

# STATE OF NEW YORK

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7953

## IN SENATE

March 13, 2018

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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:

1 Section 1. Paragraph a of subdivision 3 of section 17-1909 of the  
2 environmental conservation law, as amended by chapter 326 of the laws of  
3 2015, is amended to read as follows:  
4 a. The corporation is authorized to promulgate regulations, developed  
5 in consultation with the commissioner and the director of the division  
6 of the budget, for the purpose of carrying out its responsibilities  
7 under this section, including establishing criteria and standards for  
8 determining the amount of financial assistance to a municipality for an  
9 eligible project. To the extent financial assistance to a municipality  
10 for an eligible project is provided as a loan from the proceeds of bonds  
11 or notes of the corporation, the amount of an allocation applicable to  
12 the portion of such eligible project financed with such loan shall be,  
13 subject to such maximum financial limitations as may otherwise be neces-  
14 sary and prescribed by the commissioner and the director of the division  
15 of the budget, thirty-three and one-third percent of the principal  
16 amount of such loan outstanding at any time for such eligible project,  
17 to the extent reasonably practicable, and subject to such deviation as  
18 may be necessary, in connection with the administration and investment  
19 of moneys in the fund, unless allocations in differing amounts are  
20 necessary to preclude a determination by the commissioner or the corpo-  
21 ration pursuant to paragraph e of subdivision eight of this section or  
22 unless an allocation in a differing amount is required for an innovative  
23 technology demonstration project; provided, however, that in the case of  
24 any municipality which has, during the period commencing on June first,  
25 nineteen hundred ninety-two and ending on September thirtieth, two thou-  
26 sand [~~eighteen~~] twenty-one, (i) submitted an application for financial  
27 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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1 application has been accepted by the corporation, (ii) closed on such  
2 loan, and (iii) commenced construction of such eligible project, the  
3 allocation applicable to the portion of such project financed with such  
4 loan shall be, subject to maximum financial limitations as may otherwise  
5 be necessary and prescribed by the commissioner and the director of the  
6 division of the budget, fifty percent of the principal balance outstand-  
7 ing on such loan at any time for such eligible project, to the extent  
8 reasonably practicable, and subject to such deviation as may be neces-  
9 sary, in connection with the administration and investment of moneys in  
10 the fund, unless allocations in differing amounts are necessary to  
11 preclude a determination by the commissioner or the corporation pursuant  
12 to paragraph e of subdivision eight of this section or unless an allo-  
13 cation in a differing amount is required for an innovative technology  
14 demonstration project.

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

18 e. Federal capitalization grants are provided in the form of a letter  
19 of credit or draws under capitalization grant agreements and the commis-  
20 sioner or the corporation determines, consistent with the purposes of  
21 the fund, that providing financial assistance from the proceeds of  
22 corporation bonds or notes would delay receipt of moneys from the feder-  
23 al government under the Federal Water Pollution Control Act.

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

36 § 3. This act shall take effect immediately.