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

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I N A S S E M B L Y

February 6, 2012

Introduced by M. of A. MAGNARELLI, LUPARDO, GUNTHER, BRINDISI, GOLDFEDER -- (at request of the State Comptroller) -- read once and referred to the Committee on Local Governments

AN ACT to amend the local finance law, in relation to temporary alternative methods of financing flood relief expenses

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

Section 1. Paragraph a of section 26.10 of the local finance law, as amended by chapter 157 of the laws of 2006, is amended to read as follows:

a. Definitions. 1. With respect to any municipality which has a calendar fiscal year which commenced on the first day of January, two thousand [five] ELEVEN, the terms "extraordinary expenses [for] OF flood relief" and "such extraordinary expenses", as used in this section, shall mean the expenses incurred BEFORE THE FIRST DAY OF JULY, TWO THOUSAND TWELVE for flood relief projects involving the public thoroughfares, public places and projects of such municipality [during any or all of the months of such year] UNDERTAKEN AS A RESULT OF FLOODING OCCURRING DURING TWO THOUSAND ELEVEN, in excess of the normal expenses which would have been incurred for such purposes during such [periods] PERIOD as determined by the finance board of such municipality [and also any interest payments on revenue anticipation notes issued in anticipation of the receipt of moneys from the state or federal government pursuant to any state or federal disaster relief act]. In making any such determination, the finance board shall not include as a part of such extraordinary expenses the salaries and wages of regular employees, except for overtime work and work on Sundays and holidays. SUCH EXTRAORDINARY EXPENSES MAY ALSO INCLUDE ANY INTEREST PAYMENTS ON REVENUE ANTICIPATION NOTES ISSUED IN ANTICIPATION OF THE RECEIPT OF MONEYS FROM THE STATE OR FEDERAL GOVERNMENT AS A RESULT OF SUCH FLOODING PURSUANT TO ANY STATE OR FEDERAL DISASTER RELIEF ACT.

2. With respect to any municipality or school district which has a fiscal year which commenced in the year two thousand [five] ELEVEN on or after the first day of March in such year, the terms "extraordinary

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

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expenses [for] OF flood relief [projects]" and "such extraordinary expenses", as used in this section, shall mean the expense incurred BEFORE THE FIRST DAY OF JULY, TWO THOUSAND TWELVE for flood relief projects involving the public thoroughfares, public places and projects of such municipality or school district [during such fiscal year] UNDERTAKEN AS A RESULT OF FLOODING OCCURRING DURING TWO THOUSAND ELEVEN, in excess of the amounts appropriated for such purposes in the annual budget for such fiscal year, or, if no such appropriations were made, then in excess of the average of all expenditures for such purposes during each of the five preceding fiscal years prior to the fiscal year commencing in the year two thousand [five] ELEVEN, as determined by the finance board of such municipality or school district.

S 2. Subdivisions 1 and 2 of paragraph b of section 26.10 of the local finance law, as amended by chapter 157 of the laws of 2006, are amended to read as follows:

1. The finance board of a municipality which has a fiscal year which commenced on the first day of January, two thousand [five] ELEVEN, may authorize the issuance of serial bonds [in the] ON OR BEFORE DECEMBER THIRTY-FIRST two thousand [six fiscal year] TWELVE to provide for the payment of all or part of the extraordinary expenses of flood relief [incurred during any or all of the months of two thousand five], to reimburse any fund or account of the municipality from which moneys to pay such extraordinary expenses have been advanced or to replenish any fund or account of the municipality from which such extraordinary expenses have been paid, or any combination of such purposes, notwithstanding that there may have been lack of statutory authority for any such advance or payment from such fund or account. The period of probable usefulness of such objects or purposes shall be five years. Any such serial bonds shall have a maximum maturity of over two years, but the date of final maturity of any such issue shall not extend beyond [the first day of March in the year two thousand eleven as to counties and towns and shall not extend beyond] the thirty-first day of December, two thousand [eleven, as to other municipalities] SEVENTEEN.

2. The finance board of a municipality or school district which has a fiscal year which commenced in the year two thousand [five] ELEVEN on or after the first day of March in such year may authorize the issuance of serial bonds [in the] ON OR BEFORE THE THIRTY-FIRST DAY OF DECEMBER, two thousand [six fiscal year, or in its next succeeding fiscal year] TWELVE, to provide for the payment of all or part of the extraordinary expenses of flood relief [incurred in the two thousand five fiscal year], to reimburse any fund or account of the municipality or school district from which moneys to pay such extraordinary expenses have been advanced or to replenish any fund or account of the municipality or school district from which such extraordinary expenses have been paid, or any combination of such purposes, notwithstanding that there may have been lack of statutory authority for any such advance or payment from such fund or account. The period of probable usefulness of such objects or purposes shall be five years. Any such serial bonds shall have a maximum maturity of over two years, but the date of final maturity of any such issue shall not extend beyond the thirty-first day of December, two thousand [eleven] SEVENTEEN.

S 3. This act shall take effect immediately.