

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

9516

I N A S S E M B L Y

March 10, 2016

Introduced by M. of A. MAGNARELLI -- read once and referred to the
Committee on Education

AN ACT to amend the education law and the city of Syracuse and the board
of education of the city school district of the city of Syracuse coop-
erative school reconstruction act, in relation to obligations issued
to finance school rehabilitation or reconstruction in the city school
district of the city of Syracuse

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

1 Section 1. Item (iii) of clause (a) of subparagraph 5 of paragraph e
2 of subdivision 6 of section 3602 of the education law, as amended by
3 chapter 416 of the laws of 2007, is amended to read as follows:
4 (iii) Notwithstanding the provisions of item (i) of this clause, where
5 such city has entered into an agreement with the state of New York
6 municipal bond bank agency pursuant to subdivision one of section twen-
7 ty-four hundred thirty-five-a of the public authorities law and subdivi-
8 sion (a) of section fourteen of the city of Syracuse and the board of
9 education of the city school district of the city of Syracuse cooper-
10 ative school reconstruction act, or an agreement with the city of Syra-
11 cuse industrial development agency for projects authorized pursuant to
12 the city of Syracuse and the board of education of the city school
13 district of the city of Syracuse cooperative school reconstruction act,
14 to finance [debt related to] school rehabilitation or reconstruction
15 that is subject to subparagraph three of this paragraph, the lesser of:
16 (A) the net interest cost as defined by the commissioner, applicable to
17 [the] EACH SERIES OF obligations ORIGINALLY issued by the state of New
18 York municipal bond bank agency or the city of Syracuse industrial
19 development agency for such purpose, WITHOUT REGARD TO ANY REFUNDING OF
20 SUCH OBLIGATIONS; or (B) such net interest cost, as defined by the
21 commissioner that would have been applicable to [bonds issued by the
22 state of New York municipal bond bank agency if the project had been
23 authorized to be financed and had been financed through such entity, as
24 certified to the commissioner by the executive director of the state of
25 New York municipal bond bank agency shall be the interest rate estab-

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

LBD14307-02-6

lished for such city applicable to such debt] EACH SERIES OF OBLIGATIONS
ORIGINALLY ISSUED TO FINANCE EACH PHASE OF PROJECT COSTS APPROVED BY THE
COMMISSIONER, BY THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY, WITH-
OUT REGARD TO ANY REFUNDING OF SUCH OBLIGATIONS, IF THE PROJECT HAD BEEN
FINANCED THROUGH SUCH AGENCY, AS CERTIFIED TO THE COMMISSIONER BY THE
EXECUTIVE DIRECTOR OF THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY,
SHALL BE THE INTEREST RATE ESTABLISHED FOR SUCH CITY APPLICABLE FOR
PURPOSES OF CALCULATING THE ASSUMED AMORTIZATION FOR SUCH APPROVED
PROJECT COSTS PURSUANT TO CLAUSE (B) OF SUBPARAGRAPH THREE OF THIS PARA-
GRAPH.

FOR PROJECTS APPROVED BY THE COMMISSIONER IN ANY SCHOOL YEAR IN WHICH
CAPITAL DEBT IS INCURRED BY EITHER THE STATE OF NEW YORK MUNICIPAL BOND
BANK AGENCY OR THE CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY TO
REFUND DEBT RELATED TO SCHOOL RENOVATION, REHABILITATION OR RECON-
STRUCTION OF OR ON BEHALF OF THE SCHOOL DISTRICT, WHERE SUCH SCHOOL
RENOVATION, REHABILITATION OR RECONSTRUCTION QUALIFIES FOR APPORTIONMENT
PURSUANT TO SUBPARAGRAPH THREE OF THIS PARAGRAPH, BY THE FIRST DAY OF
SEPTEMBER OF THE CURRENT YEAR, THE CHIEF FISCAL OFFICER OF SUCH CITY
SHALL PROVIDE TO THE COMMISSIONER AN ANALYSIS, AS PRESCRIBED BY THE
COMMISSIONER, OF THE ACTUAL AVERAGE INTEREST RATE APPLIED TO ALL CAPITAL
DEBT INCURRED TO FINANCE OR REFUND DEBT RELATED TO SCHOOL RENOVATION,
REHABILITATION OR RECONSTRUCTION THAT QUALIFIES FOR APPORTIONMENT PURSU-
ANT TO SUBPARAGRAPH THREE OF THIS PARAGRAPH BY EITHER THE STATE OF NEW
YORK MUNICIPAL BOND BANK AGENCY OR THE CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY DURING THE BASE YEAR AND OF THE ESTIMATED AVERAGE
INTEREST RATE APPLIED TO ALL CAPITAL DEBT INCURRED TO FINANCE OR REFUND
DEBT RELATED TO SCHOOL RENOVATION, REHABILITATION OR RECONSTRUCTION THAT
IS SUBJECT TO SUBPARAGRAPH THREE OF THIS PARAGRAPH BY EITHER THE STATE
OF NEW YORK MUNICIPAL BOND BANK AGENCY OR THE CITY OF SYRACUSE INDUS-
TRIAL DEVELOPMENT AGENCY DURING THE CURRENT YEAR. SUCH INTEREST RATES
SHALL BE EXPRESSED AS A DECIMAL TO FIVE PLACES ROUNDED TO THE NEAREST
EIGHTH OF ONE-ONE HUNDREDTH. THE INTEREST RATE ESTABLISHED FOR SUCH CITY
APPLICABLE TO PROJECTS FIRST APPROVED IN SUCH YEAR SHALL BE TENTATIVELY
ESTABLISHED AS THE INTEREST RATE COMPUTED PURSUANT TO THIS CLAUSE FOR
THE CURRENT YEAR, EXCEPT THAT ALL APPORTIONMENTS OF AID PAYABLE DURING
THE CURRENT YEAR BASED ON SUCH ESTIMATED AVERAGE INTEREST RATE SHALL BE
RECALCULATED IN THE FOLLOWING YEAR AND ADJUSTED AS APPROPRIATE BASED ON
THE APPROPRIATE ACTUAL AVERAGE INTEREST RATE THEN ESTABLISHED PURSUANT
TO THIS CLAUSE AND SHALL BE THE INTEREST RATE ESTABLISHED FOR SUCH CITY
APPLICABLE FOR PURPOSES OF CALCULATING THE ASSUMED AMORTIZATION FOR
PROJECT COSTS APPROVED DURING THE CURRENT YEAR PURSUANT TO CLAUSE (B) OF
SUBPARAGRAPH THREE OF THIS PARAGRAPH.

S 2. Section 16 of part A-4 of chapter 58 of the laws of 2006, consti-
tuting the city of Syracuse and the board of education of the city
school district of the city of Syracuse cooperative school recon-
struction act, is amended by adding a new subdivision (c) to read as
follows:

(C) IN THE EVENT THAT REFUNDING BONDS ARE ISSUED TO REFUND BONDS
ISSUED TO FINANCE A PROJECT FUNDED PURSUANT TO THIS SECTION, THE REFUND-
ING SAVINGS AMOUNT SHALL BE USED ONLY FOR FUNDING OF PROJECTS THAT ARE
ELIGIBLE FOR AN APPORTIONMENT PURSUANT TO SUBDIVISION 6 OF SECTION 3602
OF THE EDUCATION LAW.

S 3. This act shall take effect immediately.