

STATE OF NEW YORK

8418

IN SENATE

May 25, 2020

Introduced by Sen. KRUEGER -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the public authorities law, in relation to authorizing additional bonds of the New York city transitional finance authority related to the epidemic resulting from spread of the disease known as COVID-19 disaster emergency

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

Section 1. Subdivision 1 of section 2799-gg of the public authorities law, as amended by chapter 182 of the laws of 2009, is amended to read as follows:

1. The authority shall have the power and is hereby authorized from time to time to issue bonds, in conformity with applicable provisions of the uniform commercial code, in such principal amounts as it may determine to be necessary pursuant to section twenty-seven hundred ninety-nine-ff of this title to pay the cost of any project and to fund reserves to secure such bonds, including incidental expenses in connection therewith.

The aggregate principal amount of such bonds, notes or other obligations outstanding shall not exceed thirteen billion, five hundred million dollars (\$13,500,000,000)[~~, excluding bonds, notes or other obligations issued pursuant to sections twenty-seven hundred ninety-nine-ss and twenty-seven hundred ninety-nine-tt of this title~~]; provided, however, that upon any refunding or repayment of bonds (which term shall not, for this purpose, include bond anticipation notes), the total aggregate principal amount of outstanding bonds, notes or other obligations may be greater than thirteen billion, five hundred million dollars (\$13,500,000,000) only if the refunding or repayment bonds, notes or other obligations were issued in accordance with the provisions of subparagraph (a) of subdivision two of paragraph b of section 90.10 of the local finance law, as amended from time to time. Notwithstanding the foregoing, bonds, notes or other obligations issued by the authority may be outstanding in an amount greater than the amount permitted by the preceding sentence, provided that such additional amount at issuance,

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

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1 together with the amount of indebtedness contracted by the city of New
2 York, shall not exceed the limit prescribed by section 104.00 of the
3 local finance law. The authority shall have the power from time to time
4 to refund any bonds of the authority by the issuance of new bonds wheth-
5 er the bonds to be refunded have or have not matured, and may issue
6 bonds partly to refund bonds of the authority then outstanding and part-
7 ly to pay the cost of any project pursuant to section twenty-seven
8 hundred ninety-nine-ff of this title. Bonds issued by the authority
9 shall be payable solely out of particular revenues or other moneys of
10 the authority as may be designated in the proceedings of the authority
11 under which the bonds shall be authorized to be issued, subject to any
12 agreements entered into between the authority and the city, and subject
13 to any agreements with the holders of outstanding bonds pledging any
14 particular revenues or moneys. The limits imposed by this subdivision
15 shall not apply to additional bonds, notes or other obligations that the
16 authority is authorized to issue pursuant to sections twenty-seven
17 hundred ninety-nine-ss, twenty-seven hundred ninety-nine-tt and twenty-
18 seven hundred ninety-nine-uu of this title.

19 § 2. Section 2799-uu of the public authorities law, as renumbered by
20 section 1 of part A3 of chapter 58 of the laws of 2006, is renumbered
21 section 2799-vv and a new section 2799-uu is added to read as follows:

22 § 2799-uu. Additional bonds of the authority. Notwithstanding any
23 provision of this title or of any other law to the contrary, the author-
24 ity is hereby authorized to issue bonds, notes or other obligations in
25 addition to those authorized by other sections of this title in an
26 amount outstanding of up to seven billion dollars to finance or refi-
27 nance all costs or deficiencies in the city's budget (whether or not
28 included or includable in the city's capital budget) in accordance with
29 the state comptroller's uniform system of accounts for municipalities
30 which are, in the judgment of the mayor, related to or arising from the
31 epidemic resulting from spread of the disease known as COVID-19. In
32 addition to or in lieu of any revenues or other money that may be paid
33 or payable to the authority, such bonds, notes or other obligations may
34 be secured by and payable from the proceeds of other bonds, notes or
35 other obligations of the authority or federal or state aid related to or
36 arising from the epidemic resulting from spread of the disease known as
37 COVID-19 or the associated economic impact thereof. In addition, the
38 authority may issue bonds, notes or other obligations without limita-
39 tions as to amount, secured solely by and payable solely from such
40 federal or state aid. The city, acting through the mayor, is hereby
41 authorized to assign the right to receive any such federal or state aid
42 to the authority and, after such assignment, the right to receive such
43 aid shall be the property of the authority and shall not be subject to
44 appropriation by the state or the city. Bonds issued pursuant to this
45 section shall have a maximum maturity of up to thirty years.

46 § 3. This act shall take effect immediately.