STATE OF NEW YORK

9915

IN ASSEMBLY

April 19, 2022

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

AN ACT to amend the local finance law, in relation to installments of certain bonds; and to repeal certain provisions of such law relating thereto

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

Section 1. Paragraph b of section 21.00 of the local finance law, as amended by chapter 121 of the laws of 2021, is amended to read as follows:

b. Serial bonds shall mature in annual installments. The first installment shall mature not later than [~~eighteen months after the date of such bonds or two years after the date of the first bond anticipation note or notes issued in anticipation of such bonds, whichever is the earlier, provided, however, that until July fifteenth, two thousand twenty-four, the first installment shall mature not later than~~] two years after the date of such bonds or two years after the date of the first bond anticipation note or notes issued in anticipation of such bonds, whichever is the earlier. However, if bond anticipation notes are issued in anticipation of bonds and if a portion of such notes or the renewals thereof are redeemed from a source other than the proceeds of such bonds within two years from the date of the first such note or notes and a further portion thereof shall be so redeemed prior to the termination of each twelve months' period succeeding the date such original portion was so redeemed, the first installment of such bonds may, in the alternative, be made to mature not later than five years from the date of the first such note or notes.

§ 2. Paragraph b of section 53.00 of the local finance law, as amended by chapter 121 of the laws of 2021, is amended to read as follows:

b. If such bonds or notes are payable in installments, the installments remaining unpaid may be called for redemption [~~only (i) in the inverse order of their maturity or, (ii) in equal proportionate amounts; provided, however, that for bonds issued during the one-year period commencing July first, nineteen hundred eighty-eight, and for bonds~~

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

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~~issued during the one-year period commencing July first, nineteen hundred eighty-nine, and for bonds issued during the one-year period commencing July first, nineteen hundred ninety, and for bonds issued during the three-year period commencing July first, nineteen hundred ninety-one, and for bonds issued during the period from July first, nineteen hundred ninety-four up until and including July fifteenth, nineteen hundred ninety-seven and for bonds issued during the period from July fifteenth, nineteen hundred ninety-seven up until and including July fifteenth, two thousand, and for bonds issued during the period from July fifteenth, two thousand up until and including July fifteenth, two thousand three, and for bonds issued during the period from July fifteenth, two thousand three up until and including July fifteenth, two thousand six, and for bonds issued during the period from July fifteenth, two thousand six up until and including July fifteenth, two thousand nine, and for bonds issued during the period from July fifteenth, two thousand six up until and including July fifteenth, two thousand twelve, and for bonds issued during the period from July fifteenth, two thousand nine up until and including July fifteenth, two thousand fifteen, and for bonds issued during the period from July fifteenth, two thousand fifteen up until and including July fifteenth, two thousand eighteen, and for bonds issued during the period from July fifteenth, two thousand eighteen up until and including July fifteenth, two thousand twenty-one, and for bonds issued during the period from July fifteenth, two thousand twenty-one up until and including July fifteenth, two thousand twenty-four, installments remaining unpaid on such bonds may be called for redemption~~] prior to their date of maturity in such amounts, at such times in such manner and pursuant to such terms as may be determined by the finance board of a municipality, school district or district corporation at the time of the issuance thereof. Whenever any bonds or notes are called for redemption prior to the date of their maturity, interest shall cease to be paid thereon after the date for redemption set forth in such call for redemption. [~~The sum to be paid to redeem any unpaid installment prior to its maturity, exclusive of the interest accruing on such installment to the date of redemption, shall in no event be in excess of the lesser amount of either (i) the par value of such installment plus one-half of one per centum of such par value for each calendar year or part thereof elapsing between the date for redemption set forth in such call for redemption and the date of maturity of such installment, provided, however, that such amount shall not exceed one hundred five per centum of such par value, or (ii) the par value of such installment plus the total of all unpaid interest on such installment which would have accrued from the date of redemption to the date of maturity thereof had such installment not been redeemed prior to maturity, except that bonds sold to the state of New York municipal bond bank agency, which are subject to call as hereinbefore authorized, may provide for the payment of a redemption premium not to exceed five per centum of the par value of the bonds to be called, payable on the date of the redemption thereof; provided, however, that for bonds issued during the one-year period commencing July first, nineteen hundred eighty-eight, and for bonds issued during the one-year period commencing July first, nineteen hundred eighty-nine, and for bonds issued during the one-year period commencing July first, nineteen hundred ninety, and for bonds issued during the three-year period commencing July first, nineteen hundred ninety-one, and for bonds issued during the period from July first, nineteen hundred ninety-four up until and including July fifteenth, nineteen hundred ninety-seven, and for~~

~~bonds issued during the period from July fifteenth, nineteen hundred ninety-seven up until and including July fifteenth, two thousand, and for bonds issued during the period from July fifteenth, two thousand up until and including July fifteenth, two thousand three, and for bonds issued during the period from July fifteenth, two thousand three up until and including July fifteenth, two thousand six, and for bonds issued during the period from July fifteenth, two thousand six up until and including July fifteenth, two thousand nine, and for bonds issued during the period from July fifteenth, two thousand nine up until and including July fifteenth, two thousand twelve, and for bonds issued during the period from July fifteenth, two thousand twelve up until and including July fifteenth, two thousand fifteen, and for bonds issued during the period from July fifteenth, two thousand fifteen up until and including July fifteenth, two thousand eighteen, and for bonds issued during the period from July fifteenth, two thousand eighteen up until and including July fifteenth, two thousand twenty-one, and for bonds issued during the period from July fifteenth, two thousand twenty-one up until and including July fifteenth, two thousand twenty-four, a~~] **A** municipality, school district, or district corporation may provide for redemption of such bonds prior to the date of their maturity at a price or prices as may be as determined by the issuer of such bonds or notes at the time of the issuance thereof.

§ 3. Section 107.00 of the local finance law is REPEALED.

§ 4. This act shall take effect immediately.