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

7412

I N S E N A T E

April 29, 2016

Introduced by Sen. LITTLE -- (at request of the Division of Housing & Community Renewal) -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to modernizing the investment powers of the state of New York mortgage agency

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

Section 1. Subdivision 9 of section 2427 of the public authorities law, as amended by chapter 788 of the laws of 1978, is amended to read as follows:

9. To invest any funds held in reserves or sinking funds or any funds not required for immediate use or disbursement, at the discretion of the agency, in obligations of the state [of] OR federal government or of any city of the state, the principal and interest of which are guaranteed by the state or federal government, obligations of agencies of the federal government, OR IN GOVERNMENT NATIONAL MORTGAGE ASSOCIATION MORTGAGE BACKED SECURITIES, or special time deposits in, or certificates of deposit issued by, a bank or trust company authorized to do business in the state and secured by a pledge of obligations of the United States of America or obligations of the state, any city of the state, other municipal corporation, school district or district corporation of the state or obligations of agencies of the federal government, provided that any such investment from time to time (1) may be legally purchased by savings banks of the state as investments of funds belonging to them or in their control and (2) shall be approved by the comptroller.

S 2. Subdivision 4 of section 2429-b of the public authorities law, as amended by chapter 3 of the laws of 2004, is amended to read as follows:

4. Moneys in such fund may be invested (a) in special time deposit accounts in, or certificates of deposit issued by, a bank, trust company, savings bank or savings and loan association located and authorized to do business in this state, provided, however, that such time deposit account or certificate of deposit shall be payable within such time as the proceeds may be needed to meet expenditures estimated to be incurred

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

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by the agency and provided further that such time deposit account or certificate of deposit be secured by a pledge of obligations of the United States of America or obligations of the state, any city of the state, or other municipal corporation, school district or district corporation of the state or obligations of agencies of the federal government; or (b) in obligations of the United States of America or the state which may from time to time be legally purchased by savings banks within the state as an investment of funds belonging to them or in their control, or in obligations of the Federal National Mortgage Association, OR (C) IN GOVERNMENT NATIONAL MORTGAGE ASSOCIATION MORTGAGE BACKED SECURITIES, provided such obligations shall be payable or redeemable at the option of the owner within such times as the proceeds may be needed to meet expenditures estimated to be incurred by the agency.

S 3. This act shall take effect immediately.