S T A T E O F N E W Y O R K

5843

2013-2014 Regular Sessions

I N S E N A T E

June 17, 2013

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

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

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

Section 1. The public authorities law is amended by adding a new section 1689-j to read as follows:

S 1689-J. NASSAU AND SUFFOLK COUNTIES; AUTHORITY FINANCING ASSISTANCE. 1. THE DORMITORY AUTHORITY IS AUTHORIZED TO PROVIDE FINANCING ASSISTANCE TO THE COUNTIES OF NASSAU AND SUFFOLK IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION.

2. DEFINITIONS. FOR THE PURPOSES OF THIS TITLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(A) "COMPTROLLER" MEANS THE COMPTROLLER OF A COUNTY, OR ANY SUCCESSOR OFFICER.

(B) "COUNTY" MEANS NASSAU COUNTY OR SUFFOLK COUNTY.

(C) "COUNTY EXECUTIVE" MEANS THE COUNTY EXECUTIVE OF A COUNTY.

(D) "COUNTY PLEDGED REVENUES" MEANS A COUNTY'S TAX REVENUES PAID TO THE DORMITORY AUTHORITY PURSUANT TO THIS SECTION.

(E) "COUNTY TAX REVENUES" MEANS NET COLLECTIONS SET ASIDE FOR COUNTY PURPOSES PURSUANT TO SUBDIVISION (A) OF SECTION TWELVE HUNDRED SIXTY-TWO OF THE TAX LAW, FROM A COUNTY'S SALES AND COMPENSATING USE TAXES IMPOSED PURSUANT TO THE AUTHORITY OF SUBPART B OF PART ONE OF ARTICLE TWENTY-NINE OF THE TAX LAW.

(F) "FINANCEABLE COSTS" OR "COSTS" MEAN COSTS TO FINANCE (I) AMOUNTS NECESSARY TO ACCOMPLISH A REFUNDING, REPAYMENT OR RESTRUCTURING OF ALL OR A PORTION OF A COUNTY'S OUTSTANDING INDEBTEDNESS, (II) ANY OBJECT OR PURPOSE OF A COUNTY, FOR WHICH A PERIOD OF PROBABLE USEFULNESS IS PRESCRIBED IN SECTION 11.00 OF THE LOCAL FINANCE LAW, INCLUDING THE COSTS OF ANY PRELIMINARY STUDIES, SURVEYS, MAPS, PLANS, ESTIMATES AND

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

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

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

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

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

(C) THE DORMITORY AUTHORITY MAY ENTER INTO AGREEMENTS WITH A COUNTY, AND A COUNTY, ACTING BY ITS COUNTY EXECUTIVE, AND APPROVED BY ITS LEGISLATURE, MAY ENTER INTO AGREEMENTS WITH THE DORMITORY AUTHORITY IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION AS TO THE FINANCING OF COSTS BY THE DORMITORY AUTHORITY, THE APPLICATION OF COUNTY PLEDGED REVENUES TO SECURE THE DORMITORY AUTHORITY'S BONDS, NOTES OR OTHER OBLIGATIONS, AND FURTHER ASSURANCES IN RESPECT OF THE DORMITORY AUTHORITY'S RECEIPT OF COUNTY PLEDGED REVENUES. NOTWITHSTANDING ANY GENERAL, SPECIAL OR LOCAL LAW TO THE CONTRARY, SUCH AGREEMENTS AND ANY FINANCING OF COSTS AUTHORIZED BY THIS SECTION MAY BE ENTERED INTO, OR AGREED TO, BY THE COUNTY OF NASSAU WITHOUT APPROVAL OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY. THE COUNTY PLEDGED REVENUES SHALL NOT BE DEEMED TO BE FUNDS OF SUCH COUNTY. ANY SUCH AGREEMENTS WITH SUCH COUNTY MAY BE PLEDGED BY THE DORMITORY AUTHORITY TO SECURE ITS BONDS, NOTES OR OTHER OBLIGATIONS AND SUCH PLEDGE MAY NOT BE MODIFIED THEREAFTER EXCEPT AS PROVIDED BY THE TERMS OF THE BOND RESOLUTION OR INDENTURE PURSUANT TO WHICH SUCH BONDS, NOTES OR OTHER OBLIGATIONS HAVE BEEN ISSUED.

(D) SUCH AGREEMENTS BETWEEN A COUNTY AND THE DORMITORY AUTHORITY SHALL: (I) DESCRIBE THE PARTICULAR FINANCEABLE COSTS TO BE FINANCED IN WHOLE OR IN PART BY THE DORMITORY AUTHORITY; (II) DESCRIBE THE PLAN FOR THE FINANCING OF THE COSTS; (III) SET FORTH THE METHOD BY WHICH AND BY WHOM AND THE TERMS AND CONDITIONS UPON WHICH MONEY PROVIDED BY THE DORMITORY AUTHORITY SHALL BE DISBURSED TO SUCH COUNTY; (IV) WHERE APPROPRIATE, PROVIDE FOR THE PAYMENT OF SUCH COSTS BY SUCH COUNTY UNDER SUCH CONTRACTS AS SHALL BE AWARDED BY SUCH COUNTY OR FOR SUCH COUNTY TO MAKE A CAPITAL CONTRIBUTION OF SUCH PROCEEDS AS COUNTY FUNDS TO ANOTHER ENTITY FOR THE PAYMENT OR REIMBURSEMENT OF SUCH COSTS; AND (V) REQUIRE EVERY CONTRACT ENTERED INTO BY SUCH COUNTY OTHER THAN THE LOAN AGREEMENT ENTERED INTO BY SUCH COUNTY WITH THE DORMITORY AUTHORITY, OR ANOTHER ENTITY RECEIVING FUNDS FROM SUCH COUNTY, FOR COSTS TO BE FINANCED IN WHOLE OR IN PART BY THE DORMITORY AUTHORITY TO BE SUBJECT TO THE PROVISIONS OF THE COUNTY CHARTER OF SUCH COUNTY AND OTHER APPLICABLE LAWS GOVERNING CONTRACTS OF SUCH COUNTY OR SUCH ENTITY, AS THE CASE MAY BE.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

COUNTY ARE PAYABLE TO THE DORMITORY AUTHORITY, or for any public benefit corporation to which the tax may be payable pursuant to law. Such deposits and deposits received pursuant to subdivision (b) of section twelve hundred fifty-two of this article shall be kept in trust and separate and apart from all other monies in the possession of the comptroller. The comptroller shall require adequate security from all such depositories of such revenue collected by the commissioner, including the deposits received pursuant to subdivision (b) of section twelve hundred fifty-two of this article. Any amount payable to such authorities pursuant to the public authorities law shall, at the time it is otherwise payable to (i) Nassau county, (ii) Erie county or the city of Buffalo, [or] (iii) Erie county, OR (IV) SUFFOLK COUNTY, respectively, as specified in this section, be paid instead to such respective authority. Any amount payable to a public benefit corporation pursuant to law shall, at the time it is otherwise payable to the taxing jurisdiction as specified in this section, be paid instead to such public benefit corporation.

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

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

otherwise provided for or the Erie county fiscal stability authority's operating expenses not otherwise provided for, respectively, and then TO THE DORMITORY AUTHORITY'S CONTRACTS WITH BONDHOLDERS FOR OBLIGATIONS ISSUED TO PROVIDE FINANCIAL ASSISTANCE TO NASSAU COUNTY AND THEN (i) pursuant to the Nassau county interim finance authority's agreements with the county of Nassau, which agreements shall require the Nassau county interim finance authority to transfer such taxes, penalties and interest remaining after providing for contractual or other obligations of the Nassau county interim finance authority, and subject to any agreement between such authority and the county of Nassau, AND THEN PURSUANT TO THE DORMITORY AUTHORITY'S AGREEMENTS WITH THE COUNTY OF NASSAU, WHICH AGREEMENTS SHALL REQUIRE THE DORMITORY AUTHORITY TO TRANSFER SUCH TAXES, PENALTIES AND INTEREST REMAINING AFTER PROVIDING FOR CONTRACTUAL OR OTHER OBLIGATIONS OF THE DORMITORY AUTHORITY, AND SUBJECT TO ANY AGREEMENT BETWEEN SUCH AUTHORITY AND THE COUNTY OF NASSAU, to the county of Nassau as frequently as practicable; or (ii) pursuant to the Buffalo fiscal stability authority's agreements with the city of Buffalo, which agreements shall require the Buffalo fiscal stability authority to transfer such taxes, penalties and interest remaining after providing for contractual or other obligations of the Buffalo fiscal stability authority, and subject to any agreement between such authority and the city of Buffalo, to the city of Buffalo or the city of Buffalo school district, as the case may be, as frequently as practicable; or (iii) pursuant to the Erie county fiscal stability authority's agreements with the county of Erie, which agreements shall require the Erie county fiscal stability authority to transfer such taxes, penalties and interest remaining after providing for contractual or other obligations of the Erie county fiscal stability authority, and subject to any agreement between such authority and the county of Erie, to the county of Erie as frequently as practicable; OR (IV) PURSUANT TO THE DORMITORY AUTHORITY'S AGREEMENTS WITH THE COUNTY OF SUFFOLK, WHICH AGREEMENTS SHALL REQUIRE THE DORMITORY AUTHORITY TO TRANSFER SUCH TAXES, PENALTIES AND INTEREST REMAINING AFTER PROVIDING FOR CONTRACTUAL OR OTHER OBLIGATIONS OF THE DORMITORY AUTHORITY, AND SUBJECT TO ANY AGREEMENT BETWEEN SUCH AUTHORITY AND THE COUNTY OF SUFFOLK, TO THE COUNTY OF SUFFOLK AS FREQUENTLY AS PRACTICABLE. During the period that the comptroller is required to make payments to the Nassau county interim finance authority OR TO THE DORMITORY AUTHORITY described in the previous sentence, the county of Nassau shall have no right, title or interest in or to such taxes, penalties and interest required to be paid to the Nassau county interim finance authority OR TO THE DORMITORY AUTHORITY, except as provided in such RESPECTIVE authority's agreements with the county of Nassau. During the period that the comptroller is required to make payments to the Buffalo fiscal stability authority described in the second previous sentence, the city of Buffalo and such school district shall have no right, title or interest in or to such taxes, penalties and interest required to be paid to the Buffalo fiscal stability authority, except as provided in such authority's agreements with the city of Buffalo. During the period that the comptroller is required to make payments to the Erie county fiscal stability authority described in the third previous sentence, the county of Erie shall have no right, title or interest in or to such taxes, penalties and interest required to be paid to the Erie county fiscal stability authority, except as provided in such authority's agreements with the county of Erie. DURING THE PERIOD THAT THE COMPTROLLER IS REQUIRED TO MAKE PAYMENTS TO THE DORMITORY AUTHORITY PURSUANT TO THE DORMITORY AUTHORITY'S AGREEMENTS WITH THE

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

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

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

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

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