

3681

2011-2012 Regular Sessions

I N A S S E M B L Y

January 26, 2011

Introduced by M. of A. GIGLIO -- read once and referred to the Committee
on Ways and Means

AN ACT to amend the state finance law, in relation to the debt reduction
reserve fund

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

- 1 Section 1. Section 97-rrr of the state finance law, as amended by
2 section 45 of part H of chapter 56 of the laws of 2000, is amended to
3 read as follows:
4 S 97-rrr. Debt reduction reserve fund. 1. There is hereby established
5 in the joint custody of the comptroller and the commissioner of taxation
6 and finance a fund to be known as the debt reduction reserve fund. Such
7 fund shall be established as a [capital projects] DEBT SERVICE fund,
8 PROVIDED, HOWEVER, ANY BALANCE OF MONEYS IN SUCH FUND SHALL NOT BE
9 TRANSFERRED TO THE GENERAL FUND PURSUANT TO SUBDIVISION FOUR OF SECTION
10 SEVENTY-TWO OF THIS ARTICLE.
11 2. [Such fund shall consist of all monies credited or transferred
12 thereto from the general fund or from any other fund or sources pursuant
13 to law.] AT THE CLOSE OF EACH FISCAL YEAR, A PORTION OF ANY CASH SURPLUS
14 REMAINING IN THE GENERAL FUND AFTER THE TRANSFER PURSUANT TO SECTION
15 NINETY-TWO OF THIS ARTICLE SHALL BE TRANSFERRED FROM OR RETAINED IN SUCH
16 FUND AS PROVIDED IN THIS SUBDIVISION. THE PORTION TO BE TRANSFERRED TO
17 THE DEBT REDUCTION RESERVE FUND SHALL BE EQUAL TO FIVE PERCENT OF SUCH
18 SURPLUS FOR SUCH FISCAL YEAR. FOR THE PURPOSES OF THIS SUBDIVISION,
19 CASH SURPLUS SHALL BE DEFINED AS THE AMOUNT BY WHICH GENERAL FUND
20 RECEIPTS IN A FISCAL YEAR EXCEED GENERAL FUND EXPENDITURES IN SUCH
21 FISCAL YEAR.
22 3. The monies in such fund, following appropriation by the legislature
23 and allocation by the director of the budget, shall be available for the
24 [following purposes:

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

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1 (a) for the payment of principal, interest, and related expenses on
2 general obligation bonds, lease purchase payments, or special contractu-
3 al obligation payments, or for the] purposes of retiring or defeasing
4 bonds OR NOTES previously issued, including any accrued interest there-
5 on, for any state-supported bonding program or programs[, and;
6 (b) for the funding of capital projects, equipment acquisitions, or
7 similar expenses which have been authorized by law to be financed
8 through the issuance of bonds, notes, or other obligations].
9 S 2. This act shall take effect immediately.