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Cal. No. 1592

I N S E N A T E

June 1, 2016

Introduced by Sen. FARLEY -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions -- committee discharged and said bill committed to the Committee on Rules -- ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the public authorities law and the tax law, in relation to the Schenectady county Metroplex development authority

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

1 Section 1. Subdivision 9 of section 2661 of the public authorities
2 law, as amended by chapter 468 of the laws of 2008, is amended to read
3 as follows:
4 9. The county of Schenectady shall dedicate net collections from sales
5 and compensating use taxes imposed pursuant to the authority of section
6 twelve hundred ten-C of the tax law at the rate of one-half of one
7 percent, during the period beginning September first, nineteen hundred
8 ninety-eight, and ending August thirty-first, two thousand [thirty-
9 three] THIRTY-EIGHT, or, if the county does not impose taxes pursuant to
10 the authority of section twelve hundred ten-C of the tax law, the county
11 shall dedicate net collections from sales and compensating use taxes
12 imposed during such period at the rate of one-half of one percent pursu-
13 ant to the authority of section twelve hundred ten of the tax law, and
14 shall quarterly deposit such net collections in the Schenectady metro-
15 plex development authority support fund established in accordance with
16 subdivision (b) of section twelve hundred ten-C of the tax law. On Janu-
17 ary first, nineteen hundred ninety-nine, and then quarterly thereafter,
18 the director of finance of Schenectady county shall transfer seventy
19 percent of such net collections deposited in the Schenectady metroplex
20 development authority support fund to the authority for deposit in the
21 authority's general fund. The authority may use such portion of such
22 dedicated net collections received for any lawful purpose or power of
23 the authority. On January first, nineteen hundred ninety-nine, and then
24 quarterly thereafter, the director of finance of Schenectady county,
25 after transferring seventy percent of such net collections to the

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

1 authority for deposit in the authority's general fund, shall transfer
2 all remaining monies in the Schenectady metropolplex development authority
3 support fund to the Schenectady county real property tax abatement and
4 economic development fund.

5 S 2. Subdivision 1 of section 2665 of the public authorities law, as
6 amended by chapter 468 of the laws of 2008, is amended to read as
7 follows:

8 1. The authority shall have the power and is hereby authorized from
9 time to time to issue bonds, notes or other obligations in conformity
10 with applicable provisions of the uniform commercial code to pay the
11 cost of any project, the establishment of reserves to secure the bonds,
12 the payment of principal of, premium, if any, and interest on the bonds
13 and the payment of incidental expenses in connection therewith. The
14 aggregate principal amount of such bonds or notes of the authority shall
15 not exceed [seventy-five] ONE HUNDRED million dollars [(\$75,000,000)]
16 (\$100,000,000), excluding bonds or notes issued to refund or repay bonds
17 or notes therefore issued for such purposes; provided, however, that
18 upon any such refunding or repayment the total aggregate principal
19 amount of outstanding bonds or notes may be greater than [seventy-five]
20 ONE HUNDRED million dollars [(\$75,000,000)] (\$100,000,000), only if the
21 present value of the aggregate debt service of the refunding or repay-
22 ment of bonds or notes to be issued shall not exceed the present value
23 of the aggregate debt service of the bonds or notes so to be refunded or
24 repaid. For the purpose of this section, the present value of the aggre-
25 gate debt service of the refunding or repayment bonds or notes and the
26 aggregate debt service of the bonds or notes refunded or repaid shall be
27 calculated by utilizing the effective interest rate of the refunding or
28 repayment of bonds or notes, which shall be that rate arrived at by
29 doubling the semi-annual interest rate (compounded semi-annually) neces-
30 sary to discount the debt service payments on the refunding or repayment
31 of bonds or notes from payment of dates thereof to the date of issue of
32 the refunding or repayment of bonds or notes and to the price bid
33 including estimated accrued interest from the sale thereof. The authori-
34 ty shall have the power and is hereby authorized to enter into such
35 agreements and perform such acts as may be required under any applicable
36 federal legislation to secure a federal guarantee to any bonds.

37 S 3. Subdivisions (a), (b) and (c) of section 1210-C of the tax law,
38 as amended by chapter 468 of the laws of 2008, are amended to read as
39 follows:

40 (a) In addition to the taxes authorized to be imposed by section
41 twelve hundred ten of this article or any other provision of this arti-
42 cle, the county of Schenectady is hereby authorized and empowered to
43 adopt and amend a local law, ordinance or resolution imposing within the
44 territorial limits of said county sales and compensating use taxes at a
45 rate which is one-half of one percent additional to the three percent
46 rate authorized in section twelve hundred ten of this article for the
47 period beginning on or after September first, nineteen hundred ninety-
48 eight and ending August thirty-first, two thousand [thirty-three] THIR-
49 TY-EIGHT, which taxes shall be identical to the taxes imposed by said
50 county pursuant to section twelve hundred ten of this article. Except as
51 hereinafter provided, all provisions of this article, including the
52 definition and exemption provisions and the provisions relating to the
53 administration, collection and distribution by the commissioner, shall
54 apply for purposes of the taxes authorized to be imposed by this section
55 in the same manner and with the same force and effect as if the language
56 of this article had been incorporated in full in this section and had

1 expressly referred to the taxes authorized to be imposed by this
2 section; provided, however, that any provision of this article relating
3 to a maximum rate shall be calculated without reference to the addi-
4 tional rate authorized by this section. For purposes of part IV of this
5 article, relating to the disposition of revenues resulting from taxes
6 collected and administered by the commissioner, the additional sales and
7 compensating use taxes authorized by this section shall be deemed to be
8 imposed under the authority of section twelve hundred ten of this arti-
9 cle and all provisions relating to the deposit, administration and
10 disposition of taxes, penalties and interest relating to taxes imposed
11 by a county under the authority of section twelve hundred ten of this
12 article shall, except as otherwise specifically provided in this
13 section, apply to the additional sales and compensating use tax imposed
14 pursuant to the authority of this section.

15 (b) Notwithstanding any other provision of this article to the contra-
16 ry, the net collections from the tax imposed pursuant to subdivision (a)
17 of this section for the period beginning on or after September first,
18 nineteen hundred ninety-eight and ending August thirty-first, two thou-
19 sand [thirty-three] THIRTY-EIGHT shall, upon payment to the county of
20 Schenectady, be deposited in the Schenectady metroplex development
21 authority support fund, pursuant to subdivision nine of section twenty-
22 six hundred sixty-one of the public authorities law, with such fund to
23 be designated as a special dedicated support fund, to be created by said
24 county therefor separate and apart from any other funds and accounts of
25 the county. Pending deposit from such Schenectady metroplex development
26 authority support fund into the general fund of the Schenectady metro-
27 plex development authority, all moneys therein may be invested in the
28 manner provided in section eleven of the general municipal law. Any
29 interest earned or capital gain realized on the moneys so deposited or
30 invested shall accrue to and become part of such Schenectady metroplex
31 development authority support fund.

32 (c) If the county of Schenectady does not impose the one-half of one
33 percent rate of taxes authorized by subdivision (a) of this section
34 during the period beginning September first, nineteen hundred ninety-
35 eight and ending August thirty-first, two thousand [thirty-three] THIR-
36 TY-EIGHT, the county shall dedicate net collections from sales and
37 compensating use taxes imposed during such period pursuant to the
38 authority of section twelve hundred ten of this article at the rate of
39 one-half of one percent and shall quarterly deposit such net collections
40 in the Schenectady metroplex development authority support fund estab-
41 lished in accordance with subdivision (b) of this section.

42 S 4. Severability clause. If any clause, sentence, paragraph, subdivi-
43 sion, section or part of this act shall be adjudged by any court of
44 competent jurisdiction to be invalid, such judgment shall not affect,
45 impair, or invalidate the remainder thereof, but shall be confined in
46 its operation to the clause, sentence, paragraph, subdivision, section
47 or part thereof directly involved in the controversy in which such judg-
48 ment shall have been rendered. It is hereby declared to be the intent of
49 the legislature that this act would have been enacted even if such
50 invalid provisions had not been included herein.

51 S 5. This act shall take effect immediately.