STATE OF NEW YORK

7209

2021-2022 Regular Sessions

IN ASSEMBLY

April 29, 2021

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

AN ACT to amend the general municipal law, in relation to authorized investments for local governments

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

Section 1. The opening paragraph of subparagraph 2 of paragraph a and subparagraph 2 of paragraph b of subdivision 3 of section 11 of the general municipal law, the opening paragraph of subparagraph 2 of paragraph a as amended by section 1 of part W of chapter 406 of the laws of 1999 and subparagraph 2 of paragraph b as amended by chapter 130 of the laws of 1998, are amended to read as follows:

notwithstanding any other provision of general, special or local law, any city having a population of one million or more **and any county** may also make investments in the following:

(2) Such obligations, unless registered or inscribed in the name of the local government, shall be purchased through, delivered to and held in the custody of a bank or trust company or, with respect to the city of New York **and counties**, a reputable dealer in such obligations as shall be designated by the state comptroller, in this state. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company or dealer in obligations only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the local government by the bank or trust company. All obligations held in the custody of a bank or trust company pursuant to this paragraph shall be held by such bank or trust company pursuant to a written custodial agreement as set forth in paragraph a of subdivision three of section ten of this article.

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

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§ 2. Paragraph b of subdivision 3 of section 11 of the general municipal law, as amended by chapter 548 of the laws of 1997, is amended to read as follows:

b. Such obligations, unless registered or inscribed in the name of the local government, shall be purchased through, delivered to and held in the custody of a bank or trust company or, with respect to the city of New York **and counties**, a reputable dealer in such obligations as shall be designated by the state comptroller, in this state. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company or dealer in obligations only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the local government by the bank or trust company. All obligations held in the custody of a bank or trust company pursuant to this paragraph shall be held by such bank or trust company pursuant to a written custodial agreement as set forth in paragraph a of subdivision three of section ten of this article.

§ 3. This act shall take effect immediately, provided however the amendments to subdivision 3 of section 11 of the general municipal law made by section one of this act shall be subject to the expiration and reversion of such subdivision pursuant to section 2 of chapter 130 of the laws of 1998, as amended, when upon such date the provisions of section two of this act shall take effect.