STATE OF NEW YORK

7953

IN SENATE

March 13, 2018

Introduced by Sen. O'MARA -- (at request of the Environmental Facilities Corporation) -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation

AN ACT to amend the environmental conservation law, in relation to water pollution control revolving fund agreements

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

Section 1. Paragraph a of subdivision 3 of section 17-1909 of the environmental conservation law, as amended by chapter 326 of the laws of 2015, is amended to read as follows:

a. The corporation is authorized to promulgate regulations, developed in consultation with the commissioner and the director of the division of the budget, for the purpose of carrying out its responsibilities under this section, including establishing criteria and standards for determining the amount of financial assistance to a municipality for an eligible project. To the extent financial assistance to a municipality for an eligible project is provided as a loan from the proceeds of bonds or notes of the corporation, the amount of an allocation applicable to the portion of such eligible project financed with such loan shall be, subject to such maximum financial limitations as may otherwise be necessary and prescribed by the commissioner and the director of the division of the budget, thirty-three and one-third percent of the principal amount of such loan outstanding at any time for such eligible project, to the extent reasonably practicable, and subject to such deviation as may be necessary, in connection with the administration and investment of moneys in the fund, unless allocations in differing amounts are necessary to preclude a determination by the commissioner or the corporation pursuant to paragraph e of subdivision eight of this section or unless an allocation in a differing amount is required for an innovative technology demonstration project; provided, however, that in the case of any municipality which has, during the period commencing on June first, nineteen hundred ninety-two and ending on September thirtieth, two thousand [~~eighteen~~] **twenty-one**, (i) submitted an application for financial assistance in the form of such a loan for an eligible project, which

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

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application has been accepted by the corporation, (ii) closed on such loan, and (iii) commenced construction of such eligible project, the allocation applicable to the portion of such project financed with such loan shall be, subject to maximum financial limitations as may otherwise be necessary and prescribed by the commissioner and the director of the division of the budget, fifty percent of the principal balance outstanding on such loan at any time for such eligible project, to the extent reasonably practicable, and subject to such deviation as may be necessary, in connection with the administration and investment of moneys in the fund, unless allocations in differing amounts are necessary to preclude a determination by the commissioner or the corporation pursuant to paragraph e of subdivision eight of this section or unless an allocation in a differing amount is required for an innovative technology demonstration project.

§ 2. Paragraph e of subdivision 8 of section 17-1909 of the environmental conservation law, as amended by chapter 326 of the laws of 2015, is amended to read as follows:

e. Federal capitalization grants are provided in the form of a letter of credit or draws under capitalization grant agreements and the commissioner or the corporation determines, consistent with the purposes of the fund, that providing financial assistance from the proceeds of corporation bonds or notes would delay receipt of moneys from the federal government under the Federal Water Pollution Control Act.

The interest rate charged on any loan made by the corporation pursuant to this subdivision shall be no more than two-thirds of the market rate of interest otherwise applicable thereto, provided, however, that in the case of any municipality which has, during the period commencing on June first, nineteen hundred ninety-two and ending on September thirtieth, two thousand [~~eighteen~~] twenty-one, (i) submitted an application for financial assistance in the form of a loan from the corporation pursuant to this subdivision, for an eligible project, which application has been accepted by the corporation, (ii) closed on such loan, and (iii) commenced construction of such eligible project, the interest rate charged on such loan shall be no more than one-half of the market rate otherwise applicable thereto.

§ 3. This act shall take effect immediately.