

STATE OF NEW YORK

9879

IN ASSEMBLY

February 15, 2018

Introduced by M. of A. McDONALD -- read once and referred to the Committee on Judiciary

AN ACT to amend the general municipal law, the public housing law, the state finance law and chapter 585 of the laws of 1939, relating to the rate of interest to be paid by certain public corporations upon judgments and accrued claims, in relation to interest rates on judgments

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

1 Section 1. Subdivisions 1 and 2 of section 3-a of the general municipal law, subdivision 1 as amended by chapter 4 of the laws of 1991, and
2 subdivision 2 as amended by chapter 777 of the laws of 1978, are amended
3 to read as follows:

4 1. Except as provided in subdivisions two, four and five of this
5 section, the rate of interest to be paid by a municipal corporation upon
6 any judgment or accrued claim against the municipal corporation shall
7 ~~[not exceed]~~ be calculated at a rate equal to the weekly average one
8 year constant maturity treasury yield, as published by the board of
9 governors of the federal reserve system, for the calendar week preceding
10 the date of the entry of the judgment awarding damages. In no event,
11 however, shall an authority pay a rate of interest on any judgment or
12 accrued claim exceeding nine per centum per annum.

13 2. The rate of interest to be paid upon any judgment or accrued claim
14 against the municipal corporation arising out of condemnation
15 proceedings or action to recover damages for wrongful death shall ~~[not~~
16 ~~exceed]~~ be calculated at a rate equal to the weekly average one year
17 constant maturity treasury yield, as published by the board of governors
18 of the federal reserve system, for the calendar week preceding the date
19 of the entry of the judgment awarding damages. In no event, however,
20 shall an authority pay a rate of interest on any judgment or accrued
21 claim exceeding six per centum per annum.

22 § 2. Subdivision 5 of section 157 of the public housing law, as
23 amended by chapter 681 of the laws of 1982, is amended to read as
24 follows:
25

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

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1 5. The rate of interest to be paid by an authority upon any judgment
2 or accrued claim against the authority shall [~~not exceed~~] be calculated
3 at a rate equal to the weekly average one year constant maturity treas-
4 ury yield, as published by the board of governors of the federal reserve
5 system, for the calendar week preceding the date of the entry of the
6 judgment awarding damages. In no event, however, shall an authority pay
7 a rate of interest on any judgment or accrued claim exceeding nine per
8 centum per annum.

9 § 3. Section 16 of the state finance law, as amended by chapter 681 of
10 the laws of 1982, is amended to read as follows:

11 § 16. Rate of interest on judgments and accrued claims against the
12 state. The rate of interest to be paid by the state upon any judgment
13 or accrued claim against the state shall [~~not exceed~~] be calculated at a
14 rate equal to the weekly average one year constant maturity treasury
15 yield, as published by the board of governors of the federal reserve
16 system, for the calendar week preceding the date of the entry of the
17 judgment awarding damages. In no event, however, shall an authority pay
18 a rate of interest on any judgment or accrued claim exceeding nine per
19 centum per annum.

20 § 4. Section 1 of chapter 585 of the laws of 1939, relating to the
21 rate of interest to be paid by certain public corporations upon judg-
22 ments and accrued claims, as amended by chapter 681 of the laws of 1982,
23 is amended to read as follows:

24 Section 1. The rate of interest to be paid by a public corporation
25 upon any judgment or accrued claim against the public corporation shall
26 [~~not exceed~~] be calculated at a rate equal to the weekly average one
27 year constant maturity treasury yield, as published by the board of
28 governors of the federal reserve system, for the calendar week preceding
29 the date of the entry of the judgment awarding damages. In no event,
30 however, shall an authority pay a rate of interest on any judgment or
31 accrued claim exceeding nine per centum per annum. The term "public
32 corporation" as used in this act shall mean and include every corpo-
33 ration created for the construction of public improvements, other than a
34 county, city, town, village, school district or fire district or an
35 improvement district established in a town or towns, and possessing both
36 the power to contract indebtedness and the power to collect rentals,
37 charges, rates or fees for services or facilities furnished or supplied.

38 § 5. This act shall take effect April 1, 2019.