

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:

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 Article 5-B of the state finance law is REPEALED and a new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

3 A R T I C L E 5-B

4 L I M I T A T I O N S O N S T A T E - F U N D E D D E B T

5 SECTION 67-A. DEFINITIONS.

6 67-B. DUTIES WITH RESPECT TO STATE-FUNDED DEBT.

7 67-C. LIMITATIONS ON THE ISSUANCE OF STATE-SUPPORTED DEBT.

8 67-D. LIMITATIONS ON STATE-FUNDED DEBT.

9 67-E. PROHIBITION OF CONTINGENT OBLIGATION DEBT.

10 67-F. USE OF SURPLUS MONEYS.

11 67-G. NEW YORK STATE DEBT PLANNING COUNCIL; CREATION; PROCEDURE.

12 67-H. POWERS AND DUTIES OF THE DEBT PLANNING COUNCIL.

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

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

18 2. "STATE-BACKED DEBT" SHALL MEAN ANY DEBT OR OBLIGATION, OTHER THAN
19 STATE DEBT, THAT IS SUPPORTED IN WHOLE OR IN PART BY ANY FINANCING
20 ARRANGEMENT WHEREBY THE STATE AGREES OR HAS IN THE PAST AGREED, WHETHER
21 BY LAW, CONTRACT OR OTHERWISE, TO MAKE PAYMENTS WHICH WILL BE USED,
22 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.

LBD07290-01-5

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

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

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

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

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

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

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

50 (B) THE MAJOR REPAIR OR RENOVATION OF A FIXED ASSET, WHICH MATERIALLY
51 EXTENDS ITS USEFUL LIFE OR MATERIALLY IMPROVES OR INCREASES ITS CAPACI-
52 TY; OR

53 (C) THE PLANNING OR DESIGN OF THE ACQUISITION, CONSTRUCTION, DEMOLI-
54 TION, REPLACEMENT, MAJOR REPAIR OR RENOVATION OF A FIXED ASSET, INCLUD-
55 ING 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

1 DESIGNATED PERCENTAGE OF THE TOTAL PERSONAL INCOME OF THE STATE. NOTHING
2 SHALL PRECLUDE THE CONTRACTING OF STATE-SUPPORTED DEBT PRIOR TO OCTOBER
3 THIRTY-FIRST OF EACH YEAR IF, AS OF THE LAST DAY OF THE IMMEDIATELY
4 PRECEDING FISCAL YEAR, THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF SUCH
5 DEBT WAS LESS THAN THE DESIGNATED PERCENTAGE OF THE TOTAL PERSONAL
6 INCOME OF THE STATE. THE TOTAL OUTSTANDING PRINCIPAL AMOUNT OF DEBT
7 SHALL INCLUDE ALL STATE-SUPPORTED DEBT ISSUED ON AND AFTER APRIL FIRST,
8 TWO THOUSAND THREE. SUCH DESIGNATED PERCENTAGE SHALL BE SEVEN AND ONE-
9 HALF-TENTHS OF ONE PERCENT FOR FISCAL YEAR TWO THOUSAND THREE--TWO THOU-
10 SAND FOUR, AND SHALL INCREASE BY FIVE-TENTHS OF ONE PERCENT IN FISCAL
11 YEAR TWO THOUSAND FOUR--TWO THOUSAND FIVE, BY AN ADDITIONAL FOUR-TENTHS
12 OF ONE PERCENT IN FISCAL YEAR TWO THOUSAND FIVE--TWO THOUSAND SIX, AND
13 BY AN ADDITIONAL ONE-THIRD OF ONE PERCENT IN EACH OF THE SEVEN SUBSE-
14 QUENT FISCAL YEARS. THE DESIGNATED PERCENTAGE FOR FISCAL YEAR TWO THOU-
15 SAND THIRTEEN--TWO THOUSAND FOURTEEN AND FOR EACH FISCAL YEAR THEREAFTER
16 SHALL BE FOUR PERCENT.

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

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

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

17 S 67-D. LIMITATIONS ON STATE-FUNDED DEBT. 1. NO ADDITIONAL
18 STATE-FUNDED DEBT SHALL BE INCURRED AFTER APRIL FIRST, TWO THOUSAND
19 TWENTY-FIVE IF THE TOTAL PRINCIPAL AMOUNT OF SUCH ADDITIONAL DEBT,
20 TOGETHER WITH THE TOTAL PRINCIPAL AMOUNT OF STATE-FUNDED DEBT ALREADY
21 OUTSTANDING IS EQUAL TO OR GREATER THAN THE TOTAL DEBT LIMIT OF THE
22 STATE EXCLUDING SHORT TERM DEBT INCURRED IN ACCORDANCE WITH SECTION NINE
23 OF ARTICLE SEVEN OF THE CONSTITUTION, EMERGENCY DEBT INCURRED IN ACCORD-
24 ANCE WITH SECTION TEN OF ARTICLE SEVEN OF THE CONSTITUTION, AND REFUND-
25 ING DEBT.

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

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

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

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

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

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

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

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

38 2. THE MEMBERSHIP OF THE COUNCIL SHALL CONSIST OF SEVEN PERSONS,
39 INCLUDING ONE APPOINTED BY THE GOVERNOR, THE COMPTROLLER, THE TEMPORARY
40 PRESIDENT OF THE SENATE AND THE SPEAKER OF THE ASSEMBLY. THE COMP-
41 TROLLER, TEMPORARY PRESIDENT OF THE SENATE AND SPEAKER OF THE ASSEMBLY
42 SHALL EACH NOMINATE TWO NON-GOVERNMENTAL EXPERTS IN THE FIELD OF PUBLIC
43 FINANCE FROM WHICH THE REMAINING THREE MEMBERS OF THE DEBT PLANNING
44 COUNCIL SHALL BE APPOINTED BY THE GOVERNOR. THE THREE PUBLIC FINANCE
45 EXPERTS SHALL SERVE TERMS OF THREE YEARS; THE MEMBERS APPOINTED BY THE
46 GOVERNOR, COMPTROLLER, TEMPORARY PRESIDENT OF THE SENATE AND SPEAKER OF
47 THE ASSEMBLY SHALL SERVE INITIAL TERMS OF THREE YEARS. UPON EXPIRATION
48 OF INITIAL TERMS FOR MEMBERS APPOINTED BY THE GOVERNOR, COMPTROLLER,
49 TEMPORARY PRESIDENT OF THE SENATE AND SPEAKER OF THE ASSEMBLY, EACH
50 SUBSEQUENT TERM SHALL BE FOUR YEARS. REPRESENTATIVES FROM THE COUNCIL
51 SHALL ELECT A CHAIRPERSON. IN THE EVENT OF A VACANCY OCCURRING IN THE
52 COUNCIL OF A MEMBER APPOINTED BY THE COMPTROLLER, THE GOVERNOR, THE
53 TEMPORARY PRESIDENT OF THE SENATE OR THE SPEAKER OF THE ASSEMBLY BY
54 DEATH, RESIGNATION OR OTHERWISE, THE SUCCESSOR SHALL BE APPOINTED BY THE
55 SAME APPOINTING OFFICIAL TO SERVE FOR THE BALANCE OF THE UNEXPIRED TERM.
56 IN THE EVENT OF A VACANCY OCCURRING IN THE COUNCIL OF A NON-GOVERNMENTAL

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

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

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

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

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

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

42 (A) ON OR BEFORE OCTOBER THIRTY-FIRST OF TWO THOUSAND SIXTEEN AND EACH
43 YEAR THEREAFTER, THE COUNCIL SHALL PRESCRIBE THE DEBT AFFORDABILITY
44 LEVEL OF THE STATE FOR THE NEXT FISCAL YEAR, AND REPORT THE LEVEL TO THE
45 TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE
46 CHAIRPERSON AND RANKING MINORITY MEMBER OF THE SENATE FINANCE COMMITTEE,
47 AND THE CHAIRPERSON AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS AND
48 MEANS COMMITTEE. ON OR BEFORE SUCH DATE, THE COUNCIL SHALL ISSUE A
49 PUBLIC ANNOUNCEMENT OF SUCH LEVEL. WITHIN THE LIMITATION ESTABLISHED BY
50 THE TOTAL DEBT LIMIT OF THE STATE, THE DEBT AFFORDABILITY LEVEL OF THE
51 STATE SHALL BE BASED UPON THE COUNCIL'S EVALUATION OF THE TOTAL AMOUNT
52 OF ADDITIONAL DEBT THAT MAY BE INCURRED AND THE TOTAL DEBT SERVICE OBLI-
53 GATIONS AND RELATED PAYMENTS THAT MAY BE UNDERTAKEN BY THE STATE WITHOUT
54 OVERBURDENING PRESENT OR FUTURE GENERATIONS, TAKING INTO ACCOUNT THE
55 CURRENT AND EXPECTED REVENUES AND EXPENSES OF THE STATE, THE CURRENT AND
56 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12 7. "Excluded agreements" shall mean the total notional amount of
13 interest rate exchange or similar agreements entered into for the
14 purpose of reducing or eliminating a situation of risk or exposure under
15 an existing interest rate exchange or similar agreement, including, but
16 not limited to a counterparty downgrade, default, or other actual or
17 potential economic loss; provided, however, that for agreements entered
18 into on and after April first, two thousand seven "excluded agreements"
19 shall mean the total notional amount of interest rate exchange or simi-
20 lar agreements entered into for the purpose of reducing or eliminating a
21 situation of imminent risk under an existing interest rate exchange or
22 similar agreement, including, but not limited to a counterparty down-
23 grade, default, or other actual or imminent economic loss.

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

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

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

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

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

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

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

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

1 of chapter 58 of the laws of 2011 and paragraph (d) as added by section
2 38 of part K of chapter 81 of the laws of 2002, are amended to read as
3 follows:

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

10 (d) no interest rate exchange or similar agreement shall have a matu-
11 rity exceeding the maturity of the related [State-supported] STATE-FUND-
12 ED debt;

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

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

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

23 (a) for the payment of principal, interest, and related expenses on
24 general obligation bonds, lease purchase payments, or special contractu-
25 al obligation payments, or for the purposes of retiring or defeasing
26 bonds previously issued, including any accrued interest thereon, for any
27 [state-supported] STATE-FUNDED bonding program or programs, and;

28 S 14. Subdivision 2 of section 50 of the public authorities law, as
29 amended by chapter 838 of the laws of 1983, is amended to read as
30 follows:

31 2. The membership of the board shall consist of [five] SIX persons
32 appointed by the governor AND ONE UPON THE RECOMMENDATION OF THE DEBT
33 PLANNING COUNCIL ESTABLISHED IN SECTION SIXTY-SEVEN-H OF THE STATE
34 FINANCE LAW, of which one shall be upon the recommendation of the tempo-
35 rary president of the senate, one upon the recommendation of the speaker
36 of the assembly, one upon the recommendation of the minority leader of
37 the senate and one upon the recommendation of the minority leader of the
38 assembly. The members appointed by the governor upon the recommendation
39 of the minority leader of the senate and the minority leader of the
40 assembly shall be non-voting members whose comments shall be entered
41 upon any official record of board proceedings in the same manner as
42 voting members' comments, unless objection is raised by any of the
43 voting members in which case, notwithstanding any provision of law to
44 the contrary, such comments by non-voting members shall not be so
45 entered. The term of the members first appointed shall continue until
46 January thirty-first, nineteen hundred seventy-seven, except that the
47 term of the members first appointed upon the recommendations of the
48 minority leader of the senate and the minority leader of the assembly
49 shall continue until January thirty-first, nineteen hundred eighty-four,
50 and thereafter their successors shall serve for a term of one year
51 ending on January thirty-first in each year. Upon recommendation of the
52 nominating party, the governor may replace any member in accordance with
53 the provision contained herein for the appointment of members. The
54 governor shall designate one of the members to serve as chairman. The
55 board shall act by unanimous vote of the voting members of the board.
56 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.

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

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

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

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

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

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