

5843

2013-2014 Regular Sessions

I N S E N A T E

June 17, 2013

Introduced by COMMITTEE ON RULES -- read twice and ordered printed, and
when printed to be committed to the Committee on Rules

AN ACT to amend the public authorities law and the tax law, in relation
to Nassau and Suffolk counties financing assistance

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

1 Section 1. The public authorities law is amended by adding a new
2 section 1689-j to read as follows:
3 S 1689-J. NASSAU AND SUFFOLK COUNTIES; AUTHORITY FINANCING ASSISTANCE.
4 1. THE DORMITORY AUTHORITY IS AUTHORIZED TO PROVIDE FINANCING ASSISTANCE
5 TO THE COUNTIES OF NASSAU AND SUFFOLK IN ACCORDANCE WITH THE PROVISIONS
6 OF THIS SECTION.
7 2. DEFINITIONS. FOR THE PURPOSES OF THIS TITLE, UNLESS THE CONTEXT
8 OTHERWISE REQUIRES:
9 (A) "COMPTROLLER" MEANS THE COMPTROLLER OF A COUNTY, OR ANY SUCCESSOR
10 OFFICER.
11 (B) "COUNTY" MEANS NASSAU COUNTY OR SUFFOLK COUNTY.
12 (C) "COUNTY EXECUTIVE" MEANS THE COUNTY EXECUTIVE OF A COUNTY.
13 (D) "COUNTY PLEDGED REVENUES" MEANS A COUNTY'S TAX REVENUES PAID TO
14 THE DORMITORY AUTHORITY PURSUANT TO THIS SECTION.
15 (E) "COUNTY TAX REVENUES" MEANS NET COLLECTIONS SET ASIDE FOR COUNTY
16 PURPOSES PURSUANT TO SUBDIVISION (A) OF SECTION TWELVE HUNDRED SIXTY-TWO
17 OF THE TAX LAW, FROM A COUNTY'S SALES AND COMPENSATING USE TAXES IMPOSED
18 PURSUANT TO THE AUTHORITY OF SUBPART B OF PART ONE OF ARTICLE
19 TWENTY-NINE OF THE TAX LAW.
20 (F) "FINANCEABLE COSTS" OR "COSTS" MEAN COSTS TO FINANCE (I) AMOUNTS
21 NECESSARY TO ACCOMPLISH A REFUNDING, REPAYMENT OR RESTRUCTURING OF ALL
22 OR A PORTION OF A COUNTY'S OUTSTANDING INDEBTEDNESS, (II) ANY OBJECT OR
23 PURPOSE OF A COUNTY, FOR WHICH A PERIOD OF PROBABLE USEFULNESS IS
24 PRESCRIBED IN SECTION 11.00 OF THE LOCAL FINANCE LAW, INCLUDING THE
25 COSTS OF ANY PRELIMINARY STUDIES, SURVEYS, MAPS, PLANS, ESTIMATES AND

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

LBD11507-01-3

1 HEARINGS, OR (III) INCIDENTAL COSTS, INCLUDING, BUT NOT LIMITED TO,
2 LEGAL FEES, PRINTING OR ENGRAVING, PUBLICATION OF NOTICES, TAKING OF
3 TITLE, APPORTIONMENT OF COSTS, AND CAPITALIZED INTEREST, INSURANCE
4 PREMIUMS, COSTS RELATED TO ITEMS AUTHORIZED IN SUBDIVISION FOUR OF THIS
5 SECTION OR ANY UNDERWRITING OR OTHER COSTS INCURRED IN CONNECTION WITH
6 THE FINANCING THEREOF.

7 (G) "LEGISLATURE" MEANS THE LEGISLATURE OF A COUNTY.

8 3. DECLARATION OF NEED FOR FINANCING ASSISTANCE TO A COUNTY. (A) A
9 COUNTY SHALL DETERMINE AND DECLARE WHETHER IT REQUESTS THE DORMITORY
10 AUTHORITY TO UNDERTAKE A FINANCING OF COSTS FOR SUCH COUNTY. ANY SUCH
11 REQUEST SHALL BE MADE BY AND THROUGH THE COUNTY EXECUTIVE FOR SUCH COUN-
12 TY AFTER APPROVAL BY ITS LEGISLATURE. ANY SUCH FINANCING SHALL BE
13 CONSISTENT WITH THE ADOPTED BUDGET OF SUCH COUNTY.

14 (B) UPON DECLARATION BY A COUNTY OF SUCH NEED, ITS COUNTY EXECUTIVE
15 SHALL REQUEST THAT THE DORMITORY AUTHORITY PROVIDE FINANCING IN ACCORD-
16 ANCE WITH THE PROVISIONS OF THIS SECTION. UPON THE RECEIPT OF A WRITTEN
17 REQUEST FOR FINANCING ASSISTANCE FROM SUCH COUNTY, THE DORMITORY AUTHOR-
18 ITY SHALL BE AUTHORIZED TO UNDERTAKE THE FINANCING OF COSTS FOR SUCH
19 COUNTY OR ANY COVERED ORGANIZATION ON OR BEFORE DECEMBER THIRTY-FIRST,
20 TWO THOUSAND SIXTEEN.

21 (C) THE DORMITORY AUTHORITY MAY ENTER INTO AGREEMENTS WITH A COUNTY,
22 AND A COUNTY, ACTING BY ITS COUNTY EXECUTIVE, AND APPROVED BY ITS LEGIS-
23 LATURE, MAY ENTER INTO AGREEMENTS WITH THE DORMITORY AUTHORITY IN
24 ACCORDANCE WITH THE PROVISIONS OF THIS SECTION AS TO THE FINANCING OF
25 COSTS BY THE DORMITORY AUTHORITY, THE APPLICATION OF COUNTY PLEDGED
26 REVENUES TO SECURE THE DORMITORY AUTHORITY'S BONDS, NOTES OR OTHER OBLI-
27 GATIONS, AND FURTHER ASSURANCES IN RESPECT OF THE DORMITORY AUTHORITY'S
28 RECEIPT OF COUNTY PLEDGED REVENUES. NOTWITHSTANDING ANY GENERAL, SPECIAL
29 OR LOCAL LAW TO THE CONTRARY, SUCH AGREEMENTS AND ANY FINANCING OF COSTS
30 AUTHORIZED BY THIS SECTION MAY BE ENTERED INTO, OR AGREED TO, BY THE
31 COUNTY OF NASSAU WITHOUT APPROVAL OF THE NASSAU COUNTY INTERIM FINANCE
32 AUTHORITY. THE COUNTY PLEDGED REVENUES SHALL NOT BE DEEMED TO BE FUNDS
33 OF SUCH COUNTY. ANY SUCH AGREEMENTS WITH SUCH COUNTY MAY BE PLEDGED BY
34 THE DORMITORY AUTHORITY TO SECURE ITS BONDS, NOTES OR OTHER OBLIGATIONS
35 AND SUCH PLEDGE MAY NOT BE MODIFIED THEREAFTER EXCEPT AS PROVIDED BY THE
36 TERMS OF THE BOND RESOLUTION OR INDENTURE PURSUANT TO WHICH SUCH BONDS,
37 NOTES OR OTHER OBLIGATIONS HAVE BEEN ISSUED.

38 (D) SUCH AGREEMENTS BETWEEN A COUNTY AND THE DORMITORY AUTHORITY
39 SHALL: (I) DESCRIBE THE PARTICULAR FINANCEABLE COSTS TO BE FINANCED IN
40 WHOLE OR IN PART BY THE DORMITORY AUTHORITY; (II) DESCRIBE THE PLAN FOR
41 THE FINANCING OF THE COSTS; (III) SET FORTH THE METHOD BY WHICH AND BY
42 WHOM AND THE TERMS AND CONDITIONS UPON WHICH MONEY PROVIDED BY THE
43 DORMITORY AUTHORITY SHALL BE DISBURSED TO SUCH COUNTY; (IV) WHERE APPRO-
44 PRIATE, PROVIDE FOR THE PAYMENT OF SUCH COSTS BY SUCH COUNTY UNDER SUCH
45 CONTRACTS AS SHALL BE AWARDED BY SUCH COUNTY OR FOR SUCH COUNTY TO MAKE
46 A CAPITAL CONTRIBUTION OF SUCH PROCEEDS AS COUNTY FUNDS TO ANOTHER ENTI-
47 TY FOR THE PAYMENT OR REIMBURSEMENT OF SUCH COSTS; AND (V) REQUIRE EVERY
48 CONTRACT ENTERED INTO BY SUCH COUNTY OTHER THAN THE LOAN AGREEMENT
49 ENTERED INTO BY SUCH COUNTY WITH THE DORMITORY AUTHORITY, OR ANOTHER
50 ENTITY RECEIVING FUNDS FROM SUCH COUNTY, FOR COSTS TO BE FINANCED IN
51 WHOLE OR IN PART BY THE DORMITORY AUTHORITY TO BE SUBJECT TO THE
52 PROVISIONS OF THE COUNTY CHARTER OF SUCH COUNTY AND OTHER APPLICABLE
53 LAWS GOVERNING CONTRACTS OF SUCH COUNTY OR SUCH ENTITY, AS THE CASE MAY
54 BE.

55 4. BONDS, NOTES OR OTHER OBLIGATIONS OF THE DORMITORY AUTHORITY. (A)
56 THE DORMITORY AUTHORITY SHALL HAVE THE POWER AND IS HEREBY AUTHORIZED

1 FROM TIME TO TIME ON OR BEFORE DECEMBER THIRTY-FIRST, TWO THOUSAND
2 SIXTEEN TO ISSUE BONDS, NOTES OR OTHER OBLIGATIONS IN SUCH PRINCIPAL
3 AMOUNTS AS IT MAY DETERMINE TO BE NECESSARY PURSUANT TO SUBDIVISION
4 THREE OF THIS SECTION TO PAY ANY FINANCEABLE COSTS AND TO FUND RESERVES
5 TO SECURE SUCH BONDS, NOTES OR OTHER OBLIGATIONS, INCLUDING COSTS
6 INCURRED IN CONNECTION WITH ANY FINANCING ASSISTANCE PROVIDED BY IT TO A
7 COUNTY; PROVIDED, HOWEVER, THE AGGREGATE PRINCIPAL AMOUNTS OF SUCH
8 BONDS, NOTES OR OTHER OBLIGATIONS WHICH MAY BE ISSUED WITH RESPECT TO A
9 PARTICULAR COUNTY SHALL NOT EXCEED FIVE HUNDRED MILLION DOLLARS AND THE
10 DORMITORY AUTHORITY SHALL HAVE THE POWER AND IS HEREBY AUTHORIZED FROM
11 TIME TO TIME BEFORE OR AFTER SUCH DATE TO ISSUE BONDS, NOTES OR OTHER
12 OBLIGATIONS IN SUCH PRINCIPAL AMOUNTS AS IT MAY DETERMINE TO BE NECES-
13 SARY TO REFUND OR ADVANCE REFUND ANY OUTSTANDING BONDS OR NOTES OF THE
14 DORMITORY AUTHORITY ISSUED PURSUANT TO THIS SECTION WITHOUT REGARD TO
15 THE FIVE HUNDRED MILLION DOLLAR LIMITATION. BONDS, NOTES OR OTHER OBLI-
16 GATIONS ISSUED BY THE DORMITORY AUTHORITY (I) TO PAY REASONABLE COSTS OF
17 ISSUANCE, AS DETERMINED BY THE DORMITORY AUTHORITY, OR (II) TO ESTABLISH
18 DEBT SERVICE RESERVE FUNDS SHALL NOT COUNT AGAINST THE ABOVE LIMIT ON
19 OUTSTANDING BONDS, NOTES OR OTHER OBLIGATIONS OF THE DORMITORY AUTHORI-
20 TY, NOR SHALL ANY ACCRETION OF PRINCIPAL OF BONDS THAT WOULD CONSTITUTE
21 INTEREST UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, COUNT
22 AGAINST SUCH LIMIT.

23 (B) NO BOND OF THE DORMITORY AUTHORITY ISSUED PURSUANT TO THIS SECTION
24 SHALL MATURE MORE THAN THIRTY YEARS FROM THE DATE OF ITS ISSUE.

25 (C) BONDS, NOTES OR OTHER OBLIGATIONS OF THE DORMITORY AUTHORITY
26 ISSUED AS FINANCING ASSISTANCE TO A COUNTY PURSUANT TO THIS SECTION MAY
27 BE ISSUED, AMORTIZED, REDEEMED AND REFUNDED WITHOUT REGARD TO THE
28 PROVISIONS OF THE LOCAL FINANCE LAW, AND THE AUTHORITY IS AUTHORIZED TO
29 PLEDGE ALL OR ANY PART OF ITS COUNTY PLEDGED REVENUES OR OTHER ASSETS AS
30 SECURITY FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON ANY BONDS,
31 NOTES OR OTHER OBLIGATIONS ISSUED BY IT PURSUANT TO THIS SECTION AND ANY
32 AGREEMENTS MADE IN CONNECTION THEREWITH.

33 5. INTERCEPT OF COUNTY TAX REVENUES. (A) COMMENCING ON THE EFFECTIVE
34 DATE OF THIS SECTION, AND UNTIL SUCH TIME WHEN NO BONDS, NOTES OR OTHER
35 OBLIGATIONS OF THE DORMITORY AUTHORITY ISSUED PURSUANT TO THIS SECTION
36 ARE OUTSTANDING, THE STATE COMPTROLLER SHALL PAY COUNTY TAX REVENUES AT
37 LEAST MONTHLY TO THE DORMITORY AUTHORITY IN ACCORDANCE WITH SECTION
38 TWELVE HUNDRED SIXTY-ONE OF THE TAX LAW. DURING SUCH PERIOD, THE APPLI-
39 CABLE COUNTY SHALL IMPOSE SALES AND COMPENSATING USE TAXES PURSUANT TO
40 SUBDIVISION (A) OF SECTION TWELVE HUNDRED TEN OF THE TAX LAW AT A RATE
41 OF NO LESS THAN THREE PERCENT.

42 (B) A COUNTY SHALL HAVE NO RIGHT, TITLE, OR INTEREST IN COUNTY PLEDGED
43 REVENUES.

44 6. RESOURCES OF THE DORMITORY AUTHORITY. (A) SUBJECT TO THE PROVISIONS
45 OF ANY CONTRACT WITH HOLDERS OF BONDS, NOTES OR OTHER OBLIGATIONS, COUN-
46 TY PLEDGED REVENUES SHALL BE PAID TO THE DORMITORY AUTHORITY AND SHALL
47 NOT BE COMMINGLED WITH ANY OTHER MONEY.

48 (B) COUNTY PLEDGED REVENUES SHALL BE APPLIED IN THE FOLLOWING ORDER OF
49 PRIORITY: FIRST TO PAY DEBT SERVICE OR FOR SET ASIDES TO PAY DEBT
50 SERVICE ON THE DORMITORY AUTHORITY'S BONDS, NOTES, OR OTHER OBLIGATIONS
51 ISSUED BY AUTHORITY OF SUBDIVISION FOUR OF THIS SECTION, SECOND, TO
52 REPLENISH ANY RESERVE FUNDS SECURING SUCH BONDS, NOTES OR OTHER OBLI-
53 GATIONS OF THE DORMITORY AUTHORITY IN ACCORDANCE WITH THE PROVISION OF
54 THE BOND RESOLUTION OF THE DORMITORY AUTHORITY, THIRD, TO PAY ANY FEES
55 AND EXPENSES OF THE DORMITORY AUTHORITY AND THE TRUSTEE FOR ANY BONDS,
56 NOTES AND OTHER OBLIGATIONS ISSUED BY THE DORMITORY AUTHORITY AS FINANC-

ING ASSISTANCE TO SUCH COUNTY; AND FOURTH, TO SUCH COUNTY PURSUANT TO ANY TRANSFER AGREEMENT BETWEEN THE DORMITORY AUTHORITY AND SUCH COUNTY.

7. ON A MONTHLY BASIS, THE DORMITORY AUTHORITY OR ITS DESIGNEE SHALL PREPARE AND PROVIDE TO EACH COUNTY A DETAILED ACCOUNTING OF ALL REVENUES RECEIVED AND PAYMENTS AND DEBT SERVICE SET ASIDES MADE, AS ATTRIBUTABLE TO SUCH COUNTY. SUCH ACCOUNTING SHALL REFLECT:

(A) THE AMOUNT OF COUNTY TAX REVENUES RECEIVED DURING SUCH MONTH;

(B) THE RESPECTIVE PORTION OF DEBT SERVICE PAID OR SET ASIDE DURING SUCH MONTH BY THE DORMITORY AUTHORITY FOR ITS BONDS, NOTES OR OTHER OBLIGATIONS ISSUED AS FINANCING ASSISTANCE TO SUCH COUNTY;

(C) THE RESPECTIVE PORTION OF RESERVE FUND REPLENISHMENT, IF ANY, MADE OR SET ASIDE DURING SUCH MONTH BY THE DORMITORY AUTHORITY IN CONNECTION WITH ITS BONDS, NOTES OR OTHER OBLIGATIONS ISSUED AS FINANCING ASSISTANCE TO SUCH COUNTY; AND

(D) THE RESPECTIVE PORTION OF ADMINISTRATIVE EXPENSES OF THE DORMITORY AUTHORITY PAID OR SET ASIDE DURING SUCH MONTH BY THE DORMITORY AUTHORITY ATTRIBUTABLE TO SUCH COUNTY.

AS SOON AS PRACTICABLE AFTER EACH MONTHLY PAYMENT OR SET ASIDE, THE DORMITORY AUTHORITY SHALL WIRE TRANSFER RESPECTIVE PAYMENTS OF THE REMAINING MONTHLY BALANCE OR REVENUES TO SUCH COUNTY IN ACCORDANCE WITH SUCH ACCOUNTING. TO THE EXTENT THAT SUCH RESPECTIVE MONTHLY PAYMENTS OF THE REMAINING BALANCE OF REVENUES RESULT IN AN OVERPAYMENT OR UNDERPAYMENT TO SUCH COUNTY, THE DORMITORY AUTHORITY SHALL IN THE IMMEDIATELY SUBSEQUENT MONTH, AFTER MAKING DEBT SERVICE PAYMENTS OR DEBT SERVICE SET ASIDES, REPLENISHING ANY RESERVE FUNDS AND PAYING THE ADMINISTRATIVE EXPENSES OF THE DORMITORY AUTHORITY FOR SUCH MONTH, MAKE AN ADJUSTMENT IN FAVOR OF SUCH COUNTY, AS THE CASE MAY BE, BEFORE DETERMINING THE REMAINING AMOUNT OF THE BALANCE OF REVENUES FOR SUCH SUBSEQUENT MONTH AND PAYING SUCH REMAINING MONTHLY BALANCE OF REVENUES TO SUCH COUNTY. NOTHING IN THIS TITLE SHALL BE DEEMED TO RESTRICT THE STATE COMPTROLLER OR THE COMMISSIONER OF TAXATION AND FINANCE FROM MAKING ADJUSTMENTS FOR OVERPAYMENTS OR UNDERPAYMENTS PURSUANT TO THE TAX LAW.

8. THE COMPTROLLER SHALL HAVE ACCESS TO AND THE RIGHT TO EXAMINE, AUDIT, EXCERPT, COPY OR TRANSCRIBE ANY PERTINENT TRANSACTIONS OR OTHER RECORDS RELATING TO FINANCING ASSISTANCE PROVIDED IN ACCORDANCE WITH THIS SECTION.

S 2. Subdivision (a) of section 1261 of the tax law, as amended by chapter 182 of the laws of 2005, is amended to read as follows:

(a) All taxes, penalties and interest imposed by cities, counties or school districts under the authority of section twelve hundred ten, twelve hundred eleven, twelve hundred twelve or twelve hundred twelve-A of this article, which are collected by the commissioner, shall be deposited daily with such responsible banks, banking houses or trust companies, as may be designated by the state comptroller, to the credit of the comptroller, in trust for the cities, counties or school districts imposing the tax or for (i) the Nassau county interim finance authority or (ii) the Buffalo fiscal stability authority or (iii) the Erie county fiscal stability authority, created by the public authorities law, OR (IV) THE DORMITORY AUTHORITY, (i) to the extent that net collections from taxes imposed by Nassau county are payable to the Nassau county interim finance authority or (ii) to the extent that net collections from taxes imposed by Erie county or by the city of Buffalo are payable to the Buffalo fiscal stability authority or (iii) to the extent that net collections from taxes imposed by Erie county are payable to the Erie county fiscal stability authority, OR (IV) TO THE EXTENT THAT NET COLLECTIONS FROM TAXES IMPOSED BY NASSAU COUNTY OR SUFFOLK

1 COUNTY ARE PAYABLE TO THE DORMITORY AUTHORITY, or for any public benefit
2 corporation to which the tax may be payable pursuant to law. Such depos-
3 its and deposits received pursuant to subdivision (b) of section twelve
4 hundred fifty-two of this article shall be kept in trust and separate
5 and apart from all other monies in the possession of the comptroller.
6 The comptroller shall require adequate security from all such deposito-
7 ries of such revenue collected by the commissioner, including the depos-
8 its received pursuant to subdivision (b) of section twelve hundred
9 fifty-two of this article. Any amount payable to such authorities pursu-
10 ant to the public authorities law shall, at the time it is otherwise
11 payable to (i) Nassau county, (ii) Erie county or the city of Buffalo,
12 [or] (iii) Erie county, OR (IV) SUFFOLK COUNTY, respectively, as speci-
13 fied in this section, be paid instead to such respective authority. Any
14 amount payable to a public benefit corporation pursuant to law shall, at
15 the time it is otherwise payable to the taxing jurisdiction as specified
16 in this section, be paid instead to such public benefit corporation.

17 S 3. Paragraph 3 of subdivision (c) of section 1261 of the tax law, as
18 amended by section 9 of part SS1 of chapter 57 of the laws of 2008, is
19 amended to read as follows:

20 (3) However, the taxes, penalties and interest which (i) the county of
21 Nassau, (ii) the county of Erie, to the extent the county of Erie is
22 contractually or statutorily obligated to allocate and apply or pay net
23 collections to the city of Buffalo and to the extent that such county
24 has set aside net collections for educational purposes attributable to
25 the Buffalo school district, or the city of Buffalo [or], (iii) the
26 county of Erie is authorized to impose pursuant to section twelve
27 hundred ten of this article, OR (IV) THE COUNTY OF SUFFOLK IS AUTHORIZED
28 TO IMPOSE PURSUANT TO SECTION TWELVE HUNDRED TEN OF THIS ARTICLE, other
29 than such taxes in the amounts described, respectively, in subdivisions
30 one and two of section one thousand two hundred sixty-two-e of this
31 part, during the period that such section authorizes Nassau county to
32 establish special or local assistance programs thereunder, together with
33 any penalties and interest related thereto, and after the comptroller
34 has reserved such refund fund and such costs, shall, commencing on the
35 next payment date after the effective date of this sentence and of each
36 month thereafter, until such date as (i) the Nassau county interim
37 finance authority shall have no obligations outstanding, or (ii) the
38 Buffalo fiscal stability authority shall cease to exist, or (iii) the
39 Erie county fiscal stability authority shall cease to exist, OR (IV) THE
40 DORMITORY AUTHORITY SHALL HAVE NO OBLIGATIONS OUTSTANDING WHICH WERE
41 ISSUED TO PROVIDE FINANCIAL ASSISTANCE TO NASSAU COUNTY OR SUFFOLK COUN-
42 TY, be paid by the comptroller, respectively, to (i) the Nassau county
43 interim finance authority to be applied by the Nassau county interim
44 finance authority, or (ii) to the Buffalo fiscal stability authority to
45 be applied by the Buffalo fiscal stability authority, or (iii) to the
46 Erie county fiscal stability authority to be applied by the Erie county
47 fiscal stability authority, OR (IV) TO THE DORMITORY AUTHORITY TO BE
48 APPLIED BY THE DORMITORY AUTHORITY, as the case may be, in the following
49 order of priority: first pursuant to the Nassau county interim finance
50 authority's contracts with bondholders or the Buffalo fiscal stability
51 authority's contracts with bondholders or the Erie county fiscal stabil-
52 ity authority's contracts with bondholders OR THE DORMITORY AUTHORITY'S
53 CONTRACTS WITH BONDHOLDERS FOR OBLIGATIONS ISSUED TO PROVIDE FINANCIAL
54 ASSISTANCE TO SUFFOLK COUNTY, respectively, then to pay the Nassau coun-
55 ty interim finance authority's operating expenses not otherwise provided
56 for or the Buffalo fiscal stability authority's operating expenses not

1 otherwise provided for or the Erie county fiscal stability authority's
2 operating expenses not otherwise provided for, respectively, and then TO
3 THE DORMITORY AUTHORITY'S CONTRACTS WITH BONDHOLDERS FOR OBLIGATIONS
4 ISSUED TO PROVIDE FINANCIAL ASSISTANCE TO NASSAU COUNTY AND THEN (i)
5 pursuant to the Nassau county interim finance authority's agreements
6 with the county of Nassau, which agreements shall require the Nassau
7 county interim finance authority to transfer such taxes, penalties and
8 interest remaining after providing for contractual or other obligations
9 of the Nassau county interim finance authority, and subject to any
10 agreement between such authority and the county of Nassau, AND THEN
11 PURSUANT TO THE DORMITORY AUTHORITY'S AGREEMENTS WITH THE COUNTY OF
12 NASSAU, WHICH AGREEMENTS SHALL REQUIRE THE DORMITORY AUTHORITY TO TRANS-
13 FER SUCH TAXES, PENALTIES AND INTEREST REMAINING AFTER PROVIDING FOR
14 CONTRACTUAL OR OTHER OBLIGATIONS OF THE DORMITORY AUTHORITY, AND SUBJECT
15 TO ANY AGREEMENT BETWEEN SUCH AUTHORITY AND THE COUNTY OF NASSAU, to the
16 county of Nassau as frequently as practicable; or (ii) pursuant to the
17 Buffalo fiscal stability authority's agreements with the city of
18 Buffalo, which agreements shall require the Buffalo fiscal stability
19 authority to transfer such taxes, penalties and interest remaining after
20 providing for contractual or other obligations of the Buffalo fiscal
21 stability authority, and subject to any agreement between such authority
22 and the city of Buffalo, to the city of Buffalo or the city of Buffalo
23 school district, as the case may be, as frequently as practicable; or
24 (iii) pursuant to the Erie county fiscal stability authority's agree-
25 ments with the county of Erie, which agreements shall require the Erie
26 county fiscal stability authority to transfer such taxes, penalties and
27 interest remaining after providing for contractual or other obligations
28 of the Erie county fiscal stability authority, and subject to any agree-
29 ment between such authority and the county of Erie, to the county of
30 Erie as frequently as practicable; OR (IV) PURSUANT TO THE DORMITORY
31 AUTHORITY'S AGREEMENTS WITH THE COUNTY OF SUFFOLK, WHICH AGREEMENTS
32 SHALL REQUIRE THE DORMITORY AUTHORITY TO TRANSFER SUCH TAXES, PENALTIES
33 AND INTEREST REMAINING AFTER PROVIDING FOR CONTRACTUAL OR OTHER OBLI-
34 GATIONS OF THE DORMITORY AUTHORITY, AND SUBJECT TO ANY AGREEMENT BETWEEN
35 SUCH AUTHORITY AND THE COUNTY OF SUFFOLK, TO THE COUNTY OF SUFFOLK AS
36 FREQUENTLY AS PRACTICABLE. During the period that the comptroller is
37 required to make payments to the Nassau county interim finance authority
38 OR TO THE DORMITORY AUTHORITY described in the previous sentence, the
39 county of Nassau shall have no right, title or interest in or to such
40 taxes, penalties and interest required to be paid to the Nassau county
41 interim finance authority OR TO THE DORMITORY AUTHORITY, except as
42 provided in such RESPECTIVE authority's agreements with the county of
43 Nassau. During the period that the comptroller is required to make
44 payments to the Buffalo fiscal stability authority described in the
45 second previous sentence, the city of Buffalo and such school district
46 shall have no right, title or interest in or to such taxes, penalties
47 and interest required to be paid to the Buffalo fiscal stability author-
48 ity, except as provided in such authority's agreements with the city of
49 Buffalo. During the period that the comptroller is required to make
50 payments to the Erie county fiscal stability authority described in the
51 third previous sentence, the county of Erie shall have no right, title
52 or interest in or to such taxes, penalties and interest required to be
53 paid to the Erie county fiscal stability authority, except as provided
54 in such authority's agreements with the county of Erie. DURING THE PERI-
55 OD THAT THE COMPTROLLER IS REQUIRED TO MAKE PAYMENTS TO THE DORMITORY
56 AUTHORITY PURSUANT TO THE DORMITORY AUTHORITY'S AGREEMENTS WITH THE

1 COUNTY OF SUFFOLK, THE COUNTY OF SUFFOLK SHALL HAVE NO RIGHT, TITLE OR
2 INTEREST IN OR TO SUCH TAXES, PENALTIES AND INTEREST REQUIRED TO BE PAID
3 TO THE DORMITORY AUTHORITY, EXCEPT AS PROVIDED IN SUCH AGREEMENTS.

4 S 4. If any section, part or provision of this act shall be adjudged
5 unconstitutional or invalid or ineffective by any court of this state,
6 any party in interest shall have a direct appeal as of right to the
7 court of appeals of the state of New York, and such appeal shall have
8 preference over all other causes. Service upon the adverse party of a
9 notice of appeal shall stay the effect of the judgment or order appealed
10 from pending the hearing and determination of the appeal.

11 S 5. Effect of inconsistent provisions. Insofar as the provisions of
12 this act are inconsistent with the provisions of any other act, general
13 or special, or of any charter, local law, ordinance or resolution of any
14 municipality, the provisions of this act shall be controlling. Nothing
15 contained in this act shall be held to supplement or otherwise expand
16 the powers or duties of the dormitory authority otherwise then set forth
17 in this act.

18 S 6. If any clause, sentence, paragraph, section or part of this act
19 shall be adjudged by any court of competent jurisdiction to be invalid,
20 such judgment shall not affect, impair, or invalidate the remainder
21 thereof, but shall be confined in its operation to the clause, sentence,
22 paragraph, section, or part thereof directly involved in the controversy
23 in which such judgment shall have been rendered. The provisions of this
24 act shall be liberally construed to assist the effectuation of the
25 public purposes furthered hereby.

26 S 7. This act shall take effect on the sixtieth day after it shall
27 have become a law.