

5651

2015-2016 Regular Sessions

I N   A S S E M B L Y

March 3, 2015

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Introduced by M. of A. RUSSELL -- read once and referred to the Committee on Corporations, Authorities and Commissions

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

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

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

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

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1 BY DOUBLING THE SEMI-ANNUAL INTEREST RATE (COMPOUNDED SEMI-ANNUALLY)  
2 NECESSARY TO DISCOUNT THE DEBT SERVICE PAYMENTS ON THE REFUNDING OR  
3 REPAYMENT BONDS, NOTES OR OTHER OBLIGATIONS FROM THE PAYMENT DATES THEREOF  
4 TO THE DATE OF ISSUE OF THE REFUNDING OR REPAYMENT BONDS, NOTES OR  
5 OTHER OBLIGATIONS AND TO THE PRICE BID INCLUDING ESTIMATED ACCRUED  
6 INTEREST OR PROCEEDS RECEIVED BY THE AUTHORITY INCLUDING ESTIMATED  
7 ACCRUED INTEREST FROM THE SALE THEREOF. THE AUTHORITY SHALL HAVE POWER  
8 AND IS HEREBY AUTHORIZED TO ENTER INTO SUCH AGREEMENT AND PERFORM SUCH  
9 ACTS AS MAY BE REQUIRED UNDER ANY APPLICABLE FEDERAL LEGISLATION TO  
10 SECURE A FEDERAL GUARANTEE OF ANY BONDS.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37 S 3. This act shall take effect immediately.