

STATE OF NEW YORK

8417

IN SENATE

May 25, 2020

Introduced by Sen. KRUEGER -- (at request of the State Comptroller) --
read twice and ordered printed, and when printed to be committed to
the Committee on Finance

AN ACT to amend the local finance law, in relation to bond anticipation notes issued in calendar years 2015 through 2021; to authorize the expenditure and temporary transfer of reserve funds for expenses related to COVID-19; and to authorize the extension of repayment of inter-fund advances made for expenses related to COVID-19

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

1 Section 1. Subparagraph 2 of paragraph b of section 23.00 of the local
2 finance law, as amended by chapter 264 of the laws of 2012, is amended
3 to read as follows:

4 2. renewals of bond anticipation notes issued originally during calen-
5 dar [~~year two thousand seven or two thousand eight~~] years two thousand
6 fifteen through two thousand twenty-one, inclusive may not extend more
7 than seven years beyond the original date of issue of such bond antic-
8 ipation notes.

9 § 2. Notwithstanding any provision of sections 6-c or 6-g of the
10 general municipal law or section 3651 of the education law to the
11 contrary, the governing board of a town, village, county, city, water
12 improvement district, sewer improvement district, fire district or
13 school district, by resolution which shall not be subject to referendum
14 requirements, may authorize expenditures from capital reserve funds for
15 capital costs attributable to the COVID-19 pandemic.

16 § 3. Notwithstanding any provision of the general municipal law, the
17 town law or the education law to the contrary, the governing board of a
18 town, village, county, city, water improvement district, sewer improve-
19 ment district, fire district or school district, by resolution which
20 shall not be subject to referendum requirements, if any, may authorize
21 the temporary transfer of moneys from reserve funds to pay for operating
22 costs or other costs attributable to the COVID-19 pandemic, provided,
23 that the reserve fund from which the funds were temporarily transferred
24 shall be reimbursed from the fund to which the transfer was made over a

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

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1 period of not more than five fiscal years, starting with the fiscal year
2 following the transfer. At least twenty percent of the moneys temporar-
3 ily transferred shall be reimbursed each fiscal year. Such reimbursement
4 shall include an additional amount reasonably estimated to be the amount
5 that would have been earned on the investment of the transferred moneys
6 had they been retained in the capital reserve fund.

7 § 4. Notwithstanding the provisions of subdivision 3 of section 9-a of
8 the general municipal law, for inter-fund advances made pursuant to such
9 subdivision for costs attributable to the COVID-19 pandemic, repayment
10 of moneys to the fund from which they were advanced shall be made by
11 close of the fiscal year next succeeding the fiscal year in which such
12 advance was made.

13 § 5. This act shall take effect immediately.