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I N   S E N A T E

February 16, 2010

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Introduced by Sen. THOMPSON -- 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 Buffalo Fiscal Stability Authority (BFSA) financial crisis determinations

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

1     Section 1. Subdivisions 1 and 3 of section 3851 of the public authori-  
2 ties law, as added by chapter 122 of the laws of 2003, are amended to  
3 read as follows:  
4     1. "Advisory period" means that period no earlier than July first, two  
5 thousand six, after which the authority has determined that (a) for each  
6 of the three immediately preceding city fiscal years, the city has  
7 adopted and adhered to budgets covering all expenditures, other than  
8 capital items, the results of which did not show a deficit, without the  
9 use of any [authority] BFSA assistance, as provided for under SUBDIVI-  
10 SION ONE OF section thirty-eight hundred fifty-seven of this title, when  
11 reported in accordance with generally accepted accounting principles and  
12 (b) the comptroller and the state comptroller jointly certify that secu-  
13 rities were sold by the city during the immediately preceding city  
14 fiscal year in the general public market and that there is a substantial  
15 likelihood that such securities can be sold by the city in the general  
16 public market from such date through the end of the next succeeding city  
17 fiscal year in amounts that will satisfy substantially all of the capi-  
18 tal and cash flow requirements of the city during that period in accord-  
19 ance with the financial plan then in existence. The joint certification  
20 made by the comptroller and the state comptroller shall be based on  
21 their separate written determinations which may take into account a  
22 report and opinion of an independent expert in the marketing of securi-  
23 ties selected by the authority as well as other information available to  
24 the comptrollers. Once begun, an advisory period shall continue through  
25 June thirtieth, two thousand thirty-seven unless a control period is  
26 imposed.

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

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1     3. "BFSA assistance" means: (a) the amount of debt service savings in  
2 a given city fiscal year generated from the proceeds of bonds, notes or  
3 other obligations made available to or for the benefit of the city or  
4 any covered organization as determined by the authority; or (b) the  
5 proceeds of any deficit financing authorized by the authority, or some  
6 combination thereof pursuant to the provisions of SUBDIVISION ONE OF  
7 section thirty-eight hundred fifty-seven of this title. Such assistance  
8 shall be made available only upon a declaration of need by the city  
9 pursuant to section thirty-eight hundred sixty-one of this title and the  
10 approval of the BFSA board. ANY ACTION OF THE AUTHORITY THAT IS NOT  
11 SPECIFIED IN THIS SUBDIVISION SHALL NOT BE CONSTRUED AS BFSA ASSISTANCE.  
12     S 2. This act shall take effect immediately.