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

7017

I N S E N A T E

April 14, 2014

Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT making certain findings and determinations with respect to certain bond anticipation notes issued by the town of Clifton, in the county of St. Lawrence, validating and legalizing the same, and authorizing the issuance of obligations of such town with respect thereto

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

Section 1. Legislative findings. It is hereby found and determined that the town of Clifton, in the county of St. Lawrence, New York:

(a) undertook the following described actions: (i) duly adopted a bond resolution on October 12, 2011, which was subsequently amended on March 20, 2013, June 12, 2013 and July 24, 2013, authorizing the issuance of $4,314,000.00 serial bonds for the establishment of a sewer district and wastewater treatment plant improvements for such district; (ii) issued a bond anticipation note on March 22, 2012 in the amount of $150,000.00 maturing one year from the date of issuance; (iii) issued a bond anticipation renewal note on March 21, 2013 for an additional year; (iv) refinanced the $150,000 bond anticipation note with the partial proceeds of a $667,000 New York State Environmental Facilities Corporation (EFC) Clean Water State Revolving Fund (CWSRF) financing which closed on September 26, 2013; and (v) pursuant to such CWSRF financing, issued a $667,000 bond anticipation note to EFC dated September 26, 2013 and disbursed $235,556.81 in CWSRF financing proceeds pursuant to the EFC bond anticipation note prior to February 25, 2014.

(b) failed to obtain the permission of the state comptroller pursuant to paragraph 3 of section 104.10 of the local finance law prior to the issuance of: (i) the $150,000 bond anticipation note on March 22, 2012; (ii) the $150,000 bond anticipation renewal note on March 21, 2013; and (iii) the $667,000 EFC bond anticipation note on September 26, 2013.

(c) failed to make a principal payment on the $150,000 bond anticipation renewal note on March 20, 2014 as required by subdivision b of

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

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section 23.00 of the local finance law but rather made the payment late on March 26, 2014.

S 2. Notwithstanding the defects described in section one of this act, the bond anticipation notes issued by the town and EFC in anticipation of the bonds authorized pursuant to each of the bond resolutions identified in section one of this act, and all disbursements made in connection with the aforesaid bond anticipation notes, or resolutions, acts and proceedings adopted or taken by the board in relation thereto, are hereby validated, ratified and confirmed and the late principal payment made is forgiven. The town is hereby authorized to issue bonds or bond anticipation renewal notes to continue financing the objects and purposes authorized pursuant to the aforesaid bond resolutions over the period of probable usefulness thereof as set forth in section 11.00 of the local finance law.

S 3. Except as otherwise provided in this act, any obligations issued pursuant to this act shall be issued in accordance with the provisions of the local finance law.

S 4. If any clause, sentence, subdivision, paragraph, section or part of this act 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, subdivision, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

S 5. This act shall take effect immediately.