

1504

2011-2012 Regular Sessions

I N   A S S E M B L Y

January 10, 2011

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Introduced by M. of A. TEDISCO -- Multi-Sponsored by -- M. of A. BARCLAY, BUTLER, CONTE, CROUCH, FINCH, KOLB, J. MILLER, OAKS, RAIK, REILICH, SAYWARD, THIELE -- read once and referred to the Committee on Election Law

AN ACT to amend the election law and the state finance law, in relation to requiring a proposition authorizing the creation of a state debt to contain an estimate of the debt service payable thereon, and the state finance law, in relation to requiring publication of an explanation of the proposition authorizing the creation of state debt, deposits to the tax stabilization reserve fund, and using surplus moneys to reduce outstanding state funded debt

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

1     Section 1. The election law is amended by adding a new section 7-112  
2     to read as follows:  
3     S 7-112. BALLOTS; FORM FOR PROPOSITION; ADDITIONAL REQUIREMENTS. EACH  
4     DULY CERTIFIED PROPOSITION CONTAINED ON THE BALLOT AND SUBMITTED TO THE  
5     VOTERS OF THE STATE WHICH PROVIDES FOR THE CREATION OF A STATE DEBT  
6     SHALL CONTAIN AN ESTIMATE OF THE ANTICIPATED NUMBER OF YEARS OVER WHICH  
7     SUCH DEBT SHALL BE AMORTIZED AND THE TOTAL EXPECTED DEBT SERVICE PAYABLE  
8     ON THE PRINCIPAL AMOUNT OF SUCH BONDS UNTIL THEIR RETIREMENT. SUCH  
9     INFORMATION SHALL BE PRINTED IN THE LARGEST TYPE WHICH IS PRACTICABLE TO  
10    USE IN THE SPACE PROVIDED FOR THE PROPOSITION. SUCH INFORMATION SHALL BE  
11    PROVIDED TO THE STATE BOARD OF ELECTIONS AND THE SECRETARY OF STATE BY  
12    THE STATE COMPTROLLER NOT LATER THAN SEVEN DAYS AFTER THE PASSAGE OF THE  
13    LAW AUTHORIZING SUCH PROPOSITION.  
14    S 2. Subdivision 2 of section 4-116 of the election law, as amended by  
15    chapter 60 of the laws of 1993, is amended to read as follows:  
16    2. The state board of elections shall publish once in the week preced-  
17    ing any election at which proposed constitutional amendments or other  
18    propositions or questions are to be submitted to the voters of the state

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

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1 an abstract of such amendment or question, INCLUDING THE ESTIMATE OF THE  
2 AMORTIZATION PERIOD AND THE TOTAL ANTICIPATED DEBT SERVICE PAYABLE ON  
3 THE PRINCIPAL WHERE THE PROPOSITION AUTHORIZES THE CREATION OF A STATE  
4 DEBT, a brief statement of the law or proceedings authorizing such  
5 submission, a statement that such submission will be made and the form  
6 in which it is to be submitted.

7 S 3. The state finance law is amended by adding a new section 6 to  
8 read as follows:

9 S 6. STATE PUBLICATION CONCERNING PROPOSITION. ANY REPORT, PUBLICA-  
10 TION, PAMPHLET OR OTHER WRITTEN DOCUMENT PREPARED BY A STATE DEPARTMENT,  
11 AGENCY, AUTHORITY OR OTHER COMPONENT OR DIVISION OF STATE GOVERNMENT,  
12 INTENDED FOR DISTRIBUTION TO THE PUBLIC, WHICH IS INTENDED TO PROMOTE  
13 AWARENESS OF OR EXPLAIN THE PROVISIONS CONTAINED IN, OR INCIDENTAL TO, A  
14 DULY CERTIFIED PROPOSITION TO BE CONTAINED ON THE BALLOT AND TO BE  
15 SUBMITTED TO THE VOTERS OF THE STATE WHICH PROPOSITION PROVIDES FOR THE  
16 CREATION OF A STATE DEBT SHALL CONTAIN THEREIN AN ESTIMATE OF THE ANTIC-  
17 IPATED NUMBER OF YEARS OVER WHICH SUCH DEBT SHALL BE AMORTIZED AND THE  
18 TOTAL EXPECTED DEBT SERVICE PAYABLE ON THE PRINCIPAL AMOUNT OF SUCH  
19 BONDS UNTIL THEIR RETIREMENT. SUCH INFORMATION SHALL BE PRINTED IN THE  
20 LARGEST TYPE WHICH IS PRACTICABLE TO USE IN SUCH DOCUMENT.

21 S 4. Subdivisions 3 and 4 of section 92 of the state finance law, as  
22 separately amended by chapters 405 and 957 of the laws of 1981, are  
23 amended to read as follows:

24 3. At the close of each fiscal year any cash surplus remaining in the  
25 general fund over and above the norm for such fiscal year shall be  
26 transferred from or retained in such fund as hereinafter in this subdivi-  
27 sion provided. There shall be transferred to the tax stabilization  
28 reserve fund all of such surplus moneys, up to and including an amount  
29 equivalent to [two-tenths] ONE-HALF of one per centum of such norm,  
30 unless such transfer would increase such reserve fund to an amount in  
31 excess of [two] FIVE per centum of the amount of the norm for such  
32 fiscal year, in which event such transfer shall be limited to such  
33 amount as will increase such reserve fund to such [two] FIVE per centum  
34 limitation. Any balance of such surplus moneys, thereafter remaining in  
35 the general fund, shall be retained in such fund and be available for  
36 the reduction of state taxes.

37 4. In the event that at the close of any fiscal year the receipts  
38 derived from the taxes, fees and other sources, required to be paid  
39 during such fiscal year into the general fund of the state shall fall  
40 below the norm for such fiscal year, there shall be transferred from the  
41 tax stabilization reserve fund to the general fund to the extent that  
42 there are sufficient moneys in the tax stabilization reserve fund, an  
43 amount equal to the difference between the norm and the amount of such  
44 receipts. If such transfer reduces the tax stabilization reserve fund to  
45 an amount less than [two] FIVE per centum of the norm for such fiscal  
46 year, the amount so transferred shall be repaid in cash prior to the  
47 computation and payment of any transfer to the fund pursuant to subdivi-  
48 sion three of this section in not less than three equal annual install-  
49 ments within the period of six years or less next succeeding the date of  
50 such transfer; provided, however, that if any such annual installment  
51 shall increase such reserve fund to an amount in excess of [two] FIVE  
52 per centum of the amount of the norm for the then current fiscal year,  
53 such installment shall be limited to such amount as will increase such  
54 reserve fund to such [two] FIVE per centum limitation and no further  
55 repayment of the whole or any part of such transfer shall be required in

1 any subsequent fiscal year. Repayments to the tax stabilization reserve  
2 fund shall be stipulated in annual budget bills.

3 S 5. The state finance law is amended by adding a new section 65-a to  
4 read as follows:

5 S 65-A. USE OF SURPLUS MONEYS TO REDUCE OUTSTANDING STATE FUNDED DEBT.  
6 AT THE CLOSE OF EACH FISCAL YEAR, AT LEAST TEN PERCENT OF ANY CASH  
7 SURPLUS REMAINING IN THE GENERAL FUND AFTER THE TRANSFER PURSUANT TO  
8 SECTION NINETY-TWO OF THIS CHAPTER SHALL BE TRANSFERRED TO THE DEBT  
9 REDUCTION RESERVE FUND ESTABLISHED BY SECTION NINETY-SEVEN-RRR OF THIS  
10 CHAPTER.

11 S 6. Section 97-rrr of the state finance law, as amended by section 45  
12 of part H of chapter 56 of the laws of 2000, is amended to read as  
13 follows:

14 S 97-rrr. Debt reduction reserve fund. 1. There is hereby established  
15 in the joint custody of the comptroller and the commissioner of taxation  
16 and finance a fund to be known as the debt reduction reserve fund. [Such  
17 fund shall be established as a capital projects fund.]

18 2. Such fund shall consist of all monies credited or transferred ther-  
19 eto from the general fund or from any other fund or sources pursuant to  
20 law.

21 3. The monies in such fund, following appropriation by the legislature  
22 and allocation by the director of the budget, shall be available [for  
23 the following purposes:

24 (a) for the payment of principal, interest, and related expenses on  
25 general obligation bonds, lease purchase payments, or special contractu-  
26 al obligation payments, or] ONLY for the [purposes] PURPOSE of retiring  
27 or defeasing bonds OR NOTES previously issued, including any accrued  
28 interest thereon, for any [state-supported bonding program or programs,  
29 and;

30 (b) for the funding of capital projects, equipment acquisitions, or  
31 similar expenses which have been authorized by law to be financed  
32 through the issuance of bonds, notes, or other obligations] STATE FUNDED  
33 DEBT.

34 S 7. This act shall take effect immediately; provided, however that  
35 provisions of section four of this act shall take effect three years  
36 after it shall have become a law.