55 are not available. All payments pursuant to section twenty-four hundred
56 twenty-nine-a of this part, and expenses attributable thereto shall be

1 debited to the special account or the single family pool insurance
2 account or the project pool insurance account or the development corpo-
3 ration credit support account OR THE INTERIM SHORT-TERM FINANCING
4 ACCOUNT, as appropriate, within the mortgage insurance fund. All other
5 operating expenses of the agency with respect to insurance of mortgages
6 [and], providing development corporation credit support, AND INTERIM
7 SHORT-TERM FINANCING SUPPORT shall be debited to the special account,
8 the single family pool insurance account, the project pool insurance
9 account [or] the development corporation credit support account OR THE
10 INTERIM SHORT-TERM FINANCING ACCOUNT within the mortgage insurance fund,
11 as appropriate.

12 2. On or before March twentieth in each year, the board of directors
13 of the agency shall determine the amount estimated to be received by the
14 agency from the additional tax imposed pursuant to subdivision one-a of
15 section two hundred fifty-three of the tax law and deposited in the
16 mortgage insurance fund and credited to the special account plus any
17 other monies deposited in such account plus the amount of reserves
18 available in such special account with respect to mortgage loans that
19 were previously insured in accordance with section twenty-four hundred
20 twenty-eight OF THIS PART, or development corporation credit support
21 previously provided pursuant to section twenty-four hundred twenty-
22 eight-a of this part under contracts or commitments that have been
23 satisfied or cancelled, OR INTERIM SHORT-TERM FINANCING SUPPORT PREVI-
24 OUSLY MADE AVAILABLE PURSUANT TO SECTION TWENTY-FOUR HUNDRED
25 TWENTY-EIGHT-B OF THIS PART THAT HAS BEEN REPAID, pursuant to subdivi-
26 sion one of this section, except charges and fees levied by the agency
27 pursuant to section twenty-four hundred twenty-nine-c of this part,
28 which shall be added in the computation only when such a commitment is
29 cancelled or expires or when the insurance or contractual arrangement to
30 provide development corporation credit support OR INTERIM SHORT-TERM
31 FINANCING SUPPORT applied for is declared effective. Such determination
32 made on or before March twentieth in each year shall be made for the
33 consecutive twelve-month period ending on the subsequent March thirty-
34 first. The board shall then determine the estimated excess balance, if
35 any, in such special account by determining the amount by which such
36 credits exceed twenty per centum, or such other per centums or amounts
37 as may have been established by the board of directors of the agency
38 pursuant to subdivision seven of section twenty-four hundred twenty-
39 eight of this part, of the amounts insured or committed to be insured
40 and the amounts of development corporation credit support established by
41 the board of directors of the agency pursuant to section twenty-four
42 hundred twenty-eight-a of this part, AND THE AMOUNTS OF INTERIM
43 SHORT-TERM FINANCING SUPPORT AS MAY HAVE BEEN ESTABLISHED BY THE BOARD
44 OF DIRECTORS OF THE AGENCY PURSUANT TO SECTION TWENTY-FOUR HUNDRED TWEN-
45 TY-EIGHT-B OF THIS PART to be provided during such twelve-month period
46 plus any payments by the agency during such twelve-month period on
47 account of a mortgage [or], development corporation credit support
48 contract entered into OR INTERIM SHORT-TERM FINANCING SUPPORT PROVIDED
49 during such twelve-month period ending on such March thirty-first, plus
50 the operating expenses of the agency during such twelve-month period
51 with respect to insurance of mortgages or provision of development
52 corporation credit support OR INTERIM SHORT-TERM FINANCING SUPPORT,
53 which amount may not exceed an amount determined and certified by the
54 director of the budget, with notification to the chairman of the senate
55 finance committee and chairman of the assembly ways and means committee.
56 On or before May fifteenth, the board shall determine any adjustment to

1 the estimated excess balance necessary to reflect the variance, if any,
2 between such estimated excess balance and the actual excess balance
3 computed as of March thirty-first, and shall certify such adjustment to
4 the director of the budget. The agency shall include such adjustment in
5 the estimated excess balance determination for the following fiscal
6 year, unless otherwise instructed by the director of the budget. The
7 agency shall submit to the director of the budget an estimate of such
8 operating expenses on or before the tenth business day in March of each
9 year and the director of the budget shall make such certification before
10 March twentieth of each year.

11 Upon making the determination of the estimated excess balance, the
12 agency shall certify such determination to the director of the budget,
13 the chairmen of the senate finance committee and the assembly ways and
14 means committee, and the comptroller. Payment of such actual or esti-
15 mated excess balance shall be made within ninety days after March twen-
16 tieth. The agency shall, at the direction of the director of the budget,
17 pay such estimated or actual excess balance, if any, from the special
18 account to the comptroller for deposit to the state general fund;
19 provided, however, that if the aggregate amount in the special account
20 as of such date is less than the mortgage insurance fund requirement,
21 the agency shall retain all or that portion of any such estimated or
22 actual excess balance in such special account necessary to increase the
23 aggregate amount in such special account to the mortgage insurance fund
24 requirement. The director of the budget shall notify the chairmen of the
25 senate finance committee and the assembly ways and means committee ten
26 days prior to the issuance of the directive in respect to the payment of
27 the estimated or actual excess balance to the general fund.

28 Further provided, however, that the budget to be submitted to the
29 legislature by the governor pursuant to article seven of the constitu-
30 tion shall separately state the amount of such estimated or actual
31 excess balance determined as hereinabove prescribed, if any, which shall
32 be included in the monies and revenues estimated to be available during
33 the current and ensuing fiscal years, respectively.

34 3. The moneys, OTHER THAN THE MONIES IN THE INTERIM SHORT-TERM FINANC-
35 ING ACCOUNT WHEN INVESTED IN MORTGAGE LOANS, in such fund shall be
36 deposited in one or more banks or trust companies designated in the
37 manner provided by law, as depositories of the funds of the state. The
38 agency may invest the moneys in such fund in obligations specified in
39 subdivision four of this section. Any interest earned or capital gain
40 realized on the money so deposited or invested shall accrue to and
41 become part of such fund. The separate identity of such fund shall be
42 maintained whether its assets consist of cash or investments or both.

43 4. Moneys in such fund, OTHER THAN MONEYS IN THE INTERIM SHORT-TERM
44 FINANCING ACCOUNT, may be invested (a) in special time deposit accounts
45 in, or certificates of deposit issued by, a bank, trust company, savings
46 bank or savings and loan association located and authorized to do busi-
47 ness in this state, provided, however, that such time deposit account or
48 certificate of deposit shall be payable within such time as the proceeds
49 may be needed to meet expenditures estimated to be incurred by the agen-
50 cy and provided further that such time deposit account or certificate of
51 deposit be secured by a pledge of obligations of the United States of
52 America or obligations of the state, any city of the state, or other
53 municipal corporation, school district or district corporation of the
54 state or obligations of agencies of the federal government; or (b) in
55 obligations of the United States of America or the state which may from
56 time to time be legally purchased by savings banks within the state as

1 an investment of funds belonging to them or in their control, or in
2 obligations of the Federal National Mortgage Association provided such
3 obligations shall be payable or redeemable at the option of the owner
4 within such times as the proceeds may be needed to meet expenditures
5 estimated to be incurred by the agency.

6 MONEYS IN THE INTERIM SHORT-TERM FINANCING ACCOUNT SHALL BE USED TO
7 ACQUIRE MORTGAGE LOANS OF THE AGENCY PENDING THE AGENCY OBTAINING LONG-
8 TERM FINANCING FOR THE PURCHASE THEREOF, WHICH MORTGAGE LOANS SHALL BE
9 DEEMED INVESTMENTS OF THE INTERIM SHORT-TERM FINANCING ACCOUNT. AT SUCH
10 TIME AS THE AGENCY OBTAINS LONG-TERM FINANCING FOR THE PURCHASE OF MORT-
11 GAGE LOANS ON DEPOSIT IN THE INTERIM SHORT-TERM FINANCING ACCOUNT AS
12 INVESTMENTS THEREOF, THE AGENCY SHALL PURCHASE SAID MORTGAGE LOANS AND
13 THE MONEYS SHALL BE DEPOSITED IN THE INTERIM SHORT-TERM FINANCING
14 ACCOUNT. MONEYS IN THE INTERIM SHORT-TERM FINANCING ACCOUNT THAT ARE NOT
15 INVESTED IN MORTGAGE LOANS AS SET FORTH HEREIN SHALL BE INVESTED AS SET
16 FORTH IN PARAGRAPH (B) OF THIS SUBDIVISION.

17 5. In computing the amount of the mortgage insurance fund for the
18 purposes of this section, securities in which all or a portion of such
19 fund shall be invested shall be valued at par if purchased at par, or if
20 purchased at other than par, at amortized value. Amortized value, when
21 used with respect to securities purchased at a premium above or a
22 discount below par, shall mean the value as of any given date obtained
23 by dividing the total premiums or discount at which such securities were
24 purchased by the number of interest payments remaining to maturity on
25 such securities after such purchase and by multiplying the amount so
26 calculated by the number of interest payment dates having passed since
27 the date of such purchase; and (i) in the case of securities purchased
28 at a premium by deducting the product thus obtained from the purchase
29 price, and (ii) in the case of securities purchased at a discount by
30 adding the product thus obtained to the purchase price.

31 6. The agency may create and establish such other fund or funds as may
32 be necessary or desirable for the carrying out of its corporate
33 purposes.

34 S 7. Subdivision 1 of section 2429-b of the public authorities law, as
35 amended by section 14 of chapter 3 of the laws of 2004, is amended to
36 read as follows:

37 1. The agency shall create and establish a mortgage insurance fund.
38 Within such fund, the agency shall establish a special account, which
39 shall be divided into sub-accounts for each region as defined in subdivi-
40 sion nine of section twenty-four hundred twenty-six of this part
41 [and]; a development corporation credit support account, AND AN INTERIM
42 SHORT-TERM FINANCING ACCOUNT. The development corporation credit support
43 account shall be used for all business related to development corpo-
44 ration credit support, AND THE INTERIM SHORT-TERM FINANCING ACCOUNT
45 SHALL BE USED FOR ALL BUSINESS RELATING TO INTERIM SHORT-TERM FINANCING
46 SUPPORT. Separate sub-accounts may be established within the develop-
47 ment corporation credit support account AND THE INTERIM SHORT-TERM
48 FINANCING ACCOUNT as deemed appropriate by the agency. The mortgage
49 insurance fund shall be used as a revolving fund for carrying out the
50 provisions of this title with respect to mortgages insured and TO devel-
51 opment corporation support AND INTERIM SHORT-TERM FINANCING SUPPORT
52 provided thereunder. The agency shall pay into such fund all moneys
53 which may be made available to the agency for the purposes of such fund
54 from any source, including but not limited to the moneys received from
55 recording officers pursuant to the provisions of subdivision two of
56 section two hundred sixty-one of the tax law. The agency shall credit

1 the amount of moneys received from the recording officer of each county,
2 pursuant to subdivision two of section two hundred sixty-one of the tax
3 law, to the special account. In any calendar year, no more than fifty
4 per centum of the amount received from the recording officers and cred-
5 ited to the special account during the consecutive twelve month period
6 ending on the preceding December thirty-first may be used by the agency
7 for the purpose of insuring mortgages on property located in any one
8 region pursuant to section two thousand four hundred twenty-eight of
9 this part PROVIDED, THAT THIS PROVISION SHALL NOT INCLUDE OR BE APPLIED
10 TO POOL INSURANCE ON PRIMARY MORTGAGE INSURANCE OF MORTGAGE LOANS
11 PURCHASED BY THE AGENCY. The agency shall credit any other moneys which
12 may be made available to the agency for the purposes of such fund from
13 any other source to the special account or the development corporation
14 credit support account OR THE INTERIM SHORT-TERM FINANCING ACCOUNT, as
15 appropriate. Any income or interest earned by, or increment to, the
16 mortgage insurance fund due to the investment thereof shall be credited
17 to the special account or the development corporation credit account OR
18 THE INTERIM SHORT-TERM FINANCING ACCOUNT, as appropriate.

19 S 8. Subdivision 1-a of section 2429-b of the public authorities law,
20 as amended by section 15 of chapter 3 of the laws of 2004, is amended to
21 read as follows:

22 1-a. All moneys held in the mortgage insurance fund, except as herein-
23 after provided, shall be used, as required, solely for the payment of
24 the agency's liabilities arising from mortgages insured as provided in
25 section twenty-four hundred twenty-nine-a of this part and from the
26 provision of development corporation credit support as provided in
27 section twenty-four hundred twenty-eight-a of this part, AND FROM THE
28 PROVISION OF INTERIM SHORT-TERM FINANCING SUPPORT AS PROVIDED IN SECTION
29 TWENTY-FOUR HUNDRED TWENTY-EIGHT-B OF THIS PART; provided, however, that
30 no moneys shall be withdrawn from any account at any time in such amount
31 as would reduce the amount of, as applicable, the special account or the
32 development corporation credit support account to less than its applica-
33 ble mortgage insurance fund requirement, except for the purpose of
34 paying such liabilities as the same become due and for the payment of
35 which other moneys of the agency are not available. All payments pursu-
36 ant to section twenty-four hundred twenty-nine-a of this part, and
37 expenses attributable thereto shall be debited to the special account or
38 the development corporation credit support account OR THE INTERIM
39 SHORT-TERM FINANCING ACCOUNT within the mortgage insurance fund. All
40 other operating expenses of the agency with respect to insurance of
41 mortgages and providing development corporation credit support AND
42 PROVIDING INTERIM SHORT-TERM FINANCING SUPPORT shall be debited to the
43 special account or the development corporation credit support account OR
44 THE INTERIM SHORT-TERM FINANCING ACCOUNT within the mortgage insurance
45 fund, as appropriate.

46 S 9. Section 19 of chapter 555 of the laws of 1989 amending the public
47 authorities law and other laws relating to establishing a New York state
48 infrastructure trust fund, as amended by chapter 192 of the laws of
49 2009, is amended to read as follows:

50 S 19. This act shall take effect immediately and shall be deemed to
51 have been in full force and effect on and after June 15, 1989 provided
52 that the amendments to law effected by sections six and nine through
53 seventeen of this act, as amended, shall cease to be of force and effect
54 on and after July 16, [2011] 2012, on which date the provisions of the
55 public authorities law amended by such sections shall be as they were in
56 force and effect immediately prior to this act taking effect, and

1 provided however that the amendments to law effected by sections six and
2 nine through seventeen of this act, as amended, shall continue to apply
3 to all commitments issued or policies or development corporation credit
4 support OR INTERIM SHORT-TERM FINANCING SUPPORT in force on or before
5 July 16, [2011] 2012, and provided further that the amendments to
6 section 2429-b of the public authorities law made by section 13 of chap-
7 ter 3 of the laws of 2004 which amended this section shall not cease to
8 be of force and effect prior to the time that full payment of all devel-
9 opment corporation credit support obligations has been made or provided
10 for, AND PROVIDED FURTHER THAT THE AMENDMENTS TO SECTION 2429-B OF THE
11 PUBLIC AUTHORITIES LAW MADE BY SECTIONS 6, 7 AND 8 OF THE CHAPTER OF THE
12 LAWS OF 2010, WHICH AMENDED THIS SECTION SHALL NOT CEASE TO BE OF FORCE
13 AND EFFECT PRIOR TO THE TIME THAT FULL PAYMENT OF ALL INTERIM SHORT-TERM
14 FINANCING SUPPORT OBLIGATIONS HAS BEEN MADE OR PROVIDED FOR.

15 S 10. Construction. This act and all powers granted hereby shall be
16 liberally construed to effectuate its intent and their purposes, without
17 implied limitations thereon. This act shall constitute full and complete
18 authority for all things herein contemplated to be done. All rights and
19 powers herein granted shall be cumulative with those derived from other
20 sources and shall not, except as expressly stated herein, be construed
21 in limitation thereof. Insofar as the provisions of this act are incon-
22 sistent with the provisions of any other act, general or special, the
23 provisions of this act shall be controlling.

24 S 11. Severability clause. If any clause, sentence, paragraph, section
25 or part of this act be adjudged by any court of competent jurisdiction
26 to be invalid, such judgment shall not affect, impair or invalidate the
27 remainder hereof but shall be applied in its operation to the clause,
28 sentence, paragraph, section or part hereof directly involved in the
29 controversy in which such judgment shall have been rendered.

30 S 12. This act shall take effect immediately; provided, however, that:

31 a. The comptroller of the state of New York shall notify the legisla-
32 tive bill drafting commission upon such enactment and allocation and
33 shall also notify the commissioner when full payment of all obligations,
34 including credit support obligations, has been made or provided for, as
35 enacted by section 19 of chapter 555 of the laws of 1989, as amended by
36 section nine of this act, in order that the commission may maintain an
37 accurate and timely effective data base of the official text of the laws
38 of the state of New York in furtherance of effecting the provisions of
39 section 44 of the legislative law and section 70-b of the public offi-
40 cers law.

41 b. The amendments to subdivision 1 of section 2429-b of the public
42 authorities law made by section six of this act shall be subject to the
43 expiration and reversion of such subdivision pursuant to section 19 of
44 chapter 555 of the laws of 1989, as amended, when upon such date the
45 provisions of section seven of this act shall take effect.

46 c. The amendments to subdivision 1-a of section 2429-b of the public
47 authorities law made by section six of this act shall be subject to the
48 expiration and reversion of such subdivision pursuant to section 19 of
49 chapter 555 of the laws of 1989, as amended, when upon such date the
50 provisions of section eight of this act shall take effect.