

4027

2013-2014 Regular Sessions

I N   S E N A T E

March 5, 2013

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Introduced by Sen. LIBOUS -- (at request of the State Comptroller) --  
read twice and ordered printed, and when printed to be committed to  
the Committee on Investigations and Government Operations

AN ACT in relation to enacting the comptroller's 2013 mandate for fiscal reform act; to amend the legislative law and the state finance law, in relation to contents of the state budget and the capital financing and program plan; to amend the legislative law, in relation to joint budget conference committees; to amend the state finance law, in relation to the rainy day reserve fund; and to amend the legislative law, in relation to report on the budget (Part A); to amend the state finance law, in relation to establishing the New York state capital asset/infrastructure council (Part B); to amend the state finance law, the public authorities law, the private housing finance law and the New York state urban development corporation act, in relation to limitations on state-funded debt; to repeal article 5-B of the state finance law relating to limitations on state-supported debt; and providing for the repeal of certain provisions of such law upon expiration thereof (Part C)

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

1     Section 1. This act enacts into law major components of legislation  
2     which are necessary to implement the comptroller's 2013 mandate for  
3     fiscal reform act. Each component is wholly contained within a Part  
4     identified as Parts A through C. The effective date for each particular  
5     provision contained within such Part is set forth in the last section of  
6     such Part. Any provision in any section contained within a Part, including  
7     the effective date of the Part, which makes a reference to a section  
8     "of this act", when used in connection with that particular component,  
9     shall be deemed to mean and refer to the corresponding section of the  
10    Part in which it is found. Section four of this act sets forth the  
11    general effective date of this act.

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

LBD07829-02-3

S 2. Short title. This act shall be known and may be cited as "the comptroller's 2013 mandate for fiscal reform act".

PART A

Section 1. Subdivision 3 of section 53 of the legislative law, as added by chapter 762 of the laws of 1992, is amended to read as follows:

3. a date, SUBJECT TO THE PROVISIONS OF SECTION TWENTY-THREE OF THE STATE FINANCE LAW, for the production of a forecast or forecasts on receipts which shall constitute an evaluation developed by the fiscal committees of each house, jointly or separately, of the receipts likely to be available to the state absent passage of any new revenue measures. Such forecast or forecasts shall also contain an evaluation of the receipts likely to be available to the state upon passage of any revenue measure submitted and proposed by the governor pursuant to section three of article seven of the state constitution; and

S 2. Subdivision 5 of section 4 of the state finance law, as amended by section 16 of part PP of chapter 56 of the laws of 2009, is amended to read as follows:

5. No money or other financial resources shall be transferred or temporarily loaned from one fund to another without specific statutory authorization for such transfer or temporary loan AND ALL SUCH TRANSFER AUTHORIZATIONS MUST INCLUDE SPECIFIC AMOUNTS TO BE TRANSFERRED AND IDENTIFICATION OF THE SPECIFIC FUND OR ACCOUNTS FROM WHICH MONEY OR OTHER FINANCIAL RESOURCES IS TRANSFERRED FROM AND THE SPECIFIC FUNDS OR ACCOUNTS MONEY OR OTHER FINANCIAL RESOURCES ARE TRANSFERRED TO, except that money or other financial resources of a fund may be temporarily loaned to the general fund during the state fiscal year provided that such loan shall be repaid in full no later than (a) four months after it was made or (b) by the end of the same fiscal year in which it was made, whichever period is shorter, so that an accurate accounting and reporting of the balance of financial resources in each fund may be made. THE DIRECTOR OF THE BUDGET SHALL REPORT THE EFFECT OF AUTHORIZED TRANSFERS ON PROGRAMS AND ACTIVITIES ASSOCIATED WITH FUNDS IN WHICH MONEY OR OTHER FINANCIAL RESOURCES ARE TRANSFERRED TO OTHER FUNDS OR ACCOUNTS. The comptroller is hereby authorized to temporarily loan money from the general fund or any other fund to the fund/accounts that are authorized to receive a loan. Such loans shall be limited to the amounts immediately required to meet disbursements, made in pursuance of an appropriation by law and authorized by a certificate of approval issued by the director of the budget with copies thereof filed with the comptroller and the chair of the senate finance committee and the chair of the assembly ways and means committee. The director of the budget shall not issue such a certificate unless he or she shall have determined that the amounts to be so loaned are receivable on account. When making loans, the comptroller shall establish appropriate accounts and if the loan is not repaid by the end of the month, provide on or before the fifteenth day of the following month to the director of the budget, the chair of the senate finance committee and the chair of the assembly ways and means committee, an accurate accounting and report of the financial resources of each such fund at the end of such month. Within ten days of the receipt of such accounting and reporting, the director of the budget shall provide the comptroller and the chair of the senate finance committee and the chair of the assembly ways and means committee an expected schedule of repayment by fund and by source for each outstand-

1 ing loan. Repayment shall be made by the comptroller from the first cash  
2 receipt of this fund.

3 S 3. Subdivision 1 of section 22 of the state finance law, as amended  
4 by chapter 762 of the laws of 1992, is amended to read as follows:

5 1. include a summary financial plan showing for each of the govern-  
6 mental fund types: (a) the disbursements estimated to be made before the  
7 close of the current fiscal year and the moneys estimated to be avail-  
8 able from receipts and other sources therefor IN WHICH DISBURSEMENTS DO  
9 NOT EXCEED AVAILABLE RESOURCES IN THE GENERAL FUND AND OTHER STATE FUNDS  
10 USING A CASH BASIS OF ACCOUNTING; and (b) the disbursements proposed to  
11 be made during the ensuing fiscal year, and the moneys estimated to be  
12 available from receipts and other sources therefor inclusive of any  
13 receipts which are expected to result from proposed legislation which he  
14 deems necessary to provide receipts sufficient to meet such proposed  
15 disbursements IN WHICH DISBURSEMENTS DO NOT EXCEED AVAILABLE RESOURCES  
16 IN THE GENERAL FUND AND OTHER STATE FUNDS USING A CASH BASIS OF ACCOUNT-  
17 ING. For the purposes of this summary financial plan, disbursements  
18 shall be presented by the following purposes: state purposes, local  
19 assistance, capital projects, debt service, and general state charges;  
20 receipts shall be presented for each fund type by each revenue source  
21 which accounts for at least one per centum of all such receipts and  
22 otherwise by categories of revenue sources; receipts and disbursements  
23 for special revenue funds shall be presented separately for federal  
24 funds and all other special revenue funds. NON-RECURRING ACTIONS THAT  
25 PRODUCE ADDITIONAL RESOURCES FOR THREE YEARS OR LESS, NOT INCLUDING  
26 MONEYS RECEIVED FROM THE FEDERAL GOVERNMENT, SHALL BE CLEARLY IDENTIFIED  
27 AND USED ONLY FOR NON-RECURRING DISBURSEMENTS OR DEPOSITED IN THE DEBT  
28 REDUCTION RESERVE FUND AS ESTABLISHED IN SECTION NINETY-SEVEN-RRR OF  
29 THIS CHAPTER, AS AMENDED BY SECTION FORTY-FIVE OF PART H OF CHAPTER  
30 FIFTY-SIX OF THE LAWS OF TWO THOUSAND. Whenever receipts or disburse-  
31 ments are proposed to be moved to a different fund type, each signif-  
32 icant amount so moved shall be identified.

33 S 4. Paragraphs a, b, c, d, d-1, d-2, e and e-1 of subdivision 3 of  
34 section 22 of the state finance law, paragraphs a, b, c, d and d-1 as  
35 amended and paragraph e-1 as added by chapter 762 of the laws of 1992,  
36 and paragraphs d-2 and e as amended by chapter 1 of the laws of 2007,  
37 are amended to read as follows:

38 a. The appropriations, including reappropriations, made for the  
39 current fiscal year, the appropriations and reappropriations recommended  
40 for the ensuing fiscal year, the disbursements estimated to be made  
41 before the close of the current fiscal year, and proposed to be made  
42 during the ensuing fiscal year based upon available and recommended  
43 appropriations and reappropriations, AND SHALL STATE SEPARATELY THE  
44 AMOUNT, PROJECTED DISBURSEMENT LEVEL, PROGRAM, OBJECT AND PURPOSE OF  
45 EACH ITEM OF APPROPRIATION, AS MODIFIED, AND WHERE THE APPROPRIATION IS  
46 SUBJECT TO ALLOCATION BY MEANS OF (I) A MEMORANDUM OF UNDERSTANDING,  
47 (II) AN INTERCHANGE WITH ANOTHER ITEM OF APPROPRIATION, (III) TRANSFER  
48 OR SUBALLOCATION TO ANOTHER AGENCY, OR (IV) ANY OTHER METHOD OF ALLOCAT-  
49 ING A LUMP SUM INTO SMALLER SUMS, SHALL STATE THE AMOUNT, PROGRAM,  
50 OBJECT AND PURPOSE, INCLUDING EACH INTENDED RECIPIENT, STATED SEPARATE-  
51 LY, OF EACH SMALLER SUM INTO WHICH SUCH ITEM OF APPROPRIATION MAY BE  
52 ALLOCATED. Disbursements proposed to be made shall be shown in separate  
53 parts as follows: those disbursements proposed to be made for state  
54 purposes shall be set forth in one part, those disbursements proposed to  
55 be made for local assistance shall be set forth in another separate and  
56 distinct part, those disbursements proposed to be made for capital

1 projects shall be set forth in a third separate and distinct part and  
2 those disbursements proposed to be made for debt service shall be set  
3 forth in a fourth separate and distinct part. The effect of any proposed  
4 changes in the payment dates of particular disbursements on the finan-  
5 cial plan presented in accordance with subdivision one of this section  
6 shall be set forth separately.

7 b. In separate sections for each fund type, the receipts actually had  
8 and received during the [preceding] PRIOR fiscal year, the receipts  
9 estimated to be available and received during the current [and ensuing]  
10 fiscal [years respectively] YEAR, AND THE RECEIPTS PROJECTED TO BE  
11 AVAILABLE AND RECEIVED DURING THE ENSUING THREE FISCAL YEARS, listed by  
12 each major source, including statistical and summary tables and a narra-  
13 tive which includes a discussion of the assumptions used in estimating  
14 OR PROJECTING such receipts. The effect of any proposed changes in the  
15 rates, bases, payment dates or other aspects of particular sources of  
16 receipts on the financial plan presented in accordance with subdivision  
17 one of this section shall be set forth separately and the assumptions  
18 used in calculating such effect. Whenever a new fee or a new financing  
19 mechanism is proposed, a schedule of the new fee or financing mechanism  
20 shall be included for purposes of showing the effect of the new fee or  
21 financing mechanism on the financial plan.

22 c. The ACTUAL expenditures estimated to be made in accordance with  
23 generally accepted accounting principles before the close of the current  
24 fiscal year, and [proposed] THE EXPENDITURES PROJECTED to be made in  
25 accordance with generally accepted accounting principles during the  
26 ensuing TWO fiscal [year] YEARS. Expenditures estimated and proposed to  
27 be made shall be shown in separate parts as follows: those expenditures  
28 for state purposes shall be set forth in one part, those expenditures  
29 for local assistance shall be set forth in another separate and distinct  
30 part, those expenditures for capital projects shall be set forth in a  
31 third separate and distinct part, and those expenditures for debt  
32 service shall be set forth in a fourth separate and distinct part.

33 d. The revenues actually accrued in the [preceding] PRIOR fiscal year,  
34 the revenues estimated OR PROJECTED to accrue during THE current and THE  
35 ensuing TWO fiscal years, respectively. Revenues from each tax shall be  
36 shown both in total and net of refunds.

37 d-1. [A schedule] SCHEDULES for [the general fund] EACH GOVERNMENTAL  
38 FUND TYPE showing the differences between projected operating results on  
39 a cash basis and those on the basis of generally accepted accounting  
40 principles.

41 d-2. Within ten days following the submission of the financial plans  
42 presented in accordance with subdivisions one and two of this section,  
43 the director of the budget shall submit to the comptroller and the  
44 chairs of the senate finance committee and the assembly ways and means  
45 committee:

46 (i) a detailed schedule by fund of the receipts and disbursements  
47 comprising such summary financial plan;

48 (ii) [a schedule for each governmental fund type other than the gener-  
49 al fund showing the differences between projected operating results on a  
50 cash basis and those on the basis of generally accepted accounting prin-  
51 ciples;

52 (iii)] a detailed schedule by fund of revenues and expenditures within  
53 the general fund;

54 [(iv)] (III) a detailed schedule by fund of receipts for the prior,  
55 current and next three fiscal years[. Such schedule shall present the  
56 major revenue sources for each fund, including detail for each major

1 tax, and major components of miscellaneous receipts] SHOWN BY EACH MAJOR  
2 REVENUE CATEGORY, INCLUDING EACH INDIVIDUAL TAX, EACH INDIVIDUAL COMPO-  
3 NENT PART OF MISCELLANEOUS RECEIPTS, IN A FORM SUITABLE FOR COMPARISON  
4 TO THE REPORT SUBMITTED TO THE LEGISLATURE BY THE STATE COMPTROLLER  
5 PURSUANT TO SUBDIVISION NINE OF SECTION EIGHT OF THIS CHAPTER, AND EACH  
6 REVENUE SOURCE WHICH ACCOUNTS FOR AT LEAST ONE-HALF OF ONE PERCENT OF  
7 ALL RECEIPTS WITHIN EACH FUND TYPE; and

8 [(v)] (IV) an itemized list of transfers to and from [the general  
9 fund] EACH GOVERNMENTAL FUND AND THE EFFECT OF SUCH TRANSFERS ON  
10 PROGRAMS AND ACTIVITIES ASSOCIATED WITH THE FUNDS IN WHICH MONEY OR  
11 OTHER FINANCIAL RESOURCES ARE TRANSFERRED TO OTHER FUNDS OR ACCOUNTS.

12 e. [The] FOR EACH FUND TYPE, THE anticipated [general fund] quarterly  
13 schedule and fiscal year total for the prior, current and next ensuing  
14 THREE fiscal years of: disbursements; receipts; repayments of advances;  
15 total tax refunds; and refunds for the tax imposed under article twen-  
16 ty-two of the tax law. Such information shall be presented in the same  
17 form as the summary financial plans presented in accordance with subdi-  
18 visions one and two of this section. A separate, detailed, report of  
19 such schedule shall be provided with receipts shown by each major reven-  
20 ue category, including [detail for each major tax and major components  
21 of miscellaneous receipts, and with disbursements shown by major func-  
22 tion or program] EACH INDIVIDUAL TAX, EACH INDIVIDUAL COMPONENT PART OF  
23 MISCELLANEOUS RECEIPTS, IN A FORM SUITABLE FOR COMPARISON TO THE REPORT  
24 SUBMITTED TO THE LEGISLATURE BY THE STATE COMPTROLLER PURSUANT TO SUBDI-  
25 VISION NINE OF SECTION EIGHT OF THIS CHAPTER, AND EACH REVENUE SOURCE  
26 WHICH ACCOUNTS FOR AT LEAST ONE-HALF OF ONE PERCENT OF ALL RECEIPTS  
27 WITHIN EACH FUND TYPE AND WITH DISBURSEMENTS SHOWN BY MAJOR AGENCY OR  
28 MAJOR SPENDING ITEM. The director of the division of the budget shall  
29 submit concurrent with the submission of the financial plan to the  
30 legislature pursuant to subdivision two of this section and with each  
31 update thereafter [a revised monthly general fund cash flow projection  
32 of receipts and disbursements for the current fiscal year that: (1)  
33 compares actual results to (i) actual results through the same period  
34 for the prior year and (ii) the most recent prior update to the finan-  
35 cial plan and to the enacted budget financial plan; (2) summarizes the  
36 reasons for any variances; and (3) describes the revisions to the cash  
37 flow projections. The monthly general fund cash flow projection shall be  
38 stated by major category of local assistance, personal service, nonper-  
39 sonal service, general state charges, and debt service, and by major  
40 category of revenue] A SCHEDULE OF ACTUAL AND PLANNED DISBURSEMENTS BY  
41 MONTH AND BY FUND TYPE STATING SEPARATELY AND DISTINCTLY VARIANCES  
42 BETWEEN ACTUAL AND PROJECTED FISCAL YEAR TO DATE DISBURSEMENTS AND  
43 PROJECTED DISBURSEMENTS FOR THE REMAINING MONTHS OF THE FISCAL YEAR.  
44 SUCH REPORT SHALL DOCUMENT ACTUAL AND PROJECTED STATE DISBURSEMENTS  
45 INCLUSIVE OF, AND DISTINCTLY STATED BY CATEGORIES OF LOCAL ASSISTANCE  
46 GRANTS INCLUDING GENERAL PURPOSE, EDUCATION, SOCIAL SERVICES, MEDICAID,  
47 HEALTH AND ENVIRONMENT, MENTAL HYGIENE, TRANSPORTATION, CRIMINAL JUSTICE  
48 AND MISCELLANEOUS; BY DEPARTMENTAL OPERATIONS INCLUDING PERSONAL  
49 SERVICES AND NON-PERSONAL SERVICES; BY GENERAL STATE CHARGES; BY DEBT  
50 SERVICE PAYMENTS AND OTHER FINANCING SOURCES AND USES. Such reports  
51 shall utilize a format that shall facilitate comparison and analysis  
52 with those reports submitted to the legislature by the office of audit  
53 and control pursuant to subdivision nine of section eight of this chap-  
54 ter.

55 e-1. Within ten days following the submission of the financial plans  
56 presented in accordance with subdivisions one and two of this section,

1 the anticipated general fund [monthly] and governmental fund types  
2 [quarterly] MONTHLY schedule and fiscal year total for the CURRENT, AND  
3 THREE ensuing fiscal [year] YEARS of: disbursements; receipts; repay-  
4 ments of advances; total tax refunds; and refunds for the tax imposed  
5 under article twenty-two of the tax law. Such information shall be  
6 presented in the same form as the summary financial plans presented in  
7 accordance with subdivisions one and two of this section.

8 S 5. Subdivision 4 of section 22 of the state finance law, as amended  
9 by chapter 1 of the laws of 2007, is amended to read as follows:

10 4. [a.] Include a three year financial projection showing the antic-  
11 ipated disbursements and receipts for each of the governmental fund  
12 types of the state. For the purposes of this three year financial  
13 projection, disbursements shall be presented by the following purposes:  
14 state purposes, local assistance, capital projects, debt service, trans-  
15 fers and general state charges with each major function or major program  
16 identified separately within each purpose; and receipts shall be  
17 presented by each major revenue category, [including detail for each  
18 major tax, and major components of miscellaneous receipts and with  
19 disbursements shown by major function or program for the prior year,  
20 current year and] EACH INDIVIDUAL TAX, EACH INDIVIDUAL COMPONENT PART OF  
21 MISCELLANEOUS RECEIPTS, IN A FORM SUITABLE FOR COMPARISON TO THE REPORT  
22 SUBMITTED TO THE LEGISLATURE BY THE STATE COMPTROLLER PURSUANT TO SUBDI-  
23 VISION NINE OF SECTION EIGHT OF THIS CHAPTER, AND EACH REVENUE SOURCE  
24 WHICH ACCOUNTS FOR AT LEAST ONE-HALF OF ONE PERCENT OF ALL RECEIPTS  
25 WITHIN EACH FUND TYPE AND WITH DISBURSEMENTS SHOWN BY MAJOR AGENCY OR  
26 MAJOR SPENDING ITEM FOR THE ENSUING AND EACH OF THE next three fiscal  
27 years, and otherwise by each major source which is separately estimated  
28 and presented pursuant to paragraph b of subdivision three of this  
29 section. Receipts and disbursements for special revenue funds shall be  
30 presented separately for federal funds and all other special revenue  
31 funds IN ACCORDANCE WITH THE STATE COMPTROLLER'S CLASSIFICATION OF  
32 FUNDS. Whenever receipts and disbursements are proposed to be moved to  
33 a different fund type, each [significant] REVENUE SOURCE WHICH ACCOUNTS  
34 FOR AT LEAST ONE-HALF OF ONE PERCENT OF ALL RECEIPTS WITHIN SUCH FUND  
35 TYPE, THE amount so moved shall be explained. This three year financial  
36 projection shall include an explanation of any changes to the financial  
37 plans submitted in accordance with subdivision one of this section and  
38 include explanations of the economic, statutory and other assumptions  
39 used to estimate the disbursements and receipts which are presented.  
40 Whenever the projections for receipts and disbursements are based on  
41 assumptions other than the current levels of service, such assumptions  
42 shall be separately identified and explained. The three year financial  
43 projections shall include a description of any projected deficits or  
44 surpluses IN THE GENERAL FUND OR OTHER STATE FUNDS WITH A DISCUSSION OF  
45 THE CAUSES AND EFFECTS OF SUCH DEFICITS OR SURPLUSES AS WELL AS A  
46 DESCRIPTION OF AVAILABLE OPTIONS TO REDUCE ANY PROJECTED DEFICITS OR  
47 UTILIZE ANY PROJECTED SURPLUSES.

48 S 6. Section 22 of the state finance law is amended by adding a new  
49 subdivision 4-a to read as follows:

50 4-A. WHENEVER A DEFICIT IS PROJECTED IN THE GENERAL FUND OR OTHER  
51 STATE FUNDS IN THE FINANCIAL PLANS SUBMITTED PURSUANT TO THIS SECTION  
52 ANNUALLY BY THE GOVERNOR TO THE LEGISLATURE FOR THE NEXT SUCCEEDING  
53 FISCAL YEAR AND/OR FOR THE NEXT SUCCEEDING TWO FISCAL YEARS, IDENTIFY  
54 SPECIFIC REVENUE OR SPENDING MEASURES TO ELIMINATE THE PROJECTED DEFICI-  
55 TIES. FOR THE SPECIFIC REVENUE OR SPENDING MEASURES THAT ARE IDENTIFIED,  
56 INCLUDE A DETAILED EXPLANATION OF EACH MEASURE. THIS INFORMATION SHOULD

BE UPDATED IN EACH QUARTERLY FINANCIAL PLAN PURSUANT TO SUBDIVISION FOUR OF SECTION TWENTY-THREE OF THIS ARTICLE AS WELL AS PERIODICALLY PURSUANT TO MATERIAL CHANGES IN REVENUE AND SPENDING PROJECTIONS.

S 7. Section 22 of the state finance law is amended by adding two new subdivisions 5-a and 5-b to read as follows:

5-A. FOR EACH AGENCY OR PUBLIC AUTHORITY WHERE STATE APPROPRIATIONS ARE PROVIDED, BY PROGRAM AND FUND, IDENTIFY:

(A) AMOUNTS, BY APPROPRIATION OR REAPPROPRIATION, PROPOSED TO MAINTAIN CURRENT SERVICES;

(B) AMOUNTS, BY APPROPRIATION OR REAPPROPRIATION, PROPOSED TO SUPPORT NEW PROGRAM INITIATIVES, OR POLICY CHANGES;

(C) ESTIMATED DISBURSEMENTS FOR EACH AMOUNT OF APPROPRIATION OR REAPPROPRIATION SEPARATELY IDENTIFIED IN PARAGRAPHS (A) AND (B) OF THIS SUBDIVISION; AND

(D) ESTIMATED DISBURSEMENTS FOR CARRY-OVER SPENDING FOR EACH PROGRAM, BY FUND.

5-B. INCLUDE SUMMARIES THAT READILY IDENTIFY DISBURSEMENTS, CARRY-OVER SPENDING AND NEW SPENDING BY EACH AGENCY OR PUBLIC AUTHORITY WHERE STATE APPROPRIATIONS ARE PROVIDED, PROGRAM AND FUND. SUCH SUMMARIES SHOULD BE COMPLETED FOR STATE PURPOSES, LOCAL ASSISTANCE, CAPITAL PROJECTS, AND GENERAL STATE CHARGES.

S 8. Subdivision 3 of section 23 of the state finance law, as amended by chapter 1 of the laws of 2007, is amended to read as follows:

3. Financial plans and capital improvement program; revisions. UPON THE DATE THE LEGISLATURE HAS FINALLY ACTED UPON THE APPROPRIATION BILL OR BILLS SUBMITTED BY THE GOVERNOR PURSUANT TO SECTION THREE OF ARTICLE SEVEN OF THE STATE CONSTITUTION, THE GOVERNOR SHALL CAUSE TO BE SUBMITTED TO THE LEGISLATURE AN OVERVIEW OF REVISIONS TO THE FINANCIAL PLAN WHICH SHALL INCLUDE, BUT NOT BE LIMITED TO, A DESCRIPTION OF RECEIPTS AND DISBURSEMENTS IN THE GENERAL FUND AND ALL GOVERNMENTAL FUNDS AS WELL AS A GENERAL DESCRIPTION OF CHANGES IN REVENUE AND SPENDING PROJECTIONS THAT OCCURRED BETWEEN THE GOVERNOR'S SUBMISSION AND ACTION BY THE LEGISLATURE. IF A DEFICIT IS PROJECTED IN THE GENERAL FUND OR OTHER STATE FUNDS IN THE NEXT SUCCEEDING FISCAL YEAR AND/OR FOR THE NEXT SUCCEEDING TWO FISCAL YEARS IN THE FINANCIAL PLAN SUBMITTED AS REQUIRED IN THIS SUBDIVISION, THE GOVERNOR SHALL IDENTIFY ALL INDIVIDUAL REVENUE OR SPENDING MEASURES TO ELIMINATE THE PROJECTED DEFICIT THAT ACCOUNT FOR AT LEAST ONE-HALF OF ONE PERCENT OF THE TOTAL PROJECTED DEFICIT. Not later than thirty days after the legislature has completed action on the budget bills submitted by the governor and the period for the governor's review has elapsed, the governor shall cause to be submitted to the legislature the revisions to the financial plans and the capital plan required by subdivisions one, two, THREE, four [and], five, FIVE-A, AND FIVE-B of section twenty-two of this article as are necessary to account for all enactments affecting the financial plans and the capital plan. The financial plan shall also contain a cash flow analysis of projected receipts and disbursements and other financing sources or uses for each month of the state's fiscal year. Notwithstanding any other law to the contrary, such revised plans and accompanying cash flow analysis shall be submitted to the legislature and the comptroller in the same form as the plans required by such subdivisions.

S 9. Section 23 of the state finance law is amended by adding a new subdivision 3-a to read as follows:

3-A. IDENTIFICATION OF PROJECTS. FOR EACH AGENCY OR STATE AUTHORITY WHERE STATE APPROPRIATIONS ARE PROVIDED, IDENTIFY THE NEW PROJECTS, INITIATIVES OR POLICY CHANGES PROPOSED IN THE BUDGET BILLS SUBMITTED

1 ANNUALLY BY THE GOVERNOR TO THE LEGISLATURE IN ACCORDANCE WITH ARTICLE  
2 SEVEN OF THE CONSTITUTION. COMPARE SUCH PROJECTS, INITIATIVES OR POLICY  
3 CHANGES WITH THE NEW PROJECTS, INITIATIVES AND POLICY CHANGES INCLUDED  
4 IN THE BUDGET AFTER THE LEGISLATURE HAS COMPLETED ACTIONS ON THE BUDGET  
5 BILLS SUBMITTED BY THE GOVERNOR. INCLUDE FOR EACH ITEM SUCH DETAIL AS  
6 PROGRAM, FUND AND DISBURSEMENT IMPACT.

7 S 10. Paragraphs (b) and (c) of subdivision 6 of section 23 of the  
8 state finance law, paragraph (b) as amended and paragraph (c) as added  
9 by chapter 1 of the laws of 2007, are amended to read as follows:

10 (b) On or before March first in each year, the director of the budget  
11 and the secretary of the senate finance committee and the secretary of  
12 the assembly ways and means committee shall issue a joint report  
13 containing a consensus forecast of the economy and SPECIFIC BINDING  
14 estimates of receipts ANY AND ALL OTHER AVAILABLE RESOURCES USED TO  
15 SUPPORT DISBURSEMENTS for the current and the ensuing state fiscal year.  
16 Such estimates [of receipts] shall include, but not be limited to:  
17 expected tax receipts on an all-funds basis, projected lottery receipts,  
18 [and] anticipated miscellaneous receipts [to be received in the general  
19 fund] AND OTHER FINANCING SOURCES INCLUDING, BUT NOT LIMITED TO, RE-ES-  
20 TIMATES THAT WOULD LOWER CURRENT PROJECTED DISBURSEMENTS AS WELL AS  
21 OTHER RESOURCES THAT WOULD BE USED TO SUPPORT DISBURSEMENTS. The esti-  
22 mate of receipts for the ensuing fiscal year contained in the report,  
23 shall be all receipts from such sources described in this subdivision  
24 available to make disbursements authorized by the appropriation bills  
25 submitted by the governor pursuant to section three of article seven of  
26 the constitution for the ensuing fiscal year. THE COMPTROLLER SHALL  
27 COMMENT ON THE REASONABLENESS AND RELIABILITY OF THE CONSENSUS FORECAST.

28 (c) On a failure of the director of the budget, the secretary of the  
29 senate finance committee and the secretary of the assembly ways and  
30 means committee to issue a joint report containing a consensus forecast  
31 as provided in paragraph (b) of this subdivision, the state comptroller  
32 shall, on or before March fifth, provide BINDING estimates of receipts  
33 AND OTHER RESOURCES for the current and the ensuing state fiscal year.  
34 Such estimates shall include, but not be limited to, expected tax  
35 receipts on an all-funds basis, projected lottery receipts, [and]  
36 miscellaneous receipts [to be received in the general fund] AND OTHER  
37 FINANCING SOURCES INCLUDING RE-ESTIMATES THAT WOULD LOWER CURRENT  
38 PROJECTED DISBURSEMENTS AS WELL AS OTHER RESOURCES THAT WOULD BE USED TO  
39 SUPPORT DISBURSEMENTS. In rendering his or her estimate, as required in  
40 this paragraph, the comptroller shall give due consideration to the  
41 inherent risks in economic and revenue forecasting and the interest of  
42 the state to maintain budget balance throughout the fiscal year. The  
43 estimate of receipts for the ensuing fiscal year provided by the state  
44 comptroller, shall be all receipts AND OTHER RESOURCES from such sources  
45 available to make disbursements authorized by the appropriation bills  
46 submitted by the governor pursuant to section three of article seven of  
47 the constitution for the ensuing fiscal year.

48 S 11. The opening paragraph of subdivision 1 of section 24 of the  
49 state finance law, as amended by chapter 1 of the laws of 2007, is  
50 amended to read as follows:

51 The budget submitted annually by the governor shall be simultaneously  
52 accompanied by a bill or bills for all proposed appropriations and reap-  
53 propriations and for the proposed measures of taxation or other legis-  
54 lation, if any, recommended therein. Such bills shall be submitted by  
55 the governor and shall be known as budget bills. ON OR AFTER JANUARY  
56 FIRST, TWO THOUSAND FOURTEEN, NO BUDGET BILL SUBMITTED BY THE GOVERNOR



MAY INCLUDE ANY PROPOSED APPROPRIATION OR REAPPROPRIATION FOR ANY PROGRAM WHICH IS NOT INCLUDED IN THE FINANCIAL PLAN PRESENTED AS PART OF THE BUDGET SUBMITTED PURSUANT TO SECTION TWENTY-TWO OF THIS ARTICLE. EACH PROPOSED APPROPRIATION OR REAPPROPRIATION FOR A PROGRAM SHALL BEAR THE FINANCIAL PLAN PROGRAM REFERENCE NUMBER OR NUMBERS TO WHICH IT SHALL PERTAIN, AND SHALL BE CLASSIFIED INTO THE SAME CATEGORY AS THE ASSOCIATED PROGRAM OR PROGRAMS HAVE BEEN CLASSIFIED IN SUCH FINANCIAL PLAN.

S 12. Subdivision 1 of section 54-a of the legislative law, as added by chapter 1 of the laws of 2007, is amended to read as follows:

1. establishing a joint budget conference committee or joint budget conference committees within ten days following the submission of the budget by the governor pursuant to article seven of the constitution, to consider and reconcile such budget resolution or budget bills as may be passed by each house. SUCH JOINT BUDGET CONFERENCE COMMITTEE OR JOINT BUDGET CONFERENCE COMMITTEES SHALL BE REQUIRED TO MEET AND ANY MEETING OF THE JOINT BUDGET CONFERENCE COMMITTEE OR JOINT BUDGET CONFERENCE COMMITTEES SHALL BE HELD IN PUBLIC; and

S 13. Subdivision 2 of section 92-cc of the state finance law, as amended by section 17 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

2. Such fund shall have a maximum balance not to exceed [three] FIVE per centum of the aggregate amount projected to be disbursed from the general fund during the fiscal year immediately following the then-current fiscal year. At the request of the director of the budget, the state comptroller shall transfer monies to the rainy day reserve fund up to and including an amount equivalent to three-tenths of one per centum of the aggregate amount projected to be disbursed from the general fund during the then-current fiscal year, unless such transfer would increase the rainy day reserve fund to an amount in excess of three per centum of the aggregate amount projected to be disbursed from the general fund during the fiscal year immediately following the then-current fiscal year, in which event such transfer shall be limited to such amount as will increase the rainy day reserve fund to such three per centum limitation.

S 14. Subdivisions 1 and 2 of section 92-cc of the state finance law, as added by chapter 1 of the laws of 2007, are amended to read as follows:

1. A. There is hereby established in the state treasury a fund to be known as the "rainy day reserve fund". Such fund shall consist of moneys deposited therein and monies shall be withdrawn from such fund only for the purposes as provided therein.

B. FOR THE PURPOSES OF THIS SUBDIVISION, "CASH SURPLUS" SHALL MEAN THE AMOUNT BY WHICH GENERAL FUND RECEIPTS EXCEED GENERAL FUND EXPENDITURES IN SUCH FISCAL YEAR.

C. AT THE CLOSE OF EACH FISCAL YEAR, A PORTION OF ANY CASH SURPLUS REMAINING IN THE GENERAL FUND AFTER THE TRANSFER PURSUANT TO SECTION NINETY-TWO OF THIS ARTICLE SHALL BE DEPOSITED TO THE RAINY DAY FUND AS ESTABLISHED IN THIS SECTION UNTIL THE FUND REACHES THE MAXIMUM BALANCE. ONCE THE RAINY DAY FUND HAS REACHED ITS MAXIMUM BALANCE, ANY CASH SURPLUS REMAINING IN THE GENERAL FUND AFTER THE TRANSFER PURSUANT TO SECTION NINETY-TWO OF THIS ARTICLE SHALL BE DEPOSITED IN THE DEBT REDUCTION RESERVE FUND AS ESTABLISHED IN SECTION NINETY-SEVEN-RRR OF THIS ARTICLE, AS AMENDED BY SECTION FORTY-FIVE OF PART H OF CHAPTER FIFTY-SIX OF THE LAWS OF TWO THOUSAND.

2. Such fund shall have a maximum balance not to exceed [three] FIVE per centum of the aggregate amount projected to be disbursed from the

1 general fund during the fiscal year immediately following the then-cur-  
2 rent fiscal year.

3 S 15. Paragraph (a) of subdivision 2 of section 54 of the legislative  
4 law, as added by chapter 1 of the laws of 2007, is amended to read as  
5 follows:

6 (a) The legislature shall enact a budget for the upcoming fiscal year  
7 that it determines is balanced in the general fund AND CONFORMS WITH THE  
8 BINDING CONSENSUS FORECAST OF THE ECONOMY AND AVAILABLE RESOURCES  
9 REQUIRED BY SUBDIVISION SIX OF SECTION TWENTY-THREE OF THE STATE FINANCE  
10 LAW.

11 S 16. This act shall take effect immediately, provided, however, that  
12 the amendments to subdivision 2 of section 92-cc of the state finance  
13 law made by section thirteen of this act shall be subject to the expira-  
14 tion and reversion of such subdivision pursuant to section 17 of part U  
15 of chapter 59 of the laws of 2012, as amended, when upon such date the  
16 provisions of section fourteen of this act shall take effect.

17 PART B

18 Section 1. The state finance law is amended by adding a new article 17  
19 to read as follows:

20 ARTICLE 17

21 NEW YORK STATE CAPITAL ASSET/INFRASTRUCTURE COUNCIL

22 SECTION 250. DEFINITIONS.

23 251. NEW YORK STATE CAPITAL ASSET/INFRASTRUCTURE COUNCIL;  
24 CREATION; PROCEDURE.

25 252. POWERS AND DUTIES.

26 S 250. DEFINITIONS. AS USED IN THIS ARTICLE, THE FOLLOWING TERMS  
27 SHALL HAVE THE FOLLOWING MEANINGS:

28 1. "CAPITAL ASSETS" SHALL MEAN FIXED ASSETS AND INFRASTRUCTURE ASSETS,  
29 INCLUDING, BUT NOT LIMITED TO, LAND, BUILDINGS, EQUIPMENT, ROADS, AND  
30 BRIDGES OF THE STATE, A STATE AGENCY OR STATE AUTHORITY, AND SHALL ALSO  
31 INCLUDE THE CAPITAL ASSETS OF A LOCAL AUTHORITY OR A MUNICIPAL CORPO-  
32 RATION SIGNIFICANTLY FUNDED BY STATE MONIES.

33 2. "COUNCIL" SHALL MEAN THE NEW YORK STATE CAPITAL  
34 ASSET/INFRASTRUCTURE COUNCIL ESTABLISHED PURSUANT TO SECTION TWO HUNDRED  
35 FIFTY-ONE OF THIS ARTICLE.

36 3. "CONSTRUCTION" SHALL MEAN THE ERECTION, ACQUISITION, ALTERATION,  
37 RECONSTRUCTION, REHABILITATION, IMPROVEMENT, EQUIPPING, ENLARGEMENT OR  
38 EXTENSION OF A CAPITAL ASSET, INCLUDING LAND ACQUISITION AND THE ENGI-  
39 NEERING, ARCHITECTURAL, LEGAL, FISCAL AND ECONOMIC INVESTIGATIONS,  
40 STUDIES, SURVEYS, DESIGNS, PLANS, DRAWINGS, SPECIFICATIONS, PROCEDURES  
41 AND OTHER ACTIONS RELATING TO A CAPITAL ASSET.

42 4. "LOCAL AUTHORITY" SHALL MEAN:

43 (A) A PUBLIC AUTHORITY OR PUBLIC BENEFIT CORPORATION CREATED BY OR  
44 EXISTING UNDER THIS CHAPTER OR ANY OTHER LAW OF THE STATE WHOSE MEMBERS  
45 DO NOT HOLD A CIVIL OFFICE OF THE STATE, ARE NOT APPOINTED BY THE GOVER-  
46 NOR OR ARE APPOINTED BY THE GOVERNOR SPECIFICALLY UPON THE RECOMMENDA-  
47 TION OF THE LOCAL GOVERNMENT OR GOVERNMENTS;

48 (B) A NOT-FOR-PROFIT CORPORATION AFFILIATED WITH, SPONSORED BY, OR  
49 CREATED BY A COUNTY, CITY, TOWN OR VILLAGE GOVERNMENT;

50 (C) A LOCAL INDUSTRIAL DEVELOPMENT AGENCY OR AUTHORITY OR OTHER LOCAL  
51 PUBLIC BENEFIT CORPORATION; OR

52 (D) AN AFFILIATE OF SUCH LOCAL AUTHORITY.

53 5. "STATE AUTHORITY" SHALL MEAN A PUBLIC AUTHORITY OR PUBLIC BENEFIT  
54 CORPORATION CREATED BY OR EXISTING UNDER THIS CHAPTER OR ANY OTHER LAW

1 OF THE STATE, WITH ONE OR MORE OF ITS MEMBERS APPOINTED BY THE GOVERNOR  
2 OR WHO SERVE AS MEMBERS BY VIRTUE OF HOLDING A CIVIL OFFICE OF THE  
3 STATE, OTHER THAN AN INTERSTATE OR INTERNATIONAL AUTHORITY OR PUBLIC  
4 BENEFIT CORPORATION, INCLUDING SUBSIDIARIES OF SUCH PUBLIC AUTHORITY OR  
5 PUBLIC BENEFIT CORPORATION.

6 6. "MAINTENANCE" SHALL MEAN ANY REGULARLY SCHEDULED ACTIVITY INCLUDING  
7 A ROUTINE REPAIR INTENDED TO ENSURE THAT CAPITAL ASSETS CONTINUE TO  
8 OPERATE SAFELY AND EFFICIENTLY AND AS INTENDED.

9 6-A. "MUNICIPAL CORPORATION" SHALL MEAN A COUNTY, CITY, TOWN OR  
10 VILLAGE AND SHALL INCLUDE ANY SPECIAL DISTRICT THEREIN.

11 7. "REHABILITATION" SHALL MEAN AN ACTION TO EXTEND THE USEFUL LIFE OR  
12 IMPROVE THE EFFECTIVENESS OF EXISTING CAPITAL ASSETS.

13 S 251. NEW YORK STATE CAPITAL ASSET/INFRASTRUCTURE COUNCIL; CREATION;  
14 PROCEDURE. 1. WITHIN THE EXECUTIVE DEPARTMENT THERE IS HEREBY ESTAB-  
15 LISHED AN INDEPENDENT COUNCIL TO BE KNOWN AS THE NEW YORK STATE CAPITAL  
16 ASSET/INFRASTRUCTURE COUNCIL TO HAVE AND EXERCISE THE POWERS AND DUTIES  
17 PROVIDED BY THE PROVISIONS OF THIS ARTICLE.

18 2. THE PURPOSE OF THE COUNCIL IS TO DEVELOP AND IMPLEMENT A PROCESS TO  
19 IDENTIFY, MONITOR, PLAN, RECOMMEND, AND PUBLICLY REPORT ON ALL CAPITAL  
20 ASSETS OF STATE AGENCIES, STATE AUTHORITIES, LOCAL AUTHORITIES AND  
21 MUNICIPAL CORPORATIONS TO ENSURE THAT THE CAPITAL ASSETS MEET CURRENT  
22 AND FUTURE DEMAND, FACILITATE ECONOMIC GROWTH, ARE MAINTAINED IN A GOOD  
23 OPERATING CONDITION THAT ENSURES PUBLIC SAFETY, AND ARE DEVELOPED OR  
24 MODIFIED IN A SUSTAINABLE MANNER AS PROVIDED BY THE PROVISIONS OF THIS  
25 ARTICLE.

26 3. THE COUNCIL SHALL CONSIST OF FIVE MEMBERS APPOINTED BY THE GOVER-  
27 NOR, ONE OF WHOM SHALL BE APPOINTED UPON THE RECOMMENDATION OF THE  
28 TEMPORARY PRESIDENT OF THE SENATE, ONE OF WHOM SHALL BE APPOINTED UPON  
29 THE RECOMMENDATION OF THE SPEAKER OF THE ASSEMBLY, AND ONE OF WHOM SHALL  
30 BE APPOINTED UPON THE RECOMMENDATION OF THE COMPTROLLER. EACH MEMBER OF  
31 THE COUNCIL SHALL HAVE EXPERIENCE IN ONE OR MORE OF THE FIELDS OF  
32 ECONOMICS, PUBLIC ADMINISTRATION, CIVIL ENGINEERING, PUBLIC WORKS,  
33 CONSTRUCTION OR A RELATED DESIGN PROFESSION, PLANNING, PUBLIC INVESTMENT  
34 FINANCING, ENVIRONMENTAL ENGINEERING OR WATER RESOURCES ENGINEERING.  
35 THE TWO MEMBERS FIRST APPOINTED BY THE GOVERNOR WITHOUT THE RECOMMENDA-  
36 TION OF ANY OTHER STATE OFFICIAL SHALL SERVE AN INITIAL TERM OF FOUR  
37 YEARS; THE MEMBER FIRST APPOINTED UPON THE RECOMMENDATION OF THE TEMPO-  
38 RARY PRESIDENT OF THE SENATE SHALL SERVE AN INITIAL TERM OF THREE YEARS;  
39 THE MEMBER FIRST APPOINTED UPON THE RECOMMENDATION OF THE SPEAKER OF THE  
40 ASSEMBLY SHALL SERVE AN INITIAL TERM OF THREE YEARS; AND THE MEMBER  
41 FIRST APPOINTED UPON THE RECOMMENDATION OF THE STATE COMPTROLLER SHALL  
42 SERVE AN INITIAL TERM OF TWO YEARS. UPON EXPIRATION OF A MEMBER'S  
43 INITIAL TERM, EACH SUBSEQUENT TERM SHALL BE FOR A PERIOD OF FOUR YEARS.

44 4. NOTWITHSTANDING ANY INCONSISTENT PROVISION OF LAW, NO OFFICER OR  
45 EMPLOYEE OF THE STATE, OF ANY POLITICAL SUBDIVISION OF THE STATE, OF ANY  
46 GOVERNMENTAL ENTITY OPERATING ANY PUBLIC SCHOOL OR COLLEGE, OR OF ANY  
47 OTHER PUBLIC AGENCY OR INSTRUMENTALITY OR UNIT OF GOVERNMENT WHICH EXER-  
48 CISES GOVERNMENTAL POWERS UNDER THE LAWS OF THE STATE, SHALL FORFEIT  
49 SUCH OFFICE OR EMPLOYMENT BY REASON OF ACCEPTANCE OR APPOINTMENT AS A  
50 MEMBER, REPRESENTATIVE, OFFICER, EMPLOYEE OR AGENT OF THE COUNCIL NOR  
51 SHALL SERVICE AS SUCH MEMBER, REPRESENTATIVE, OFFICER, EMPLOYEE OR AGENT  
52 OF THE COUNCIL BE DEEMED INCOMPATIBLE OR IN CONFLICT WITH SUCH OFFICE OR  
53 EMPLOYMENT. THE MEMBERS, THEIR REPRESENTATIVES, OFFICERS AND STAFF TO  
54 THE COUNCIL SHALL BE DEEMED EMPLOYEES WITHIN THE MEANING OF SECTION  
55 SEVENTEEN OF THE PUBLIC OFFICERS LAW.

1 5. THE MEMBERS OF THE COUNCIL SHALL SERVE WITHOUT SALARY OR PER DIEM  
2 ALLOWANCE BUT SHALL BE ENTITLED TO REIMBURSEMENT FOR ACTUAL AND NECES-  
3 SARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES  
4 PURSUANT TO THIS ARTICLE OR OTHER PROVISION OF LAW; PROVIDED, HOWEVER,  
5 THAT SUCH MEMBERS AND REPRESENTATIVES ARE NOT, AT THE TIME SUCH EXPENSES  
6 ARE INCURRED, PUBLIC EMPLOYEES OTHERWISE ENTITLED TO SUCH REIMBURSEMENT.

7 S 252. POWERS AND DUTIES. 1. THE COUNCIL SHALL HAVE THE POWER TO:

8 (A) HOLD SUCH HEARINGS, MEET AND ACT AT SUCH TIMES AND PLACES, TAKE  
9 SUCH TESTIMONY, ADMINISTER SUCH OATHS OR AFFIRMATIONS AND RECEIVE SUCH  
10 EVIDENCE AS THE COUNCIL CONSIDERS ADVISABLE TO CARRY OUT ITS RESPONSIBI-  
11 LITIES;

12 (B) REQUIRE THE PRODUCTION OF ANY BOOKS, AND COLLECTION AND COMPILA-  
13 TION OF DATA DEEMED RELEVANT OR MATERIAL TO ANY REVIEW;

14 (C) REQUEST AND RECEIVE FROM ANY DEPARTMENT, DIVISION, BOARD, COMMIS-  
15 SION OR OTHER AGENCY OF THE STATE, INCLUDING ANY STATE AUTHORITIES,  
16 LOCAL AUTHORITIES AND MUNICIPAL CORPORATIONS IN WHICH ANY RELEVANT  
17 INFORMATION NECESSARY TO CARRY OUT THE RESPONSIBILITIES AND PROVISIONS  
18 SET FORTH IN THIS SECTION;

19 (D) ENTER INTO COOPERATIVE AGREEMENTS WITH OTHER GOVERNMENT OFFICES,  
20 STATE AGENCIES, STATE AUTHORITIES, LOCAL AUTHORITIES AND MUNICIPAL  
21 CORPORATIONS TO EFFICIENTLY SUPPORT THE WORK OF THE COUNCIL AND CARRY  
22 OUT ITS RESPONSIBILITIES;

23 (E) HAVE DIRECT INPUT AND PROMPT ACCESS TO THE HEAD OF ANY STATE AGEN-  
24 CIES, STATE AUTHORITIES, LOCAL AUTHORITIES AND MUNICIPAL CORPORATIONS  
25 AND ANY MEMBER AND EMPLOYEE THEREOF WHEN NECESSARY OR USEFUL IN THE  
26 PERFORMANCE OF THE DUTIES OR RESPONSIBILITIES OF THE COUNCIL;

27 (F) ISSUE SUCH REPORTS AND OTHER DOCUMENTS AS THE COUNCIL DETERMINES  
28 TO BE NECESSARY OR ADVISABLE; AND

29 (G) ADVISE AND MAKE RECOMMENDATIONS TO THE GOVERNOR, THE LEGISLATURE,  
30 THE COMPTROLLER, AND OTHER AGENCIES, STATE AUTHORITIES, LOCAL AUTHORI-  
31 TIES AND MUNICIPAL CORPORATIONS OF THE STATE ON MATTERS LIMITED TO  
32 AFFECTING THE CONDITION OF THE CAPITAL ASSETS WITHIN THE STATE.

33 2. THE COUNCIL SHALL IDENTIFY THE CAPITAL ASSETS LOCATED WITHIN THE  
34 STATE ON A PERIODIC BASIS AND ASSESS THE CONDITION OF THE ASSETS BY:

35 (A) DEVELOPING UNIFORM CRITERIA AND PROCEDURES FOR USE IN CONDUCTING  
36 INVENTORIES AND ASSESSMENTS, INCLUDING FORMAL STANDARDS DEFINING A STATE  
37 OF GOOD REPAIR AND REPLACEMENT CYCLES FOR CAPITAL ASSETS, AND STANDARDS  
38 REQUIRING CLEAR JUSTIFICATION IN TERMS OF RIGOROUS ECONOMIC ANALYSIS FOR  
39 PROPOSED NEW CAPITAL INVESTMENTS OR EXPANSIONS;

40 (B) INVENTORING ALL EXISTING CAPITAL ASSETS USING TO THE EXTENT PRAC-  
41 TICABLE, EXISTING INVENTORIES AVAILABLE FROM ALL SOURCES; WHERE EXISTING  
42 INVENTORIES ARE NOT AVAILABLE, A PROCESS FOR STATE AGENCIES, STATE  
43 AUTHORITIES, LOCAL AUTHORITIES AND MUNICIPAL CORPORATIONS TO INVENTORY  
44 ALL EXISTING CAPITAL ASSETS WILL BE DEVELOPED SUBJECT TO APPROVAL OF THE  
45 COUNCIL; AND

46 (C) ASSESSING THE CONDITION OF CAPITAL ASSETS, INCLUDING BUT NOT  
47 LIMITED TO CHANGES IN THE CONDITION OF THOSE CAPITAL ASSETS AS COMPARED  
48 WITH PRECEDING YEARS AND IDENTIFICATION OF NEEDED IMPROVEMENTS.

49 3. THE COUNCIL SHALL DEVELOP RECOMMENDATIONS BASED ON COMPREHENSIVE  
50 STUDIES AND ASSESSMENTS UNDERTAKEN PURSUANT TO SUBDIVISION TWO OF THIS  
51 SECTION, AND SHALL REPORT ITS FINDINGS AND RECOMMENDATIONS TO THE GOVER-  
52 NOR, THE LEGISLATURE AND THE COMPTROLLER NOT LATER THAN JUNE FIFTEENTH,  
53 TWO THOUSAND FOURTEEN, AND ANNUALLY THEREAFTER, AND SHALL POST SUCH  
54 REPORTS ON THE INTERNET. THE RECOMMENDATIONS OF THE COUNCIL SHALL  
55 INCLUDE:

1 (A) PROPOSED IMPROVEMENTS IN PRIORITIZING THE PLANNING AND FUNDING OF  
2 CAPITAL ASSET INVESTMENTS INCLUDING MORE EFFICIENT MATCHING OF FUNDING  
3 SOURCES AND ASSET LIFE;

4 (B) IMPROVED PROCEDURES FOR ENSURING THAT STATE AGENCIES, STATE  
5 AUTHORITIES, LOCAL AUTHORITIES AND MUNICIPAL CORPORATIONS REPLACE ASSETS  
6 ON REGULAR REPLACEMENT SCHEDULES ACCORDING TO RELIABLE ESTIMATES OF  
7 THEIR USEFUL LIVES; AND

8 (C) IMPROVEMENTS IN CRITERIA AND PROCEDURES THAT MAY BE USED BY STATE  
9 AGENCIES, STATE AUTHORITIES, LOCAL AUTHORITIES AND MUNICIPAL CORPO-  
10 RATIONS IN:

11 (I) DETERMINING THE CAPACITY OF CAPITAL ASSETS TO SUSTAIN CURRENT AND  
12 ANTICIPATED ECONOMIC DEVELOPMENT AND COMPETITIVENESS, INCLUDING  
13 LONG-TERM ECONOMIC GROWTH, INCLUDING THE POTENTIAL RETURN ON INVESTMENTS  
14 IN NEW CAPITAL ASSETS AS OPPOSED TO INVESTMENTS IN EXISTING CAPITAL  
15 ASSETS;

16 (II) MAINTAINING DATA IN A FORM THAT IS READILY ACCESSIBLE TO THE  
17 PUBLIC;

18 (III) THE METHODS USED TO FINANCE THE CONSTRUCTION, ACQUISITION, REHA-  
19 BILITATION AND MAINTENANCE OF CAPITAL ASSETS;

20 (IV) ANY TRENDS OR INNOVATIONS IN METHODS USED TO FINANCE THE  
21 CONSTRUCTION, ACQUISITION, REHABILITATION AND MAINTENANCE OF CAPITAL  
22 ASSETS;

23 (V) COMPREHENSIVE INVESTMENT REQUIREMENTS, BY TYPE OF CAPITAL ASSET,  
24 THAT ARE NECESSARY TO MAINTAIN THE CURRENT CONDITION AND PERFORMANCE OF  
25 THE CAPITAL ASSETS AND THE INVESTMENT NEEDED TO IMPROVE CAPITAL ASSETS  
26 IN THE FUTURE;

27 (VI) TRENDS OR INNOVATIONS IN CAPITAL ASSET PROCUREMENT METHODS;

28 (VII) TRENDS OR INNOVATIONS IN CONSTRUCTION METHODS OR MATERIALS FOR  
29 CAPITAL ASSETS;

30 (VIII) THE IMPACT OF LOCAL DEVELOPMENT PATTERNS ON DEMAND FOR FUNDING  
31 OF CAPITAL ASSETS;

32 (IX) THE IMPACT OF DEFERRED MAINTENANCE; AND

33 (X) THE IMPACT OF DETERIORATED CAPITAL ASSETS.

34 4. THE COUNCIL SHALL REPORT UPDATED FINDINGS AND RECOMMENDATIONS IN A  
35 MANNER CONSISTENT WITH THE PROVISIONS OF SUBDIVISION THREE OF THIS  
36 SECTION, TO BE KNOWN AS THE "COMPREHENSIVE STATEWIDE CAPITAL NEEDS  
37 ASSESSMENT". SUCH REPORTS SHALL BE ISSUED NOT LATER THAN THE LAST DAY OF  
38 THE CALENDAR YEAR FOLLOWING THE YEAR IN WHICH THE REPORT REQUIRED BY  
39 SUBDIVISION THREE OF THIS SECTION IS ISSUED AND, THEREAFTER, ON AN ANNU-  
40 AL BASIS.

41 5. (A) THE COUNCIL SHALL ISSUE A COMPREHENSIVE TWENTY YEAR STRATEGIC  
42 PLAN FOR CAPITAL NEEDS ENCOMPASSING NECESSARY MAINTENANCE ACTIVITIES,  
43 SCHEDULED ASSET REPLACEMENT AND EXPANSION, THE STATUS OF CURRENT CAPITAL  
44 ACTIVITIES, AND RELATED FINANCING. THE LONG-TERM STRATEGIC PLAN SHALL BE  
45 DEVELOPED BASED ON THE CAPITAL PROJECTS IDENTIFIED IN THE COMPREHENSIVE  
46 STATEWIDE CAPITAL NEEDS ASSESSMENT AND FUTURE CAPITAL PROJECT NEEDS OF  
47 THE STATE, WITH CLEAR INTERIM GOALS AND BENCHMARKS.

48 (B) THE FIRST TEN-YEAR PORTION OF SUCH PLAN SHALL BE SET FORTH IN  
49 GREATER DETAIL THAN THE SECOND TEN YEAR PORTION OF THE PLAN.

50 (C) THE LONG-TERM STRATEGIC PLAN SHALL BE UPDATED AND REVISED EVERY  
51 EVEN-NUMBERED YEAR, AND ISSUED SIMULTANEOUSLY WITH THE COMPREHENSIVE  
52 STATEWIDE CAPITAL NEEDS ASSESSMENT OF THAT YEAR.

53 S 2. The opening paragraph of section 22-c of the state finance law,  
54 as amended by section 3 of part F of chapter 389 of the laws of 1997, is  
55 amended to read as follows:

1 The governor shall annually submit to the legislature a capital  
2 program and financing plan concurrent with the executive budget, in  
3 addition to the information required by section twenty-two of this arti-  
4 cle. THE PLAN, ALONG WITH CAPITAL APPROPRIATIONS PROPOSED IN THE EXECU-  
5 TIVE BUDGET OR ENACTED BY THE LEGISLATURE, SHALL DERIVE FROM THE  
6 LONG-TERM STRATEGIC PLAN ESTABLISHED BY SUBDIVISION FIVE OF SECTION TWO  
7 HUNDRED FIFTY-TWO OF THIS CHAPTER. ANY DEVIATION FROM THE LONG-TERM  
8 STRATEGIC PLAN MUST BE JUSTIFIED. The plan shall contain a comprehensive  
9 assessment of the capital assets and program needs of all state agen-  
10 cies, a review and analysis of how such requirements would be financed,  
11 an analysis of the affordability of [state-supported] STATE-FUNDED debt,  
12 and an analysis of all costs related to the financing of such plan.  
13 S 3. This act shall take effect immediately.

14 PART C

15 Section 1. Article 5-B of the state finance law is REPEALED and a new  
16 article 5-B is added to read as follows:

17 ARTICLE 5-B

18 LIMITATIONS ON STATE-FUNDED DEBT

19 SECTION 67-A. DEFINITIONS.

20 67-B. DUTIES WITH RESPECT TO STATE-FUNDED DEBT.

21 67-B-1. LIMITATIONS ON THE ISSUANCE OF STATE-SUPPORTED DEBT.

22 67-C. LIMITATIONS ON STATE-FUNDED DEBT.

23 67-D. PROHIBITION OF CONTINGENT OBLIGATION DEBT.

24 S 67-A. DEFINITIONS. AS USED IN THIS ARTICLE AND ARTICLE FIVE-C OF  
25 THIS CHAPTER THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

26 1. "STATE DEBT" SHALL MEAN ALL BONDS, BOND ANTICIPATION NOTES, AND  
27 REVENUE DEBT ISSUED BY THE COMPTROLLER PURSUANT TO ARTICLE FIVE OF THIS  
28 CHAPTER.

29 2. "STATE-BACKED DEBT" SHALL MEAN ANY DEBT OR OBLIGATION, OTHER THAN  
30 STATE DEBT, THAT IS SUPPORTED IN WHOLE OR IN PART BY ANY FINANCING  
31 ARRANGEMENT WHEREBY THE STATE AGREES OR HAS IN THE PAST AGREED, WHETHER  
32 BY LAW, CONTRACT OR OTHERWISE, TO MAKE PAYMENTS WHICH WILL BE USED,  
33 DIRECTLY OR INDIRECTLY, FOR THE PAYMENT OF PRINCIPAL, INTEREST OR  
34 RELATED PAYMENTS ON INDEBTEDNESS INCURRED OR CONTRACTED BY THE STATE  
35 ITSELF FOR ANY PURPOSE, OR BY ANY STATE AGENCY, MUNICIPALITY, INDIVID-  
36 UAL, PUBLIC AUTHORITY OR OTHER PUBLIC OR PRIVATE CORPORATION OR ANY  
37 OTHER ENTITY FOR STATE CAPITAL OR OPERATING PURPOSES OR TO FINANCE  
38 GRANTS, LOANS OR OTHER ASSISTANCE PAYMENTS MADE OR TO BE MADE BY OR ON  
39 BEHALF OF THE STATE FOR ANY PURPOSE. IF THE STATE AGREES OR HAS AGREED  
40 ON OR AFTER APRIL FIRST, NINETEEN HUNDRED NINETY-SEVEN TO MAKE FUTURE  
41 REVENUES FROM A SPECIFIC STATE SOURCE AVAILABLE FOR THE PURPOSE OF  
42 SUPPORTING DEBT OF ANY MUNICIPALITY, INDIVIDUAL, PUBLIC AUTHORITY OR  
43 OTHER PUBLIC OR PRIVATE CORPORATION OR ANY OTHER ENTITY, OR, IF ON OR  
44 AFTER SUCH DATE, A PROGRAM OF DEBT IS AUTHORIZED TO BE ISSUED WHERE  
45 STATE AID IS INTENDED TO BE THE SOLE SOURCE OF PAYMENT OF DEBT SERVICE,  
46 SUCH DEBT SHALL BE CONSIDERED TO BE A DEBT FOR THE PURPOSE OF FINANCING  
47 A STATE GRANT, LOAN OR OTHER ASSISTANCE PAYMENT AND SHALL BE A  
48 "STATE-BACKED DEBT" FOR THE PURPOSES OF THIS ARTICLE. THE TERM  
49 "STATE-BACKED DEBT" APPLIES TO ALL DEBT OR OBLIGATIONS DESCRIBED IN THIS  
50 SUBDIVISION FOR WHICH THE STATE AGREES, OR HAS IN THE PAST AGREED, TO  
51 MAKE PAYMENTS (A) WHETHER OR NOT THE OBLIGATION OF THE STATE TO MAKE  
52 PAYMENTS IS SUBJECT TO APPROPRIATION, OR (B) WHETHER OR NOT DEBT SERVICE  
53 IS TO BE PAID FROM A REVENUE STREAM TRANSFERRED BY THE STATE TO ANOTHER  
54 PARTY THAT IS RESPONSIBLE FOR MAKING SUCH PAYMENTS.

1 3. "STATE-FUNDED DEBT" SHALL MEAN THE COMBINED TOTAL OF ALL STATE  
2 DEBT, AS DEFINED IN SUBDIVISION ONE OF THIS SECTION, AND ALL  
3 STATE-BACKED DEBT EXCEPT SHORT TERM DEBT INCURRED IN ACCORDANCE WITH  
4 SECTION NINE OF ARTICLE SEVEN OF THE CONSTITUTION, EMERGENCY DEBT  
5 INCURRED IN ACCORDANCE WITH SECTION TEN OF ARTICLE SEVEN OF THE CONSTI-  
6 TUTION, AND REFUNDING DEBT INCURRED IN ACCORDANCE WITH SECTION THIRTEEN  
7 OF ARTICLE SEVEN OF THE CONSTITUTION AND SHALL INCLUDE ALL DEBT  
8 OUTSTANDING ON THE EFFECTIVE DATE OF THIS SECTION.

9 4. "STATE-SUPPORTED DEBT" SHALL MEAN ANY BONDS OR NOTES, INCLUDING  
10 BONDS OR NOTES ISSUED TO FUND RESERVE FUNDS AND COSTS OF ISSUANCE,  
11 ISSUED BY THE STATE OR A STATE PUBLIC CORPORATION FOR WHICH THE STATE IS  
12 CONSTITUTIONALLY OBLIGATED TO PAY DEBT SERVICE OR IS CONTRACTUALLY OBLI-  
13 GATED TO PAY DEBT SERVICE SUBJECT TO AN APPROPRIATION, EXCEPT WHERE THE  
14 STATE HAS A CONTINGENT CONTRACTUAL OBLIGATION.

15 5. "REVENUE DEBT" SHALL MEAN VOTER APPROVED STATE DEBT ISSUED BY THE  
16 COMPTROLLER AND SUPPORTED BY FUTURE REVENUES FROM A SPECIFIC STATE  
17 SOURCE.

18 6. "TOTAL PERSONAL INCOME OF THE STATE" SHALL MEAN THE MOST RECENTLY  
19 PUBLISHED ESTIMATED DOLLAR AMOUNT DETERMINED AS TOTAL PERSONAL INCOME OF  
20 THE STATE OF NEW YORK BY THE UNITED STATES DEPARTMENT OF COMMERCE OR ANY  
21 SUCCESSOR AGENCY FOR THE FOUR MOST RECENT SUCCESSIVE CALENDAR QUARTERS  
22 FOR WHICH INFORMATION IS AVAILABLE PRIOR TO OCTOBER THIRTY-FIRST OF EACH  
23 YEAR. SUBSEQUENT REVISIONS OF THE PUBLISHED ESTIMATED DOLLAR AMOUNT FOR  
24 SUCH CALENDAR QUARTERS SHALL NOT AFFECT THE VALIDITY OF THE DETERMI-  
25 NATION MADE FOR ANY FISCAL YEAR.

26 7. "CAPITAL PURPOSE" SHALL MEAN ANY PROJECT INVOLVING:

27 (A) THE ACQUISITION, CONSTRUCTION, DEMOLITION OR REPLACEMENT OF A  
28 FIXED ASSET OR ASSETS;

29 (B) THE MAJOR REPAIR OR RENOVATION OF A FIXED ASSET, WHICH MATERIALLY  
30 EXTENDS ITS USEFUL LIFE OR MATERIALLY IMPROVES OR INCREASES ITS CAPACI-  
31 TY; OR

32 (C) THE PLANNING OR DESIGN OF THE ACQUISITION, CONSTRUCTION, DEMOLI-  
33 TION, REPLACEMENT, MAJOR REPAIR OR RENOVATION OF A FIXED ASSET, INCLUD-  
34 ING THE PREPARATION AND REVIEW OF PLANS AND SPECIFICATIONS INCLUDING  
35 ENGINEERING AND OTHER SERVICES, FIELD SURVEYS AND SUB-SURFACE INVESTI-  
36 GATIONS INCIDENTAL THERETO.

37 8. "CONDUIT DEBT OBLIGATION" SHALL MEAN A DEBT OBLIGATION ISSUED BY A  
38 PUBLIC AUTHORITY (THE "CONDUIT ISSUER") ON BEHALF OF A THIRD PARTY (THE  
39 "CONDUIT BORROWER") OTHER THAN THE STATE OR A POLITICAL SUBDIVISION OF  
40 THE STATE, WHERE PAYMENT OF THE OBLIGATION IS TO BE MADE FROM FUNDS OF  
41 THE CONDUIT BORROWER, THE SECURITY FOR THE OBLIGATION IS THE CREDIT OF  
42 THE CONDUIT BORROWER AND NO FUNDS OF THE CONDUIT ISSUER, THE STATE OR A  
43 POLITICAL SUBDIVISION OF THE STATE ARE PLEDGED TO SECURE THE OBLIGATION,  
44 WHETHER OR NOT THE OBLIGATION OF THE CONDUIT ISSUER, THE STATE OR POLI-  
45 TICAL SUBDIVISION OF THE STATE IS SUBJECT TO APPROPRIATION OR IS OTHER-  
46 WISE CONTINGENT.

47 S 67-B. DUTIES WITH RESPECT TO STATE-FUNDED DEBT. 1. ON OR BEFORE  
48 OCTOBER THIRTY-FIRST, TWO THOUSAND TWENTY-TWO, THE DIVISION OF BUDGET  
49 SHALL HAVE THE RESPONSIBILITY TO ANNUALLY DETERMINE THE TOTAL DEBT LIMIT  
50 OF THE STATE BY CALCULATING THE DOLLAR AMOUNT EQUIVALENT TO FIVE PERCENT  
51 OF THE TOTAL PERSONAL INCOME OF THE STATE.

52 2. ON OR BEFORE OCTOBER THIRTY-FIRST, TWO THOUSAND TWENTY-TWO, AND  
53 OCTOBER THIRTY-FIRST OF EACH YEAR THEREAFTER, THE DIVISION OF BUDGET  
54 SHALL DETERMINE THE TOTAL DEBT LIMIT OF THE STATE, PURSUANT TO SECTION  
55 ELEVEN OF ARTICLE SEVEN OF THE CONSTITUTION FOR THE NEXT FISCAL YEAR,  
56 AND REPORT SUCH INFORMATION BY OCTOBER THIRTY-FIRST, TO THE TEMPORARY

1 PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE CHAIRPERSON  
2 AND RANKING MINORITY MEMBER OF THE SENATE FINANCE COMMITTEE, THE CHAIR-  
3 PERSON AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS AND MEANS  
4 COMMITTEE, AND THE COMPTROLLER. ON OR BEFORE SUCH DATE, THE DIVISION OF  
5 BUDGET SHALL ISSUE A PUBLIC ANNOUNCEMENT OF SUCH LIMIT.

6 3. THE EXECUTIVE'S PROPOSED BUDGET FOR STATE FISCAL YEAR TWO THOUSAND  
7 FOURTEEN--TWO THOUSAND FIFTEEN SHALL INCLUDE A PLAN SETTING FORTH THE  
8 ANNUAL TARGET PERCENTAGES AND METHODOLOGY FOR THE IMPLEMENTATION OF THE  
9 PROVISIONS OF SUBDIVISION ONE OF SECTION SIXTY-SEVEN-C OF THIS ARTICLE  
10 BY APRIL FIRST, TWO THOUSAND TWENTY-THREE. A PROGRESS REPORT WITH  
11 RESPECT TO MEETING ANNUAL TARGET PERCENTAGES IN THE PLAN SHALL BE ISSUED  
12 ANNUALLY BY THE EXECUTIVE WITH RELEASE OF THE PROPOSED BUDGET AND, IN  
13 THE EVENT THE ACTUAL PERCENTAGES DEVIATE FROM THE TARGET PERCENTAGES SET  
14 FORTH IN THE INITIAL PLAN, SHALL INCLUDE AN EXPLANATION OF SUCH DEVI-  
15 ATIONS AND THE PROPOSED REMEDIAL ACTIONS DEEMED NECESSARY TO MEET SUCH  
16 TARGET PERCENTAGES BY APRIL FIRST, TWO THOUSAND TWENTY-THREE.

17 S 67-B-1. LIMITATIONS ON THE ISSUANCE OF STATE-SUPPORTED DEBT. 1. (A)  
18 STATE-SUPPORTED DEBT MAY NOT BE CONTRACTED FOR UNLESS, AS OF OCTOBER  
19 THIRTY-FIRST, TWO THOUSAND ONE AND AS OF EACH OCTOBER THIRTY-FIRST THERE-  
20 EAFTER, THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF SUCH DEBT, AS OF THE  
21 LAST DAY OF THE IMMEDIATELY PRECEDING FISCAL YEAR, IS LESS THAN THE  
22 DESIGNATED PERCENTAGE OF THE TOTAL PERSONAL INCOME OF THE STATE. NOTHING  
23 SHALL PRECLUDE THE CONTRACTING OF STATE-SUPPORTED DEBT PRIOR TO OCTOBER  
24 THIRTY-FIRST OF EACH YEAR IF, AS OF THE LAST DAY OF THE IMMEDIATELY  
25 PRECEDING FISCAL YEAR, THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF SUCH  
26 DEBT WAS LESS THAN THE DESIGNATED PERCENTAGE OF THE TOTAL PERSONAL  
27 INCOME OF THE STATE. THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF DEBT  
28 SHALL INCLUDE ALL STATE-SUPPORTED DEBT ISSUED ON AND AFTER APRIL FIRST,  
29 TWO THOUSAND. SUCH DESIGNATED PERCENTAGE SHALL BE SEVEN AND  
30 ONE-HALF-TENTHS OF ONE PERCENT FOR FISCAL YEAR TWO THOUSAND--TWO THOU-  
31 SAND ONE, AND SHALL INCREASE BY FIVE-TENTHS OF ONE PERCENT IN FISCAL  
32 YEAR TWO THOUSAND ONE--TWO THOUSAND TWO, BY AN ADDITIONAL FOUR-TENTHS OF  
33 ONE PERCENT IN FISCAL YEAR TWO THOUSAND TWO--TWO THOUSAND THREE, AND BY  
34 AN ADDITIONAL ONE-THIRD OF ONE PERCENT IN EACH OF THE SEVEN SUBSEQUENT  
35 FISCAL YEARS. THE DESIGNATED PERCENTAGE FOR FISCAL YEAR TWO THOUSAND  
36 TEN--TWO THOUSAND ELEVEN AND FOR EACH FISCAL YEAR THEREAFTER SHALL BE  
37 FOUR PERCENT.

38 (B) IF STATE-SUPPORTED DEBT IS ISSUED TO REFUND OR OTHERWISE AFFECT  
39 THE REFUNDING, RETIREMENT OR DEFEASANCE OF STATE-SUPPORTED DEBT  
40 ORIGINALLY ISSUED ON AND AFTER APRIL FIRST, TWO THOUSAND, PROVIDED SUCH  
41 REFUNDINGS ARE CONDUCTED IN ACCORDANCE WITH SECTION THIRTEEN OF ARTICLE  
42 SEVEN OF THE CONSTITUTION, THE CALCULATION OF THE TOTAL OUTSTANDING  
43 PRINCIPAL AMOUNT OF DEBT SHALL EXCLUDE SUCH REFUNDING DEBT, AND SHALL  
44 ONLY INCLUDE THE AMOUNT OF PRIOR REFUNDED DEBT, AS IF IT WERE STILL  
45 OUTSTANDING, IN EACH YEAR UNTIL SUCH REFUNDING DEBT IS FINALLY RETIRED.  
46 NOTWITHSTANDING THE FOREGOING, THE PROVISIONS OF SUCH SECTION THIRTEEN  
47 OF ARTICLE SEVEN OF THE CONSTITUTION RELATING TO THE MAINTENANCE OR  
48 MANAGEMENT OF ESCROW FUNDS AND SINKING FUNDS SHALL ONLY BE APPLICABLE TO  
49 STATE-SUPPORTED DEBT ISSUED BY THE STATE COMPTROLLER. IF STATE-SUPPORTED  
50 DEBT IS ISSUED TO REFUND OR OTHERWISE AFFECT THE REFUNDING, RETIREMENT  
51 OR DEFEASANCE OF STATE-SUPPORTED DEBT ISSUED PRIOR TO APRIL FIRST, TWO  
52 THOUSAND, THEN THE AMOUNT OF SUCH REFUNDING DEBT SHALL BE EXCLUDED FROM  
53 THE CALCULATION OF THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF DEBT IN  
54 EACH YEAR UNTIL SUCH REFUNDING DEBT IS FINALLY RETIRED. IN ADDITION, IF  
55 STATE-SUPPORTED DEBT IS RETIRED OR DEFEASED WITH PAYMENTS IN ANY FISCAL  
56 YEAR MADE BY THE STATE THAT ARE NOT REQUIRED BY MANDATORY PAYMENTS, SUCH



1 DEBT SHALL BE EXCLUDED FROM THE CALCULATION OF THE TOTAL OUTSTANDING  
2 PRINCIPAL AMOUNT OF DEBT, INCLUDING RETIREMENTS OR DEFEASANCES ACCOM-  
3 PLISHED ON AN ECONOMIC BASIS.

4 2. STATE-SUPPORTED DEBT MAY NOT BE CONTRACTED FOR UNLESS, AS OF OCTO-  
5 BER THIRTY-FIRST, TWO THOUSAND ONE AND AS OF EACH OCTOBER THIRTY-FIRST  
6 THEREAFTER, THE TOTAL AMOUNT OF INTEREST, INSTALLMENTS OF PRINCIPAL,  
7 CONTRIBUTIONS TO SINKING FUNDS, AND RELATED PAYMENTS ON A CASH BASIS OF  
8 ACCOUNTING FOR STATE-SUPPORTED DEBT IN THE IMMEDIATELY PRECEDING FISCAL  
9 YEAR IS LESS THAN THE DESIGNATED PERCENTAGE OF TOTAL GOVERNMENTAL FUNDS  
10 RECEIPTS FOR SUCH FISCAL YEAR. NOTHING SHALL PRECLUDE THE CONTRACTING OF  
11 STATE-SUPPORTED DEBT PRIOR TO OCTOBER THIRTY-FIRST OF EACH YEAR IF, IN  
12 THE IMMEDIATELY PRECEDING FISCAL YEAR, THE TOTAL AMOUNT OF INTEREST,  
13 INSTALLMENTS OF PRINCIPAL, CONTRIBUTIONS TO SINKING FUNDS, AND RELATED  
14 PAYMENTS WAS LESS THAN THE DESIGNATED PERCENTAGE OF TOTAL GOVERNMENTAL  
15 FUNDS RECEIPTS. THIS SHALL INCLUDE THE TOTAL AMOUNT OF PAYMENTS ON SUCH  
16 DEBT ISSUED ON AND AFTER APRIL FIRST, TWO THOUSAND, BUT SHALL NOT  
17 INCLUDE PAYMENTS IN ANY FISCAL YEAR MADE BY THE STATE TO DEFEASE OR  
18 RETIRE DEBT NOT REQUIRED BY MANDATORY PAYMENTS NOR PAYMENTS MADE BY THE  
19 STATE FOR DEBT ISSUED TO REFUND DEBT THAT WAS ISSUED PRIOR TO APRIL  
20 FIRST, TWO THOUSAND. IN ADDITION, IF STATE-SUPPORTED DEBT IS ISSUED TO  
21 REFUND OR OTHERWISE AFFECT THE REFUNDING, RETIREMENT OR DEFEASANCE OF  
22 STATE-SUPPORTED DEBT ORIGINALLY ISSUED ON AND AFTER APRIL FIRST, TWO  
23 THOUSAND, PROVIDED SUCH REFUNDINGS ARE CONDUCTED IN ACCORDANCE WITH  
24 SECTION THIRTEEN OF ARTICLE SEVEN OF THE CONSTITUTION, THE CALCULATION  
25 OF THE TOTAL AMOUNT OF INTEREST, INSTALLMENTS OF PRINCIPAL, CONTRIB-  
26 UTIONS TO SINKING FUNDS, AND RELATED PAYMENTS SHALL EXCLUDE PAYMENTS  
27 MADE ON SUCH REFUNDING DEBT, AND SHALL ONLY INCLUDE THE PAYMENTS ON THE  
28 PRIOR REFUNDED DEBT, AS IF IT WERE STILL OUTSTANDING, IN EACH YEAR UNTIL  
29 SUCH REFUNDING DEBT IS FINALLY RETIRED. SUCH DESIGNATED PERCENTAGE SHALL  
30 BE SEVEN AND ONE-HALF-TENTHS OF ONE PERCENT FOR FISCAL YEAR TWO THOU-  
31 SAND--TWO THOUSAND ONE, AND SHALL INCREASE BY FIVE-TENTHS OF ONE PERCENT  
32 IN FISCAL YEAR TWO THOUSAND ONE--TWO THOUSAND TWO, BY AN ADDITIONAL  
33 FOUR-TENTHS OF ONE PERCENT IN FISCAL YEAR TWO THOUSAND TWO--TWO THOUSAND  
34 THREE, AND BY AN ADDITIONAL ONE-THIRD OF ONE PERCENT IN EACH OF THE TEN  
35 SUBSEQUENT FISCAL YEARS. THE DESIGNATED PERCENTAGE FOR FISCAL YEAR TWO  
36 THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN AND FOR EACH FISCAL YEAR THERE-  
37 AFTER SHALL BE FIVE PERCENT.

38 S 67-C. LIMITATIONS ON STATE-FUNDED DEBT. 1. NO ADDITIONAL  
39 STATE-FUNDED DEBT SHALL BE INCURRED AFTER APRIL FIRST, TWO THOUSAND  
40 TWENTY-THREE IF THE TOTAL PRINCIPAL AMOUNT OF SUCH ADDITIONAL DEBT,  
41 TOGETHER WITH THE TOTAL PRINCIPAL AMOUNT OF STATE-FUNDED DEBT ALREADY  
42 OUTSTANDING IS EQUAL TO OR GREATER THAN THE TOTAL DEBT LIMIT OF THE  
43 STATE EXCLUDING SHORT TERM DEBT INCURRED IN ACCORDANCE WITH SECTION NINE  
44 OF ARTICLE SEVEN OF THE CONSTITUTION, EMERGENCY DEBT INCURRED IN ACCORD-  
45 ANCE WITH SECTION TEN OF ARTICLE SEVEN OF THE CONSTITUTION, AND REFUND-  
46 ING DEBT.

47 2. WITH THE EXCEPTION OF SHORT TERM DEBT INCURRED IN ACCORDANCE WITH  
48 SECTION NINE OF ARTICLE SEVEN OF THE CONSTITUTION, EMERGENCY DEBT  
49 INCURRED IN ACCORDANCE WITH SECTION TEN OF ARTICLE SEVEN OF THE CONSTI-  
50 TUTION, AND REFUNDING DEBT, NO STATE-FUNDED DEBT SHALL BE INCURRED  
51 EXCEPT TO FINANCE A CAPITAL PURPOSE. NO SUCH STATE-FUNDED DEBT SHALL BE  
52 INCURRED IF THE TOTAL PRINCIPAL AMOUNT OF SUCH DEBT TOGETHER WITH THE  
53 TOTAL PRINCIPAL AMOUNT OF SUCH DEBT ALREADY OUTSTANDING IS EQUAL TO OR  
54 GREATER THAN THE TOTAL DEBT LIMIT OF THE STATE.

55 3. ALL DEBT SUBJECT TO THE PROVISIONS OF THIS SECTION SHALL, IF  
56 INCURRED ON OR AFTER THE FIRST DAY OF THE FIRST FISCAL YEAR BEGINNING AT

1 LEAST ONE YEAR AFTER THE EFFECTIVE DATE OF AN AMENDMENT ADDING A NEW  
2 SUBDIVISION SIX TO SECTION ELEVEN OF ARTICLE SEVEN OF THE CONSTITUTION,  
3 BE IN THE FORM OF OBLIGATIONS ISSUED BY THE COMPTROLLER.

4 4. NO STATE-FUNDED DEBT SHALL BE INCURRED IN THE FORM OF AN OBLIGATION  
5 WITH A FINAL MATURITY EXCEEDING THE PROBABLE LIFE OF THE CAPITAL PROJECT  
6 FINANCED BY SUCH DEBT, AS SPECIFIED IN SECTION SIXTY-ONE OF THIS CHAP-  
7 TER. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, NO  
8 STATE-FUNDED DEBT SHALL BE INCURRED IN THE FORM OF AN OBLIGATION WITH A  
9 FINAL MATURITY OF MORE THAN THIRTY YEARS.

10 5. NO STATE-FUNDED DEBT OUTSTANDING ON THE EFFECTIVE DATE OF THIS  
11 SUBDIVISION SHALL BE REFUNDED UNLESS SUCH REFUNDING IS CONDUCTED IN ALL  
12 RESPECTS AS IF SUBJECT TO THE PROVISIONS OF SECTION THIRTEEN OF ARTICLE  
13 SEVEN OF THE CONSTITUTION. SUCH OUTSTANDING DEBT OBLIGATIONS SHALL BE  
14 INCLUDED IN THE DETERMINATION OF THE DEBT LIMIT. FOR THE PURPOSES OF  
15 THIS SUBDIVISION AND SECTION SIXTY-SEVEN-D OF THIS ARTICLE, ANY REFUND-  
16 ING DEBT THAT DOES NOT EXTEND BEYOND THE FINAL MATURITY OF THE DEBT  
17 BEING REFUNDED SHALL BE DEEMED TO BE IN COMPLIANCE WITH THE PROVISIONS  
18 OF SUBDIVISION SIX OF SECTION THIRTEEN OF ARTICLE SEVEN OF THE CONSTITU-  
19 TION MADE APPLICABLE BY THIS SUBDIVISION IF THERE IS AN ACTUAL DEBT  
20 SERVICE SAVINGS IN EVERY YEAR TO MATURITY AS A RESULT OF THE ISSUANCE OF  
21 THE REFUNDING DEBT.

22 6. ANY REFUNDING OBLIGATIONS ISSUED PURSUANT TO SUBDIVISION FIVE OF  
23 THIS SECTION ON OR AFTER THE FIRST DAY OF THE FIRST FISCAL YEAR BEGIN-  
24 NING AT LEAST ONE YEAR AFTER THE EFFECTIVE DATE OF AN AMENDMENT TO  
25 SECTION ELEVEN OF ARTICLE SEVEN OF THE CONSTITUTION IMPOSING A LIMIT ON  
26 THE TOTAL AMOUNT OF STATE DEBT SHALL BE ISSUED BY THE COMPTROLLER.

27 S 67-D. PROHIBITION OF CONTINGENT OBLIGATION DEBT. AFTER THE EFFEC-  
28 TIVE DATE OF THIS SECTION, THE STATE SHALL NOT, EXCEPT AS SPECIFICALLY  
29 AUTHORIZED BY A PROVISION OF THE CONSTITUTION OTHER THAN SECTION ELEVEN  
30 OF ARTICLE SEVEN, AGREE TO MAKE PAYMENTS, DIRECTLY OR INDIRECTLY, WHETH-  
31 ER OR NOT SUBJECT TO APPROPRIATION, THAT ARE TO BE AVAILABLE TO PAY DEBT  
32 SERVICE ON ANY DEBT INCURRED BY A MUNICIPALITY, INDIVIDUAL, PUBLIC  
33 AUTHORITY OR OTHER PUBLIC OR PRIVATE CORPORATION OR ANY OTHER ENTITY,  
34 FOR ANY PURPOSE, IF SUCH PAYMENTS ARE EXPECTED TO BE USED TO PAY DEBT  
35 SERVICE ONLY IF OTHER SOURCES AVAILABLE FOR THE PAYMENT OF DEBT SERVICE  
36 ARE INADEQUATE. ANY PROVISION REQUIRING THE STATE TO REPLACE MONIES USED  
37 TO PAY DEBT SERVICE SHALL BE INCLUDED IN THE PROHIBITION SET FORTH IN  
38 THIS SUBDIVISION. OUTSTANDING DEBT THAT WOULD BE PROHIBITED BY THIS  
39 SECTION IF SUCH DEBT HAD BEEN INCURRED AFTER THE EFFECTIVE DATE OF THIS  
40 SECTION MAY BE REFUNDED BY THE ENTITY THAT INCURRED THE OUTSTANDING  
41 DEBT.

42 S 2. Paragraph i of subdivision 3 of section 22 of the state finance  
43 law, as amended by chapter 1 of the laws of 2007, is amended to read as  
44 follows:

45 i. A statement setting forth state involvement in the fiscal oper-  
46 ations of those public authorities and public benefit corporations which  
47 may be part of the development of a comprehensive state budget system  
48 and provided therefor in the state financial plan. Such statement shall  
49 include those public authorities and public benefit corporations with  
50 disbursements which are not currently reflected in the state central  
51 accounting system from proceeds of any notes or bonds issued by any  
52 public authority, and which bonds or notes would be considered as  
53 [state-supported] STATE-FUNDED debt as defined in section sixty-seven-a  
54 of this chapter. Such statement shall set forth the amount of all of the  
55 bonds, notes and other obligations of each public authority, public  
56 benefit corporation and all other agencies and instrumentalities of the

1 state for which the full faith and credit of the state has been pledged  
2 or on account of which the state has by law given its pledge or assur-  
3 ance for the continued operation and solvency of the authority, public  
4 corporation, or other agency or instrumentality of the state, as the  
5 case may be. Such statement shall also set forth all proposed appropri-  
6 ations to be made to any public authority, public benefit corporation,  
7 and any other agency or instrumentality of the state which has been  
8 created or continued by law and which is separate and distinct from the  
9 state itself.

10 S 3. Paragraph b of subdivision 15 of section 22 of the state finance  
11 law, as added by chapter 1 of the laws of 2007, is amended to read as  
12 follows:

13 b. The capital program and financing plan submitted pursuant to  
14 section twenty-two-c of this article, and the update thereto required  
15 pursuant to section twenty-three of this article, shall include a report  
16 on the management of [state-supported] STATE-FUNDED debt. Such report  
17 may include, but is not limited to: (1) an assessment of the affordabil-  
18 ity of state debt, including debt as a percent of personal income, debt  
19 per capita, and debt service costs as a percent of the budget; (2) a  
20 summary and analysis of the interest rate exchange agreements and vari-  
21 able rate exposure; and (3) an assessment of financing opportunities  
22 related to the state's debt portfolio.

23 S 4. The opening paragraph and paragraph (f) of subdivision 1, and  
24 subparagraphs (iv), (v), (vi), (vii) and (viii) of paragraph c of subdi-  
25 vision 3 of section 22-c of the state finance law, as amended by section  
26 3 of part F of chapter 389 of the laws of 1997, are amended to read as  
27 follows:

28 The governor shall annually submit to the legislature a capital  
29 program and financing plan concurrent with the executive budget, in  
30 addition to the information required by section twenty-two of this arti-  
31 cle. The plan shall contain a comprehensive assessment of the capital  
32 assets and program needs of all state agencies, a review and analysis of  
33 how such requirements would be financed, an analysis of the affordabili-  
34 ty of [state-supported] STATE-FUNDED debt, and an analysis of all costs  
35 related to the financing of such plan.

36 (f) "[State-supported] STATE-FUNDED debt" shall [mean any bonds or  
37 notes issued by the state or a state public corporation for which the  
38 state is constitutionally obligated to pay debt service or is contractu-  
39 ally obligated to pay debt service subject to an appropriation, except  
40 where the state has a contingent contractual obligation] HAVE THE SAME  
41 MEANING AS SET FORTH IN SECTION SIXTY-SEVEN-A OF THIS CHAPTER.

42 (iv) schedules of the projected annual [state-supported] STATE-FUNDED  
43 bond issuances, proposed for each capital program, by agency, by issuer,  
44 and an analysis of existing debt authorizations and the need for any  
45 additional authorizations;

46 (v) schedules of projected outstanding bonds, including retirements by  
47 year identified separately for [state-supported] STATE-FUNDED bond issu-  
48 ances by issuer, and by capital program by agency, where practicable;

49 (vi) schedules of the projected personal income of the state and the  
50 projected ratio of outstanding [state-supported] STATE-FUNDED bonds to  
51 personal income;

52 (vii) schedules of projected [state-supported] STATE-FUNDED debt  
53 service costs by issuer, and by capital program by agency, where practi-  
54 cable; and

55 (viii) an analysis of trends in municipal bond interest rates and an  
56 explanation of the interest rate assumptions, timing of principal and

1 interest payments, and the timing and size of projected [state-support-  
2 ed] STATE-FUNDED bond sales used in the debt service projections.

3 S 5. Subdivision 4 of section 23 of the state finance law, as amended  
4 by chapter 1 of the laws of 2007, is amended to read as follows:

5 4. Financial plan updates. Quarterly, throughout the fiscal year, the  
6 governor shall submit to the comptroller, the chairs of the senate  
7 finance and the assembly ways and means committees, within thirty days  
8 of the close of the quarter to which it shall pertain, a report which  
9 summarizes the actual experience to date and projections for the remain-  
10 ing quarters of the current fiscal year and for each of the next two  
11 fiscal years of receipts, disbursements, tax refunds, and repayments of  
12 advances presented in forms suitable for comparison with the financial  
13 plan submitted pursuant to subdivisions one, THREE, four, [and] five,  
14 FIVE-A AND FIVE-B of section twenty-two of this article and revised in  
15 accordance with the provisions of subdivision three of this section. The  
16 governor shall submit with the budget a similar report that summarizes  
17 revenue and expenditure experience to date in a form suitable for  
18 comparison with the financial plan submitted pursuant to subdivision two  
19 of section twenty-two of this article and revised in accordance with the  
20 provisions of subdivision three of this section. Such reports shall  
21 provide an explanation of the causes of any major deviations from the  
22 revised financial plans and, shall provide for the amendment of the plan  
23 or plans to reflect those deviations. WHENEVER A DEFICIT IS PROJECTED  
24 IN THE GENERAL FUND OR OTHER STATE FUNDS FOR THE CURRENT FISCAL YEAR  
25 END, THE GOVERNOR SHALL SUBMIT A FINANCIAL PLAN MODIFICATION TO THE  
26 LEGISLATURE WITH LEGISLATION TO EFFECTUATE SUCH MODIFICATIONS AS MAY BE  
27 NECESSARY TO ELIMINATE SUCH DEFICIT. The governor may, if he determines  
28 it advisable, provide more frequent reports to the legislature regarding  
29 actual experience as compared to the financial plans. The quarterly  
30 financial plan update most proximate to October thirty-first of each  
31 year shall include the calculation of the limitations on the issuance of  
32 [state-supported] STATE-FUNDED debt computed pursuant to the provisions  
33 of [subdivisions one and two] SUBDIVISION THREE of section sixty-seven-b  
34 of this chapter.

35 S 6. Subdivision 2 of section 68-a of the state finance law, as  
36 amended by section 36 of part U of chapter 59 of the laws of 2012, is  
37 amended to read as follows:

38 2. "Authorized purpose" for purposes of this article and section nine-  
39 ty-two-z of this chapter shall mean any [purposes] PURPOSE for which  
40 [state-supported] STATE-FUNDED debt, as defined by section sixty-seven-a  
41 of this chapter, may or has been issued except debt for which the state  
42 is constitutionally obligated thereunder to pay debt service and related  
43 expenses, and except (a) as authorized in paragraph (b) of subdivision  
44 one of section three hundred eighty-five of the public authorities law,  
45 (b) as authorized for the department of health of the state of New York  
46 facilities as specified in paragraph a of subdivision two of section  
47 sixteen hundred eighty of the public authorities law, (c) state univer-  
48 sity of New York dormitory facilities as specified in subdivision eight  
49 of section sixteen hundred seventy-eight of the public authorities law,  
50 and (d) as authorized for mental health services facilities by section  
51 nine-a of section one of chapter three hundred ninety-two of the laws of  
52 nineteen hundred seventy-three constituting the New York state medical  
53 care facilities [financing] FINANCE AGENCY act. Notwithstanding the  
54 provisions of clause (d) of this subdivision, for the period April  
55 first, two thousand nine through March thirty-first, two thousand thir-  
56 teen, mental health services facilities, as authorized by section nine-a

1 of section one of chapter three hundred ninety-two of the laws of nine-  
2 teen hundred seventy-three constituting the New York state medical care  
3 facilities [financing] FINANCE AGENCY act, shall constitute an author-  
4 ized purpose.

5 S 7. Section 69-a of the state finance law, as added by section 38 of  
6 part K of chapter 81 of the laws of 2002, subdivision 6 as amended by  
7 section 9 of part A of chapter 63 of the laws of 2005 and subdivision 7  
8 as amended by section 35 of part T of chapter 57 of the laws of 2007, is  
9 amended to read as follows:

10 S 69-a. Definitions. As used throughout this article, the following  
11 terms shall have the following meanings:

12 1. "Variable rate bonds" shall mean any [State-supported] STATE-FUNDED  
13 debt which bears interest at a rate or rates which varies from time to  
14 time.

15 2. "Interest rate exchange or similar agreement" shall mean a written  
16 contract entered into in connection with the issuance of [State-support-  
17 ed] STATE-FUNDED debt, or in connection with such [State-supported]  
18 STATE-FUNDED debt already outstanding, with a counterparty to provide  
19 for an exchange of payments based upon fixed and/or variable interest  
20 rates, and shall be for exchanges in currency of the United States of  
21 America only.

22 3. "[State-supported] STATE-FUNDED debt" shall mean all debt included  
23 in subdivision [one] THREE of section sixty-seven-a of this chapter.

24 4. "Authorized issuer" shall mean the state or any state public corpo-  
25 ration which is authorized to issue [State-supported] STATE-FUNDED debt.

26 5. "Governing board" shall mean, for each state public corporation  
27 which is authorized to issue [State-supported] STATE-FUNDED debt, its  
28 board of directors or, in the absence of a board of directors, its other  
29 appropriate supervising body and, in relation to state general obli-  
30 gation debt, the state comptroller.

31 6. "Variable rate debt instruments" shall mean, for any calculation  
32 purpose, (i) variable rate bonds or (ii) any [state-supported]  
33 STATE-FUNDED debt and related interest rate exchange or similar agree-  
34 ments which, when considered together, result in an authorized issuer  
35 effectively paying interest at a rate or rates which varies from time to  
36 time, but shall not include any variable rate bonds, or any [state-sup-  
37 ported] STATE-FUNDED debt considered together with related interest rate  
38 exchange or similar agreements issued on or before July first, two thou-  
39 sand five, during any period that such instrument or instruments provide  
40 for payment by the authorized issuer of a fixed rate throughout the then  
41 current fiscal year of the state.

42 7. "Excluded agreements" shall mean the total notional amount of  
43 interest rate exchange or similar agreements entered into for the  
44 purpose of reducing or eliminating a situation of risk or exposure under  
45 an existing interest rate exchange or similar agreement, including, but  
46 not limited to a counterparty downgrade, default, or other actual or  
47 potential economic loss; provided, however, that for agreements entered  
48 into on and after April first, two thousand seven "excluded agreements"  
49 shall mean the total notional amount of interest rate exchange or simi-  
50 lar agreements entered into for the purpose of reducing or eliminating a  
51 situation of imminent risk under an existing interest rate exchange or  
52 similar agreement, including, but not limited to a counterparty down-  
53 grade, default, or other actual or imminent economic loss.

54 S 8. Section 69-b of the state finance law, as amended by section 57-d  
55 of part BB of chapter 58 of the laws of 2011, is amended to read as  
56 follows:

1 S 69-b. Limitation on amount of variable rate debt instruments. As of  
2 the initial date of each issuance of variable rate bonds or the date of  
3 entering into any other variable rate debt instruments, or for debt  
4 issued on or before July first, two thousand five upon conversion of any  
5 [state-supported] STATE-FUNDED debt to variable rate debt instruments,  
6 the total of the principal and notional amounts of such variable rate  
7 debt instruments outstanding and in effect shall not exceed an amount  
8 equal to fifteen percent of the total principal amount of [state-sup-  
9 ported] STATE-FUNDED debt outstanding.

10 S 9. The opening paragraph of section 69-c of the state finance law,  
11 as amended by section 35 of part PP of chapter 56 of the laws of 2009,  
12 is amended to read as follows:

13 Notwithstanding any other provision of law to the contrary, any  
14 [State-supported] STATE-FUNDED debt may be issued as variable rate  
15 bonds.

16 S 10. The opening paragraph and paragraph (d) of subdivision 1 of  
17 section 69-d of the state finance law, as amended by section 33 of part  
18 P2 of chapter 62 of the laws of 2003, are amended to read as follows:

19 In connection with the issuance of [State-supported] STATE-FUNDED  
20 debt, or in connection with such [State-supported] STATE-FUNDED debt  
21 already outstanding, an authorized issuer shall have the power to:

22 (d) the state, acting through the director of the budget or other  
23 state officials who are so authorized by applicable law with respect to  
24 such bonds, notes or other obligations, shall also be authorized to  
25 enter into or amend agreements related to such [State-supported] STATE-  
26 FUNDED debt to provide for payment, subject to appropriation, to such  
27 authorized issuer of any amounts required to be paid by such authorized  
28 issuer under any such interest rate exchange or similar agreement;

29 S 11. Paragraphs (c) and (d) of subdivision 2 of section 69-d of the  
30 state finance law, paragraph (c) as amended by section 57-e of part BB  
31 of chapter 58 of the laws of 2011, paragraph (d) as added by section 38  
32 of part K of chapter 81 of the laws of 2002, are amended to read as  
33 follows:

34 (c) the total notional amount of all interest rate exchange or similar  
35 agreements for all authorized issuers to be in effect shall not exceed  
36 an amount equal to fifteen percent of the total amount of [state-sup-  
37 ported] STATE-FUNDED debt outstanding as of the initial date of entering  
38 into each new agreement; provided, however, that such total notional  
39 amount shall not include any excluded agreements[.];

40 (d) no interest rate exchange or similar agreement shall have a matu-  
41 rity exceeding the maturity of the related [State-supported] STATE-FUND-  
42 ED debt;

43 S 12. Section 69-e of the state finance law, as added by section 38 of  
44 part K of chapter 81 of the laws of 2002, is amended to read as follows:

45 S 69-e. Applicability. Nothing in this article shall be construed as  
46 to apply to or limit any debt obligation or related instrument of the  
47 state, state public corporations, or any other issuers except those  
48 obligations or instruments which are or relate to [State-supported]  
49 STATE-FUNDED debt.

50 S 13. Paragraph (a) of subdivision 3 of section 97-rrr of the state  
51 finance law, as amended by section 45 of part H of chapter 56 of the  
52 laws of 2000, is amended to read as follows:

53 (a) for the payment of principal, interest, and related expenses on  
54 general obligation bonds, lease purchase payments, or special contractu-  
55 al obligation payments, or for the purposes of retiring or defeasing

bonds previously issued, including any accrued interest thereon, for any [state-supported] STATE-FUNDED bonding program or programs, and;

S 14. Section 367 of the public authorities law, as amended by section 54 of part PP of chapter 56 of the laws of 2009, is amended to read as follows:

S 367. State's right to require redemption of bonds. Notwithstanding and in addition to any provisions for the redemption of bonds which may be contained in any contract with the holders of the bonds, the state may, upon furnishing sufficient funds therefor, require the authority to redeem, prior to maturity, as a whole, any issue of bonds on any interest payment date not less than fifteen years after the date of the bonds of such issue at one hundred four per centum of their face value and accrued interest or at such lower redemption price as may be provided in the bonds in case of the redemption thereof as a whole on the redemption date. Notice of such redemption shall be published in at least two newspapers published and circulating respectively in the cities of Albany and New York at least twice, the first publication to be at least thirty days before the date of redemption. The provisions of this section relating to the state's right to require redemption of bonds, shall not apply to [state-supported] STATE-FUNDED debt, as defined by section sixty-seven-a of the state finance law, issued by the authority. Such authority bonds shall remain subject to redemption pursuant to any contract with the holders of such bonds.

S 15. Section 1293 of the public authorities law, as amended by section 55 of part PP of chapter 56 of the laws of 2009, is amended to read as follows:

S 1293. Right of state to require redemption of bonds. Notwithstanding and in addition to any provisions for the redemption of bonds which may be contained in any contract with the holders of the bonds, the state may, upon furnishing sufficient funds therefor, require the corporation to redeem, prior to maturity, as a whole, any issue of bonds on any interest payment date not less than twenty years after the date of the bonds of such issue at one hundred five per centum of their face value and accrued interest or at such lower redemption price as may be provided in the bonds in case of the redemption thereof as a whole on the redemption date. Notice of such redemption shall be published in at least two newspapers publishing and circulating respectively in the cities of Albany and New York at least twice, the first publication to be at least thirty days before the date of redemption. The provisions of this section relating to the state's right to require redemption of bonds shall not apply to [state-supported] STATE-FUNDED debt, as defined by section sixty-seven-a of the state finance law, issued by the corporation. Such corporation bonds shall remain subject to redemption pursuant to any contract with the holders of such bonds.

S 16. Section 49 of the private housing finance law, as amended by section 52 of part PP of chapter 56 of the laws of 2009, is amended to read as follows:

S 49. State's right to require redemption of bonds. Notwithstanding and in addition to any provisions for the redemption of bonds which may be contained in any contract with the holders of the bonds, the state may, upon furnishing sufficient funds therefor, require the agency to redeem, prior to maturity, as a whole, any issue of bonds on any interest payment date not less than twenty years after the date of the bonds of such issue at one hundred five per centum of their face value and accrued interest or at such lower redemption price as may be provided in the bonds in case of the redemption thereof as a whole on the redemption

1 date. Notice of such redemption shall be published in at least two news-  
2 papers publishing and circulating respectively in the cities of Albany  
3 and New York at least twice, the first publication to be at least thirty  
4 days before the date of redemption. The provisions of this section  
5 relating to the state's right to require redemption of bonds, shall not  
6 apply to [state-supported] STATE-FUNDED debt, as defined in section  
7 sixty-seven-a of the state finance law, issued by the agency. Such agen-  
8 cy bonds shall remain subject to redemption pursuant to any contract  
9 with the holders of such bonds.

10 S 17. Section 73 of the state finance law, as amended by section 36-a  
11 of part U of chapter 59 of the laws of 2012, is amended to read as  
12 follows:

13 S 73. Federal interest subsidy payments. Notwithstanding any other  
14 provision of law to the contrary, the comptroller shall deposit any  
15 federal interest subsidy payments received by the state for [state-sup-  
16 ported] STATE-FUNDED debt issued as build America bonds (BABs) or Quali-  
17 fied School Construction Bonds (QSCBs), as authorized pursuant to the  
18 American Recovery and Reinvestment Act of 2009 (ARRA), as amended or  
19 pursuant to any successor authorization, to each respective debt service  
20 fund which relates to such bonds.

21 S 18. Section 25 of section 1 of chapter 174 of the laws of 1968,  
22 constituting the New York state urban development corporation act, as  
23 amended by section 53 of part PP of chapter 56 of the laws of 2009, is  
24 amended to read as follows:

25 S 25. State's right to require redemption of bonds. Notwithstanding  
26 and in addition to any provisions for the redemption of bonds which may  
27 be contained in any contract with the holders of the bonds, the state  
28 may, upon furnishing sufficient funds therefor, require the corporation  
29 to redeem, prior to maturity, as a whole, any issue of bonds on any  
30 interest payment date not less than twenty years after the date of the  
31 bonds of such issue at one hundred five per centum of their face value  
32 and accrued interest or at such lower redemption price as may be  
33 provided in the bonds in case of the redemption thereof as a whole on  
34 the redemption date. Notice of such redemption shall be published at  
35 least twice in at least two newspapers publishing and circulating  
36 respectively in the cities of Albany and New York, the first publication  
37 to be at least thirty days before the date of redemption. The provisions  
38 of this section relating to the state's right to require redemption of  
39 bonds shall not apply to [state-supported] STATE-FUNDED debt, as defined  
40 by section 67-a of the state finance law, issued by the corporation.  
41 Such corporation bonds shall remain subject to redemption pursuant to  
42 any contract with the holders of such bonds.

43 S 19. This act shall take effect immediately, provided, however, that  
44 section 67-b-1 of the state finance law, as added by section one of this  
45 act, shall expire and be deemed repealed March 31, 2023; and provided,  
46 further, however, that subdivisions 3 and 6 of section 67-c of the state  
47 finance law, as added by section one of this act, shall take effect on  
48 the same date as the amendments to article 7 of the state constitution  
49 relating to the authorization of multiple general obligation issuances  
50 and revenue backed bonds on the ballot and restricting the use of debt  
51 to capital purposes with strict limitations on exceptions for specific  
52 purposes, as proposed in a concurrent resolution of the Senate and  
53 Assembly entitled "CONCURRENT RESOLUTION OF THE SENATE AND ASSEMBLY  
54 proposing amendments to article 7 of the constitution, in relation to  
55 authorization of debt in times of public emergency, a limit on the total



1 amount of state-funded debt, and the refunding of state debts", takes  
2 effect.

3 S 3. Severability clause. If any clause, sentence, paragraph, subdivi-  
4 sion, section or part of this act shall be adjudged by any court of  
5 competent jurisdiction to be invalid, such judgment shall not affect,  
6 impair, or invalidate the remainder thereof, but shall be confined in  
7 its operation to the clause, sentence, paragraph, subdivision, section  
8 or part thereof directly involved in the controversy in which such judg-  
9 ment shall have been rendered. It is hereby declared to be the intent of  
10 the legislature that this act would have been enacted even if such  
11 invalid provisions had not been included herein.

12 S 4. This act shall take effect immediately; provided, however, that  
13 the applicable effective date of Parts A through C of this act shall be  
14 as specifically set forth in the last section of such Parts.