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

7912

I N S E N A T E

May 24, 2016

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

AN ACT to amend the general municipal law, the public housing law, the state finance law, and chapter 585 of the laws of 1939, relating to the rate of interest to be paid by certain public corporations upon judgments and accrued claims, in relation to rates of interest paid by certain governmental entities

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

Section 1. Subdivision 1 of section 3-a of the general municipal law, as amended by chapter 4 of the laws of 1991, is amended to read as follows:

1. Except as provided in subdivisions two, four and five of this section, the rate of interest to be paid by a municipal corporation upon any judgment or accrued claim against the municipal corporation shall not exceed THE LOWER OF nine per centum per annum OR A RATE EQUAL TO THE WEEKLY AVERAGE ONE-YEAR CONSTANT MATURITY TREASURY YIELD, AS PUBLISHED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, FOR THE CALENDAR WEEK PRECEDING THE DATE OF THE ENTRY OF THE JUDGMENT.

S 2. Subdivision 2 of section 3-a of the general municipal law, as amended by chapter 777 of the laws of 1978, is amended to read as follows:

2. The rate of interest to be paid upon any judgment or accrued claim against the municipal corporation arising out of condemnation proceedings or action to recover damages for wrongful death shall not exceed THE LOWER OF six per centum per annum OR A RATE EQUAL TO THE WEEKLY AVERAGE ONE-YEAR CONSTANT MATURITY TREASURY YIELD, AS PUBLISHED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, FOR THE CALENDAR WEEK PRECEDING THE DATE OF THE ENTRY OF THE JUDGMENT.

S 3. Subdivision 5 of section 157 of the public housing law, as amended by chapter 681 of the laws of 1982, is amended to read as follows:

5. The rate of interest to be paid by an authority upon any judgment or accrued claim against the authority shall not exceed THE LOWER OF

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

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nine per centum per annum OR A RATE EQUAL TO THE WEEKLY AVERAGE ONE-YEAR CONSTANT MATURITY TREASURY YIELD, AS PUBLISHED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, FOR THE CALENDAR WEEK PRECEDING THE DATE OF THE ENTRY OF THE JUDGMENT.

S 4. Section 16 of the state finance law, as amended by chapter 681 of the laws of 1982, is amended to read as follows:

S 16. Rate of interest on judgments and accrued claims against the state. The rate of interest to be paid by the state upon any judgment or accrued claim against the state shall not exceed THE LOWER OF nine per centum per annum OR A RATE EQUAL TO THE WEEKLY AVERAGE ONE-YEAR CONSTANT MATURITY TREASURY YIELD, AS PUBLISHED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, FOR THE CALENDAR WEEK PRECEDING THE DATE OF THE ENTRY OF THE JUDGMENT.

S 5. Section 1 of chapter 585 of the laws of 1939, relating to the rate of interest to be paid by certain public corporations upon judgments and accrued claims, as amended by chapter 681 of the laws of 1982, is amended to read as follows:

Section 1. The rate of interest to be paid by a public corporation upon any judgment or accrued claim against the public corporation shall not exceed THE LOWER OF nine per centum per annum OR A RATE EQUAL TO THE WEEKLY AVERAGE ONE-YEAR CONSTANT MATURITY TREASURY YIELD, AS PUBLISHED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, FOR THE CALENDAR WEEK PRECEDING THE DATE OF THE ENTRY OF THE JUDGMENT. The term "public corporation" as used in this act shall mean and include every corporation created for the construction of public improvements, other than a county, city, town, village, school district or fire district or an improvement district established in a town or towns, and possessing both the power to contract indebtedness and the power to collect rentals, charges, rates or fees for services or facilities furnished or supplied.

S 6. This act shall take effect immediately and shall apply to all judgments entered and all accrued claims paid on or after such date.