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

1669

2015-2016 Regular Sessions

I N S E N A T E

January 13, 2015

Introduced by Sen. LIBOUS -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the state finance law and the public authorities law, 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 upon expiration thereof

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

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 Article 5-B of the state finance law is REPEALED and a new article 5-B is added to read as follows:

ARTICLE 5-B

LIMITATIONS ON STATE-FUNDED DEBT

SECTION 67-A. DEFINITIONS.
67-B. DUTIES WITH RESPECT TO STATE-FUNDED DEBT.
67-C. LIMITATIONS ON THE ISSUANCE OF STATE-SUPPORTED DEBT.
67-D. LIMITATIONS ON STATE-FUNDED DEBT.
67-E. PROHIBITION OF CONTINGENT OBLIGATION DEBT.
67-F. USE OF SURPLUS MONEYS.
67-G. NEW YORK STATE DEBT PLANNING COUNCIL; CREATION; PROCEDURE.
67-H. POWERS AND DUTIES OF THE DEBT PLANNING COUNCIL.

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

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

2. "STATE-BACKED DEBT" SHALL MEAN ANY DEBT OR OBLIGATION, OTHER THAN STATE DEBT, THAT IS SUPPORTED IN WHOLE OR IN PART BY ANY FINANCING ARRANGEMENT WHEREBY THE STATE AGREES OR HAS IN THE PAST AGREED, WHETHER BY LAW, CONTRACT OR OTHERWISE, TO MAKE PAYMENTS WHICH WILL BE USED, DIRECTLY OR INDIRECTLY, FOR THE PAYMENT OF PRINCIPAL, INTEREST OR

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

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RELATED PAYMENTS ON INDEBTEDNESS INCURRED OR CONTRACTED BY THE STATE ITSELF FOR ANY PURPOSE, OR BY ANY STATE AGENCY, MUNICIPALITY, INDIVIDUAL, PUBLIC AUTHORITY OR OTHER PUBLIC OR PRIVATE CORPORATION OR ANY OTHER ENTITY FOR STATE CAPITAL OR OPERATING PURPOSES OR TO FINANCE GRANTS, LOANS OR OTHER ASSISTANCE PAYMENTS MADE OR TO BE MADE BY OR ON BEHALF OF THE STATE FOR ANY PURPOSE. IF THE STATE AGREES OR HAS AGREED ON OR AFTER APRIL FIRST, TWO THOUSAND TO MAKE FUTURE REVENUES FROM A SPECIFIC STATE SOURCE AVAILABLE FOR THE PURPOSE OF SUPPORTING DEBT OF ANY MUNICIPALITY, INDIVIDUAL, PUBLIC AUTHORITY OR OTHER PUBLIC OR PRIVATE CORPORATION OR ANY OTHER ENTITY, OR, IF ON OR AFTER SUCH DATE, A PROGRAM OF DEBT IS AUTHORIZED TO BE ISSUED WHERE STATE AID IS INTENDED TO BE THE SOLE SOURCE OF PAYMENT OF DEBT SERVICE, SUCH DEBT SHALL BE CONSIDERED TO BE A DEBT FOR THE PURPOSE OF FINANCING A STATE GRANT, LOAN OR OTHER ASSISTANCE PAYMENT AND SHALL BE A "STATE-BACKED DEBT" FOR THE PURPOSES OF THIS ARTICLE. THE TERM "STATE-BACKED DEBT" APPLIES TO ALL DEBT OR OBLIGATIONS DESCRIBED IN THIS SUBDIVISION FOR WHICH THE STATE AGREES, OR HAS IN THE PAST AGREED, TO MAKE PAYMENTS (A) WHETHER OR NOT THE OBLIGATION OF THE STATE TO MAKE PAYMENTS IS SUBJECT TO APPROPRIATION, OR (B) WHETHER OR NOT DEBT SERVICE IS TO BE PAID FROM A REVENUE STREAM TRANSFERRED BY THE STATE TO ANOTHER PARTY THAT IS RESPONSIBLE FOR MAKING SUCH PAYMENTS.

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

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

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

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

7. "CAPITAL WORK OR PURPOSE" SHALL MEAN ANY PROJECT INVOLVING:

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

(B) THE MAJOR REPAIR OR RENOVATION OF A FIXED ASSET, WHICH MATERIALLY EXTENDS ITS USEFUL LIFE OR MATERIALLY IMPROVES OR INCREASES ITS CAPACITY; OR

(C) THE PLANNING OR DESIGN OF THE ACQUISITION, CONSTRUCTION, DEMOLITION, REPLACEMENT, MAJOR REPAIR OR RENOVATION OF A FIXED ASSET, INCLUDING THE PREPARATION AND REVIEW OF PLANS AND SPECIFICATIONS INCLUDING

ENGINEERING AND OTHER SERVICES, FIELD SURVEYS AND SUB-SURFACE INVESTIGATIONS INCIDENTAL THERETO.

8. "CONDUIT DEBT OBLIGATION" SHALL MEAN A DEBT OBLIGATION ISSUED BY A PUBLIC AUTHORITY (THE "CONDUIT ISSUER") ON BEHALF OF A THIRD PARTY (THE "CONDUIT BORROWER") OTHER THAN THE STATE OR A POLITICAL SUBDIVISION OF THE STATE, WHERE PAYMENT OF THE OBLIGATION IS TO BE MADE FROM FUNDS OF THE CONDUIT BORROWER, THE SECURITY FOR THE OBLIGATION IS THE CREDIT OF THE CONDUIT BORROWER AND NO FUNDS OF THE CONDUIT ISSUER, THE STATE OR A POLITICAL SUBDIVISION OF THE STATE ARE PLEDGED TO SECURE THE OBLIGATION, WHETHER OR NOT THE OBLIGATION OF THE CONDUIT ISSUER, THE STATE OR POLITICAL SUBDIVISION OF THE STATE IS SUBJECT TO APPROPRIATION OR IS OTHERWISE CONTINGENT.

9. "CASH SURPLUS" SHALL MEAN THE AMOUNT GENERAL FUND RECEIPTS EXCEED GENERAL FUND EXPENDITURES IN SUCH FISCAL YEAR.

10. "STATE AUTHORITY" SHALL MEAN A PUBLIC AUTHORITY OR PUBLIC BENEFIT CORPORATION CREATED BY OR EXISTING UNDER THIS CHAPTER OR ANY OTHER LAW OF THE STATE, WITH ONE OR MORE OF ITS MEMBERS APPOINTED BY THE GOVERNOR OR WHO SERVE AS MEMBERS BY VIRTUE OF HOLDING A CIVIL OFFICE OF THE STATE, OTHER THAN AN INTERSTATE OR INTERNATIONAL AUTHORITY OR PUBLIC BENEFIT CORPORATION, INCLUDING SUBSIDIARIES OF SUCH PUBLIC AUTHORITY OR PUBLIC BENEFIT CORPORATION.

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

2. ON OR BEFORE OCTOBER THIRTY-FIRST, TWO THOUSAND TWENTY-FOUR AND OCTOBER THIRTY-FIRST OF EACH YEAR THEREAFTER, THE DIVISION OF BUDGET SHALL DETERMINE THE TOTAL DEBT LIMIT OF THE STATE, PURSUANT TO SECTION ELEVEN OF ARTICLE SEVEN OF THE CONSTITUTION FOR THE NEXT FISCAL YEAR, AND REPORT SUCH INFORMATION BY OCTOBER THIRTY-FIRST, TO THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE CHAIRPERSON AND RANKING MINORITY MEMBER OF THE SENATE FINANCE COMMITTEE, THE CHAIRPERSON AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, AND THE COMPTROLLER. ON OR BEFORE SUCH DATE, THE DIVISION OF BUDGET SHALL ISSUE A PUBLIC ANNOUNCEMENT OF SUCH LIMIT.

3. THE EXECUTIVE'S PROPOSED BUDGET FOR STATE FISCAL YEAR TWO THOUSAND SIXTEEN--TWO THOUSAND SEVENTEEN SHALL INCLUDE A PLAN SETTING FORTH THE ANNUAL TARGET PERCENTAGES AND METHODOLOGY FOR THE IMPLEMENTATION OF THE PROVISIONS OF SUBDIVISION ONE OF SECTION SIXTY-SEVEN-D OF THIS ARTICLE BY APRIL FIRST, TWO THOUSAND TWENTY-FIVE. A PROGRESS REPORT WITH RESPECT TO MEETING ANNUAL TARGET PERCENTAGES IN THE PLAN SHALL BE ISSUED ANNUALLY BY THE EXECUTIVE WITH RELEASE OF THE PROPOSED BUDGET AND, IN THE EVENT THE ACTUAL PERCENTAGES DEVIATE FROM THE TARGET PERCENTAGES SET FORTH IN THE INITIAL PLAN, SHALL INCLUDE AN EXPLANATION OF SUCH DEVIATIONS AND THE PROPOSED REMEDIAL ACTIONS DEEMED NECESSARY TO MEET SUCH TARGET PERCENTAGES BY APRIL FIRST, TWO THOUSAND TWENTY-FIVE. THE PLAN, AS WELL AS ANNUAL PROGRESS REPORTS, SHALL BE SUBJECT TO THE ANNUAL DEBT AFFORDABILITY LEVEL ESTABLISHED IN SECTION SIXTY-SEVEN-H OF THIS ARTICLE AND APPROVAL OF THE DEBT PLANNING COUNCIL ESTABLISHED IN SECTION SIXTY-SEVEN-G OF THIS ARTICLE.

S 67-C. LIMITATIONS ON THE ISSUANCE OF STATE-SUPPORTED DEBT. 1. (A) STATE-SUPPORTED DEBT MAY NOT BE CONTRACTED FOR UNLESS, AS OF OCTOBER THIRTY-FIRST, TWO THOUSAND FOUR AND AS OF EACH OCTOBER THIRTY-FIRST THEREAFTER, THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF SUCH DEBT, AS OF THE LAST DAY OF THE IMMEDIATELY PRECEDING FISCAL YEAR, IS LESS THAN THE

DESIGNATED PERCENTAGE OF THE TOTAL PERSONAL INCOME OF THE STATE. NOTHING SHALL PRECLUDE THE CONTRACTING OF STATE-SUPPORTED DEBT PRIOR TO OCTOBER THIRTY-FIRST OF EACH YEAR IF, AS OF THE LAST DAY OF THE IMMEDIATELY PRECEDING FISCAL YEAR, THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF SUCH DEBT WAS LESS THAN THE DESIGNATED PERCENTAGE OF THE TOTAL PERSONAL INCOME OF THE STATE. THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF DEBT SHALL INCLUDE ALL STATE-SUPPORTED DEBT ISSUED ON AND AFTER APRIL FIRST, TWO THOUSAND THREE. SUCH DESIGNATED PERCENTAGE SHALL BE SEVEN AND ONE-HALF-TENTHS OF ONE PERCENT FOR FISCAL YEAR TWO THOUSAND THREE--TWO THOUSAND FOUR, AND SHALL INCREASE BY FIVE-TENTHS OF ONE PERCENT IN FISCAL YEAR TWO THOUSAND FOUR--TWO THOUSAND FIVE, BY AN ADDITIONAL FOUR-TENTHS OF ONE PERCENT IN FISCAL YEAR TWO THOUSAND FIVE--TWO THOUSAND SIX, AND BY AN ADDITIONAL ONE-THIRD OF ONE PERCENT IN EACH OF THE SEVEN SUBSEQUENT FISCAL YEARS. THE DESIGNATED PERCENTAGE FOR FISCAL YEAR TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN AND FOR EACH FISCAL YEAR THEREAFTER SHALL BE FOUR PERCENT.

(B) IF STATE-SUPPORTED DEBT IS ISSUED TO REFUND OR OTHERWISE AFFECT THE REFUNDING, RETIREMENT OR DEFEASANCE OF STATE-SUPPORTED DEBT ORIGINALLY ISSUED ON AND AFTER APRIL FIRST, TWO THOUSAND THREE, PROVIDED SUCH REFUNDINGS ARE CONDUCTED IN ACCORDANCE WITH SECTION THIRTEEN OF ARTICLE SEVEN OF THE CONSTITUTION, THE CALCULATION OF THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF DEBT SHALL EXCLUDE SUCH REFUNDING DEBT, AND SHALL ONLY INCLUDE THE AMOUNT OF PRIOR REFUNDED DEBT, AS IF IT WERE STILL OUTSTANDING, IN EACH YEAR UNTIL SUCH REFUNDING DEBT IS FINALLY RETIRED. NOTWITHSTANDING THE FOREGOING, THE PROVISIONS OF SUCH SECTION THIRTEEN OF ARTICLE SEVEN OF THE CONSTITUTION RELATING TO THE MAINTENANCE OR MANAGEMENT OF ESCROW FUNDS AND SINKING FUNDS SHALL ONLY BE APPLICABLE TO STATE-SUPPORTED DEBT ISSUED BY THE STATE COMPTROLLER. IF STATE-SUPPORTED DEBT IS ISSUED TO REFUND OR OTHERWISE AFFECT THE REFUNDING, RETIREMENT OR DEFEASANCE OF STATE-SUPPORTED DEBT ISSUED PRIOR TO APRIL FIRST, TWO THOUSAND THREE, THEN THE AMOUNT OF SUCH REFUNDING DEBT SHALL BE EXCLUDED FROM THE CALCULATION OF THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF DEBT IN EACH YEAR UNTIL SUCH REFUNDING DEBT IS FINALLY RETIRED. IN ADDITION, IF STATE-SUPPORTED DEBT IS RETIRED OR DEFEASED WITH PAYMENTS IN ANY FISCAL YEAR MADE BY THE STATE THAT ARE NOT REQUIRED BY MANDATORY PAYMENTS, SUCH DEBT SHALL BE EXCLUDED FROM THE CALCULATION OF THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF DEBT, INCLUDING RETIREMENTS OR DEFEASANCES ACCOMPLISHED ON AN ECONOMIC BASIS.

2. STATE-SUPPORTED DEBT MAY NOT BE CONTRACTED FOR UNLESS, AS OF OCTOBER THIRTY-FIRST, TWO THOUSAND FOUR AND AS OF EACH OCTOBER THIRTY-FIRST THEREAFTER, THE TOTAL AMOUNT OF INTEREST, INSTALLMENTS OF PRINCIPAL, CONTRIBUTIONS TO SINKING FUNDS, AND RELATED PAYMENTS ON A CASH BASIS OF ACCOUNTING FOR STATE-SUPPORTED DEBT IN THE IMMEDIATELY PRECEDING FISCAL YEAR IS LESS THAN THE DESIGNATED PERCENTAGE OF TOTAL GOVERNMENTAL FUNDS RECEIPTS FOR SUCH FISCAL YEAR. NOTHING SHALL PRECLUDE THE CONTRACTING OF STATE-FUNDED DEBT PRIOR TO OCTOBER THIRTY-FIRST OF EACH YEAR IF, IN THE IMMEDIATELY PRECEDING FISCAL YEAR, THE TOTAL AMOUNT OF INTEREST, INSTALLMENTS OF PRINCIPAL, CONTRIBUTIONS TO SINKING FUNDS, AND RELATED PAYMENTS WAS LESS THAN THE DESIGNATED PERCENTAGE OF TOTAL GOVERNMENTAL FUNDS RECEIPTS. THIS SHALL INCLUDE THE TOTAL AMOUNT OF PAYMENTS ON SUCH DEBT ISSUED ON AND AFTER APRIL FIRST, TWO THOUSAND THREE, BUT SHALL NOT INCLUDE PAYMENTS IN ANY FISCAL YEAR MADE BY THE STATE TO DEFEASE OR RETIRE DEBT NOT REQUIRED BY MANDATORY PAYMENTS NOR PAYMENTS MADE BY THE STATE FOR DEBT ISSUED TO REFUND DEBT THAT WAS ISSUED PRIOR TO APRIL FIRST, TWO THOUSAND THREE. IN ADDITION, IF STATE-SUPPORTED DEBT IS ISSUED TO REFUND OR OTHERWISE AFFECT THE REFUNDING, RETIREMENT OR DEFEA-

SANCE OF STATE-FUNDED DEBT ORIGINALLY ISSUED ON AND AFTER APRIL FIRST, TWO THOUSAND THREE, PROVIDED SUCH REFUNDINGS ARE CONDUCTED IN ACCORDANCE WITH SECTION THIRTEEN OF ARTICLE SEVEN OF THE CONSTITUTION, THE CALCULATION OF THE TOTAL AMOUNT OF INTEREST, INSTALLMENTS OF PRINCIPAL, CONTRIBUTIONS TO SINKING FUNDS, AND RELATED PAYMENTS SHALL EXCLUDE PAYMENTS MADE ON SUCH REFUNDING DEBT, AND SHALL ONLY INCLUDE THE PAYMENTS ON THE PRIOR REFUNDED DEBT, AS IF IT WERE STILL OUTSTANDING, IN EACH YEAR UNTIL SUCH REFUNDING DEBT IS FINALLY RETIRED. SUCH DESIGNATED PERCENTAGE SHALL BE SEVEN AND ONE-HALF-TENTHS OF ONE PERCENT FOR FISCAL YEAR TWO THOUSAND THREE--TWO THOUSAND FOUR, AND SHALL INCREASE BY FIVE-TENTHS OF ONE PERCENT IN FISCAL YEAR TWO THOUSAND FOUR--TWO THOUSAND FIVE, BY AN ADDITIONAL FOUR-TENTHS OF ONE PERCENT IN FISCAL YEAR TWO THOUSAND FIVE--TWO THOUSAND SIX, AND BY AN ADDITIONAL ONE-THIRD OF ONE PERCENT IN EACH OF THE TEN SUBSEQUENT FISCAL YEARS. THE DESIGNATED PERCENTAGE FOR FISCAL YEAR TWO THOUSAND SIXTEEN--TWO THOUSAND SEVENTEEN AND FOR EACH FISCAL YEAR THEREAFTER SHALL BE FIVE PERCENT.

S 67-D. LIMITATIONS ON STATE-FUNDED DEBT. 1. NO ADDITIONAL STATE-FUNDED DEBT SHALL BE INCURRED AFTER APRIL FIRST, TWO THOUSAND TWENTY-FIVE IF THE TOTAL PRINCIPAL AMOUNT OF SUCH ADDITIONAL DEBT, TOGETHER WITH THE TOTAL PRINCIPAL AMOUNT OF STATE-FUNDED DEBT ALREADY OUTSTANDING IS EQUAL TO OR GREATER THAN THE TOTAL DEBT LIMIT OF THE STATE EXCLUDING SHORT TERM DEBT INCURRED IN ACCORDANCE WITH SECTION NINE OF ARTICLE SEVEN OF THE CONSTITUTION, EMERGENCY DEBT INCURRED IN ACCORDANCE WITH SECTION TEN OF ARTICLE SEVEN OF THE CONSTITUTION, AND REFUNDING DEBT.

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

3. ALL DEBT SUBJECT TO THE PROVISIONS OF THIS SECTION SHALL, IF INCURRED ON OR AFTER THE FIRST DAY OF THE FIRST FISCAL YEAR BEGINNING AT LEAST ONE YEAR AFTER THE EFFECTIVE DATE OF AN AMENDMENT ADDING A NEW SUBDIVISION SIX TO SECTION ELEVEN OF ARTICLE SEVEN OF THE CONSTITUTION, BE IN THE FORM OF OBLIGATIONS ISSUED BY THE COMPTROLLER.

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

5. NO STATE-FUNDED DEBT OUTSTANDING ON THE EFFECTIVE DATE OF THIS SUBDIVISION SHALL BE REFUNDED UNLESS SUCH REFUNDING IS CONDUCTED IN ALL RESPECTS AS IF SUBJECT TO THE PROVISIONS OF SECTION THIRTEEN OF ARTICLE SEVEN OF THE CONSTITUTION. SUCH OUTSTANDING DEBT OBLIGATIONS SHALL BE INCLUDED IN THE DETERMINATION OF THE DEBT LIMIT. FOR THE PURPOSES OF THIS SUBDIVISION AND SECTION SIXTY-SEVEN-C OF THIS ARTICLE, ANY REFUNDING DEBT THAT DOES NOT EXTEND BEYOND THE FINAL MATURITY OF THE DEBT BEING REFUNDED SHALL BE DEEMED TO BE IN COMPLIANCE WITH THE PROVISIONS OF SUBDIVISION SIX OF SECTION THIRTEEN OF ARTICLE SEVEN OF THE CONSTITUTION MADE APPLICABLE BY THIS SUBDIVISION IF THERE IS AN ACTUAL DEBT SERVICE SAVINGS IN EVERY YEAR TO MATURITY AS A RESULT OF THE ISSUANCE OF THE REFUNDING DEBT.

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

S 67-E. PROHIBITION OF CONTINGENT OBLIGATION DEBT. AFTER THE EFFECTIVE DATE OF THIS SECTION, THE STATE SHALL NOT, EXCEPT AS SPECIFICALLY AUTHORIZED BY A PROVISION OF THE CONSTITUTION OTHER THAN SECTION ELEVEN OF ARTICLE SEVEN, AGREE TO MAKE PAYMENTS, DIRECTLY OR INDIRECTLY, WHETHER OR NOT SUBJECT TO APPROPRIATION, THAT ARE TO BE AVAILABLE TO PAY DEBT SERVICE ON ANY DEBT INCURRED BY A MUNICIPALITY, INDIVIDUAL, PUBLIC AUTHORITY OR OTHER PUBLIC OR PRIVATE CORPORATION OR ANY OTHER ENTITY, FOR ANY PURPOSE, IF SUCH PAYMENTS ARE EXPECTED TO BE USED TO PAY DEBT SERVICE ONLY IF OTHER SOURCES AVAILABLE FOR THE PAYMENT OF DEBT SERVICE ARE INADEQUATE. ANY PROVISION REQUIRING THE STATE TO REPLACE MONIES USED TO PAY DEBT SERVICE SHALL BE INCLUDED IN THE PROHIBITION SET FORTH IN THIS SUBDIVISION. OUTSTANDING DEBT THAT WOULD BE PROHIBITED BY THIS SECTION IF SUCH DEBT HAD BEEN INCURRED AFTER THE EFFECTIVE DATE OF THIS SECTION MAY BE REFUNDED BY THE ENTITY THAT INCURRED THE OUTSTANDING DEBT.

S 67-F. USE OF SURPLUS MONEYS. AT THE CLOSE OF EACH FISCAL YEAR, SEVENTY-FIVE PERCENT OF ANY CASH SURPLUS REMAINING IN THE GENERAL FUND AFTER THE TRANSFER PURSUANT TO SECTION NINETY-TWO OF THIS CHAPTER SHALL BE DEPOSITED TO THE RAINY DAY FUND ESTABLISHED IN SECTION NINETY-TWO-CC OF THIS CHAPTER UNTIL THE FUND REACHES THE MAXIMUM BALANCE. THE REMAINING TWENTY-FIVE PERCENT SHALL BE TRANSFERRED TO THE DEBT REDUCTION RESERVE FUND ESTABLISHED BY SECTION NINETY-SEVEN-RRR, AS AMENDED BY SECTION FORTY-FIVE OF PART H OF CHAPTER FIFTY-SIX OF THE LAWS OF TWO THOUSAND, OF THIS CHAPTER. IF THE RAINY DAY FUND HAS REACHED ITS MAXIMUM BALANCE THEN ALL CASH SURPLUS SHALL BE DEPOSITED IN THE DEBT REDUCTION RESERVE FUND.

S 67-G. NEW YORK STATE DEBT PLANNING COUNCIL; CREATION; PROCEDURE. 1. THE NEW YORK STATE DEBT PLANNING COUNCIL IS HEREBY CREATED WITHIN THE DEPARTMENT OF AUDIT AND CONTROL TO HAVE AND EXERCISE THE POWERS, DUTIES AND PREROGATIVES PROVIDED BY THE PROVISIONS OF THIS ARTICLE AND ANY OTHER PROVISION OF LAW. THE COUNCIL SHALL BE CREATED NO LATER THAN SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS ARTICLE.

2. THE MEMBERSHIP OF THE COUNCIL SHALL CONSIST OF SEVEN PERSONS, INCLUDING ONE APPOINTED BY THE GOVERNOR, THE COMPTROLLER, THE TEMPORARY PRESIDENT OF THE SENATE AND THE SPEAKER OF THE ASSEMBLY. THE COMPTROLLER, TEMPORARY PRESIDENT OF THE SENATE AND SPEAKER OF THE ASSEMBLY SHALL EACH NOMINATE TWO NON-GOVERNMENTAL EXPERTS IN THE FIELD OF PUBLIC FINANCE FROM WHICH THE REMAINING THREE MEMBERS OF THE DEBT PLANNING COUNCIL SHALL BE APPOINTED BY THE GOVERNOR. THE THREE PUBLIC FINANCE EXPERTS SHALL SERVE TERMS OF THREE YEARS; THE MEMBERS APPOINTED BY THE GOVERNOR, COMPTROLLER, TEMPORARY PRESIDENT OF THE SENATE AND SPEAKER OF THE ASSEMBLY SHALL SERVE INITIAL TERMS OF THREE YEARS. UPON EXPIRATION OF INITIAL TERMS FOR MEMBERS APPOINTED BY THE GOVERNOR, COMPTROLLER, TEMPORARY PRESIDENT OF THE SENATE AND SPEAKER OF THE ASSEMBLY, EACH SUBSEQUENT TERM SHALL BE FOUR YEARS. REPRESENTATIVES FROM THE COUNCIL SHALL ELECT A CHAIRPERSON. IN THE EVENT OF A VACANCY OCCURRING IN THE COUNCIL OF A MEMBER APPOINTED BY THE COMPTROLLER, THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE OR THE SPEAKER OF THE ASSEMBLY BY DEATH, RESIGNATION OR OTHERWISE, THE SUCCESSOR SHALL BE APPOINTED BY THE SAME APPOINTING OFFICIAL TO SERVE FOR THE BALANCE OF THE UNEXPIRED TERM. IN THE EVENT OF A VACANCY OCCURRING IN THE COUNCIL OF A NON-GOVERNMENTAL

MEMBER BY DEATH, RESIGNATION OR OTHERWISE, THE COMPTROLLER, THE TEMPORARY PRESIDENT OF THE SENATE AND THE SPEAKER OF THE ASSEMBLY SHALL EACH NOMINATE ONE NON-GOVERNMENTAL EXPERT IN THE FIELD OF PUBLIC FINANCE, FROM WHICH THE GOVERNOR SHALL APPOINT ONE AS SUCCESSOR TO SERVE FOR THE BALANCE OF THE UNEXPIRED TERM. THE COUNCIL SHALL ACT BY MAJORITY OF ALL OF THE MEMBERS OF THE COUNCIL. ANY ACTION BY THE COUNCIL SHALL BE EVIDENCED BY A CERTIFICATION THEREOF SIGNED BY A MAJORITY OF ALL THE MEMBERS, EXCEPT THAT ALL MEMBERS SHALL SIGN A CERTIFICATION OF ANY ACTION REQUIRING UNANIMOUS APPROVAL. EACH MEMBER OF THE COUNCIL SHALL BE ENTITLED TO DESIGNATE A REPRESENTATIVE TO ATTEND MEETINGS OF THE BOARD IN HIS OR HER PLACE, AND TO VOTE OR OTHERWISE ACT ON HIS OR HER BEHALF IN HIS OR HER ABSENCE. NOTICE OF SUCH DESIGNATION SHALL BE FURNISHED IN WRITING TO THE COUNCIL BY THE DESIGNATING MEMBER. A REPRESENTATIVE SHALL SERVE AT THE PLEASURE OF THE DESIGNATING MEMBER DURING THE MEMBER'S TERM OF OFFICE. A REPRESENTATIVE SHALL NOT BE AUTHORIZED TO DELEGATE ANY OF HIS OR HER DUTIES OR POWERS TO ANY OTHER PERSON. THE COUNCIL MAY REQUEST AND RECEIVE FROM ANY STATE OR LOCAL AUTHORITY, AGENCY, DEPARTMENT OR DIVISION OF THE STATE OR POLITICAL SUBDIVISION SUCH ASSISTANCE, PERSONNEL, INFORMATION, BOOKS, RECORDS, OTHER DOCUMENTATION AND COOPERATION AS MAY BE NECESSARY TO PERFORM ITS DUTIES.

3. THE COMPTROLLER, GOVERNOR, TEMPORARY PRESIDENT OF THE SENATE AND SPEAKER OF THE ASSEMBLY MAY REMOVE ANY MEMBER APPOINTED BY HIM OR HER FOR INEFFICIENCY, NEGLECT OF DUTY OR MISCONDUCT IN OFFICE AFTER GIVING HIM OR HER A COPY OF THE CHARGES AGAINST HIM OR HER, AND AN OPPORTUNITY TO BE HEARD, IN PERSON OR BY COUNSEL, IN HIS OR HER DEFENSE, UPON NOT LESS THAN TEN DAYS NOTICE. IF ANY SUCH MEMBER SHALL BE REMOVED, THE GOVERNOR SHALL FILE IN THE OFFICE OF THE DEPARTMENT OF STATE A COMPLETE STATEMENT OF CHARGES MADE AGAINST SUCH MEMBER AND HIS OR HER FINDINGS THEREON, TOGETHER WITH A COMPLETE RECORD OF THE PROCEEDING.

4. ALL THE MEMBERS OF THE COUNCIL SHALL BE ENTITLED TO REIMBURSEMENT FOR ACTUAL AND NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF OFFICIAL DUTIES PURSUANT TO THIS SECTION OR OTHER PROVISION OF LAW.

5. THE COUNCIL SHALL MEET QUARTERLY OR MORE FREQUENTLY AT THE CALL OF THE CHAIRPERSON. MEETINGS OF THE BOARD SHALL BE SUBJECT TO THE OPEN MEETINGS LAW ESTABLISHED BY ARTICLE SEVEN OF THE PUBLIC OFFICERS LAW.

6. THE PROVISIONS OF THIS SECTION SHALL BE CONTROLLING, ANY OTHER GENERAL, SPECIAL OR LOCAL LAW INCONSISTENT THEREWITH NOTWITHSTANDING, UNLESS THIS SECTION IS EXPRESSLY AND SPECIFICALLY REFERRED TO IN SUCH OTHER GENERAL, SPECIAL OR LOCAL LAW.

S 67-H. POWERS AND DUTIES OF THE DEBT PLANNING COUNCIL. 1. THE COUNCIL SHALL HAVE THE POWER AND THE DUTY TO:

(A) ON OR BEFORE OCTOBER THIRTY-FIRST OF TWO THOUSAND SIXTEEN AND EACH YEAR THEREAFTER, THE COUNCIL SHALL PRESCRIBE THE DEBT AFFORDABILITY LEVEL OF THE STATE FOR THE NEXT FISCAL YEAR, AND REPORT THE LEVEL TO THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE CHAIRPERSON AND RANKING MINORITY MEMBER OF THE SENATE FINANCE COMMITTEE, AND THE CHAIRPERSON AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS AND MEANS COMMITTEE. ON OR BEFORE SUCH DATE, THE COUNCIL SHALL ISSUE A PUBLIC ANNOUNCEMENT OF SUCH LEVEL. WITHIN THE LIMITATION ESTABLISHED BY THE TOTAL DEBT LIMIT OF THE STATE, THE DEBT AFFORDABILITY LEVEL OF THE STATE SHALL BE BASED UPON THE COUNCIL'S EVALUATION OF THE TOTAL AMOUNT OF ADDITIONAL DEBT THAT MAY BE INCURRED AND THE TOTAL DEBT SERVICE OBLIGATIONS AND RELATED PAYMENTS THAT MAY BE UNDERTAKEN BY THE STATE WITHOUT OVERBURDENING PRESENT OR FUTURE GENERATIONS, TAKING INTO ACCOUNT THE CURRENT AND EXPECTED REVENUES AND EXPENSES OF THE STATE, THE CURRENT AND EXPECTED TRENDS AFFECTING THE ECONOMY OF THE STATE, AND SUCH OTHER

FACTORS AS THE BOARD DEEMS RELEVANT. IN ADDITION TO THE DEBT AFFORDABILITY LEVEL OF THE STATE FOR THE NEXT FISCAL YEAR, THE COUNCIL'S REPORT TO THE LEGISLATURE AND ANNOUNCEMENT TO THE PUBLIC SHALL INCLUDE THE COUNCIL'S FORECAST OF THE DEBT AFFORDABILITY LEVELS EXPECTED FOR THE TWO SUCCEEDING FISCAL YEARS. FOLLOWING THE COUNCIL'S ESTABLISHMENT OF A DEBT AFFORDABILITY LEVEL OF THE STATE FOR A FISCAL YEAR, THERE SHALL BE NO CHANGE IN SUCH LEVEL (OTHER THAN A DEBT AFFORDABILITY LEVEL FORECAST FOR A FISCAL YEAR AFTER THE NEXT FISCAL YEAR) EXCEPT WITH THE UNANIMOUS APPROVAL OF THE MEMBERS OF THE COUNCIL; AND

(B) PUBLICLY PROVIDE AN ANNUAL DETAILED REPORTING OF CURRENT AND PROJECTED STATE-FUNDED DEBT LEVELS AND OTHER FACTORS THAT AFFECT THE COST OF STATE-FUNDED DEBT.

2. THE COUNCIL SHALL MAKE RECOMMENDATIONS TO THE GOVERNOR AND THE LEGISLATURE OF POLICIES TO GOVERN THE ISSUANCE OF ALL STATE-FUNDED DEBT AND OTHER CAPITAL FINANCING MATTERS.

3. THE COUNCIL SHALL MAINTAIN AND POST ON THE COMPTROLLER'S PUBLICLY AVAILABLE INTERNET WEBSITE A LISTING OF ALL BONDS ISSUED PURSUANT TO SECTION SIXTY-SEVEN-A OF THIS ARTICLE. INFORMATION ON NEW ISSUANCES SHALL BE ADDED TO THE LISTING ON AN ONGOING BASIS AS SOON AS POSSIBLE AFTER THE DATE ON WHICH THE BONDS ARE SOLD, BUT NO LATER THAN THIRTY DAYS AFTER SUCH DATE. SUCH LISTING SHALL INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOWING ITEMS:

(A) A GENERAL DESCRIPTION OF THE BOND CONSISTING OF:

(I) THE NAME OF THE SERIES;

(II) SOURCES AND USES OF THE SERIES; AND

(III) PROJECTED PAYMENTS OF PRINCIPAL AND INTEREST;

(B) AN ELECTRONIC COPY OF THE OFFICIAL STATEMENT OF THE BOND ISSUE;

(C) OTHER INFORMATION USED BY THE DEBT PLANNING COUNCIL TO ESTABLISH ANNUAL DEBT AFFORDABILITY LEVELS INCLUDING, BUT NOT LIMITED TO ECONOMIC AND BUDGET FORECASTS; AND

(D) ANNUAL DEBT AFFORDABILITY STUDIES AND REPORTING OF CURRENT AND PROJECTED STATE-FUNDED DEBT LEVELS AND DEBT SERVICE REQUIREMENTS.

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

i. A statement setting forth state involvement in the fiscal operations of those public authorities and public benefit corporations which may be part of the development of a comprehensive state budget system and provided therefor in the state financial plan. Such statement shall include those public authorities and public benefit corporations with disbursements which are not currently reflected in the state central accounting system from proceeds of any notes or bonds issued by any public authority, and which bonds or notes would be considered as [state-supported] STATE-FUNDED debt as defined in section sixty-seven-a of this chapter. Such statement shall set forth the amount of all of the bonds, notes and other obligations of each public authority, public benefit corporation and all other agencies and instrumentalities of the state for which the full faith and credit of the state has been pledged or on account of which the state has by law given its pledge or assurance for the continued operation and solvency of the authority, public corporation, or other agency or instrumentality of the state, as the case may be. Such statement shall also set forth all proposed appropriations to be made to any public authority, public benefit corporation, and any other agency or instrumentality of the state which has been created or continued by law and which is separate and distinct from the state itself.

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

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

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

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

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

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

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

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

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

(viii) an analysis of trends in municipal bond interest rates and an explanation of the interest rate assumptions, timing of principal and interest payments, and the timing and size of projected [state-supported] STATE-FUNDED bond sales used in the debt service projections.

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

4. Financial plan updates. Quarterly, throughout the fiscal year, the governor shall submit to the comptroller, the chairs of the senate finance and the assembly ways and means committees, within thirty days of the close of the quarter to which it shall pertain, a report which summarizes the actual experience to date and projections for the remain-

ing quarters of the current fiscal year and for each of the next two fiscal years of receipts, disbursements, tax refunds, and repayments of advances presented in forms suitable for comparison with the financial plan submitted pursuant to subdivisions one, four, and five, of section twenty-two of this article and revised in accordance with the provisions of subdivision three of this section. The governor shall submit with the budget a similar report that summarizes revenue and expenditure experience to date in a form suitable for comparison with the financial plan submitted pursuant to subdivision two of section twenty-two of this article and revised in accordance with the provisions of subdivision three of this section. Such reports shall provide an explanation of the causes of any major deviations from the revised financial plans and, shall provide for the amendment of the plan or plans to reflect those deviations. The governor may, if he determines it advisable, provide more frequent reports to the legislature regarding actual experience as compared to the financial plans. The quarterly financial plan update most proximate to October thirty-first of each year shall include the calculation of the limitations on the issuance of [state-supported] STATE-FUNDED debt computed pursuant to the provisions of [subdivisions one and two of] section sixty-seven-b of this chapter.

S 6. Subdivision 2 of section 68-a of the state finance law, as amended by section 43 of part HH of chapter 57 of the laws of 2013, is amended to read as follows:

2. "Authorized purpose" for purposes of this article and section ninety-two-z of this chapter shall mean any [purposes] PURPOSE for which [state-supported] STATE-FUNDED debt, as defined by section sixty-seven-a of this chapter, may or has been issued except debt for which the state is constitutionally obligated thereunder to pay debt service and related expenses.

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

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

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

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

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

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

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

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

7. "Excluded agreements" shall mean the total notional amount of interest rate exchange or similar agreements entered into for the purpose of reducing or eliminating a situation of risk or exposure under an existing interest rate exchange or similar agreement, including, but not limited to a counterparty downgrade, default, or other actual or potential economic loss; provided, however, that for agreements entered into on and after April first, two thousand seven "excluded agreements" shall mean the total notional amount of interest rate exchange or similar agreements entered into for the purpose of reducing or eliminating a situation of imminent risk under an existing interest rate exchange or similar agreement, including, but not limited to a counterparty downgrade, default, or other actual or imminent economic loss.

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

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

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

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

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

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

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

S 11. Paragraphs (c) and (d) of subdivision 2 of section 69-d of the state finance law, paragraph (c) as amended by section 57-e of part BB

of chapter 58 of the laws of 2011 and paragraph (d) as added by section 38 of part K of chapter 81 of the laws of 2002, are amended to read as follows:

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

(d) no interest rate exchange or similar agreement shall have a maturity exceeding the maturity of the related [State-supported] STATE-FUNDED debt;

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

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

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

(a) for the payment of principal, interest, and related expenses on general obligation bonds, lease purchase payments, or special contractual 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. Subdivision 2 of section 50 of the public authorities law, as amended by chapter 838 of the laws of 1983, is amended to read as follows:

2. The membership of the board shall consist of [five] SIX persons appointed by the governor AND ONE UPON THE RECOMMENDATION OF THE DEBT PLANNING COUNCIL ESTABLISHED IN SECTION SIXTY-SEVEN-H OF THE STATE FINANCE LAW, of which one shall be upon the recommendation of the temporary president of the senate, one upon the recommendation of the speaker of the assembly, one upon the recommendation of the minority leader of the senate and one upon the recommendation of the minority leader of the assembly. The members appointed by the governor upon the recommendation of the minority leader of the senate and the minority leader of the assembly shall be non-voting members whose comments shall be entered upon any official record of board proceedings in the same manner as voting members' comments, unless objection is raised by any of the voting members in which case, notwithstanding any provision of law to the contrary, such comments by non-voting members shall not be so entered. The term of the members first appointed shall continue until January thirty-first, nineteen hundred seventy-seven, except that the term of the members first appointed upon the recommendations of the minority leader of the senate and the minority leader of the assembly shall continue until January thirty-first, nineteen hundred eighty-four, and thereafter their successors shall serve for a term of one year ending on January thirty-first in each year. Upon recommendation of the nominating party, the governor may replace any member in accordance with the provision contained herein for the appointment of members. The governor shall designate one of the members to serve as chairman. The board shall act by unanimous vote of the voting members of the board. Any determination of the board shall be evidenced by a certification

thereof executed by all the voting members. Each member of the board shall be entitled to designate a representative to attend meetings of the board in his place, and to vote or otherwise act on his behalf in his absence. Notice of such designation shall be furnished in writing to the board by the designating member. A representative shall serve at the pleasure of the designating member during the member's term of office. A representative shall not be authorized to delegate any of his duties or functions to any other person.

S 15. Subdivision 1 of section 51 of the public authorities law, as added by chapter 838 of the laws of 1983, paragraph k as added by chapter 506 of the laws of 1995, paragraph l as added by chapter 468 of the laws of 2004, paragraph m as added by section 10 of part E of chapter 494 of the laws of 2009 and paragraph n as added by chapter 533 of the laws of 2010, is amended to read as follows:

1. [The] SUBJECT TO (A) THE COMPTROLLER'S CONSTITUTIONAL AUTHORITY TO SUPERVISE THE ACCOUNTS OF PUBLIC AUTHORITIES, (B) THE COMPTROLLER'S STATUTORY AUTHORITY TO APPROVE THE TERMS AND CONDITIONS OF DEBT OBLIGATIONS ISSUED BY PUBLIC AUTHORITIES, AND (C) THE POLICY STANDARDS RECOMMENDED BY THE DEBT POLICY COUNCIL PURSUANT TO SECTION SIXTY-SEVEN-G OF THE STATE FINANCE LAW IN RELATION TO PUBLIC AUTHORITY DEBT, THE New York state public authorities control board shall have the power and it shall be its duty to receive applications for approval of the financing and construction of any project proposed by any of the following state public benefit corporations:

a. New York state environmental facilities corporation
b. New York state housing finance agency
c. New York state medical care facilities finance agency
d. Dormitory authority
e. New York state urban development corporation
f. Job development authority
g. Battery park city authority
h. New York state project finance agency
i. State of New York mortgage agency
j. New York state energy research and development authority
k. Long Island Power Authority
l. Albany Convention Center Authority
m. State of New York Municipal Bond Bank Agency for bonds issued pursuant to section two thousand four hundred thirty-six-b of this chapter
n. North Country Power Authority
O. ANY OTHER STATE AUTHORITY

Any application made concerning a project shall include the terms, conditions and dates of the repayment of state appropriations authorized by law pursuant to a repayment agreement, AND A CURRENT LISTING OF ALL OUTSTANDING DEBT AND DEBT SERVICE OBLIGATIONS OF THE APPLICANT. Any subsidiary of, or corporation with the same members or directors as, a public benefit corporation subject to the provisions of this section shall also be subject to the provisions of this section. All applications and submissions to the board required to be made by a subsidiary shall be made on behalf of such subsidiary by the public benefit corporation which created the subsidiary. No public benefit corporation subject to the provisions of this section shall make any commitment, enter into any agreement or incur any indebtedness for the purpose of acquiring, constructing, or financing any project unless prior approval has been received from the board by such public benefit corporation as provided herein.

S 16. Section 51 of the public authorities law is amended by adding a new subdivision 6 to read as follows:

6. NOT LATER THAN NINETY DAYS AFTER THE END OF EACH FISCAL YEAR, THE BOARD SHALL SUBMIT TO THE GOVERNOR, THE COMPTROLLER, THE TEMPORARY PRESIDENT AND THE MINORITY LEADER OF THE SENATE, AND THE SPEAKER AND THE MINORITY LEADER OF THE ASSEMBLY, AN ANNUAL REPORT DETAILING:

(A) THE AGGREGATE AMOUNT OF DEBT APPROVED BY THE BOARD DURING SUCH FISCAL YEAR;

(B) A LIST OF THE INDIVIDUAL PROJECTS APPROVED BY THE BOARD FOR EACH PUBLIC AUTHORITY DURING SUCH FISCAL YEAR; AND

(C) THE TOTAL AMOUNT OF NEW DEBT OBLIGATIONS THE BOARD HAS APPROVED DURING SUCH FISCAL YEAR FOR ISSUANCE BY EACH PUBLIC AUTHORITY. THE BOARD SHALL PUBLISH SUCH REPORT BY POSTING SUCH REPORT ON THE BOARD'S INTERNET WEBSITE. EACH SUCH REPORT POSTED ON THE BOARD'S INTERNET WEBSITE SHALL BE MAINTAINED ON SUCH WEBSITE FOR AT LEAST TWELVE MONTHS OR UNTIL THE NEXT SUCH REPORT IS POSTED ON SUCH WEBSITE, WHICHEVER IS LATER. THE BOARD SHALL ISSUE A NEWS RELEASE ANNOUNCING SUCH REPORT TO NEWSPAPERS OF GENERAL CIRCULATION AND RADIO AND TELEVISION NEWS BUREAUS WITHIN THE STATE.

S 17. This act shall take effect immediately, provided, however, that section 67-c of the state finance law, as added by section one of this act, shall expire and be deemed repealed March 31, 2024; provided, further, however, that subdivisions 3 and 6 of section 67-d of the state finance law, as added by section one of this act, shall take effect on the same date as the amendments to article 7 of the state constitution relating to the authorization of multiple general obligation issuances and revenue backed bonds on the ballot and restricting the use of debt to capital purposes with strict limitations on exceptions for specific purposes, as proposed in a concurrent resolution of the Senate and Assembly entitled "CONCURRENT RESOLUTION OF THE SENATE AND ASSEMBLY proposing amendments to article 7 of the constitution, in relation to authorization of debt in times of public emergency, a limit on the total amount of state-funded debt, and the refunding of state debts", takes effect.