

# STATE OF NEW YORK

1524

2017-2018 Regular Sessions

## IN ASSEMBLY

January 12, 2017

Introduced by M. of A. ZEBROWSKI -- read once and referred to the  
Committee on Local Governments

AN ACT to amend the general municipal law, in relation to enacting the  
local government fiscal indicator system act

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

1 Section 1. This act shall be known as the "local government fiscal  
2 indicator system act".

3 § 2. The general municipal law is amended by adding a new article 4-A  
4 to read as follows:

### ARTICLE 4-A

#### LOCAL GOVERNMENT FISCAL INDICATOR SYSTEM

##### Section 60. Definitions.

6 61. Review of financial information; request for response.

7 62. Level one fiscal stress.

8 63. Level two fiscal stress.

9 64. Level three fiscal stress.

10 65. Fiscal crisis.

11 66. New York state board of local government deficit financing  
12 authorization.

13 67. Inconsistency with other laws.

14 68. Notice of benchmarks and additional criteria.

15 69. Reports.

16 69-a. No duplication.

##### § 60. Definitions. As used in this article:

17 1. "Municipality" shall mean any county, town, village, school  
18 district or city other than a city having a population of one million or  
19 more.

20 2. "Comptroller" shall mean the New York state comptroller.

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

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1 3. "Annual financial report" shall mean the report of a municipality's  
2 financial condition required to be made annually to the comptroller  
3 pursuant to section thirty of this chapter.

4 4. "Tentative budget" shall mean the tentative budget prepared pursu-  
5 ant to section three hundred fifty-four of the county law, section one  
6 hundred six of the town law or section 5-504 of the village law, the  
7 annual estimate proposed pursuant to section seventy-five of the second  
8 class cities law, or similar document prepared pursuant to general,  
9 special or local law.

10 5. "Benchmark" shall mean a standard or reference point based on an  
11 analysis of other municipalities of similar size and character, state-  
12 wide or national trends or similar commonly accepted factors in munici-  
13 pal finance.

14 6. "Major operating fund" shall mean a municipality's general fund and  
15 any other fund that represents more than twenty per centum of that  
16 municipality's total funds.

17 7. "Financial control board" shall mean a public authority created by  
18 the state that has legal control over a municipality for a period of  
19 time in order to improve the financial condition. During that control  
20 period, the board shall have powers including but not limited to  
21 approval of contracts, issuance of debt, approval of financial plan and  
22 ability to conduct meetings. The board shall remain in control until  
23 certain triggers are met indicating that the financial condition of the  
24 municipality has improved.

25 § 61. Review of financial information; request for response. In furth-  
26 erance of the purposes of this article, the comptroller shall establish  
27 a program for the review of annual financial report data of munici-  
28 palities, and such other related data and information as may be deemed  
29 relevant. The comptroller may request the submission by any municipality  
30 of additional information or data for this purpose. The comptroller  
31 shall consult with municipal officials, as appropriate, during the  
32 review process. Based upon the comptroller's review, the comptroller, in  
33 such manner as he or she deems appropriate, may make recommendations to  
34 the chief executive officer and chief fiscal officer of the municipality  
35 as to actions which may be taken by the municipality in connection with  
36 the fiscal affairs of the municipality. The chief executive officer or  
37 chief fiscal officer shall respond to the comptroller's recommendations,  
38 in such manner as the comptroller deems appropriate, by indicating  
39 actions taken or proposed to be taken or, if the chief executive officer  
40 or the chief fiscal officer indicates that no action is warranted or is  
41 to be taken or proposed, by providing an explanation.

42 § 62. Level one fiscal stress. 1. Based upon the comptroller's review  
43 of annual financial report data, and other appropriate data and informa-  
44 tion pursuant to section sixty-one of this article, the comptroller may  
45 identify those municipalities that:

46 a. have failed to timely provide additional information or data  
47 requested by the comptroller or have failed to sufficiently respond to  
48 any recommendations made by the comptroller pursuant to section sixty-  
49 one of this article; or

50 b. the comptroller determines that the municipality meets one of the  
51 following criteria:

52 (i) the municipality, in the last completed fiscal year, had an  
53 unplanned operating deficit in a major operating fund in excess of one  
54 and one half per centum of such major operating fund's expenditures in  
55 the last completed fiscal year;

1 (ii) the municipality, in its last completed fiscal year, had an unap-  
2 propriated or unreserved fund balance deficit in the municipality's  
3 general fund; or

4 (iii) the municipality, in its last completed fiscal year, had a ratio  
5 of non-recurring revenues used to fund recurring expenditures to total  
6 expenditures in excess of a benchmark determined by the comptroller and  
7 had a ratio of debt service to total revenue in excess of a benchmark  
8 determined by the comptroller.

9 2. For each municipality identified pursuant to subdivision one of  
10 this section, the comptroller shall notify the chief executive officer,  
11 chief fiscal officer and governing body of the affected municipality  
12 that the municipality has fallen within the criteria set forth in subdi-  
13 vision one of this section and of their designation of level one fiscal  
14 stress. The notification shall include details of the determination and  
15 the criteria used. Such notification shall be made in such manner as the  
16 comptroller deems appropriate. Within thirty days after receipt of such  
17 notification, the chief executive officer of the municipality shall  
18 respond to the comptroller's notification in such form as required by  
19 the comptroller, with a self-evaluation of the fiscal affairs of the  
20 municipality, addressing the matters raised in the notification. Such  
21 response shall include a corrective action plan that details specific  
22 courses of action that have been taken or will be taken to address the  
23 fiscal stress identified by the comptroller. After receipt and review of  
24 the response, the comptroller may require any local official or employee  
25 of the municipality, or his or her designee, to attend a relevant munic-  
26 ipal training course conducted or approved by the comptroller. The chief  
27 executive officer or chief fiscal officer of the municipality may  
28 request assistance from the comptroller in reviewing the matters raised  
29 in the comptroller's notification and shall receive such assistance as  
30 may be reasonably necessary from any officer or employee of the munic-  
31 ipality.

32 § 63. Level two fiscal stress. 1. Based upon the comptroller's review  
33 of annual financial report data and other appropriate data and informa-  
34 tion pursuant to section sixty-one of this article, the comptroller may  
35 identify those municipalities that:

36 a. have failed to timely provide additional information or data  
37 requested by the comptroller or have failed to sufficiently respond to  
38 any recommendations made by the comptroller pursuant to section sixty-  
39 one of this article; or

40 b. the comptroller determines that the municipality meets the follow-  
41 ing criteria that the municipality, in each of its last two completed  
42 fiscal years, had at least one of the following:

43 (i) an unplanned operating deficit in a major operating fund in excess  
44 of one and one half per centum of such major operating fund's expendi-  
45 tures in the last completed fiscal year;

46 (ii) an unappropriated or unreserved fund balance deficit in the  
47 municipality's general fund; or

48 (iii) a ratio of non-recurring revenues used to fund recurring expend-  
49 itures to total expenditures in excess of a benchmark determined by the  
50 comptroller and had a ratio of debt service to total revenue in excess  
51 of a benchmark determined by the comptroller.

52 2. For each municipality identified pursuant to subdivision one of  
53 this section, the comptroller shall notify the chief executive officer,  
54 chief fiscal officer and governing body of the affected municipality  
55 that the municipality has fallen within the criteria set forth in subdi-  
56 vision one of this section and of their designation of level two fiscal

1 stress. The notification shall include details of the determination and  
2 the criteria used. Such notification shall be made in such manner as the  
3 comptroller deems appropriate. The chief executive officer and governing  
4 body of the municipality, upon notification by the comptroller that they  
5 have been designated level two fiscal stress, shall be required to  
6 fulfill the following conditions within the next succeeding fiscal year:

7 a. develop a corrective action plan that details specific courses of  
8 action that have been taken or will be taken to address the fiscal  
9 stress identified by the comptroller; and

10 b. adopt a four-year financial plan in such form as may be prescribed  
11 by the comptroller.

12 3. The financial plan shall be adopted no later than the last date on  
13 which the municipality's budget is required to be adopted, and may be  
14 modified from time to time. The financial plan shall provide that the  
15 operating funds of the municipality will be in balance.

16 4. The chief fiscal officer of the municipality shall, until otherwise  
17 notified by the comptroller, prepare and submit to the governing body of  
18 the municipality monthly financial reports, within fifteen days from the  
19 end of each month, and prepare and submit to the comptroller quarterly  
20 financial reports, within fifteen days from the end of each quarter,  
21 both in such form as may be prescribed by the comptroller. In the event  
22 that the comptroller provides any recommendations regarding any reports  
23 required by this subdivision, the chief executive officer shall prepare  
24 a response to the comptroller's recommendations. Such response shall  
25 include, with respect to each recommendation, an acceptance statement  
26 for actions taken or proposed to be taken and if no action is warranted  
27 or is to be taken or proposed, a local law shall be proposed by the  
28 chief executive officer and must be approved by a majority of the  
29 governing body.

30 § 64. Level three fiscal stress. 1. Based upon the comptroller's  
31 review of annual financial report data and other appropriate data and  
32 information pursuant to section sixty-one of this article, the comp-  
33 troller may identify those level two fiscal stress municipalities that  
34 the comptroller believes fit within any of the following criteria: a  
35 level two fiscal stress municipality, in each of its last two completed  
36 fiscal years, had at least one of the following:

37 a. an unplanned operating deficit in a major operating fund in excess  
38 of one and one half per centum of the major operating fund's expendi-  
39 tures in the last completed fiscal year;

40 b. an unappropriated or unreserved fund balance deficit in the munici-  
41 pality's general fund; or

42 c. a ratio of non-recurring revenues used to fund recurring expendi-  
43 tures to total expenditures in excess of a benchmark determined by the  
44 comptroller and had a ratio of debt service to total revenue in excess  
45 of a benchmark determined by the comptroller.

46 2. a. For each municipality identified pursuant to subdivision one of  
47 this section, the comptroller shall notify the chief executive officer,  
48 chief fiscal officer and governing body of the affected municipality  
49 that the municipality has fallen within the criteria set forth in subdivi-  
50 vision one of this section and of their designation of level three  
51 fiscal stress. The notification shall include details of the determi-  
52 nation and the criteria used. Such notification shall be made in such  
53 manner as the comptroller deems appropriate. The chief executive officer  
54 and governing body of the municipality, upon notification by the comp-  
55 troller that they have been designated level three fiscal stress, shall

1 be required to fulfill the following conditions within the next succeed-  
2 ing fiscal year:

3 (i) develop a corrective action plan that details specific courses of  
4 action that have been taken or will be taken to address the fiscal  
5 stress identified by the comptroller; and

6 (ii) adopt a four-year financial plan in such form as may be  
7 prescribed by the comptroller.

8 (b) (i) The chief executive officer or individual or body responsible  
9 for the preparation of the tentative budget, until otherwise notified by  
10 the comptroller, shall annually submit the tentative budget for the next  
11 succeeding fiscal year and the proposed four-year financial plan for  
12 review by the comptroller. Such tentative budget shall be submitted to  
13 the comptroller within five days after its preparation, but in no event  
14 later than thirty days prior to the commencement of the next succeeding  
15 fiscal year. The proposed four-year financial plan shall be submitted at  
16 the same time as the tentative budget. The comptroller shall in each  
17 such year examine such tentative budget and financial plan and make  
18 recommendations thereon to the municipality, within fifteen days of  
19 receipt thereof. Such recommendations shall be made after review of the  
20 estimates of revenues and expenditures of such municipality and such  
21 other information as the comptroller deems appropriate, and shall be  
22 made prior to the adoption of the final budget. At least forty-eight  
23 hours prior to the adoption of the final budget, the chief executive  
24 officer or individual or body responsible for the preparation of the  
25 tentative budget of the municipality shall prepare a response to the  
26 comptroller's recommendations. Such response shall include, with respect  
27 to each recommendation, an acceptance statement for actions taken or  
28 proposed to be taken and if no action is warranted or is to be taken or  
29 proposed, a local law shall be proposed by the chief executive officer  
30 and must be approved by a majority of the governing body. The comp-  
31 troller's recommendations and the acceptance statement and rejected  
32 recommendations thereto shall be distributed to each member of the  
33 governing body, filed with the clerk of the municipality and made a part  
34 of the budget document. When so filed, such response shall be a public  
35 record open to inspection by any interested person. The response shall  
36 also be delivered to the state division of the budget, the office of the  
37 state comptroller, the chair of the assembly ways and means committee  
38 and the chair of the senate finance committee.

39 (ii) Notwithstanding the provisions of section thirty of this chapter,  
40 the chief fiscal officer of the municipality, until otherwise notified  
41 by the comptroller, shall submit the annual financial report no later  
42 than thirty days from the close of the fiscal year for which the report  
43 is prepared.

44 § 65. Fiscal crisis. 1. Based upon the comptroller's review of annual  
45 financial report data and other appropriate data and information pursu-  
46 ant to section sixty-one of this article, the comptroller shall identify  
47 those municipalities that fit within any of the following criteria:

48 a. the municipality had unplanned general fund operating deficit that  
49 exceeded twenty percent of general fund expenditures as of the close of  
50 the last preceding fiscal year and had an unappropriated or unreserved  
51 fund balance deficit that exceeds twenty-five percent of the expendi-  
52 tures in the general fund as of the close of the last preceding fiscal  
53 year;

54 b. twice, within a five-year period, the municipality either has been  
55 authorized pursuant to law to issue, and has adopted resolutions author-  
56 izing the issuance of, bonds to finance a deficit, and/or directly or



1 indirectly utilized the proceeds of debt issued by any public benefit  
2 corporation or not-for-profit corporation to fund a deficit of the muni-  
3 cipality;

4 c. the municipality, due to conditions of fiscal stress, has defaulted  
5 in the payment of principal or interest on its bonds or notes, or such  
6 default is imminent;

7 d. the municipality, due to conditions of fiscal stress or negative  
8 credit factors, is unable to sell its obligations in the general public  
9 market.

10 2. a. For each municipality identified pursuant to subdivision one of  
11 this section, the comptroller shall notify the chief executive officer,  
12 chief fiscal officer and governing body of the affected municipality  
13 that the municipality has fallen within the criteria set forth in subdivi-  
14 vision one of this section and of their designation of fiscal crisis.  
15 The notification shall include details of the determination and the  
16 criteria used. Such notification shall be made in such manner as the  
17 comptroller deems appropriate. The chief executive officer and governing  
18 body of the municipality, upon notification by the comptroller that they  
19 have been designated fiscal crisis, shall be required to fulfill the  
20 following conditions within the next succeeding fiscal year:

21 b. Each municipality identified as fiscal crisis shall be subject to  
22 the provisions of this section, and such requirements of sections  
23 sixty-two, sixty-three and sixty-four of this article as the comptroller  
24 shall deem appropriate.

25 3. The comptroller shall, within forty-five days after notifying a  
26 municipality of their designation of fiscal crisis, introduce program  
27 legislation authorizing the creation of a financial control board as  
28 defined in this article for the affected municipality. The comptroller  
29 shall present a report detailing the designation of fiscal crisis for  
30 the affected municipality and their recommendations regarding the need  
31 for a financial control board to the governor, speaker of the assembly  
32 and temporary president of the senate no later than thirty days after  
33 the introduction of the program legislation. The assembly ways and  
34 means committee and senate finance committee shall hold a joint legisla-  
35 tive hearing on the affected municipality and the proposed imposition of  
36 a financial control board no later than fourteen days after receiving  
37 such report from the comptroller. The assembly and senate shall have  
38 eight months after such hearing is held to either approve or disapprove  
39 the comptroller's program legislation creating a financial control board  
40 for the affected municipality.

41 4. The municipality shall not issue any further bonds or bond antic-  
42 ipation notes unless and until the affordability of such additional debt  
43 to the tax base supporting the indebtedness has been reviewed by the  
44 comptroller and the terms of the debt is approved by the comptroller.  
45 The municipality shall respond in writing to recommendations, if any,  
46 which the comptroller may make thereon. The comptroller may require the  
47 chief fiscal officer of the municipality to prepare and submit (a) a  
48 plan which details the projected fiscal impact of the proposed issuance  
49 of bonds or bond anticipation notes including financing costs, future  
50 direct and indirect operating costs of, and any resulting revenues from,  
51 the object or purpose to be financed; and (b) an analysis of the afford-  
52 ability to the tax base supporting the debt service or the bonds or  
53 notes. The comptroller may require such other information as the comp-  
54 troller deems necessary to complete the review of affordability. The  
55 comptroller shall make any recommendations and approve or disapprove

1 within thirty days of receipt of all information necessary to complete  
2 the review of affordability.

3 5. Notwithstanding any other provision of law, no municipality which  
4 is subject to this section shall file any petition authorized by title  
5 six-A of article two of the local finance law.

6 § 66. New York state board of local government deficit financing  
7 authorization. 1. a. There is hereby created the New York state board  
8 of local government deficit financing authorization which shall have and  
9 exercise the powers and duties set forth in subdivision two of this  
10 section.

11 b. Such board shall consist of five members as follows: one of the  
12 members shall be appointed by the governor, who shall be the chair, one  
13 of the members shall be appointed by the temporary president of the  
14 senate, one of the members shall be appointed by the speaker of the  
15 assembly, one of the members shall be appointed by the minority leader  
16 of the senate and one of the members shall be appointed by the minority  
17 leader of the assembly. Each member of the board shall be entitled to  
18 designate a representative to attend meetings of the board in his or her  
19 place, and to vote or otherwise act on his or her behalf in his or her  
20 absence. Notice of such designation shall be furnished in writing to the  
21 board by the designating member. A representative shall serve at the  
22 pleasure of the designating member during the member's term of office. A  
23 representative shall not be authorized to delegate any of his or her  
24 duties or functions to any other person.

25 c. The members of the board shall serve for a term of one year.

26 d. Three members of the board shall constitute a quorum, and the board  
27 shall have the power to act by a majority vote of the total number of  
28 members of the board without a vacancy.

29 e. The members of the board shall not receive compensation but shall  
30 be reimbursed for actual and necessary expenses incurred in the perform-  
31 ance of their official duties.

32 2. a. The board shall have the power to authorize the issuance of  
33 bonds by a municipality to fund a deficit existing as of the close of  
34 the last preceding fiscal year of the municipality or projected to exist  
35 as of the close of the current fiscal year of the municipality.

36 b. The board shall only be authorized to authorize the issuance of  
37 bonds by a municipality to fund such a deficit upon a: (i) two-thirds of  
38 the total membership of the legislative body of a municipality; or (ii)  
39 the chief executive officer of a municipality concurred in by a majority  
40 of the total membership of the legislative body for such municipality;  
41 and (iii) a designation of level three fiscal stress pursuant to section  
42 sixty-four of this article; or (iv) a designation of fiscal crisis  
43 pursuant to section sixty-five of this article.

44 c. Prior to the board authorizing the issuance of bonds to fund such a  
45 deficit pursuant to this subdivision, the comptroller shall first review  
46 and confirm the existence of the deficit, as well as certify the amount  
47 of the deficit. As soon as practicable after the request to the board is  
48 made, but in no event prior to the close of the current fiscal year of  
49 the municipality in the case of a projected deficit, the municipality  
50 shall prepare a report detailing the amount and cause of the deficit and  
51 submit to the comptroller such report, together with the municipality's  
52 independent audit report for its last completed fiscal year, if any such  
53 audit report has been or is to be prepared, and such other information  
54 as the comptroller may deem necessary. Within thirty days after receiv-  
55 ing all necessary reports and information, the comptroller shall: (i)

1 perform such reviews as may be necessary; (ii) confirm the existence and  
2 certify the amount of the deficit; and (iii) so notify the board.

3 d. After the comptroller notifies the board of the existence of the  
4 deficit and the amount of the deficit as certified by the comptroller,  
5 the board shall then make a determination whether to authorize the issu-  
6 ance of bonds by the municipality to fund the deficit. In making such a  
7 determination, the board may consider several factors, including, but  
8 not limited to:

9 (i) the size of the deficit as a percentage of the municipality's  
10 overall budget;

11 (ii) the ability of the municipality to liquidate the deficit by means  
12 other than through the issuance of bonds;

13 (iii) the existence of deficits in the past five years and the actions  
14 taken by the municipality to liquidate the deficit;

15 (iv) other factors as deemed relevant by the board.

16 e. Once the board has determined that a municipality shall have  
17 authorization for the issuance of bonds pursuant to this section, the  
18 board shall issue a written instrument authorizing the municipality to  
19 issue bonds in the amount of the deficit, as certified by the comp-  
20 troller pursuant to paragraph c of this subdivision. In anticipation of  
21 the issuance of such bonds, bond anticipation notes may be issued by the  
22 municipality.

23 f. It is hereby determined that the financing of deficits as hereinbe-  
24 fore described is an object or purpose of the municipality for which  
25 indebtedness may be incurred, the period of probable usefulness of which  
26 is determined to be ten years, computed from the date of such bonds or  
27 the date of the first bond anticipation note issued in anticipation of  
28 the sale of such bonds, whichever is earlier. The board, in authorizing  
29 the issuance of bonds, may prescribe a maximum maturity of the bonds,  
30 not to exceed ten years, computed from the date of such bonds or the  
31 date of the first bond anticipation note issued in anticipation of such  
32 bonds, whichever is earlier.

33 g. The board shall make a determination whether to authorize the issu-  
34 ance of bonds to finance a deficit pursuant to this subdivision within  
35 thirty days of receiving the report from the comptroller pursuant to  
36 paragraph c of this subdivision.

37 3. A municipality that has requested authorization to issue bonds to  
38 fund a deficit pursuant to this section may issue bond anticipation  
39 notes for a term not to exceed one year for the purpose of liquidating  
40 such deficit prior to a determination by the board to authorize the  
41 issuance of bonds by the municipality to fund the deficit pursuant to  
42 this section. In the event that bond anticipation notes are issued in an  
43 amount in excess of the amount of such deficit as certified by the comp-  
44 troller, such municipality shall, from funds other than proceeds of  
45 bonds or bond anticipation notes, either redeem such bond anticipation  
46 notes in the amount by which the amount of such bond anticipation notes  
47 exceed the amount of such deficit as certified by the comptroller or  
48 deposit a sum equal to the amount by which such bond anticipation notes  
49 exceed the amount of such deficit as certified by the comptroller into a  
50 reserve fund for the payment of bonded indebtedness established pursuant  
51 to section six-h of this chapter. In the event that bond anticipation  
52 notes are issued and the board does not authorize the issuance of bonds  
53 to finance such deficit, such municipality shall, from funds other than  
54 the proceeds of bonds or bond anticipation notes, redeem the full amount  
55 of such bond anticipation notes.



1     4. The determination of the board whether to authorize the issuance of  
2 bonds pursuant to this section shall be deemed final and may only be  
3 subject to review by a proceeding commenced under article seventy-eight  
4 of the civil practice law and rules, provided that such proceeding is  
5 commenced within thirty days of the notice of the determination given by  
6 certified mail return receipt requested rendering such final determi-  
7 nation.

8     5. The comptroller shall provide all necessary assistance to the board  
9 including, but not limited to, staffing and support, so that the board  
10 may carry out its powers and duties pursuant to this section.

11     6. To facilitate the marketing of bonds authorized pursuant to law to  
12 be issued to fund a deficit, the municipality may, notwithstanding any  
13 limitation on the private sales of bonds provided by law and subject to  
14 the approval of the comptroller of the terms and conditions of such  
15 sales: (a) arrange for the underwriting of such bonds at private sale  
16 through negotiated fees or by sale of such bonds to an underwriter at a  
17 price less than the sum of par value of, and the accrued interest on,  
18 such obligations; or (b) arrange for the private sale of such bonds  
19 through negotiated agreement, with compensation for such sales to be  
20 provided by negotiated agreement and/or negotiated fee, if required.  
21 The cost of such underwriting or private placement shall be deemed a  
22 preliminary cost for purposes of section 11.00 of the local finance law.

23     7. Except as provided in this article, all proceedings in connection  
24 with the issuance of bonds or bond anticipation notes authorized to be  
25 issued pursuant to this section shall be had and taken in accordance  
26 with the provisions of the local finance law, provided, however, that  
27 any resolution or resolutions authorizing the issuance of such bonds  
28 shall not be subject to either a mandatory or permissive referendum.

29     8. A municipality which is hereafter authorized pursuant to law to  
30 issue bonds to fund a deficit:

31     a. Shall be subject to such requirements of subdivision two of section  
32 sixty-four of this article as the comptroller deems appropriate.

33     b. In any fiscal year beginning with the fiscal year in which the  
34 municipality issues debt to fund such deficit, to and including the last  
35 fiscal year during which such debt or any debt incurred to refund such  
36 debt is outstanding, the municipality shall not issue any further bonds  
37 or bond anticipation notes unless and until the affordability of such  
38 additional debt to the tax base supporting the indebtedness has been  
39 reviewed by the comptroller and the municipality has responded in writ-  
40 ing to recommendations, if any, which the comptroller may, in his  
41 discretion, make thereon. The comptroller may require the chief fiscal  
42 officer of the municipality to prepare and submit: (i) a plan which  
43 details the projected fiscal impact of the proposed issuance of bonds or  
44 bond anticipation notes including financing costs, and future direct and  
45 indirect operating costs of, and any resulting revenues from, the object  
46 or purpose to be financed; and (ii) an analysis of the affordability to  
47 the tax base supporting the debt service on the bonds or notes. The  
48 comptroller may require such other information as the comptroller deems  
49 necessary to complete the review of affordability. The comptroller shall  
50 make any recommendations within thirty days of receipt of all informa-  
51 tion necessary to complete the review of affordability.

52     c. For each fiscal year occurring during the time deficit bonds or  
53 notes are outstanding, the chief fiscal officer of the municipality on  
54 whose behalf such deficit bonds or notes have been issued shall monitor  
55 its budgets and for each budget, prepare a quarterly report of summa-  
56 rized budget data depicting overall trends of actual revenues and budget

1 expenditures for the entire budget rather than individual line items.  
2 Such reports shall compare revenue estimates and appropriations as set  
3 forth in such budget with the actual revenues and expenditures made to  
4 date. All quarterly reports shall be accompanied by a recommendation by  
5 the chief executive officer setting forth any remedial action necessary  
6 to resolve any unfavorable budget variance including the overestimation  
7 of revenues and the underestimation of appropriations, and shall be  
8 completed within thirty days of the end of each quarter. The above quar-  
9 terly budgetary report shall be prepared in accordance with generally  
10 accepted accounting principles. These reports shall be submitted to the  
11 local governing body and chief executive officer of such municipality,  
12 the state director of the budget, the state comptroller, the chairman of  
13 the assembly ways and means committee and the chairman of the senate  
14 finance committee.

15 d. Paragraphs a, b and c of this subdivision shall also apply to any  
16 municipality that directly or indirectly utilizes the proceeds of debt  
17 issued by any public benefit corporation or not-for-profit corporation  
18 to fund a deficit of the municipality. Any such municipality shall  
19 comply with such paragraphs beginning with its fiscal year in which such  
20 debt has been issued, to and including the last fiscal year during which  
21 such debt or any debt to refund such debt is outstanding.

22 § 67. Inconsistency with other laws. To the extent this article is  
23 inconsistent with any general, special or local law concerning budget  
24 procedures, this article shall apply.

25 § 68. Notice of benchmarks and additional criteria. The comptroller,  
26 at least biennially, shall provide to municipalities notice, in such  
27 manner as the comptroller deems appropriate, of all benchmarks, all  
28 commonly accepted criteria or fiscal stress or susceptibility to fiscal  
29 stress, and any definition of non-recurring revenues as may be specified  
30 by the comptroller for purposes of this article.

31 § 69. Reports. Not later than December thirty-first of each year, the  
32 comptroller shall file an annual report with the governor, the chair of  
33 the senate finance committee, the chair of the assembly ways and means  
34 committee, and the state director of the budget on the financial condi-  
35 tion, during their last completed fiscal years, of the municipalities  
36 which are subject to the provisions of section sixty-three, sixty-four,  
37 sixty-five or sixty-six of this article. The report shall be in suffi-  
38 cient form and detail to permit an accurate depiction of the financial  
39 condition of each such municipality. The comptroller shall also notify  
40 the governor, the chair of the senate finance committee, the chair of  
41 the assembly ways and means committee, and the state director of the  
42 budget, as soon as practicable, in any case where the comptroller has  
43 identified a municipality pursuant to section sixty-three, sixty-four or  
44 sixty-six of this article.

45 § 69-a. No duplication. Nothing in this article shall be interpreted  
46 to require either the comptroller or a municipality to duplicate an  
47 oversight or reporting function due to the application of more than one  
48 provision of this article or any other related provision of law to such  
49 function.

50 § 3. This act shall take effect immediately.