STATE OF NEW YORK

7028--A

2025-2026 Regular Sessions

IN SENATE

March 28, 2025

Introduced by Sen. WALCZYK -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT in relation to authorizing the city of Little Falls, in the county of Herkimer, to finance certain deficits by the issuance of bonds

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

Section 1. Short title. This act shall be known and may be cited as the "city of Little Falls fiscal recovery act".

§ 2. The city of Little Falls, county of Herkimer, is hereby authorized to issue serial bonds, subject to the provisions of section 10.10 of the local finance law, on or before October 1, 2026, in an aggregate principal amount not to exceed three million four hundred thousand dollars ($3,400,000) for the specific object or purpose of liquidating deficits in its general, golf, and water funds expected at the close of its fiscal year ending December 31, 2025, including any remaining principal amount of any budget, deficiency, and/or revenue anticipation notes outstanding at the time of such issuance of such serial bonds or notes authorized pursuant to this act. In anticipation of the issuance and sale of such serial bonds, bond anticipation notes are hereby authorized to be issued.

§ 3. Notwithstanding any provision of this act to the contrary, the city of Little Falls shall not issue any bonds for the purpose of liquidating the deficits described in section two of this act unless and until the state comptroller shall first review and confirm the existence of such deficits, as well as certify the amounts of such deficits. The city of Little Falls shall prepare a report detailing the amount and cause of such deficits and submit such report together with such city's independent audit report for its last completed fiscal year, if any such

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

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audit report has been or is to be prepared, and such other information as the state comptroller may deem necessary, to the state comptroller, as well as the chairs of the senate finance committee and the assembly ways and means committee, at least thirty days prior to the issuance of any bonds pursuant to this act. Within thirty days after receiving such report, the state comptroller shall perform such reviews as may be necessary to determine the amount of such deficits and report the same to the chairs of the senate finance committee and the assembly ways and means committee, the mayor and the common council of the city of Little Falls. Bonds to liquidate each such deficit shall not be issued in an amount exceeding such deficit as determined by the state comptroller. Nothing provided in this act shall prevent the city of Little Falls from authorizing the issuance of bonds or bond anticipation notes, and issuing bond anticipation notes, prior to the determination of the state comptroller of the amount of such deficits. If bond anticipation notes are issued in an amount in excess of the amounts determined by the state comptroller, the city of Little Falls shall redeem from funds other than the proceeds of the bonds or bond anticipation notes, such bond anticipation notes in the amount by which the amount of bond anticipation notes exceeds the amount of such deficits as determined by the state comptroller.

§ 4. It is hereby determined that the financing of the deficits hereinbefore described is a purpose of the city of Little Falls for which indebtedness may be incurred, the period of probable usefulness of which is hereby determined to be ten years, computed from the date of such bonds or from the date of the first bond anticipation note issued in anticipation of the sale of such bonds, whichever date is earlier. Such bonds and/or bond anticipation notes shall be general obligations of the city of Little Falls to which the faith and credit of the city is pledged, and the city shall make an annual appropriation sufficient to pay the principal of and interest on such obligations as the same shall become due.

§ 5. (a) For each fiscal year occurring during the time bonds and/or bond anticipation notes issued pursuant to this act are outstanding, the mayor of the city of Little Falls shall prepare a quarterly report of summarized budget data depicting overall trends of actual revenues and budget expenditures for the entire budget rather than individual line items. Such budgetary reports shall compare revenue estimates and appropriations as set forth in such budget with the actual revenues and expenditures made to date. All such quarterly budgetary reports shall be accompanied by recommendations of the mayor setting forth any remedial action necessary or desirable to resolve any unfavorable budget variance including the over-estimation of revenues and the under-estimation of expenditures. Each such quarterly budgetary report shall be completed within thirty days after the end of each quarter and shall be submitted to each member of the common council of the city of Little Falls, the director of the division of the budget, the state comptroller, and the chairs of the senate finance committee and the assembly ways and means committee.

(b) For each fiscal year occurring during the time bonds and/or bond anticipation notes issued pursuant to this act are outstanding, the mayor of the city of Little Falls shall also prepare a quarterly trial balance of general and special fund ledger accounts. Each such quarterly trial balance shall be prepared in accordance with generally accepted accounting principles. Each such quarterly trial balance shall be completed within thirty days after the end of each quarterly period and

shall be submitted to each member of the common council of the city of Little Falls, the director of the division of the budget, the state comptroller, and the chairs of the senate finance committee and the assembly ways and means committee.

(c) Within ninety days of the issuance of any debt pursuant to this act and for each fiscal year thereafter during which such debt or any debt incurred to refund such debt is outstanding, the mayor of the city of Little Falls or other officer or officers responsible for the preparation of the tentative budget of the city of Little Falls, within thirty days after the final adoption of the budget for the next succeeding fiscal year, shall prepare a three-year financial plan covering the next succeeding fiscal year and the two fiscal years thereafter. Such financial plan shall, at a minimum, contain the information required to be provided in a three-year financial plan as prescribed by subdivision 10 of section 54 of the state finance law. Copies of such financial plan shall be provided to the mayor and chief fiscal officer of the city of Little Falls, the director of the budget, the state comptroller, the chair of the assembly ways and means committee and the chair of the senate finance committee.

(d) For each fiscal year occurring during the time bonds and/or bond anticipation notes issued pursuant to this act are outstanding, the mayor or chief fiscal officer of the city of Little Falls shall notify the state comptroller at least fifteen days prior to the issuance of any bonds or notes or entering into any installment purchase contract and the state comptroller may review and make recommendations regarding the affordability to the city of Little Falls of any such proposed issuance or contract. The state comptroller may require the submission by the city of Little Falls of such information as the state comptroller shall deem necessary to complete such state comptroller's review.

§ 6. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 7. This act shall take effect immediately.