

9629--A

I N A S S E M B L Y

May 13, 2014

Introduced by M. of A. RUSSELL -- read once and referred to the Committee on Corporations, Authorities and Commissions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public authorities law, in relation to bonds of the Ogdensburg Bridge Authority; and to repeal section 706 of the public authorities law relating thereto

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 736 to read as follows:
3 S 736. BONDS OF THE AUTHORITY. 1. THE AUTHORITY SHALL HAVE THE POWER
4 AND IS HEREBY AUTHORIZED FROM TIME TO TIME TO ISSUE BONDS, NOTES OR
5 OTHER OBLIGATIONS TO PAY THE COST OF ANY PROJECT OR FOR ANY OTHER CORPO-
6 RATE PURPOSE, INCLUDING THE ESTABLISHMENT OF RESERVES TO SECURE BONDS,
7 THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS
8 AND THE PAYMENT OF INCIDENTAL EXPENSES IN CONNECTION THEREWITH. THE
9 AGGREGATE PRINCIPAL AMOUNT OF SUCH BONDS, NOTES OR OTHER OBLIGATIONS
10 SHALL NOT EXCEED ONE HUNDRED MILLION DOLLARS, EXCLUDING BONDS, NOTES OR
11 OTHER OBLIGATIONS ISSUED TO REFUND OR OTHERWISE REPAY BONDS, NOTES OR
12 OTHER OBLIGATIONS THEREFORE ISSUED FOR SUCH PURPOSES; PROVIDED, HOWEVER,
13 THAT UPON ANY SUCH REFUNDING OR REPAYMENT OF THE TOTAL AGGREGATE PRINCIPAL
14 AMOUNT OF OUTSTANDING BONDS, NOTES OR OTHER OBLIGATIONS MAY BE
15 GREATER THAN ONE HUNDRED MILLION DOLLARS ONLY IF THE PRESENT VALUE OF
16 THE AGGREGATE DEBT SERVICE OF THE FUNDING OR REPAYMENT BONDS, NOTES OR
17 OTHER OBLIGATIONS TO BE ISSUED SHALL NOT EXCEED THE PRESENT VALUE OF THE
18 AGGREGATE DEBT SERVICE OF THE BONDS, NOTES OR OTHER OBLIGATIONS TO BE
19 REFUNDED OR REPAYED. FOR PURPOSES OF THIS SECTION, THE PRESENT VALUES OF
20 THE AGGREGATE DEBT SERVICE OF THE REFUNDING OR REPAYMENT BONDS, NOTES OR
21 OTHER OBLIGATIONS AND OF THE AGGREGATE DEBT SERVICE OF THE BONDS, NOTES
22 OR OTHER OBLIGATIONS SO REFUNDED OR REPAYED, SHALL BE CALCULATED BY
23 UTILIZING THE EFFECTIVE INTEREST RATE OF THE REFUNDING OR REPAYMENT
24 BONDS, NOTES OR OTHER OBLIGATIONS, WHICH SHALL BE THAT RATE ARRIVED AT
25 BY DOUBLING THE SEMI-ANNUAL INTEREST RATE (COMPOUNDED SEMI-ANNUALLY)

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

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NECESSARY TO DISCOUNT THE DEBT SERVICE PAYMENTS ON THE REFUNDING OR REPAYMENT BONDS, NOTES OR OTHER OBLIGATIONS FROM THE PAYMENT DATES THEREOF TO THE DATE OF ISSUE OF THE REFUNDING OR REPAYMENT BONDS, NOTES OR OTHER OBLIGATIONS AND TO THE PRICE BID INCLUDING ESTIMATED ACCRUED INTEREST OR PROCEEDS RECEIVED BY THE AUTHORITY INCLUDING ESTIMATED ACCRUED INTEREST FROM THE SALE THEREOF. THE AUTHORITY SHALL HAVE POWER AND IS HEREBY AUTHORIZED TO ENTER INTO SUCH AGREEMENT AND PERFORM SUCH ACTS AS MAY BE REQUIRED UNDER ANY APPLICABLE FEDERAL LEGISLATION TO SECURE A FEDERAL GUARANTEE OF ANY BONDS.

2. THE AUTHORITY SHALL HAVE POWER FROM TIME TO TIME TO RENEW BONDS OR TO ISSUE RENEWAL BONDS FOR SUCH PURPOSE, TO ISSUE BONDS TO PAY BONDS, AND, WHENEVER IT DEEMS REFUNDING EXPEDIENT, TO REFUND ANY BOND BY THE ISSUANCE OF NEW BONDS, WHETHER THE BONDS TO BE REFUNDED HAVE OR HAVE NOT MATURED, AND MAY ISSUE BONDS PARTLY TO REFUND BONDS THEN OUTSTANDING AND PARTLY FOR ANY OTHER CORPORATE PURPOSE OF THE AUTHORITY. BONDS ISSUED FOR REFUNDING PURPOSES SHALL BE SOLD AND THE PROCEEDS APPLIED TO THE PURCHASE, REDEMPTION OR PAYMENT OF THE BONDS OR NOTES TO BE REFUNDED.

3. BONDS ISSUED BY THE AUTHORITY MAY BE GENERAL OBLIGATIONS SECURED BY THE FAITH AND CREDIT OF THE AUTHORITY OR MAY BE SPECIAL OBLIGATIONS PAYABLE SOLELY OUT OF PARTICULAR REVENUES OR OTHER MONEYS AS MAY BE DESIGNATED IN THE PROCEEDINGS OF THE AUTHORITY UNDER WHICH THE BONDS SHALL BE AUTHORIZED TO BE ISSUED, SUBJECT AS TO PRIORITY ONLY TO ANY AGREEMENTS WITH THE HOLDERS OF OUTSTANDING BONDS PLEDGING ANY PARTICULAR PROPERTY, REVENUES OR MONEYS. THE AUTHORITY MAY ALSO ENTER INTO LOAN AGREEMENTS, LINES OF CREDIT AND OTHER SECURITY AGREEMENTS AND OBTAIN FOR OR ON ITS BEHALF LETTERS OF CREDIT, INSURANCE, GUARANTEES OR OTHER CREDIT ENHANCEMENTS TO THE EXTENT NOW OR HEREAFTER AVAILABLE, IN EACH CASE FOR SECURING ITS BONDS OR TO PROVIDE DIRECT PAYMENT OF ANY COSTS WHICH THE AUTHORITY IS AUTHORIZED TO PAY.

4. (A) BONDS SHALL BE AUTHORIZED BY RESOLUTION OF THE AUTHORITY, BE IN SUCH DENOMINATIONS AND BEAR SUCH DATE OR DATES AND MATURE AT SUCH TIME OR TIMES, AS SUCH RESOLUTION MAY PROVIDE, PROVIDED THAT BONDS AND RENEWALS THEREOF SHALL MATURE WITHIN THIRTY YEARS FROM THE DATE OF ORIGINAL ISSUANCE OF ANY SUCH BONDS.

(B) BONDS SHALL BE SUBJECT TO SUCH TERMS OF REDEMPTION, BEAR INTEREST AT SUCH RATE OR RATES, BE PAYABLE AT SUCH TIMES, BE IN SUCH FORM, EITHER COUPON OR REGISTERED, CARRY SUCH REGISTRATION PRIVILEGES, BE EXECUTED IN SUCH MANNER, BE PAYABLE IN SUCH MEDIUM OF PAYMENT AT SUCH PLACE OR PLACES, AND BE SUBJECT TO SUCH TERMS AND CONDITIONS AS SUCH RESOLUTION MAY PROVIDE.

(C) NOTWITHSTANDING ANY OTHER PROVISIONS OF LAW, THE BONDS OF THE AUTHORITY ISSUED PURSUANT TO THIS SECTION SHALL BE SOLD TO THE BIDDER OFFERING THE LOWEST TRUE INTEREST COST, TAKING INTO CONSIDERATION ANY PREMIUM OR DISCOUNT NOT LESS THAN FOUR NOR MORE THAN FIFTEEN DAYS, SUNDAYS EXCEPTED, AFTER A NOTICE OF SUCH SALE HAS BEEN PUBLISHED AT LEAST ONCE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE AREA SERVED BY THE AUTHORITY AND ON THE AUTHORITY WEBSITE, WHICH SHALL STATE THE TERMS OF THE SALE. THE TERMS OF THE SALE MAY NOT CHANGE UNLESS NOTICE OF SUCH CHANGE IS PUBLISHED IN SUCH NEWSPAPER AND ON THE AUTHORITY WEBSITE AT LEAST ONE DAY PRIOR TO THE DATE OF THE SALE AS SET FORTH IN THE ORIGINAL NOTICE OF SALE. ADVERTISEMENTS SHALL CONTAIN A PROVISION TO THE EFFECT THAT THE AUTHORITY, IN ITS DISCRETION, MAY REJECT ANY OR ALL BIDS MADE IN PURSUANCE OF SUCH ADVERTISEMENTS, AND IN THE EVENT OF SUCH REJECTION, THE AUTHORITY IS AUTHORIZED TO NEGOTIATE A PRIVATE OR PUBLIC SALE OR RE-ADVERTISE FOR BIDS IN THE FORM AND MANNER ABOVE DESCRIBED AS MANY

1 TIMES AS, IN ITS JUDGMENT, MAY BE NECESSARY TO EFFECT A SATISFACTORY
2 SALE.

3 (D) NOTWITHSTANDING THE PROVISIONS OF THE PRECEDING PARAGRAPH, WHENEVER
4 IN THE JUDGMENT OF THE AUTHORITY THE INTERESTS OF THE AUTHORITY WILL
5 BE SERVED THEREBY, THE MEMBERS OF THE AUTHORITY, ON THE WRITTEN RECOM-
6 MENDATION OF THE CHAIRPERSON, MAY AUTHORIZE THE SALE OF SUCH BONDS AT
7 PRIVATE OR PUBLIC SALE ON A NEGOTIATED BASIS OR ON EITHER A COMPETITIVE
8 OR NEGOTIATED BASIS. THE AUTHORITY SHALL SET GUIDELINES GOVERNING THE
9 TERMS AND CONDITIONS OF ANY SUCH PRIVATE OR PUBLIC SALES.

10 (E) THE PRIVATE OR PUBLIC BOND SALE GUIDELINES SET BY THE AUTHORITY
11 SHALL INCLUDE, BUT NOT BE LIMITED TO A REQUIREMENT THAT WHERE THE INTER-
12 ESTS OF THE AUTHORITY WILL BE SERVED BY A PRIVATE OR PUBLIC SALE OF
13 BONDS, THE AUTHORITY SHALL SELECT UNDERWRITERS FOR PRIVATE OR PUBLIC
14 BOND SALES CONDUCTED PURSUANT TO A REQUEST FOR PROPOSAL PROCESS UNDER-
15 TAKEN AT LEAST ONCE ANNUALLY AND CONSIDERATION OF PROPOSALS FROM QUALI-
16 FIED UNDERWRITERS TAKING INTO ACCOUNT, AMONG OTHER THINGS, QUALIFICA-
17 TIONS OF UNDERWRITERS AS TO EXPERIENCE, THEIR ABILITY TO STRUCTURE AND
18 SELL AUTHORITY BOND ISSUES, ANTICIPATED COSTS TO THE AUTHORITY, THE
19 PRIOR EXPERIENCE OF THE AUTHORITY WITH THE FIRM, IF ANY, THE CAPITALIZA-
20 TION OF SUCH FIRMS, PARTICIPATION OF QUALIFIED MINORITY AND WOMEN-OWNED
21 BUSINESS ENTERPRISE FIRMS IN SUCH PRIVATE OR PUBLIC SALES OF BONDS OF
22 THE AUTHORITY AND THE EXPERIENCE AND ABILITY OF FIRMS UNDER CONSIDER-
23 ATION TO WORK WITH MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES SO AS
24 TO PROMOTE AND ASSIST PARTICIPATION BY SUCH ENTERPRISES.

25 (F) THE AUTHORITY SHALL HAVE THE POWER FROM TIME TO TIME TO AMEND SUCH
26 PRIVATE BOND SALE GUIDELINES IN ACCORDANCE WITH THE PROVISIONS OF THIS
27 SUBDIVISION.

28 (G) NO PRIVATE OR PUBLIC BOND SALE ON A NEGOTIATED BASIS SHALL BE
29 CONDUCTED BY THE AUTHORITY WITHOUT PRIOR APPROVAL OF THE STATE COMP-
30 TROLLER.

31 (H) THE AUTHORITY SHALL ANNUALLY PREPARE AND APPROVE A BOND SALE
32 REPORT WHICH SHALL INCLUDE THE PRIVATE OR PUBLIC BOND SALE GUIDELINES AS
33 SPECIFIED IN THIS SUBDIVISION, AMENDMENTS TO SUCH GUIDELINES SINCE THE
34 LAST PRIVATE OR PUBLIC BOND SALE REPORT, AN EXPLANATION OF THE BOND SALE
35 GUIDELINES AND AMENDMENTS, AND THE RESULTS OF ANY SALE OF BONDS
36 CONDUCTED DURING THE FISCAL YEAR. SUCH BOND SALE REPORT MAY BE A PART OF
37 ANY OTHER ANNUAL REPORT THAT THE AUTHORITY IS REQUIRED TO MAKE.

38 (I) THE AUTHORITY SHALL ANNUALLY SUBMIT ITS BOND SALE REPORT TO THE
39 STATE COMPTROLLER AND COPIES THEREOF TO THE SENATE FINANCE COMMITTEE,
40 THE ASSEMBLY WAYS AND MEANS COMMITTEE AND THE AUTHORITY BUDGET OFFICE.

41 (J) THE AUTHORITY SHALL MAKE AVAILABLE TO THE PUBLIC COPIES OF ITS
42 BOND SALE REPORT UPON REASONABLE REQUEST THEREFORE.

43 (K) NOTHING CONTAINED IN THIS SUBDIVISION SHALL BE DEEMED TO ALTER,
44 AFFECT THE VALIDITY OF, MODIFY THE TERMS OF OR IMPAIR ANY CONTRACT OR
45 AGREEMENT MADE OR ENTERED INTO IN VIOLATION OF, OR WITHOUT COMPLIANCE
46 WITH, THE PROVISIONS OF THIS SUBDIVISION.

47 5. ANY RESOLUTION OR RESOLUTIONS AUTHORIZING BONDS OR ANY ISSUE OF
48 BONDS MAY CONTAIN PROVISIONS WHICH MAY BE A PART OF THE CONTRACT WITH
49 THE HOLDERS OF THE BONDS THEREBY AUTHORIZED AS TO:

50 (A) PLEDGING ALL OR ANY PART OF THE REVENUES, OTHER MONEYS OR PROPERTY
51 OF THE AUTHORITY TO SECURE THE PAYMENT OF THE BONDS, OR ANY COSTS OF
52 ISSUANCE THEREOF, INCLUDING BUT NOT LIMITED TO ANY CONTRACTS, EARNINGS
53 OR PROCEEDS OF ANY GRANTS TO THE AUTHORITY RECEIVED FROM ANY PRIVATE OR
54 PUBLIC SOURCE SUBJECT TO SUCH AGREEMENTS WITH BONDHOLDERS AS MAY THEN
55 EXIST:

1 (B) THE SETTING ASIDE OF RESERVES AND THE CREATION OF SINKING FUNDS
2 AND THE REGULATION AND DISPOSITION THEREOF;

3 (C) LIMITATIONS ON THE PURPOSE TO WHICH THE PROCEEDS FROM THE SALE OF
4 BONDS MAY BE APPLIED;

5 (D) THE RATES, RENTS, FEES AND OTHER CHARGES TO BE FIXED AND COLLECTED
6 BY THE AUTHORITY AND THE AMOUNT TO BE RAISED IN EACH YEAR THEREBY AND
7 THE USE AND DISPOSITION OF REVENUES;

8 (E) LIMITATIONS ON THE RIGHT OF THE AUTHORITY TO RESTRICT AND REGULATE
9 THE USE OF THE PROJECT OR PART THEREOF IN CONNECTION WITH WHICH BONDS
10 ARE ISSUED;

11 (F) LIMITATIONS ON THE ISSUANCE OF ADDITIONAL BONDS, THE TERMS UPON
12 WHICH ADDITIONAL BONDS MAY BE ISSUED AND SECURED AND THE REFUNDING OF
13 OUTSTANDING OR OTHER BONDS;

14 (G) THE PROCEDURE, IF ANY, BY WHICH THE TERMS OF ANY CONTRACT WITH
15 BONDHOLDERS MAY BE AMENDED OR ABROGATED, THE AMOUNT OF BONDS THE HOLDERS
16 OF WHICH MUST CONSENT THERETO, AND THE MANNER IN WHICH SUCH CONSENT MAY
17 BE GIVEN;

18 (H) THE CREATION OF SPECIAL FUNDS INTO WHICH ANY REVENUES OR MONEYS
19 MAY BE DEPOSITED;

20 (I) THE TERMS AND PROVISIONS OF ANY TRUST, MORTGAGE, DEED OR INDENTURE
21 SECURING THE BONDS UNDER WHICH THE BONDS MAY BE ISSUED;

22 (J) VESTING IN A TRUSTEE OR TRUSTEES SUCH PROPERTIES, RIGHTS, POWERS
23 AND DUTIES IN TRUST AS THE AUTHORITY MAY DETERMINE WHICH MAY INCLUDE ANY
24 OR ALL OF THE RIGHTS, POWERS OR DUTIES OF THE TRUSTEES APPOINTED BY THE
25 BONDHOLDERS PURSUANT TO THIS TITLE AND LIMITING OR ABROGATING THE RIGHTS
26 OF THE BONDHOLDERS TO APPOINT A TRUSTEE UNDER SUCH SECTION OR LIMITING
27 THE RIGHTS, DUTIES AND POWERS OF SUCH TRUSTEE;

28 (K) DEFINING THE ACTS OR OMISSIONS TO ACT WHICH MAY CONSTITUTE A
29 DEFAULT IN THE OBLIGATIONS AND DUTIES OF THE AUTHORITY TO THE BONDHOLD-
30 ERS AND PROVIDING FOR THE RIGHTS AND REMEDIES OF THE BONDHOLDERS IN THE
31 EVENT OF SUCH DEFAULT, INCLUDING AS A MATTER OF RIGHT THE APPOINTMENT OF
32 A RECEIVER, PROVIDED, HOWEVER, THAT SUCH RIGHTS AND REMEDIES SHALL NOT
33 BE INCONSISTENT WITH THE GENERAL LAWS OF THE STATE AND OTHER PROVISIONS
34 OF THIS TITLE;

35 (L) LIMITATIONS ON THE POWER OF THE AUTHORITY TO SELL OR OTHERWISE
36 DISPOSE OF ANY PROJECT OF ANY PART THEREOF;

37 (M) LIMITATIONS ON THE AMOUNT OF REVENUES AND OTHER MONEYS TO BE
38 EXPENDED FOR OPERATING, ADMINISTRATIVE OR OTHER EXPENSES OF THE AUTHORI-
39 TY;

40 (N) THE PAYMENT OF THE PROCEED OF BONDS, REVENUES AND OTHER MONEYS TO
41 A TRUSTEE OR OTHER DEPOSITORY, AND FOR THE METHOD OF DISBURSEMENT THERE-
42 OF WITH SUCH SAFEGUARDS AND RESTRICTIONS AS THE AUTHORITY MAY DETERMINE;
43 AND

44 (O) ANY OTHER MATTER OF LIKE OR DIFFERENT CHARACTER WHICH IN ANY WAY
45 AFFECT THE SECURITY OR PROTECTION OF THE BONDS OR THE RIGHTS AND REME-
46 DIES OF BONDHOLDERS.

47 6. IN ADDITION TO THE POWERS HEREIN CONFERRED UPON THE AUTHORITY TO
48 SECURE ITS BONDS, THE AUTHORITY SHALL HAVE POWER IN CONNECTION WITH THE
49 ISSUANCE OF BONDS TO ADOPT RESOLUTIONS AND ENTER INTO SUCH TRUST INDEN-
50 TURES, AGREEMENTS OR OTHER INSTRUMENTS AS THE AUTHORITY MAY DEEM NECES-
51 SARY, CONVENIENT OR DESIRABLE CONCERNING THE USE OR DISPOSITION OF ITS
52 REVENUES OR OTHER MONEYS OR PROPERTY, INCLUDING THE MORTGAGING OF ANY
53 PROPERTY AND THE ENTRUSTING, PLEDGING OR CREATION OF ANY OTHER SECURITY
54 INTEREST IN ANY SUCH REVENUES, MONEYS OR PROPERTY AND THE DOING OF ANY
55 ACT, INCLUDING REFRAINING FROM DOING ANY ACT WHICH THE AUTHORITY WOULD
56 HAVE THE RIGHT TO DO IN THE ABSENCE OF SUCH RESOLUTIONS, TRUST INDEN-

1 TURES, AGREEMENTS OR OTHER INSTRUMENTS. THE AUTHORITY SHALL HAVE THE
2 POWER TO ENTER INTO AMENDMENTS OF ANY SUCH RESOLUTIONS, TRUST INDEN-
3 TURES, AGREEMENTS OR OTHER INSTRUMENTS. THE PROVISIONS OF ANY SUCH
4 RESOLUTIONS, TRUST INDENTURES, AGREEMENTS OR OTHER INSTRUMENTS MAY BE
5 MADE A PART OF THE CONTRACT WITH THE HOLDERS OF BONDS OF THE AUTHORITY.

6 7. ANY PROVISION OF THE UNIFORM COMMERCIAL CODE TO THE CONTRARY
7 NOTWITHSTANDING, ANY PLEDGE OF OR OTHER SECURITY INTEREST IN REVENUES,
8 MONEYS, ACCOUNTS, CONTRACT RIGHTS, GENERAL INTANGIBLES OR OTHER PERSONAL
9 PROPERTY MADE OR CREATED BY THE AUTHORITY SHALL BE VALID, BINDING AND
10 PERFECTED FROM THE TIME WHEN SUCH PLEDGE IS MADE OR OTHER SECURITY
11 INTEREST ATTACHES WITHOUT ANY PHYSICAL DELIVERY OF THE COLLATERAL OR
12 FURTHER ACT, AND THE LIEN OF ANY SUCH PLEDGE OR OTHER SECURITY INTEREST
13 SHALL BE VALID, BINDING AND PERFECTED AGAINST ALL PARTIES HAVING CLAIMS
14 OF ANY KIND IN TORT, CONTRACT OR OTHERWISE AGAINST THE AUTHORITY IRRE-
15 SPECTIVE OF WHETHER OR NOT SUCH PARTIES HAVE NOTICE THEREOF. NO INSTRU-
16 MENT BY WHICH SUCH A PLEDGE OR SECURITY INTEREST IS CREATED NOR ANY
17 FINANCING STATEMENT NEED BE RECORDED OR FILED.

18 8. WHETHER OR NOT THE BONDS ARE OF SUCH FORM AND CHARACTER AS TO BE
19 NEGOTIABLE INSTRUMENTS UNDER THE TERMS OF THE UNIFORM COMMERCIAL CODE,
20 THE BONDS ARE HEREBY MADE NEGOTIABLE INSTRUMENTS WITHIN THE MEANING OF
21 AND FOR ALL THE PURPOSES OF THE UNIFORM COMMERCIAL CODE, SUBJECT ONLY TO
22 THE PROVISIONS OF THE BONDS FOR REGISTRATION.

23 9. NEITHER THE MEMBERS OF THE AUTHORITY NOR ANY PERSON EXECUTING ITS
24 BONDS SHALL BE LIABLE PERSONALLY ON ITS BONDS OR BE SUBJECT TO ANY
25 PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE THEREOF.

26 10. SUBJECT TO SUCH AGREEMENTS WITH BONDHOLDERS AS MAY THEN EXIST, THE
27 AUTHORITY SHALL HAVE POWER OUT OF ANY FUNDS AVAILABLE THEREFOR TO
28 PURCHASE BONDS OF THE AUTHORITY, WHICH SHALL THEREUPON BE CANCELLED, AT
29 A PRICE NOT EXCEEDING: (A) IF THE BONDS ARE THEN REDEEMABLE, THE REDEMP-
30 TION PRICE THEN APPLICABLE PLUS ACCRUED INTEREST TO THE NEXT INTEREST
31 PAYMENT DATE; OR (B) IF THE BONDS ARE NOT THEN REDEEMABLE, THEN THE
32 REDEMPTION PRICE APPLICABLE ON THE FIRST DATE AFTER SUCH PURCHASE UPON
33 WHICH THE BONDS BECOME SUBJECT TO REDEMPTION PLUS ACCRUED INTEREST TO
34 THE NEXT INTEREST PAYMENT DATE. BONDS SO PURCHASED SHALL THEREUPON BE
35 CANCELLED.

36 S 2. Section 706 of the public authorities law is REPEALED.

37 S 3. This act shall take effect immediately.