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I N S E N A T E

March 7, 2012

Introduced by Sen. GRISANTI -- (at request of the Environmental Facilities Corporation) -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation

AN ACT to amend the environmental conservation 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:

1 Section 1. Paragraph a of subdivision 3 of section 17-1909 of the
2 environmental conservation law, as amended by chapter 279 of the laws of
3 2009, is amended to read as follows:
4 a. The corporation is authorized to promulgate regulations, developed
5 in consultation with the commissioner and the director of the division
6 of the budget, for the purpose of carrying out its responsibilities
7 under this section, including establishing criteria and standards for
8 determining the amount of financial assistance to a municipality for an
9 eligible project. To the extent financial assistance to a municipality
10 for an eligible project is provided as a loan from the proceeds of bonds
11 or notes of the corporation, the amount of an allocation applicable to
12 the portion of such eligible project financed with such loan shall be,
13 subject to such maximum financial limitations as may otherwise be neces-
14 sary and prescribed by the commissioner and the director of the division
15 of the budget, thirty-three and one-third percent of the principal
16 amount of such loan outstanding at any time for such eligible project,
17 to the extent reasonably practicable, and subject to such deviation as
18 may be necessary, in connection with the administration and investment
19 of moneys in the fund, unless allocations in differing amounts are
20 necessary to preclude a determination by the commissioner or the corpo-
21 ration pursuant to paragraph e of subdivision eight of this section or
22 unless an allocation in a differing amount is required for an innovative
23 technology demonstration project; provided, however, that in the case of
24 any municipality which has, during the period commencing on June first,
25 nineteen hundred ninety-two and ending on September thirtieth, [two
26 thousand twelve] TWO THOUSAND FIFTEEN, (i) submitted an application for

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

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1 financial assistance in the form of such a loan for an eligible project,
2 which application has been accepted by the corporation, (ii) closed on
3 such loan, and (iii) commenced construction of such eligible project,
4 the allocation applicable to the portion of such project financed with
5 such loan shall be, subject to maximum financial limitations as may
6 otherwise be necessary and prescribed by the commissioner and the direc-
7 tor of the division of the budget, fifty percent of the principal
8 balance outstanding on such loan at any time for such eligible project,
9 to the extent reasonably practicable, and subject to such deviation as
10 may be necessary, in connection with the administration and investment
11 of moneys in the fund, unless allocations in differing amounts are
12 necessary to preclude a determination by the commissioner or the corpo-
13 ration pursuant to paragraph e of subdivision eight of this section or
14 unless an allocation in a differing amount is required for an innovative
15 technology demonstration project.

16 S 2. Paragraph e of subdivision 8 of section 17-1909 of the environ-
17 mental conservation law, as amended by chapter 279 of the laws of 2009,
18 is amended to read as follows:

19 e. Federal capitalization grants are provided in the form of a letter
20 of credit or draws under capitalization grant agreements and the commis-
21 sioner or the corporation determines, consistent with the purposes of
22 the fund, that providing financial assistance from the proceeds of
23 corporation bonds or notes would delay receipt of moneys from the feder-
24 al government under the Federal Water Pollution Control Act.

25 The interest rate charged on any loan made by the corporation pursuant
26 to this subdivision shall be no more than two-thirds of the market rate
27 of interest otherwise applicable thereto, provided, however, that in the
28 case of any municipality which has, during the period commencing on June
29 first, nineteen hundred ninety-two and ending on September thirtieth,
30 [two thousand twelve] TWO THOUSAND FIFTEEN, (i) submitted an application
31 for financial assistance in the form of a loan from the corporation
32 pursuant to this subdivision, for an eligible project, which application
33 has been accepted by the corporation, (ii) closed on such loan, and
34 (iii) commenced construction of such eligible project, the interest rate
35 charged on such loan shall be no more than one-half of the market rate
36 otherwise applicable thereto.

37 S 3. This act shall take effect immediately.