STATE OF NEW YORK

8964

IN SENATE

June 7, 2018

Introduced by COMMITTEE ON RULES -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the public authorities law, in relation to the Nassau county interim finance authority

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

Section 1. Subdivisions 1 and 2 of section 3656 of the public authorities law, as amended by chapter 685 of the laws of 2003, are amended to read as follows:

1. The authority shall have the power and is hereby authorized from time to time to issue bonds in such principal amounts as it may determine to be necessary pursuant to section thirty-six hundred fifty-five of this title to pay any financeable costs and to fund reserves to secure such bonds, including incidental expenses in connection therewith. Provided, however, the aggregate principal amounts of such bonds issued to pay the financeable costs described in paragraph (a) of subdivision twelve of section thirty-six hundred fifty-one of this title shall not exceed four hundred fifteen million dollars, excluding bonds, notes, or other obligations issued to refund or otherwise repay bonds, notes, or other obligations theretofore issued for such purposes. Notwithstanding the foregoing limit on the amount of bonds that the authority may issue to pay the financeable costs described in paragraph (a) of subdivision twelve of section thirty-six hundred fifty-one of this title, the authority shall have the power to issue up to an additional seven hundred ninety million dollars of bonds, excluding bonds, notes, or other obligations issued to refund or otherwise repay bonds, notes, or other obligations theretofore issued for such purpose, to pay such costs if the county's indebtedness to be refunded, repaid or restructured with the payment of such bonds was originally incurred by the county to pay tax certiorari settlements or assignments of any kind to which the county is a party. Provided further, the aggregate principal amounts of such bonds issued to pay the financeable costs described in paragraph (c) of subdivision twelve of section thirty-six hundred fifty-one of this title, which resulted from certiorari proceedings

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

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commenced prior to June first, two thousand, shall not exceed four hundred million dollars, excluding bonds, notes, or other obligations issued to refund or otherwise repay bonds, notes, or other obligations theretofore issued for such purposes. And, provided further, the aggregate principal amounts of such bonds issued to pay the financeable county costs described in paragraph (c) of subdivision twelve of section thirty-six hundred fifty-one of this title, which resulted from certiorari proceedings commenced on or after June first, two thousand, shall not exceed [~~four~~] **eight** hundred million dollars in the aggregate [~~for the fiscal years two thousand through two thousand seven, however, of said four hundred million dollars only fifteen million dollars may be issued in the fiscal year two thousand six and ten million dollars may be issued in the fiscal year two thousand seven~~], excluding bonds, notes, or other obligations issued to refund or otherwise repay bonds, notes, or other obligations theretofore issued for such purposes. Effective in the year two thousand six, upon request of the county, the authority shall issue, in the amount requested, bonds to pay tax certiorari settlements or judgments of any kind to which the county is a party, not to exceed fifteen million dollars; and effective in the year two thousand seven, upon request of the county, the authority shall issue, in the amount requested, bonds to pay tax certiorari settlements or judgments of any kind to which the county is a party, not to exceed ten million dollars. Whenever this title establishes a limit on the principal amount of bonds that the authority is authorized to issue, there shall not be counted against such limit (i) amounts determined by the authority as reasonable to be used to pay the cost of issuing such bonds, (ii) the amount of bonds that would constitute interest under the Internal Revenue Code of 1986, as amended, and (iii) amounts determined by the authority as necessary to establish any reserves.

The authority shall have the power from time to time to refund any bonds of the authority by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds of the authority then outstanding and partly to pay the financeable costs pursuant to section thirty-six hundred fifty-five of this title. Bonds issued by the authority shall be payable solely out of particular revenues or other moneys of the authority as may be designated in the proceedings of the authority under which the bonds shall be authorized to be issued, subject to any agreements entered into between the authority and the county, and subject to any agreements with the holders of outstanding bonds pledging any particular revenues or moneys; but in no event shall transitional state aid be pledged as security for or be made available for the payment of bonds.

2. The authority is authorized to issue its bonds for a period ending not later than December thirty-first, two thousand [~~seven~~] **twenty-one**. The authority may issue bonds to refund bonds previously issued without regard to the limitation in the first sentence of this subdivision, but in no event shall any bonds of the authority finally mature later than January thirty-first, two thousand [~~thirty-six~~] **forty-one**. Notwithstanding any other provision of law, no bond of the authority shall mature more than thirty years from the date of its issue.

§ 2. Severability. If any provision of this act or if any application thereof to any person or circumstance is held invalid, the remainder of this act and the application of the provision to other persons and circumstances shall not be affected thereby.

§ 3. This act shall take effect immediately.