

STATE OF NEW YORK

10117

IN ASSEMBLY

March 16, 2018

Introduced by M. of A. WEINSTEIN -- (at request of the State Comptroller) -- read once and referred to the Committee on Ways and Means

AN ACT in relation to enacting the New York state fiscal reform and accountability act; to amend the state finance law and the public authorities law, in relation to contents of the state budget and the capital financing and program plan; to amend the state finance law, in relation to the rainy day reserve fund; and to repeal section 49 of the state finance law, relating to the segregation of lump sum appropriations (Part A); to amend the state finance law, in relation to establishing the New York state capital asset and infrastructure council (Part B); to amend the state finance law, in relation to limitations on state-funded debt; to repeal sections 67-a and 67-b of the state finance law, relating to limitations on state-supported debt; and providing for the repeal of certain provisions upon expiration thereof (Part C)

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act enacts into law major components of legislation
2 which are necessary to implement the New York state fiscal reform and
3 accountability act. Each component is wholly contained within a Part
4 identified as Parts A through C. The effective date for each particular
5 provision contained within such Part is set forth in the last section of
6 such Part. Any provision in any section contained within a Part, includ-
7 ing the effective date of the Part, which makes a reference to a section
8 "of this act", when used in connection with that particular component,
9 shall be deemed to mean and refer to the corresponding section of the
10 Part in which it is found. Section three of this act sets forth the
11 general effective date of this act.

12 § 1-a. Short title. This act shall be known and may be cited as "the
13 New York state fiscal reform and accountability act".

14 PART A

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

LBD14110-01-8

1 Section 1. Subdivision 5 of section 4 of the state finance law, as
2 amended by section 16 of part PP of chapter 56 of the laws of 2009, is
3 amended to read as follows:

4 5. No money or other financial resources shall be transferred or
5 temporarily loaned from one fund to another or, from a public authority
6 to the state, another public authority or any private corporation, with-
7 out specific statutory authorization for such transfer or temporary loan
8 and all such transfer authorizations must include specific amounts to be
9 transferred and identification of the specific fund, account, or public
10 authority from which money or other financial resources are to be trans-
11 ferred and the specific fund, account or public authority to which money
12 or other financial resources are to be transferred, except that money or
13 other financial resources of a fund may be temporarily loaned to the
14 general fund during the state fiscal year provided that such loan shall
15 be repaid in full no later than (a) four months after it was made or (b)
16 by the end of the same fiscal year in which it was made, whichever peri-
17 od is shorter, so that an accurate accounting and reporting of the
18 balance of financial resources in each fund may be made. The comptroller
19 is hereby authorized to temporarily loan money from the general fund or
20 any other fund to the fund/accounts that are authorized to receive a
21 loan. Such loans shall be limited to the amounts immediately required to
22 meet disbursements, made in pursuance of an appropriation by law and
23 authorized by a certificate of approval issued by the director of the
24 budget with copies thereof filed with the comptroller and the chair of
25 the senate finance committee and the chair of the assembly ways and
26 means committee. The director of the budget shall not issue such a
27 certificate unless he or she shall have determined that the amounts to
28 be so loaned are receivable on account. When making loans, the comp-
29 troller shall establish appropriate accounts and if the loan is not
30 repaid by the end of the month, provide on or before the fifteenth day
31 of the following month to the director of the budget, the chair of the
32 senate finance committee and the chair of the assembly ways and means
33 committee, an accurate accounting and report of the financial resources
34 of each such fund at the end of such month. Within ten days of the
35 receipt of such accounting and reporting, the director of the budget
36 shall provide the comptroller and the chair of the senate finance
37 committee and the chair of the assembly ways and means committee an
38 expected schedule of repayment by fund and by source for each outstand-
39 ing loan. Repayment shall be made by the comptroller from the first cash
40 receipt of this fund.

41 § 2. Paragraphs a and e and subparagraph (v) of paragraph d-2 of
42 subdivision 3 of section 22 of the state finance law, paragraph a as
43 amended by chapter 762 of the laws of 1992, and subparagraph (v) of
44 paragraph d-2 and paragraph e as amended by chapter 1 of the laws of
45 2007, are amended to read as follows:

46 a. The appropriations, including reappropriations, made for the
47 current fiscal year, the appropriations and reappropriations recommended
48 for the ensuing fiscal year, the disbursements estimated to be made
49 before the close of the current fiscal year and proposed to be made
50 during the ensuing fiscal year based upon available and recommended
51 appropriations and reappropriations, and for each item of appropriation
52 where the appropriation is subject to allocation by means of (i) a memo-
53 randum of understanding, (ii) an interchange with another item of appro-
54 priation, (iii) transfer or sub-allocation to another agency, or (iv)
55 any other method of allocating any appropriation or re-appropriation
56 into smaller sums, shall state separately the appropriation amount, by

1 program, object and purpose, and the projected disbursement level, by
2 projected recipient and amount of each smaller sum such item of appro-
3 priation is projected to be allocated. Disbursements proposed to be made
4 shall be shown in separate parts as follows: those disbursements
5 proposed to be made for state purposes shall be set forth in one part,
6 those disbursements proposed to be made for local assistance shall be
7 set forth in another separate and distinct part, those disbursements
8 proposed to be made for capital projects shall be set forth in a third
9 separate and distinct part and those disbursements proposed to be made
10 for debt service shall be set forth in a fourth separate and distinct
11 part. The effect of any proposed changes in the payment dates of partic-
12 ular disbursements on the financial plan presented in accordance with
13 subdivision one of this section shall be set forth separately.

14 (v) an itemized list of transfers to and from [~~the general fund~~] each
15 governmental fund and the effect of such transfers on programs and
16 activities associated with the funds from which money or other financial
17 resources are transferred.

18 e. [~~The~~] For each fund type, the anticipated [~~general fund~~] quarterly
19 schedule and fiscal year total for the prior, current and next ensuing
20 three fiscal years of: disbursements; receipts; repayments of advances;
21 total tax refunds; and refunds for the tax imposed under article twen-
22 ty-two of the tax law. Such information shall be presented in the same
23 form as the summary financial plans presented in accordance with subdivi-
24 sions one and two of this section. A separate, detailed, report of
25 such schedule shall be provided with receipts shown by each major reven-
26 ue category, including [~~detail for each major tax and major components~~
27 ~~of miscellaneous receipts, and with disbursements shown by major func-~~
28 ~~tion or program~~] each individual tax, each individual component part of
29 miscellaneous receipts, and each revenue source which accounts for at
30 least one-half of one percent of all receipts within each fund type and
31 with disbursements shown by major agency or major spending item. The
32 director of the division of the budget shall submit concurrent with the
33 submission of the financial plan to the legislature pursuant to subdivi-
34 sion two of this section and with each update thereafter a revised
35 monthly general fund cash flow projection of receipts and disbursements
36 for the current fiscal year that: (1) compares actual results to (i)
37 actual results through the same period for the prior year and (ii) the
38 most recent prior update to the financial plan and to the enacted budget
39 financial plan; (2) summarizes the reasons for any variances; and (3)
40 describes the revisions to the cash flow projections. The monthly gener-
41 al fund cash flow projection shall be stated by major category of local
42 assistance, personal service, nonpersonal service, general state charg-
43 es, and debt service, and by major category of revenue and shall include
44 a schedule of actual and planned disbursements by month, by agency, fund
45 type, and program, stating separately and distinctly variances between
46 actual and projected fiscal year to date disbursements and projected
47 disbursements for the remaining months of the fiscal year. Such reports
48 shall utilize a format that shall facilitate comparison and analysis
49 with those reports submitted to the legislature by the office of audit
50 and control pursuant to subdivision nine of section eight of this chap-
51 ter.

52 § 3. Subdivision 4 of section 23 of the state finance law, as amended
53 by chapter 1 of the laws of 2007, is amended to read as follows:

54 4. Financial plan updates. Quarterly, throughout the fiscal year, the
55 governor shall submit to the comptroller, the chairs of the senate
56 finance and the assembly ways and means committees, within thirty days

1 of the close of the quarter to which it shall pertain, a report which
2 summarizes the actual experience to date and projections for the remain-
3 ing quarters of the current fiscal year and for each of the next two
4 fiscal years of receipts, disbursements, tax refunds, and repayments of
5 advances presented in forms suitable for comparison with the financial
6 plan submitted pursuant to subdivisions one, four, and five, of section
7 twenty-two of this article including detail for each individual tax,
8 each individual component part of miscellaneous receipts, and each
9 revenue source which accounts for at least one-half of one percent of
10 all receipts within each fund type and with disbursements shown by major
11 agency or major spending item and revised in accordance with the
12 provisions of subdivision three of this section. Such report shall
13 include a schedule of actual and planned disbursements by month, by
14 agency, fund type, and program, stating separately and distinctly vari-
15 ances between actual and projected fiscal year to date disbursements and
16 projected disbursements for the remaining months of the fiscal year. The
17 governor shall submit with the budget a similar report that summarizes
18 revenue and expenditure experience to date in a form suitable for
19 comparison with the financial plan submitted pursuant to subdivision two
20 of section twenty-two of this article and revised in accordance with the
21 provisions of subdivision three of this section. Such reports shall
22 provide an explanation of the causes of any major deviations from the
23 revised financial plans and, shall provide for the amendment of the plan
24 or plans to reflect those deviations. The governor may, if he determines
25 it advisable, provide more frequent reports to the legislature regarding
26 actual experience as compared to the financial plans. The quarterly
27 financial plan update most proximate to October thirty-first of each
28 year shall include the calculation of the limitations on the issuance of
29 state-supported debt computed pursuant to the provisions of subdivisions
30 one and two of section sixty-seven-b of this chapter. On or after Janu-
31 ary first, two thousand twenty, the enacted budget financial plan and
32 financial plan updates submitted by the governor pursuant to this subdivi-
33 sion shall bear the financial plan program reference number or numbers
34 to which every appropriation or reappropriation shall pertain, and shall
35 be classified into the same category as the associated program or
36 programs have been classified in such financial plan, and for each item
37 of appropriation where the appropriation is subject to allocation by
38 means of (i) a memorandum of understanding, (ii) an interchange with
39 another item of appropriation, (iii) transfer or suballocation to anoth-
40 er agency, or (iv) any other method of allocating any appropriation or
41 reappropriation into smaller sums, shall state separately the appropri-
42 ation amount, by program, object and purpose, and the projected
43 disbursement level, by projected recipient and amount of each smaller
44 sum such item of appropriation is projected to be allocated.

45 § 4. Section 22 of the state finance law is amended by adding two new
46 subdivisions 5-a and 5-b to read as follows:

47 5-a. For each agency or public authority, by program and fund, identi-
48 fy:

49 (a) amounts, by appropriation or reappropriation, proposed to maintain
50 current services;

51 (b) amounts, by appropriation or reappropriation, proposed to support
52 new program initiatives, or policy changes;

53 (c) estimated disbursements for each appropriation or reappropriation
54 separately identified in paragraphs (a) and (b) of this subdivision; and

55 (d) estimated disbursements for carry-over spending for each appropri-
56 ation, by program and fund.

1 5-b. Include summaries that identify disbursements, carry-over spend-
2 ing and new spending by each agency or public authority, by program and
3 fund, separately identified for state purposes, local assistance, capi-
4 tal projects, and general state charges.

5 § 5. Subdivision 3 of section 23 of the state finance law, as amended
6 by chapter 1 of the laws of 2007, is amended to read as follows:

7 3. [~~Financial~~] Preliminary budget assessment, financial plans and
8 capital improvement program; revisions. Prior to the date the legisla-
9 ture finally acts upon the appropriation bill or bills submitted by the
10 governor pursuant to section three of article seven of the state consti-
11 tution, the governor shall cause to be submitted to the legislature and
12 made accessible to the public, via an official or shared internet web
13 site, a preliminary overview of the estimated financial plan impact of
14 revisions to the budget that occurred between the submission of the
15 budget bills by the governor and the bills, as amended by the legisla-
16 ture, that are anticipated to be passed by both houses of the legisla-
17 ture and constitute final passage of the budget which shall include, but
18 not be limited to, a description of receipts and disbursements in the
19 general fund and all governmental funds as well as a general
20 description, by agency and program where applicable, of changes in
21 revenue and spending projections that occurred between the governor's
22 submission and action by the legislature. Not later than thirty days
23 after the legislature has completed action on the budget bills submitted
24 by the governor and the period for the governor's review has elapsed,
25 the governor shall cause to be submitted to the legislature the
26 revisions to the financial plans and the capital plan required by subdi-
27 visions one, two, ~~three~~, four [~~and~~], five, ~~five-a~~, and ~~five-b~~ of section
28 twenty-two of this article as are necessary to account for all enact-
29 ments affecting the financial plans and the capital plan. The financial
30 plan shall also contain a cash flow analysis of projected receipts and
31 disbursements and other financing sources or uses for each month of the
32 state's fiscal year. Notwithstanding any other law to the contrary, such
33 revised plans and accompanying cash flow analysis shall be submitted to
34 the legislature and the comptroller in the same form as the plans
35 required by such subdivisions.

36 § 6. The state finance law is amended by adding a new section 40-b to
37 read as follows:

38 § 40-b. Appropriation of state funds; agencies and authorities.
39 Notwithstanding the provisions of any other section of law to the
40 contrary, no moneys shall be paid from any fund under the management of
41 the state, or any agency or officer thereof for any state agency or
42 public authority spending for a state purpose or project supported in
43 any way by state funds, including state funded public authority bond
44 proceeds, except in pursuance of an appropriation by law and payable
45 only upon audit and warrant of the state comptroller.

46 § 7. Section 24 of the state finance law, as amended by chapter 762 of
47 the laws of 1992, subdivision 1 as amended and subdivisions 4 and 5 as
48 added by chapter 1 of the laws of 2007, and subdivision 2 as amended by
49 section 2 of part 0 of chapter 59 of the laws of 2009, is amended to
50 read as follows:

51 § 24. Budget bills. 1. The budget submitted annually by the governor
52 shall be simultaneously accompanied by a bill or bills for all proposed
53 appropriations and reappropriations and for the proposed measures of
54 taxation or other legislation, if any, recommended therein. Such bills
55 shall be submitted by the governor and shall be known as budget bills;
56 provided, however, that all appropriations and reappropriations

1 contained in such budget bills shall only contain itemized appropri-
2 ations which shall not be in the form of lump sum appropriations. On or
3 after January first, two thousand twenty, every proposed appropriation
4 or reappropriation submitted by the governor shall specifically relate
5 to a program which is included in the financial plan presented as part
6 of the budget submitted pursuant to section twenty-two of this article.
7 Each proposed appropriation or reappropriation for a program shall bear
8 the financial plan program reference number or numbers to which it shall
9 pertain, and shall be classified into the same category as the associ-
10 ated program or programs have been classified in such financial plan.

11 (a) [~~For all~~] All non-federal state operations appropriations [~~, such~~
12 ~~bill or bills shall only contain itemized appropriations and~~] shall not
13 be made in form of lump sum appropriations and shall be [~~made, where~~
14 ~~practicable,~~] itemized by agency and within each agency by program and
15 within each program at the following level of detail and in the follow-
16 ing order:

17 (i) by fund type, which at a minimum shall include general fund,
18 special revenue-other funds, capital projects funds, and debt service
19 funds;

20 (ii) for personal service appropriations, separate appropriations
21 shall be made for regular personal service, temporary personal service,
22 and holiday and overtime pay;

23 (iii) for nonpersonal service appropriations, separate appropriations
24 shall be made for supplies and materials, travel, contractual services,
25 equipment, and fringe benefits, as appropriate.

26 (b) Any appropriation for temporary assistance for needy families, the
27 environmental protection fund, and the medical assistance program, shall
28 only contain itemized appropriations which shall not be in the form of
29 lump sum appropriations, provided, however, for the purposes of the
30 medical assistance program, itemized appropriations shall consist of
31 categories-of-service with separate appropriations for hospital inpa-
32 tient, hospital outpatient and emergency room, clinic, nursing home,
33 other long-term care, managed care, pharmacy, dental, transportation,
34 and other non-institutional services.

35 2. (a) On or after January first, nineteen hundred eighty-four, no
36 budget bill submitted by the governor may include any proposed appropri-
37 ation or reappropriation for any capital project which is not included
38 in the capital plan presented as part of the budget submitted pursuant
39 to section twenty-two of this article. Each proposed appropriation or
40 reappropriation for a capital project shall bear the capital plan
41 project reference number or numbers to which it shall pertain, and shall
42 be classified into the same category as the associated capital project
43 or projects have been classified in such capital plan. Reappropriations
44 of appropriations effective for fiscal years beginning prior to April
45 first, nineteen hundred eighty-four may be presented by the categories
46 of appropriation contained in the bill originally enacting such appro-
47 priation.

48 (b) On or after January first, two thousand ten, any budget bill
49 submitted by the governor containing a proposed appropriation from the
50 dedicated highway and bridge trust fund shall not be made in form of
51 lump sum appropriations and shall be itemized to show the following
52 information for each such appropriation:

53 (i) each amount appropriated from the dedicated highway and bridge
54 trust fund for capital purposes;

55 (ii) the amount of each such appropriation to be used for personal
56 service expenses; and

1 (iii) the amount of each such appropriation to be used for non-person-
2 al service expenses.

3 3. Any appropriation for maintenance undistributed shall be shown as
4 apportioned among the items covered [~~to the extent practicable~~].

5 4. Any appropriation added to such budget bills, pursuant to section
6 four of article seven of the constitution or concurrent resolution,
7 shall only contain itemized appropriations which shall not be in the
8 form of lump sum appropriations, and provided further that for all non-
9 federal state operations appropriations, such bill or bills [~~shall only~~
10 ~~contain itemized appropriations and~~] shall not be made in form of lump
11 sum appropriations and shall be [~~made, where practicable,~~] itemized by
12 agency, and within each agency by program and within each program at the
13 following level of detail and in the following order:

14 (a) by fund type, which at a minimum shall include general fund,
15 special revenue-other funds, capital projects funds and debt service
16 funds;

17 (b) for personal service appropriations, separate appropriations shall
18 be made for regular personal service, temporary personal service, and
19 holiday and overtime pay;

20 (c) for nonpersonal service appropriations, separate appropriations
21 shall be made for supplies and materials, travel, contractual services,
22 equipment and fringe benefits, as appropriate.

23 5. [~~Any appropriation added pursuant to section four of article seven~~
24 ~~of the constitution without designating a grantee shall be allocated~~
25 ~~only pursuant to a plan setting forth an itemized list of grantees with~~
26 ~~the amount to be received by each, or the methodology for allocating~~
27 ~~such appropriation. Such plan shall be subject to the approval of the~~
28 ~~chair of the senate finance committee, the chair of the assembly ways~~
29 ~~and means committee, and the director of the budget, and thereafter~~
30 ~~shall be included in a concurrent resolution calling for the expenditure~~
31 ~~of such monies, which resolution must be approved by a majority vote of~~
32 ~~all members elected to each house upon a roll call vote~~]

33 (a) To the extent that any appropriation or reappropriation either (i)
34 does not identify a specific recipient, or (ii) is not subject to allo-
35 cation by a statutory formula, such appropriation or reappropriation
36 must identify an administering state agency or public authority and,
37 prior to the disbursement of any funds so appropriated, each such state
38 agency or public authority shall:

39 (i) develop and execute a process in accordance with all provisions of
40 law applicable to a program administered by a state agency whereby each
41 project proposed to be funded with such appropriation or reappropriation
42 shall be scored and ranked based on clear, measurable and objective
43 criteria. The ranking of such projects shall indicate their relative
44 importance in the best interest of the state;

45 (ii) develop and execute a process in accordance with all provisions
46 of law applicable to a program administered by a state agency for enter-
47 ing into any contract or commitment for the disbursement of such funds
48 which shall include, where appropriate, public advertising for bids or
49 proposals, and a method for awarding contracts under each project that
50 shall permit full and free competition. Such method shall be based on
51 clear, measurable and objective criteria; and

52 (iii) identify each project to be funded with such appropriation or
53 reappropriation and the portion of such appropriation or reappropriation
54 to be allocated to each project.

55 (b) Any appropriation added pursuant to section four of article seven
56 of the constitution shall identify a specific recipient or grantee, or

1 shall be subject to allocation by a statutory formula, or shall be
2 subject to allocation pursuant to the provisions of paragraph (a) of
3 this subdivision.

4 § 8. Section 49 of the state finance law is REPEALED.

5 § 9. The state finance law is amended by adding a new section 24-a to
6 read as follows:

7 § 24-a. Budget director; spending transparency report. The budget
8 director shall report annually to the legislature, the office of the
9 state comptroller and the public on all spending for which an appropri-
10 ation does not provide either a specific recipient and/or the allocation
11 of an appropriation is not provided for through a statutory formula,
12 including, but not limited to the allocation of lump sum appropriations
13 and other discretionary funds, identifying, by appropriation, the amount
14 allocated by project, the selection process and criteria used, overall
15 scoring and ranking of projects evaluated, and each funded project
16 score. Such report shall also provide the final allocation of any appro-
17 priation subject to allocation by means of (i) a memorandum of under-
18 standing, (ii) an interchange with another item of appropriation, (iii)
19 transfer or suballocation to another agency, or (iv) any other method of
20 allocating an appropriation into smaller sums, identifying disbursement
21 information by agency, fund and program with project-level detail. Such
22 report shall also include the fiscal and programmatic impact of any
23 executed transfers between funds and/or public authorities on programs
24 and activities associated with such funds and/or public authorities from
25 which money or other financial resources are transferred and to which
26 money or financial resources are transferred.

27 § 10. The public authorities law is amended by adding a new section
28 2801-a to read as follows:

29 § 2801-a. Quarterly reports by authorities. 1. State authorities.
30 Every state authority or commission heretofore or hereafter continued or
31 created by this chapter or any other chapter of the laws of the state of
32 New York shall submit quarterly to the governor, the chair and ranking
33 minority member of the senate finance committee, the chair and ranking
34 minority member of the assembly ways and means committee, the state
35 comptroller and the authorities budget office, for their information, a
36 report on the expenditure of funds pursuant to an appropriation by the
37 state, including identifying, by appropriation, the amount allocated by
38 project, the selection process and criteria used, and each funded
39 project score, as well as the overall scoring and ranking of projects
40 evaluated.

41 2. Local authorities. Every local authority heretofore or hereafter
42 continued or created by this chapter or any other chapter of the laws of
43 the state of New York shall submit quarterly to the chief executive
44 officer, the chief fiscal officer, the chairperson of the legislative
45 body of the local government or governments, the office of the state
46 comptroller and the authorities budget office for their information, a
47 report on the expenditure of funds pursuant to an appropriation by the
48 state, including identifying, by appropriation, the amount allocated by
49 project, the selection process and criteria used, and each funded
50 project score, as well as the overall scoring and ranking of projects
51 evaluated.

52 § 11. Section 51 of the public authorities law is amended by adding a
53 new subdivision 6 to read as follows:

54 6. The board shall make accessible to the public, via its official or
55 shared internet web site, by meeting date, all resolutions, project
56 descriptions, board materials and project lists, for at least ten years.

1 § 12. Subdivisions 1 and 2 of section 92-cc of the state finance law,
2 subdivision 1 as added by chapter 1 of the laws of 2007 and subdivision
3 2 as amended by section 12-a of part I of chapter 60 of the laws of
4 2015, are amended and new subdivision 2-a is added to read as follows:

5 1. a. There is hereby established in the state treasury a fund to be
6 known as the "rainy day reserve fund". Such fund shall consist of moneys
7 deposited therein and monies shall be withdrawn from such fund only for
8 the purposes as provided therein.

9 b. For the purposes of this subdivision, "cash surplus" shall mean the
10 positive amount by which, at of the close of each fiscal year, the total
11 general fund balance exceeds the general fund balance as projected in
12 the enacted budget financial plan.

13 2. Such fund shall have a maximum balance not to exceed [~~five~~] eight
14 per centum of the aggregate amount projected to be disbursed from the
15 general fund during the fiscal year immediately following the then-cur-
16 rent fiscal year. [~~At the request of the director of the budget, the~~]
17 The state comptroller shall transfer monies to the rainy day reserve
18 fund [~~up to and including~~] in an amount equivalent to [~~seventy-five~~
19 ~~one-hundredths of one per centum of the aggregate amount projected to be~~
20 ~~disbursed from the general fund during the then-current fiscal year~~] the
21 cash surplus, provided, however, that in cases where tax receipts
22 received in all governmental funds and miscellaneous receipts received
23 in the general fund for the immediately preceding fiscal year decreased
24 or did not increase or decrease from the fiscal year preceding such
25 year, the state comptroller shall transfer monies to the rainy day
26 reserve fund at the request of the director of the budget unless such
27 transfer would increase the rainy day reserve fund to an amount in
28 excess of [~~five~~] eight per centum of the aggregate amount projected to
29 be disbursed from the general fund during the fiscal year immediately
30 following the then-current fiscal year, in which event such transfer
31 shall be limited to such amount as will increase the rainy day reserve
32 fund to such [~~five~~] eight per centum limitation.

33 2-a. At the close of each fiscal year, any cash surplus remaining in
34 the general fund after transfers pursuant to section ninety-two of this
35 article and this section shall be deposited in the debt reduction
36 reserve fund established pursuant to section ninety-seven-rrr of this
37 article.

38 § 13. This act shall take effect immediately.

39 PART B

40 Section 1. The state finance law is amended by adding a new article 17
41 to read as follows:

42 ARTICLE 17

43 NEW YORK STATE CAPITAL ASSET AND INFRASTRUCTURE COUNCIL

44 Section 250. Definitions.

45 251. New York state capital asset and infrastructure council;
46 creation; procedure.

47 252. Powers and duties.

48 § 250. Definitions. As used in this article, the following terms shall
49 have the following meanings:

50 1. "Capital assets" shall mean fixed assets and infrastructure assets,
51 including, but not limited to, land, buildings, equipment, roads, and
52 bridges of the state, a state agency or state authority, and shall also

1 include any capital asset of a local authority or a municipal corpo-
2 ration that, in the judgment of the New York state capital asset and
3 infrastructure council is significantly funded by state monies.

4 2. "Council" shall mean the New York state capital asset and infras-
5 tructure council established pursuant to section two hundred fifty-one
6 of this article.

7 3. "Construction" shall mean the erection, acquisition, alteration,
8 reconstruction, repair, rehabilitation, improvement, equipping, enlarge-
9 ment or extension of a capital asset, including land acquisition and the
10 engineering, architectural, legal, fiscal and economic investigations,
11 studies, surveys, designs, plans, drawings, specifications, procedures
12 and other actions relating to a capital asset.

13 4. "Local authority" shall mean:

14 (a) a public authority or public benefit corporation created by or
15 existing under this chapter or any other law of the state whose members
16 do not hold a civil office of the state, are not appointed by the gover-
17 nor or are appointed by the governor specifically upon the recommenda-
18 tion of the local government or governments;

19 (b) a not-for-profit corporation affiliated with, sponsored by, or
20 created by a county, city, town or village government;

21 (c) a local industrial development agency or authority or other local
22 public benefit corporation; or

23 (d) an affiliate or subsidiary of such local authority.

24 5. "State authority" shall mean a public authority or public benefit
25 corporation created by or existing under this chapter or any other law
26 of the state, with one or more of its members appointed by the governor
27 or who serve as members by virtue of holding a civil office of the
28 state, other than an interstate or international authority or public
29 benefit corporation, including subsidiaries of such public authority or
30 public benefit corporation.

31 6. "Maintenance" shall mean any regularly scheduled activity including
32 a routine repair intended to ensure that a capital asset continues to
33 operate safely and efficiently and as intended.

34 7. "Municipal corporation" shall mean a county, city, town or village
35 and shall include any special district therein.

36 8. "Rehabilitation" shall mean an action to extend the useful life or
37 improve the effectiveness of an existing capital asset.

38 § 251. New York state capital asset and infrastructure council;
39 creation; procedure. 1. Within the executive department there is hereby
40 established an independent council to be known as the New York state
41 capital asset and infrastructure council to have and exercise the powers
42 and duties provided by the provisions of this article.

43 2. The purpose of the council is to develop and implement a process to
44 identify, monitor, plan, recommend, and publicly report on all capital
45 assets of state agencies and state authorities and, in the discretion of
46 the council, local authorities and municipal corporations, to ensure
47 that the capital assets meet current and future needs of the public,
48 facilitate economic growth, are maintained in a good operating condition
49 that ensures public safety, and are developed or modified in a sustaina-
50 ble manner as provided by the provisions of this article.

51 3. The council shall consist of five members appointed by the gover-
52 nor, one of whom shall be appointed upon the recommendation of the
53 temporary president of the senate, one of whom shall be appointed upon
54 the recommendation of the speaker of the assembly, and one of whom shall
55 be appointed upon the recommendation of the comptroller. One of the
56 members shall be designated as chair by the governor. Each member of the

1 council shall have experience in one or more of the fields of economics,
2 public administration, civil engineering, public works, construction or
3 a related design profession, planning, public investment financing,
4 environmental engineering or water resources engineering. The two
5 members first appointed by the governor without the recommendation of
6 any other state official shall serve an initial term of four years; the
7 member first appointed upon the recommendation of the temporary presi-
8 dent of the senate shall serve an initial term of three years; the
9 member first appointed upon the recommendation of the speaker of the
10 assembly shall serve an initial term of three years; and the member
11 first appointed upon the recommendation of the state comptroller shall
12 serve an initial term of two years. Upon expiration of a member's
13 initial term, each subsequent term shall be for a period of four years.

14 4. Notwithstanding any inconsistent provision of law, no officer or
15 employee of the state, of any political subdivision of the state, of any
16 governmental entity operating any public school or college, or of any
17 other public agency or instrumentality or unit of government which exer-
18 cises governmental powers under the laws of the state, shall forfeit
19 such office or employment by reason of acceptance or appointment as a
20 member, representative, officer, employee or agent of the council. The
21 members, their representatives, officers and staff to the council shall
22 be deemed employees within the meaning of section seventeen of the
23 public officers law.

24 5. The members of the council shall serve without salary or per diem
25 allowance but shall be entitled to reimbursement for actual and neces-
26 sary expenses incurred in the performance of their official duties
27 pursuant to this article; provided, however, that such members and
28 representatives are not, at the time such expenses are incurred, public
29 employees otherwise entitled to such reimbursement.

30 § 252. Powers and duties. 1. The council shall have the power to:

31 (a) hold such hearings, meet and act at such times and places, take
32 such testimony, administer such oaths or affirmations and receive such
33 evidence as the council considers advisable to carry out its responsi-
34 bilities;

35 (b) require the production of any books, and collection and compila-
36 tion of data deemed relevant or material to any review undertaken pursu-
37 ant to its purpose under this article;

38 (c) request and receive from any department, division, board, commis-
39 sion or other agency of the state, including any state authorities,
40 local authorities and municipal corporations any relevant information
41 necessary to carry out the responsibilities and provisions set forth in
42 this article;

43 (d) enter into cooperative agreements with other government offices,
44 state agencies, state authorities, local authorities and municipal
45 corporations to efficiently support the work of the council and carry
46 out its responsibilities;

47 (e) have direct input and prompt access to the head of any state agen-
48 cies, state authorities, local authorities and municipal corporations
49 and any member and employee thereof when necessary or useful in the
50 performance of the duties or responsibilities of the council;

51 (f) issue such reports and other documents as the council determines
52 to be necessary or advisable; and

53 (g) advise and make recommendations to the governor, the legislature,
54 the comptroller, and other agencies, state authorities, local authori-
55 ties and municipal corporations of the state on matters affecting the
56 condition of the capital assets within the state.

1 2. The council shall identify the capital assets located within the
2 state on a periodic basis and assess the condition of the assets by:

3 (a) developing uniform criteria and procedures for use in conducting
4 inventories and assessments, including formal standards defining a state
5 of good repair and replacement cycles for capital assets, and standards
6 requiring clear justification in terms of rigorous economic analysis for
7 proposed new capital investments or expansions;

8 (b) inventorying all existing capital assets using to the extent prac-
9 ticable, existing inventories available from all sources; where existing
10 inventories are not available, a process for state agencies and state
11 authorities and, in the discretion of the council, local authorities and
12 municipal corporations, to inventory all existing capital assets will be
13 developed subject to approval of the council; and

14 (c) assessing the condition of capital assets, including but not
15 limited to changes in the condition of those capital assets as compared
16 with preceding years and identification of needed improvements.

17 3. The council shall develop recommendations based on comprehensive
18 studies and assessments undertaken pursuant to subdivision two of this
19 section, and shall report its findings and recommendations to the gover-
20 nor, the legislature and the comptroller not later than June fifteenth,
21 two thousand twenty, and annually thereafter, and shall make such
22 reports accessible to the public, via its official or shared internet
23 web site. The recommendations of the council shall include:

24 (a) proposed improvements in prioritizing the planning and funding of
25 capital asset investments;

26 (b) improved procedures for ensuring that state agencies and state
27 authorities and, in the discretion of the council, local authorities and
28 municipal corporations replace assets on regular replacement schedules
29 according to reliable estimates of their useful lives; and

30 (c) improvements in criteria and procedures that may be used by state
31 agencies and state authorities and, in the discretion of the council,
32 local authorities and municipal corporations, in:

33 (i) determining the capacity of capital assets to sustain current and
34 anticipated economic development and competitiveness, including long-
35 term economic growth, including the potential return on investments in
36 new capital assets as opposed to investments in existing capital assets;

37 (ii) maintaining data in a form that is readily accessible to the
38 public;

39 (iii) the methods used to finance the construction, acquisition, reha-
40 ilitation and maintenance of capital assets;

41 (iv) comprehensive investment requirements, by type of capital asset,
42 that are necessary to maintain the current condition and performance of
43 the capital assets and the investment needed to improve capital assets
44 in the future;

45 (v) trends or innovations in construction methods or materials for
46 capital assets;

47 (vi) the impact of local development patterns on demand for funding of
48 capital assets;

49 (vii) the impact of deferred maintenance; and

50 (viii) the impact of deteriorated capital assets.

51 4. The council shall report updated findings and recommendations in a
52 manner consistent with the provisions of subdivision three of this
53 section, to be known as the "comprehensive statewide capital needs
54 assessment". Such reports shall be issued not later than the last day of
55 the calendar year following the year in which the report required by

1 subdivision three of this section is issued and, thereafter, on an annu-
2 al basis.

3 5. (a) The council shall issue a comprehensive twenty year strategic
4 plan for capital needs encompassing necessary maintenance activities,
5 scheduled asset replacement and expansion, the status of current capital
6 activities, and related financing. The long-term strategic plan shall be
7 developed based on the capital projects identified in the comprehensive
8 statewide capital needs assessment and future capital project needs of
9 the state, with clear interim goals and benchmarks.

10 (b) The long-term strategic plan shall be updated and revised every
11 even-numbered year, and issued simultaneously with the comprehensive
12 statewide capital needs assessment of that year.

13 § 2. The opening paragraph of section 22-c of the state finance law,
14 as amended by section 3 of part F of chapter 389 of the laws of 1997, is
15 amended to read as follows:

16 The governor shall annually submit to the legislature a capital
17 program and financing plan concurrent with the executive budget, in
18 addition to the information required by section twenty-two of this arti-
19 cle. The plan, along with capital appropriations proposed in the execu-
20 tive budget or enacted by the legislature, shall derive from the long-
21 term strategic plan established by subdivision five of section two
22 hundred fifty-two of this chapter. Any deviation from the long-term
23 strategic plan must be justified. The plan shall contain a comprehensive
24 assessment of the capital assets and program needs of all state agen-
25 cies, a review and analysis of how such requirements would be financed,
26 an analysis of the affordability of state-supported debt, and an analy-
27 sis of all costs related to the financing of such plan.

28 § 3. This act shall take effect immediately.

29 PART C

30 Section 1. Sections 67-a and 67-b of the state finance law are
31 REPEALED and five new sections 67-a, 67-b, 67-b-1, 67-b-2 and 67-d are
32 added to read as follows:

33 § 67-a. Definitions. As used in this article the following terms shall
34 have the following meanings:

35 1. "State debt" shall mean all bonds, bond anticipation notes, tax and
36 revenue anticipation notes and revenue debt issued by the comptroller
37 pursuant to article five of this chapter.

38 2. "State-backed debt" shall mean any debt or obligation, other than
39 state debt, that is supported in whole or in part by any financing
40 arrangement whereby the state agrees or has in the past agreed, whether
41 by law, contract or otherwise, to make payments which will be used,
42 directly or indirectly, for the payment of principal, interest or
43 related payments on indebtedness incurred or contracted by the state
44 itself for any purpose, or by any state agency, municipality, individ-
45 ual, public authority or other public or private corporation or any
46 other entity for state capital or operating purposes or to finance
47 grants, loans or other assistance payments made or to be made by or on
48 behalf of the state for any purpose. If the state agrees or has agreed
49 on or after April first, nineteen hundred ninety-seven to make future
50 revenues from a specific state source available for the purpose of
51 supporting debt of any municipality, individual, public authority or
52 other public or private corporation or any other entity, or, if on or
53 after such date, a program of debt is authorized to be issued where
54 state aid is intended to be the sole source of payment of debt service,

1 such debt shall be considered to be a debt for the purpose of financing
2 a state grant, loan or other assistance payment and shall be a "state-
3 backed debt" for the purposes of this article. The term "state-backed
4 debt" applies to all debt or obligations described in this subdivision
5 for which the state agrees, or has in the past agreed, to make payments
6 (a) whether or not the obligation of the state to make payments is
7 subject to appropriation, or (b) whether or not debt service is to be
8 paid from a revenue stream transferred by the state to another party
9 that is responsible for making such payments.

10 3. "State-funded debt" shall mean the combined total of all state
11 debt, as defined in subdivision one of this section, and all state-
12 backed debt except short term debt incurred in accordance with section
13 nine of article seven of the constitution, and shall include all debt
14 outstanding on the effective date of this section.

15 4. "State-supported debt" shall mean any bonds or notes, including
16 bonds or notes issued to fund reserve funds and costs of issuance,
17 issued by the state or a state public corporation for which the state is
18 constitutionally obligated to pay debt service or is contractually obli-
19 gated to pay debt service subject to an appropriation, except where the
20 state has a contingent contractual obligation.

21 5. "Revenue debt" shall mean state debt issued by the comptroller and
22 supported by future revenues from a specific state source.

23 6. "Total personal income of the state" shall mean the most recently
24 published estimated dollar amount determined as total personal income of
25 the state of New York by the United States department of commerce or any
26 successor agency for the four most recent successive calendar quarters
27 for which information is available prior to October thirty-first of each
28 year. Subsequent revisions of the published estimated dollar amount for
29 such calendar quarters shall not affect the validity of the determi-
30 nation made for any fiscal year.

31 7. "Capital work or purpose" shall mean any project involving:
32 (a) the acquisition, construction, demolition or replacement of a
33 fixed asset or assets;

34 (b) the major repair or renovation of a fixed asset, which materially
35 extends its useful life or materially improves or increases its capaci-
36 ty; or

37 (c) the planning or design of the acquisition, construction, demoli-
38 tion, replacement, major repair or renovation of a fixed asset, includ-
39 ing the preparation and review of plans and specifications including
40 engineering and other services, field surveys and sub-surface investi-
41 gations incidental thereto.

42 8. "Conduit debt obligation" shall mean a debt obligation issued by a
43 public authority (the "conduit issuer") on behalf of a third party (the
44 "conduit borrower") other than the state or a political subdivision of
45 the state, where payment of the obligation is to be made from funds of
46 the conduit borrower, the security for the obligation is the credit of
47 the conduit borrower and no funds of the conduit issuer, the state or a
48 political subdivision of the state are pledged to secure the obligation,
49 whether or not the obligation of the conduit issuer, the state or poli-
50 tical subdivision of the state is subject to appropriation or is other-
51 wise contingent.

52 § 67-b. Duties with respect to state-funded debt. 1. On or before
53 October thirty-first, two thousand twenty-seven and on or before October
54 thirty-first of each year thereafter, the division of budget shall have
55 the responsibility to determine the total debt limit of the state by

1 calculating the dollar amount equivalent to five percent of the total
2 personal income of the state.

3 2. On or before October thirty-first, two thousand twenty-seven and on
4 or before October thirty-first of each year thereafter, the division of
5 budget shall determine the total debt limit of the state, and pursuant
6 to section sixty-seven-b-two of this article for the next fiscal year
7 and determine whether the total principal amount of additional debt
8 projected to be incurred in the next fiscal year, together with the
9 total principal amount of state-funded debt already outstanding is equal
10 to or greater than the debt limit, and report such information by Octo-
11 ber thirty-first, to the temporary president of the senate, the speaker
12 of the assembly, the chairperson and ranking minority member of the
13 senate finance committee, the chairperson and ranking minority member of
14 the assembly ways and means committee, and the comptroller. On or before
15 such date, the division of budget shall issue a public announcement of
16 such limit.

17 3. The executive's proposed budget for state fiscal year two thousand
18 nineteen--two thousand twenty shall include a plan setting forth the
19 annual target percentages and methodology for the implementation of the
20 provisions of subdivision one of section sixty-seven-b-two of this arti-
21 cle by April first, two thousand twenty-eight. A progress report with
22 respect to meeting annual target percentages in the plan shall be issued
23 annually by the executive with release of the proposed budget and, in
24 the event the actual percentages deviate from the target percentages set
25 forth in the initial plan, shall include an explanation of such devi-
26 ations and the proposed remedial actions deemed necessary to meet such
27 target percentages by April first, two thousand twenty-eight.

28 § 67-b-1. Limitations on the issuance of state-supported debt. 1. (a)
29 State-supported debt may not be contracted for unless, as of October
30 thirty-first, two thousand one and as of each October thirty-first ther-
31 eafter, the total outstanding principal amount of such debt, as of the
32 last day of the immediately preceding fiscal year, is less than the
33 designated percentage of the total personal income of the state. Nothing
34 shall preclude the contracting of state-supported debt prior to October
35 thirty-first of each year if, as of the last day of the immediately
36 preceding fiscal year, the total outstanding principal amount of such
37 debt was less than the designated percentage of the total personal
38 income of the state. The total outstanding principal amount of debt
39 shall include all state-supported debt issued on and after April first,
40 two thousand. Such designated percentage shall be seven and one-half-
41 tenths of one percent for fiscal year two thousand--two thousand one,
42 and shall increase by five-tenths of one percent in fiscal year two
43 thousand one--two thousand two, by an additional four-tenths of one
44 percent in fiscal year two thousand two--two thousand three, and by an
45 additional one-third of one percent in each of the seven subsequent
46 fiscal years. The designated percentage for fiscal year two thousand
47 ten--two thousand eleven and for each fiscal year thereafter shall be
48 four percent.

49 (b) If state-supported debt is issued to refund or otherwise affect
50 the refunding, retirement or defeasance of state-supported debt
51 originally issued on and after April first, two thousand, provided such
52 refundings are conducted in accordance with section thirteen of article
53 seven of the constitution, the calculation of the total outstanding
54 principal amount of debt shall exclude such refunding debt, and shall
55 only include the amount of prior refunded debt, as if it were still
56 outstanding, in each year until such refunding debt is finally retired.

1 Notwithstanding the foregoing, the provisions of such section thirteen
2 of article seven of the constitution relating to the maintenance or
3 management of escrow funds and sinking funds shall only be applicable to
4 state-supported debt issued by the state comptroller. If state-supported
5 debt is issued to refund or otherwise affect the refunding, retirement
6 or defeasance of state-supported debt issued prior to April first, two
7 thousand, then the amount of such refunding debt shall be excluded from
8 the calculation of the total outstanding principal amount of debt in
9 each year until such refunding debt is finally retired. In addition, if
10 state-supported debt is retired or defeased with payments in any fiscal
11 year made by the state that are not required by mandatory payments, such
12 debt shall be excluded from the calculation of the total outstanding
13 principal amount of debt, including retirements or defeasances accom-
14 plished on an economic basis.

15 2. State-supported debt may not be contracted for unless, as of Octo-
16 ber thirty-first, two thousand one and as of each October thirty-first
17 thereafter, the total amount of interest, installments of principal,
18 contributions to sinking funds, and related payments on a cash basis of
19 accounting for state-supported debt in the immediately preceding fiscal
20 year is less than the designated percentage of total governmental funds
21 receipts for such fiscal year. Nothing shall preclude the contracting of
22 state-supported debt prior to October thirty-first of each year if, in
23 the immediately preceding fiscal year, the total amount of interest,
24 installments of principal, contributions to sinking funds, and related
25 payments was less than the designated percentage of total governmental
26 funds receipts. This shall include the total amount of payments on such
27 debt issued on and after April first, two thousand, but shall not
28 include payments in any fiscal year made by the state to defease or
29 retire debt not required by mandatory payments nor payments made by the
30 state for debt issued to refund debt that was issued prior to April
31 first, two thousand. In addition, if state-supported debt is issued to
32 refund or otherwise affect the refunding, retirement or defeasance of
33 state-supported debt originally issued on and after April first, two
34 thousand, provided such refundings are conducted in accordance with
35 section thirteen of article seven of the constitution, the calculation
36 of the total amount of interest, installments of principal, contrib-
37 utions to sinking funds, and related payments shall exclude payments
38 made on such refunding debt, and shall only include the payments on the
39 prior refunded debt, as if it were still outstanding, in each year until
40 such refunding debt is finally retired. Such designated percentage shall
41 be seven and one-half-tenths of one percent for fiscal year two thou-
42 sand--two thousand one, and shall increase by five-tenths of one percent
43 in fiscal year two thousand one--two thousand two, by an additional
44 four-tenths of one percent in fiscal year two thousand two--two thousand
45 three, and by an additional one-third of one percent in each of the ten
46 subsequent fiscal years. The designated percentage for fiscal year two
47 thousand thirteen--two thousand fourteen and for each fiscal year there-
48 after shall be five percent.

49 § 67-b-2. Limitations on state-funded debt. 1. No additional state-
50 funded debt shall be incurred after April first, two thousand twenty-
51 eight if the total principal amount of such additional debt projected to
52 be incurred in such year, together with the total principal amount of
53 state-funded debt already outstanding is equal to or greater than the
54 total debt limit of the state excluding short term debt incurred in
55 accordance with section nine of article seven of the constitution, debt

1 incurred in accordance with section ten of article seven of the consti-
2 tution, and refunding debt.

3 2. With the exception of short term debt incurred in accordance with
4 section nine of article seven of the constitution, debt incurred in
5 accordance with section ten of article seven of the constitution, and
6 refunding debt, no state-funded debt shall be incurred except to finance
7 a capital work or purpose. No such state-funded debt shall be incurred
8 if the total principal amount of such debt together with the total prin-
9 cipal amount of such debt already outstanding is equal to or greater
10 than the total debt limit of the state.

11 3. All debt subject to the provisions of this section shall, if
12 incurred on or after the first day of the first fiscal year beginning at
13 least one year after the effective date of an amendment adding a new
14 subdivision six to section eleven of article seven of the constitution,
15 be in the form of obligations issued by the comptroller.

16 4. No state-funded debt shall be incurred in the form of an obligation
17 with a final maturity exceeding the probable life of the capital project
18 financed by such debt, as specified in section sixty-one of this chap-
19 ter. Notwithstanding any other provision of law to the contrary, no
20 state-funded debt shall be incurred in the form of an obligation with a
21 final maturity of more than thirty years.

22 5. No state-funded debt outstanding on the effective date of this
23 subdivision shall be refunded unless such refunding is conducted in all
24 respects as if subject to the provisions of section thirteen of article
25 seven of the constitution. Such outstanding debt obligations shall be
26 included in the determination of the debt limit. For the purposes of
27 this subdivision and section sixty-seven-d of this article, any refund-
28 ing debt that does not extend beyond the final maturity of the debt
29 being refunded shall be deemed to be in compliance with the provisions
30 of subdivision six of section thirteen of article seven of the constitu-
31 tion made applicable by this subdivision if there is an actual debt
32 service savings in every year to maturity as a result of the issuance of
33 the refunding debt.

34 6. Any refunding obligations issued pursuant to subdivision five of
35 this section on or after the first day of the first fiscal year begin-
36 ning at least one year after the effective date of an amendment to
37 section eleven of article seven of the constitution imposing a limit on
38 the total amount of state debt shall be issued by the comptroller.

39 § 67-d. Prohibition of contingent obligation debt. After the effective
40 date of this section, the state shall not, except as specifically
41 authorized by a provision of the constitution other than section eleven
42 of article seven, agree to make payments, directly or indirectly, wheth-
43 er or not subject to appropriation, that are to be available to pay debt
44 service on any debt incurred by a municipality, individual, public
45 authority or other public or private corporation or any other entity,
46 for any purpose, if such payments are expected to be used to pay debt
47 service only if other sources available for the payment of debt service
48 are inadequate. Any provision requiring the state to replace monies used
49 to pay debt service shall be included in the prohibition set forth in
50 this subdivision. Outstanding debt that would be prohibited by this
51 section may be refunded by the entity that incurred the outstanding
52 debt.

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

1 i. A statement setting forth state involvement in the fiscal oper-
2 ations of those public authorities and public benefit corporations which
3 may be part of the development of a comprehensive state budget system
4 and provided therefor in the state financial plan. Such statement shall
5 include those public authorities and public benefit corporations with
6 disbursements which are not currently reflected in the state central
7 accounting system from proceeds of any notes or bonds issued by any
8 public authority, and which bonds or notes would be considered as
9 [~~state-supported~~] state-funded debt as defined in section sixty-seven-a
10 of this chapter. Such statement shall set forth the amount of all of the
11 bonds, notes and other obligations of each public authority, public
12 benefit corporation and all other agencies and instrumentalities of the
13 state for which the full faith and credit of the state has been pledged
14 or on account of which the state has by law given its pledge or assur-
15 ance for the continued operation and solvency of the authority, public
16 corporation, or other agency or instrumentality of the state, as the
17 case may be. Such statement shall also set forth all proposed appropri-
18 ations to be made to any public authority, public benefit corporation,
19 and any other agency or instrumentality of the state which has been
20 created or continued by law and which is separate and distinct from the
21 state itself.

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

25 b. The capital program and financing plan submitted pursuant to
26 section twenty-two-c of this article, and the update thereto required
27 pursuant to section twenty-three of this article, shall include a report
28 on the management of [~~state-supported~~] state-funded debt. Such report
29 may include, but is not limited to: (1) an assessment of the affordabil-
30 ity of state debt, including debt as a percent of personal income, debt
31 per capita, and debt service costs as a percent of the budget; (2) a
32 summary and analysis of the interest rate exchange agreements and vari-
33 able rate exposure; and (3) an assessment of financing opportunities
34 related to the state's debt portfolio.

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

40 The governor shall annually submit to the legislature a capital
41 program and financing plan concurrent with the executive budget, in
42 addition to the information required by section twenty-two of this arti-
43 cle. The plan shall contain a comprehensive assessment of the capital
44 assets and program needs of all state agencies, a review and analysis of
45 how such requirements would be financed, an analysis of the affordabili-
46 ty of [~~state-supported~~] state-funded debt, and an analysis of all costs
47 related to the financing of such plan.

48 (f) "~~[State-supported] State-funded~~ debt" shall [~~mean any bonds or~~
49 ~~notes issued by the state or a state public corporation for which the~~
50 ~~state is constitutionally obligated to pay debt service or is contractu-~~
51 ~~ally obligated to pay debt service subject to an appropriation, except~~
52 ~~where the state has a contingent contractual obligation]~~ have the same
53 meaning as set forth in section sixty-seven-a of this chapter.

54 (iv) schedules of the projected annual [~~state-supported~~] state-funded
55 bond issuances, proposed for each capital program, by agency, by issuer,

1 and an analysis of existing debt authorizations and the need for any
2 additional authorizations;

3 (v) schedules of projected outstanding bonds, including retirements by
4 year identified separately for [~~state-supported~~] state-funded bond issu-
5 ances by issuer, and by capital program by agency, where practicable;

6 (vi) schedules of the projected personal income of the state and the
7 projected ratio of outstanding [~~state-supported~~] state-funded bonds to
8 personal income;

9 (vii) schedules of projected [~~state-supported~~] state-funded debt
10 service costs by issuer, and by capital program by agency, where practi-
11 cable; and

12 (viii) an analysis of trends in municipal bond interest rates and an
13 explanation of the interest rate assumptions, timing of principal and
14 interest payments, and the timing and size of projected [~~state-support-~~
15 ~~ed~~] state-funded bond sales used in the debt service projections.

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

18 4. Financial plan updates. Quarterly, throughout the fiscal year, the
19 governor shall submit to the comptroller, the chairs of the senate
20 finance and the assembly ways and means committees, within thirty days
21 of the close of the quarter to which it shall pertain, a report which
22 summarizes the actual experience to date and projections for the remain-
23 ing quarters of the current fiscal year and for each of the next two
24 fiscal years of receipts, disbursements, tax refunds, and repayments of
25 advances presented in forms suitable for comparison with the financial
26 plan submitted pursuant to subdivisions one, three, four, [~~and~~] five,
27 five-a and five-b of section twenty-two of this article and revised in
28 accordance with the provisions of subdivision three of this section. The
29 governor shall submit with the budget a similar report that summarizes
30 revenue and expenditure experience to date in a form suitable for
31 comparison with the financial plan submitted pursuant to subdivision two
32 of section twenty-two of this article and revised in accordance with the
33 provisions of subdivision three of this section. Such reports shall
34 provide an explanation of the causes of any major deviations from the
35 revised financial plans and, shall provide for the amendment of the plan
36 or plans to reflect those deviations. The governor may, if he determines
37 it advisable, provide more frequent reports to the legislature regarding
38 actual experience as compared to the financial plans. The quarterly
39 financial plan update most proximate to October thirty-first of each
40 year prior to October thirty-first, two thousand twenty-seven shall
41 include the calculation of the limitations on the issuance of state-sup-
42 ported debt computed pursuant to the provisions of subdivisions one and
43 two of section [~~sixty-seven-b~~] sixty-seven-b-one of this chapter. The
44 quarterly financial plan update most proximate to October thirty-first
45 of each year on or after October thirty-first, two thousand twenty-seven
46 shall include the calculation of the limitations on the issuance of
47 state-funded debt computed pursuant to the provisions of subdivision
48 three of section sixty-seven-b of this chapter.

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

52 (a) for the payment of principal, interest, and related expenses on
53 general obligation bonds, lease purchase payments, or special contractu-
54 al obligation payments, or for the purposes of retiring or defeasing
55 bonds previously issued, including any accrued interest thereon, for any
56 [~~state-supported~~] state-funded bonding program or programs, and;

1 § 7. This act shall take effect immediately, provided, however, that
2 section 67-b-1 of the state finance law, as added by section one of this
3 act, shall expire and be deemed repealed March 31, 2028; provided,
4 further, that the provisions of section 67-b-2 of the state finance law
5 as added by section one of this act shall take effect March 31, 2028.

6 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
7 sion, section or part of this act shall be adjudged by any court of
8 competent jurisdiction to be invalid, such judgment shall not affect,
9 impair, or invalidate the remainder thereof, but shall be confined in
10 its operation to the clause, sentence, paragraph, subdivision, section
11 or part thereof directly involved in the controversy in which such judg-
12 ment shall have been rendered. It is hereby declared to be the intent of
13 the legislature that this act would have been enacted even if such
14 invalid provisions had not been included herein.

15 § 3. This act shall take effect immediately; provided, however, that
16 the applicable effective date of Parts A through C of this act shall be
17 as specifically set forth in the last section of such Parts.