

# STATE OF NEW YORK

941

2025-2026 Regular Sessions

## IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sen. GALLIVAN -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to establishing the reimaging excess New York state property act

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

1 Section 1. Article 8 of the public authorities law is amended by  
2 adding a new title 30 to read as follows:

3 TITLE 30

4 REIMAGING EXCESS NEW YORK STATE PROPERTY AUTHORITY

5 Section 2730. Short title.

6 2731. Definitions.

7 2732. Reimaging excess New York state property authority.

8 2733. Powers of the authority.

9 2734. Environmental applications, proceedings, approvals and  
10 permits.

11 2735. Bonds of the authority.

12 2736. Bonds as legal investments.

13 2737. Exemption from taxation of bonds.

14 2738. Moneys of the authority.

15 2739. Agreement of the state.

16 2740. Remedies of holders of bonds.

17 2741. Actions against the authority; court proceedings; prefer-  
18 ences; venue.

19 2742. Limitation of liability; indemnification.

20 2743. Exemption from taxation of property and income.

21 2744. Assistance by state officers, departments, boards and  
22 commissions.

23 2745. State, counties and municipalities not liable on bonds.

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

LBD02889-01-5

1           2746. Annual reports.

2           2747. Separability.

3           § 2730. Short title. This title shall be known and may be cited as the  
4 "Reimaging excess New York state property (RENEW) act".

5           § 2731. Definitions. As used in this title, the following words and  
6 terms shall have the following meanings unless the context indicates  
7 another or different meaning or intent:

8           1. "Authority" shall mean the public benefit corporation created by  
9 section twenty-seven hundred thirty-two of this title, known as the  
10 reimaging excess New York state property authority.

11           2. "Bonds" shall mean the bonds, notes or other evidences of indebt-  
12 edness issued by the authority pursuant to this title and the provisions  
13 of this title relating to bonds and bondholders shall apply with equal  
14 force and effect to notes and noteholders, respectively, unless the  
15 context otherwise clearly requires.

16           3. "Construction" shall mean the acquisition, erection, building,  
17 alteration, improvement, increase, enlargement, extension, recon-  
18 struction, renovation or rehabilitation of any project financed under  
19 the provisions of this title; the inspection and supervision thereof;  
20 and the engineering, architectural, legal, fiscal and economic investi-  
21 gations and studies, surveys, designs, plans, working drawings, specifi-  
22 cations, procedures and other actions preliminary or incidental thereto.

23           4. "Cost" as applied to the repurposing of any real property financed  
24 under the provisions of this title embraces all or any part of the cost  
25 of construction and acquisition of all lands, structures, real or  
26 personal property, rights, rights-of-way, franchises, easements and  
27 interests acquired or used for the repurposing of real property, the  
28 cost of demolishing or removing any buildings or structures on land so  
29 acquired, including the costs of relocating tenants or other occupants  
30 of the buildings or structures on such land and the cost of acquiring  
31 any lands to which such buildings or structures may be moved, the cost  
32 of all machinery and equipment, financing charges, interest, reserves  
33 for principal and interest and for extensions, enlargements, additions,  
34 replacements, renovations and improvements, cost of engineering, finan-  
35 cial and legal services, plans, specifications, studies, surveys, esti-  
36 mates of cost and of revenues, administrative expenses, expenses neces-  
37 sary or incident to determining the feasibility or practicability of  
38 repurposing and such other expenses as may be necessary or incident to  
39 the construction and acquisition of real property, the financing of such  
40 construction and acquisition, including all costs relating to the refi-  
41 ancing or satisfaction of existing indebtedness; and any reimbursements  
42 to any municipality, state agency, the state, the United States or any  
43 other person or public corporation for expenditures that would be costs  
44 of any repurposing hereunder had they been made directly by the authori-  
45 ty.

46           5. "Municipality" shall mean any county, city, town, village, refuse  
47 district under the county law, improvement district under the town law,  
48 any other such instrumentality, including any agency, authority or  
49 public corporation of the state, or any of the foregoing, or any combi-  
50 nation thereof.

51           6. "Person" shall mean any natural person, partnership, association,  
52 joint venture or corporation, exclusive of a public corporation.

53           7. "Real property" shall mean lands, structures, improvements fran-  
54 chises and interests in land, including lands under water, waterfront  
55 property, marginal streets and riparian rights, space rights and air  
56 rights and any and all other things and rights usually included within

1 said term and any fixtures, equipment and articles of personal property  
2 affixed to or used in connection therewith. Real property shall also  
3 mean and include any and all interests in such property less than full  
4 title, such as easements, incorporeal hereditaments and every estate,  
5 interest or right, legal or equitable, including terms for years and  
6 liens thereon by way of judgments, mortgages or otherwise, and also all  
7 claims for damages for such real estate.

8 8. "Resource recovery" shall mean the separation, extraction or recovery  
9 of usable materials, energy or heat from solid waste through source  
10 separation, incineration, recycling centers or other programs, projects  
11 or facilities.

12 9. "Revenues" shall mean all rates, fees, rents, charges and other  
13 income derived by the authority from its operations.

14 10. "State" shall mean the state of New York.

15 11. "United States" shall mean the United States of America or any  
16 department, agency or instrumentality thereof acting on behalf of the  
17 United States of America.

18 § 2732. Reimaging excess New York state property authority. 1. A  
19 corporation known as the reimaging excess New York state property  
20 authority is hereby created for the public purposes and charged with the  
21 duties and having the powers provided in this title. The authority  
22 shall be a body corporate and politic constituting a public benefit  
23 corporation. Its membership shall consist of a board of thirteen members  
24 chosen as follows: three members appointed by the governor; three  
25 members appointed by the temporary president of the senate; two members  
26 appointed by the minority leader of the senate; three members appointed  
27 by the speaker of the assembly; and two members appointed by the minority  
28 leader of the assembly. The members of the authority shall choose  
29 from their number a chair by majority vote of such members then in  
30 office. Each member shall continue in office until such member's succes-  
31 sor has been appointed and qualifies. Each appointment following the  
32 expiration of the original terms of appointment shall be for a term of  
33 four years. In the event of a vacancy occurring in the office of any  
34 member, other than by the expiration of a member's term, such vacancy  
35 shall be filled for the balance of the unexpired term, if applicable, in  
36 the same manner as the original appointment.

37 2. The powers of the authority shall be vested in the members thereof  
38 in office from time to time and a majority of voting members shall  
39 constitute a quorum at any meeting of the authority. In cases of a tie  
40 vote, the chair shall cast an additional vote. No vacancy in the member-  
41 ship of the authority shall impair the right of such members to exercise  
42 all the rights and perform all the duties of the authority. Any action  
43 taken by the authority under the provisions of this title may be author-  
44 ized at a meeting of the authority by resolution approved by a majority  
45 of the members then in office, which resolution shall take effect imme-  
46 diately, or, unless inconsistent with the provisions of article seven of  
47 the public officers law, any action may be taken by a resolution circu-  
48 lated or sent to each member of the authority, which shall take effect  
49 at such time as all of the members then in office shall have signed an  
50 assent to such resolution and such assents are filed with the minutes of  
51 the proceedings. No representative shall be authorized to delegate any  
52 of their duties or functions to any other person. The authority may  
53 delegate by resolution to one or more of its members, officers, agents  
54 and employees such powers and duties as the members may deem proper.

55 3. The members of the authority shall serve without salary or other  
56 compensation, but each member shall be entitled to reimbursement for

1 actual and necessary expenses incurred by such member in the performance  
2 of the official duties as a member.

3 4. Subject to the provisions of this subdivision, members of the  
4 authority may engage in private employment, or in a profession or busi-  
5 ness. The members, officers and employees of the authority shall be  
6 deemed to be state officers or employees and the authority shall be  
7 deemed to be a state agency solely for the purposes of sections seven-  
8 ty-three and seventy-four of the public officers law, which sections are  
9 hereby made applicable to the authority and its members, officers and  
10 employees.

11 5. Notwithstanding any inconsistent provisions of this or any other  
12 law, general, special or local, no officer or employee of the state, or  
13 of any political subdivision thereof, shall be deemed to have forfeited  
14 or shall forfeit any public office or employment by reason of such  
15 person's acceptance of a membership on the authority; provided, however,  
16 a member who holds such other public office or employment shall receive  
17 no additional compensation or allowance for services rendered pursuant  
18 to this title, but shall be entitled to reimbursement for the actual and  
19 necessary expenses incurred in the performance of such services.

20 6. A member may be removed from office by the board for inefficiency,  
21 neglect of duty, conflict of interest or misconduct in office after the  
22 authority has given such member a copy of the charges against them and  
23 an opportunity to be heard in person, or by counsel in their defense,  
24 upon not less than ten days notice. If any member shall be so removed,  
25 there shall be filed with the chair of the authority a complete state-  
26 ment of the charges made against such member and the finding of such  
27 board thereon, together with a complete record of the proceeding.

28 7. The authority and its corporate existence shall continue until  
29 terminated by law, provided, however, that no such law shall take effect  
30 so long as the authority shall have bonds, notes or other obligations  
31 outstanding, unless adequate provision has been made for the payment  
32 thereof. Upon termination of the existence of the authority, all of the  
33 rights and properties of the authority then remaining shall pass to and  
34 be vested in the counties in accordance with such law.

35 § 2733. Powers of the authority. Except as otherwise limited by this  
36 title, the authority shall have power:

37 1. to make and alter by-laws for the regulation of its affairs and the  
38 conduct of its business;

39 2. to adopt an official seal and alter the same at pleasure;

40 3. to maintain a principal office and regional offices at such place  
41 or places as it may designate;

42 4. to sue and be sued;

43 5. to make and execute contracts and all other instruments necessary  
44 or convenient for the exercise of its powers and functions under this  
45 title;

46 6. to purchase any abandoned, surplus or otherwise unused state-owned  
47 real property and to reconstruct, renovate, replace, maintain, repair,  
48 enlarge, extend, operate, lease, as lessee or lessor, and/or regulate  
49 the repurposing of such properties, and to enter into contracts for any  
50 or all of such purposes, including contracts for the management and  
51 operation of such properties and to sell, lease, mortgage or otherwise  
52 dispose of any property or part thereof to the state, any person, public  
53 corporation or municipality;

54 7. to borrow money and to issue bonds of the authority for any of its  
55 corporate purposes, to secure the same with its revenues or other funds  
56 and otherwise to provide for and secure the payment thereof and to

1 provide for the rights of holders thereof and to fund or refund the  
2 same;

3 8. to make contracts and to execute all necessary or convenient  
4 instruments, including evidences of indebtedness, negotiable or nonnego-  
5 tiable in each case for securing its bonds or to provide direct payment  
6 of any costs which the authority is authorized to pay;

7 9. subject to any limitation imposed or authorized by law, to fix and  
8 revise from time to time and charge and collect rates, rents, fees and  
9 charges for the use of and for the services furnished or to be furnished  
10 by a project or any portion thereof and to contract with any person,  
11 partnership, association or authority or other body public or private  
12 including a public corporation in respect thereof provided, however,  
13 that the authority shall not have the power, within any city, to collect  
14 rentals, charges, rates or fees from the owners of real estate, or the  
15 occupants of real estate (other than the occupants of premises owned or  
16 controlled by such authority, or by the state or any civil division  
17 thereof), for services or facilities furnished or supplied in connection  
18 with such real estate, if such services or facilities are of a character  
19 or nature that as of the enactment of this act or formerly were  
20 furnished or supplied by the city, unless the electors of the city shall  
21 approve the granting to such authority of such powers by a majority vote  
22 at a general or special election in such city;

23 10. to employ consulting engineers, architects, attorneys, account-  
24 ants, construction and financial experts, superintendents, managers, and  
25 such other agents as may be necessary in its judgment, and to fix their  
26 compensation;

27 11. to receive and accept loans, grants, aid in any form, gifts or  
28 contributions from any source of either money, property, labor or other  
29 things of value and, subject to the provisions of this title, to comply  
30 with the terms and conditions thereof;

31 12. to enter into any lease of or to mortgage any property;

32 13. subject to any agreement with the holders of its bonds, to invest  
33 moneys of the authority not required for immediate use in obligations of  
34 the state or the United States or obligations the principal and interest  
35 of which are guaranteed by the state or the United States or in certif-  
36 icates of deposit or time deposits secured in such manner as the author-  
37 ity shall determine, or in obligations of any agency of the state or the  
38 United States which may from time to time be legally purchased by  
39 savings banks within the state as an investment of funds belonging to  
40 them or in their control, or in any other obligations in which the comp-  
41 troller of the state is authorized to invest pursuant to section nine-  
42 ty-eight of the state finance law or any successor provision of law;

43 14. subject to any agreement with the holders of its bonds, to  
44 purchase bonds, of the authority out of any funds or moneys of the  
45 authority available therefore, and to hold, cancel or resell the bonds;

46 15. to contract to render and to render such services to the United  
47 States, or any public agency, public authority, municipality or poli-  
48 tical subdivision of the state, as the United States, such public agen-  
49 cy, public authority, municipality or political subdivision shall  
50 request, with respect to the custody, administration, management or  
51 servicing of obligations, projects and property of such entity, includ-  
52 ing but not limited to the use of the premises, personnel and property  
53 of the authority, and may provide for reimbursement to the authority for  
54 any expenses necessarily incurred by the authority in rendering such  
55 services;

1 16. to appoint such officers, employees and agents as it may require,  
2 prescribe their duties and qualifications and fix their compensation;

3 17. to establish such reserves as the authority deems necessary or  
4 appropriate;

5 18. to acquire by lease, purchase or gift, hold and dispose of real  
6 and personal property (whether tangible or intangible), which are  
7 located within the state, or any interest therein, for its corporate  
8 purposes, and, subject to any agreement with the holders of its bonds,  
9 to sell any mortgage or loan or other personal property acquired by the  
10 authority, at a public or private sale and at such price or prices as it  
11 shall determine;

12 19. to enter into agreements, in its discretion, to pay annual sums in  
13 lieu of taxes to any municipality, political subdivision or taxing  
14 district of the state in respect of any real property which is owned by  
15 the authority and located in such municipality, political subdivision or  
16 taxing district;

17 20. to contract with persons, municipalities and the United States for  
18 the use of facilities and for the fixing and collection of rates,  
19 rentals, fees and other charges for the use of such facilities, or  
20 services rendered by, or any commodities furnished by the authority so  
21 as to provide revenues sufficient at all times to pay, as the same shall  
22 become due, the principal and interest on the bonds, notes or other  
23 obligations of the authority together with the maintenance of proper  
24 reserves therefor, in addition to paying, as the same shall become due,  
25 the expenses of operating and maintaining the properties of the authori-  
26 ty, together with proper reserves for debt service, depreciation, main-  
27 tenance and contingencies and all other obligations and indebtedness of  
28 the authority;

29 21. to coordinate the activities of state agencies and authorities to  
30 provide community facilities;

31 22. to participate in federal programs for the insurance of loans  
32 including programs which require the authority to share any loss arising  
33 out of any loan insured by the federal government; and

34 23. to do all things necessary or convenient to carry out the purposes  
35 of the authority.

36 § 2734. Environmental applications, proceedings, approvals and  
37 permits. 1. Any application in relation to the purposes of or contem-  
38 plated by this title, or any proceeding commenced by any participating  
39 county or any municipality, with the department of environmental conser-  
40 vation, the department of transportation or any other state agency or  
41 instrumentality or with the United States environmental protection agen-  
42 cy or any other federal agency or instrumentality shall inure to and for  
43 the benefit of the authority to the same extent and in the same manner  
44 as if the authority had been a party to such application or proceeding,  
45 and the authority shall be deemed a party thereto, to the extent not  
46 prohibited by any federal law. Any license, approval, permit or decision  
47 issued or granted pursuant to or as a result of any such application or  
48 proceeding shall inure to the benefit of and be binding upon the author-  
49 ity and shall be assigned and transferred by the town to the authority,  
50 unless such assignment and transfer is prohibited by federal law.

51 2. All such applications, proceedings, licenses, approvals, permits  
52 and decisions shall further inure to and for the benefit of and be bind-  
53 ing upon any person leasing, acquiring, constructing, maintaining, using  
54 or occupying any project financed in whole or in part by the authority.

55 § 2735. Bonds of the authority. 1. (a) The authority shall have power  
56 and is hereby authorized from time to time to issue its bonds in such

1 principal amount as, in the opinion of the authority, shall be necessary  
2 to provide sufficient funds for achieving its corporate purposes,  
3 including the construction, acquisition, reconstruction, rehabilitation,  
4 improvement or refinancing of state-owned real property and subject to  
5 the provisions of this title, the payment of interest on bonds of the  
6 authority, establishment of reserves to secure such bonds, and all other  
7 expenditures of the authority incident to and necessary or convenient to  
8 carry out its corporate purposes and powers. In addition, the authority  
9 may, in anticipation of the issuance of bonds or the receipt of appro-  
10 priations, grants, reimbursements, revenues or other funds, issue notes  
11 the principal of or interest on which or both shall be payable out of  
12 the proceeds of bonds of the authority or appropriations, grants,  
13 reimbursements, revenues or other funds of the authority. The authority  
14 may also enter into bank loan agreements, lines of credit and other  
15 security agreements and obtain for or on its behalf letters of credit in  
16 each case for securing its bonds or to provide direct payment of any  
17 costs which the authority is authorized to pay.

18 (b) The authority shall have power, from time to time, to issue  
19 renewal notes, to issue bonds or other obligations to pay notes and  
20 whenever it deems refunding expedient, to refund any bonds by the iss-  
21 uance of new bonds, whether the bonds to be refunded have or have not  
22 matured, and to issue bonds partly to refund bonds then outstanding and  
23 partly for any other purpose. The refunding bonds shall be sold and the  
24 proceeds applied to the purchase, redemption or payment of the bonds,  
25 including any interest thereon, to be refunded.

26 2. Except as may otherwise be expressly provided by the authority,  
27 every issue of its bonds shall be general obligations of the authority  
28 payable out of any moneys, assets or revenues of the authority, subject  
29 as to priority only to any agreements with the holders of particular  
30 bonds theretofore or thereafter made pledging, assigning or creating a  
31 lien upon any particular moneys, assets or revenues. The authority may  
32 provide by agreement with the holders of its bonds that such bonds shall  
33 be payable solely from and secured by particular revenues and property  
34 of the authority.

35 3. The bonds shall be authorized by a resolution or resolutions of the  
36 authority adopted as provided by this title; provided, however, that any  
37 such resolution authorizing the issuance of bonds may delegate to one or  
38 more members or to an officer of the authority the power to issue such  
39 bonds from time to time and to fix the details of any such issue of  
40 bonds by an appropriate certificate of such member, members or officer.

41 4. The bonds of the authority shall bear such date or dates, mature at  
42 such time or times, bear interest at such rate or rates (simple or  
43 compounded), if any, be of such denominations, be in such form, be  
44 executed in such manner, be payable in such medium of payment, at such  
45 place or places within or without the state, and be subject to such  
46 terms of redemption prior to maturity, as may be provided by such res-  
47 olution or resolutions or such certificate with respect to such bonds, as  
48 the case may be; provided, however, that no bond or other obligations  
49 shall mature more than forty years after the date of issue thereof and  
50 no notes or renewal thereof shall mature more than five years after the  
51 date of issue of the original notes.

52 5. The bonds of the authority may be sold by the authority at such  
53 price or prices, at public or private sale, provided that no issue of  
54 bonds may be sold at private sale unless the terms of such sale shall  
55 have been approved in writing by (i) the state comptroller, where such  
56 sale is not to such comptroller, or (ii) the director of the state divi-

1 sion of the budget, where such sale is to such comptroller, in such  
2 manner and from time to time as may be determined by the authority, and  
3 the authority may pay all expenses, premiums and commissions which it  
4 may deem necessary or advantageous in connection with the issuance and  
5 sale thereof.

6 6. Whether or not the bonds are of such form and character as to be  
7 negotiable instruments under the terms of the uniform commercial code,  
8 the bonds are hereby made negotiable instruments within the meaning of  
9 and for all the purposes of the uniform commercial code, subject only to  
10 the provisions of the bonds for registration.

11 7. Any resolution or resolutions authorizing any bonds or any issue  
12 thereof or any trust indenture or indentures relating to such bonds may  
13 contain provisions, which shall be a part of the contract with the hold-  
14 ers thereof, as to:

15 (a) pledging, assigning or creating a lien on all or any part of the  
16 rates, rentals, fees and charges made or received by the authority, and  
17 all or any part of the moneys received or to be received as repayment of  
18 loans, to secure the payment of the bonds or of any issue thereof,  
19 subject to such agreement with the holders of the authority's bonds as  
20 may then exist;

21 (b) pledging, assigning or creating a lien on all or any part of the  
22 assets of the authority, including mortgages and obligations securing  
23 the same, to secure the payment of the bonds, subject to such agreements  
24 with the holders of the authority's bonds as may then exist;

25 (c) the establishment and maintenance of reserves or sinking funds and  
26 the regulation and disposition thereof;

27 (d) limitations on the purpose to which the proceeds of sale of any  
28 issue of bonds then or thereafter to be issued may be applied and pledg-  
29 ing such proceeds to secure the payment of the bonds or of any issue  
30 thereof;

31 (e) limitations on the issuance of additional bonds, the terms upon  
32 which additional bonds may be issued and secured and the refunding of  
33 outstanding bonds;

34 (f) the procedure, if any, by which the terms of any contract with the  
35 holders of bonds may be amended or abrogated, the amount of bonds the  
36 holders of which must consent thereto, and the manner in which such  
37 consent may be given;

38 (g) limitations on the amount of moneys to be expended by the authori-  
39 ty for operating, administrative or other expenses of the authority;

40 (h) the creation of special funds into which any moneys of the author-  
41 ity may be deposited;

42 (i) vesting in a trustee or trustees such property, rights, powers and  
43 duties in trust as the authority may determine, which may include any or  
44 all of the rights, powers and duties of the trustee appointed by the  
45 holders of bonds pursuant to this title, and limiting or abrogating the  
46 right of the holders of bonds to appoint a trustee pursuant to this  
47 title or limiting the rights, powers and duties of such trustee;

48 (j) defining the acts or omissions to act which shall constitute a  
49 default in the obligations and duties of the authority and providing for  
50 the rights and remedies of the holders of bonds in the event of such  
51 default, provided, however, that such rights and remedies shall not be  
52 inconsistent with the general laws of this state and other provisions of  
53 this title; and

54 (k) any other matters, of like or different character, which in any  
55 way affect the security or protection of the bonds and the rights of the  
56 holders thereof.

1 8. Any pledge or assignment made or lien created by the authority  
2 shall be valid and binding from the time when the pledge or assignment  
3 is made or the lien is created; the moneys or property so pledged,  
4 assigned or encumbered by the authority shall immediately be subject to  
5 such pledge, assignment or lien without any physical delivery thereof or  
6 further act; and such pledge, assignment or lien shall be valid and  
7 binding as against all parties having claims of any kind in tort,  
8 contract or otherwise against the authority, irrespective of whether  
9 such parties have notice thereof. Neither the resolution nor any other  
10 instrument by which a pledge, assignment or lien is made or created need  
11 be recorded or filed.

12 9. Neither the members of the authority nor any person executing the  
13 bonds shall be liable personally on the bonds or be subject to any  
14 personal liability or accountability by reason of the issuance thereof.

15 10. The authority, subject to such agreements with the holders of the  
16 authority's bonds as may then exist, shall have power out of any funds  
17 available therefor to purchase bonds of the authority.

18 11. The state shall not be liable on bonds of the authority and such  
19 bonds shall not be a debt of the state, and such bonds shall contain on  
20 the face thereof a statement to such effect.

21 § 2736. Bonds as legal investments. The bonds of the authority are  
22 hereby made securities in which all public officers and bodies of this  
23 state and all municipalities and municipal subdivisions, all insurance  
24 companies and associations, and other persons carrying on an insurance  
25 business, all banks, bankers, trust companies, savings banks and savings  
26 associations, including savings and loan associations, building and loan  
27 associations, investment companies and other persons carrying on a bank-  
28 ing business, all administrators, guardians, executors, trustees and  
29 other fiduciaries, and all other persons whatsoever who are now or may  
30 hereafter be authorized to invest in bonds or other obligations of the  
31 state, may properly and legally invest funds, including capital, in  
32 their control or belonging to them. The bonds are also hereby made secu-  
33 rities which may be deposited with and may be received by all public  
34 officers and bodies of this state and all municipalities and municipal  
35 subdivisions for any purpose for which the deposit of bonds of this  
36 state is now or may hereafter be authorized.

37 § 2737. Exemption from taxation of bonds. It is hereby determined that  
38 the creation of the authority is in all respects for the benefit of the  
39 people of the state and for the improvement of their health, safety,  
40 welfare, comfort and security, and that said purposes are public  
41 purposes and that the authority will be performing an essential govern-  
42 mental function in the exercise of the powers conferred upon it by this  
43 title. The state covenants with the purchasers and all subsequent hold-  
44 ers and transferees of bonds issued by the authority, in consideration  
45 of the acceptance of and payment for the bonds, that the bonds of the  
46 authority, issued pursuant to this title and the income therefrom and  
47 all its fees, charges, gifts, grants, revenues, receipts, and other  
48 moneys received or to be received, pledged to pay or secure the payment  
49 of such bonds shall at all times be free from taxation except for estate  
50 or gift taxes and taxes on transfers.

51 § 2738. Moneys of the authority. 1. All moneys of the authority from  
52 whatever source derived, except as otherwise authorized or provided in  
53 this title, shall be paid to the authority and shall be deposited forth-  
54 with in a bank or banks in the state designated by the authority. The  
55 moneys in such accounts shall be withdrawn on the order of such person  
56 or persons as the authority may authorize. All deposits of such moneys

1 shall, if required by the authority, be secured in such manner as the  
2 authority may determine. The state comptroller and such comptroller's  
3 legally authorized representatives are authorized and empowered from  
4 time to time to examine the accounts and books of the authority, includ-  
5 ing its receipts, disbursements, contracts, leases, sinking funds,  
6 investments and any other records and papers relating to its financial  
7 standing. Such an examination shall be conducted by the comptroller at  
8 least once in every five years; the comptroller is authorized, however,  
9 to accept from the authority, in lieu of such an examination, an  
10 external examination of its books and accounts made at the request of  
11 the authority.

12 2. Notwithstanding any other provisions of this title related to the  
13 investment of moneys of the authority, the authority shall have power to  
14 contract with holders of any of its bonds, as to the custody,  
15 collection, securing, investment, and payment of any moneys of the  
16 authority, of any moneys held in trust or otherwise for the payment of  
17 bonds, and to carry out such contract. Moneys held in trust or otherwise  
18 for the payment of bonds or in any way to secure bonds and deposits of  
19 such moneys may be invested, secured in such manner as shall be set  
20 forth in such contract or agreement, and all banks and trust companies  
21 are authorized to give such security for such deposits. The authority  
22 shall establish and may amend from time to time, guidelines for the  
23 investment of its moneys, including those held in trust for the benefit  
24 of the holders of bonds, and shall file such guidelines in the authori-  
25 ty's public records within sixty days after the adoption of such guide-  
26 lines or amendments thereto.

27 3. Subject to the provisions of any agreement with the holders of  
28 bonds and to the approval of the comptroller, the authority shall  
29 prescribe a system of accounts.

30 4. The authority shall submit to the comptroller, within thirty days  
31 of the receipt thereof by the authority, a copy of the report of every  
32 external examination of the books and accounts of the authority.

33 § 2739. Agreement of the state. The participating counties and any  
34 municipalities within their boundaries are authorized to and the state  
35 does hereby pledge to and agree with the owners of any bonds issued by  
36 the authority, that they will not limit or alter the rights hereby vest-  
37 ed in the authority to fulfill the terms of any agreements made with the  
38 holders thereof, or in any way impair the rights and remedies of such  
39 holders until such bonds, together with the interest thereon, with  
40 interest on any unpaid installments of interest, and all costs and  
41 expenses in connection with any action or proceeding by or on behalf of  
42 such holders, are fully met and discharged. The authority is authorized  
43 to include this pledge and agreement of the state in any agreement with  
44 the holders of such bonds.

45 § 2740. Remedies of holders of bonds. 1. In the event that the author-  
46 ity shall default in the payment of principal of or interest on any  
47 issue of bonds after the same shall become due, whether at maturity or  
48 upon call for redemption, and such default shall continue for a period  
49 of thirty days, or in the event that the authority shall fail or refuse  
50 to comply with the provisions of this title, or shall default in any  
51 agreement made with the holders of any issue of bonds, the holders of  
52 twenty-five per centum in aggregate principal amount of the bonds of  
53 such issue then outstanding, by instrument or instruments filed in the  
54 office of the clerk of the county in which the principal office of the  
55 authority is located, and proved or acknowledged in the same manner as a

1 deed to be recorded, may appoint a trustee to represent the holders of  
2 such bonds for the purposes herein provided.

3 2. Such trustee may, and upon written request of the holders of twen-  
4 ty-five per centum in principal amount of such bonds then outstanding  
5 shall, in their or its own name:

6 (a) by suit, action or proceeding in accordance with the civil prac-  
7 tice law and rules, enforce all rights of the holders of the authority's  
8 bonds, including the right to require the authority to collect fees and  
9 charges and interest adequate to carry out any agreement as to, or  
10 pledge or assignment of or lien upon, such fees and charges and inter-  
11 est, on properties and to require the authority to carry out any other  
12 agreements with the holders of such bonds and to perform its duties  
13 under this title;

14 (b) bring suit upon such bonds;

15 (c) by action or suit, require the authority to account as if it were  
16 the trustee of an express trust for the holders of such bonds;

17 (d) by action or suit, enjoin any acts or things which may be unlawful  
18 or in violation of the rights of the holders of such bonds;

19 (e) declare all such bonds due and payable, and if all defaults shall  
20 be made good, then, with the consent of the holders of twenty-five per  
21 centum of the principal amount of such bonds then outstanding, to annul  
22 such declaration and its consequences.

23 3. Such trustee shall in addition to the foregoing have and possess  
24 all of the powers necessary or appropriate for the exercise of any func-  
25 tions specifically set forth herein or incident to the general represen-  
26 tation of the holders of the authority's bonds in the enforcement and  
27 protection of their rights.

28 4. The supreme court shall have jurisdiction of any suit, action or  
29 proceeding by the trustee on behalf of such holders of the authority's  
30 bonds. The venue of any such suit, action or proceeding shall be laid in  
31 the county in which the principal office of the authority is located.

32 § 2741. Actions against the authority; court proceedings; preferences;  
33 venue. 1. In any case founded upon death, personal injury, property  
34 damage or tort a notice of claim shall be required as a condition prece-  
35 dent to the commencement of an action or special proceeding against the  
36 authority or any member, officer, appointee or employee thereof, and the  
37 provisions of section fifty-e of the general municipal law shall govern  
38 the giving of such notice. No action or proceeding of any kind shall be  
39 commenced (i) prior to the expiration of thirty days from the date on  
40 which the demand, claim or claims upon which the action is founded were  
41 presented to a member of the authority or other officer thereof desig-  
42 nated for such purpose nor (ii) more than one year and ninety days after  
43 the cause of action therefor shall have accrued, except that an action  
44 against the authority for wrongful death shall be commenced in accord-  
45 ance with the notice of claim and time limitation provisions of title  
46 eleven of article nine of this chapter.

47 2. Any action or proceeding to which the authority or the people of  
48 the state may be parties, in which any question arises as to the validi-  
49 ty of this title, shall be preferred over all other civil causes of  
50 action or cases except election causes of action or cases in all courts  
51 of the state and shall be heard and determined in preference to all  
52 other civil business pending therein except election causes, irrespec-  
53 tive of position on the calendar. The same preference shall be granted  
54 upon application of the authority or its counsel in any action or  
55 proceeding questioning the validity of this title in which the authority  
56 may be allowed to intervene. The venue of any such action or proceeding

1 shall be laid in the supreme court of the county in which the principal  
2 office of the authority is located.

3 § 2742. Limitation of liability; indemnification. 1. Neither the  
4 members of the authority nor any person acting on its behalf, while  
5 acting within the scope of their authority, shall be subject to any  
6 personal liability resulting from carrying out any of the powers  
7 expressly given in or authorized by this title.

8 2. The provisions of section eighteen of the public officers law shall  
9 apply to members, officers, employees and agents of the authority in  
10 connection with any and all claims, demands, suits, actions or  
11 proceedings which may be made or brought against any of them arising out  
12 of any determinations made or actions taken or omitted to be taken in  
13 compliance with any obligations under or pursuant to the terms of this  
14 title.

15 § 2743. Exemption from taxation of property and income. The property  
16 of the authority, and its income and operations shall be exempt from  
17 taxation or assessments of every kind and nature; nor shall the authori-  
18 ty be required to pay any filing or recording fee or transfer tax of any  
19 kind on account of instruments filed or recorded by it or on its behalf.  
20 Mortgages made or financed (directly or indirectly) by the authority  
21 shall be exempt from the mortgage recording taxes imposed by article  
22 eleven of the tax law.

23 § 2744. Assistance by state officers, departments, boards and commis-  
24 sions. The department of audit and control, department of law, and all  
25 other state officers, agencies, departments, boards, divisions and  
26 commissions may render such services to the authority within their  
27 respective functions as may be requested by the authority.

28 § 2745. State, counties and municipalities not liable on bonds.  
29 Neither the state, the counties nor any other municipality or public  
30 corporation shall be liable on the bonds of the authority and such bonds  
31 shall not be a debt of the state, the counties, any other municipality  
32 or public corporation, and such bonds shall contain on the face thereof,  
33 a statement to such effect.

34 § 2746. Annual reports. 1. The authority shall submit to the governor,  
35 the chair of the senate finance committee, the chair of the assembly  
36 ways and means committee, the minority leader of the senate, the minori-  
37 ty leader of the assembly, the state comptroller and the state director  
38 of the division of the budget within ninety days after the end of its  
39 fiscal year, a complete and detailed report setting forth: (i) its oper-  
40 ations and accomplishments; (ii) its receipts and expenditures during  
41 such fiscal year in accordance with the categories or classifications  
42 established by the authority for its operating and capital outlay  
43 purposes, including a listing of all private consultants engaged by the  
44 authority on a contract basis and a statement of the total amount paid  
45 to each such private consultant; (iii) its assets and liabilities at the  
46 end of its fiscal year, including a schedule of its loans and commit-  
47 ments; and (iv) a schedule of its bonds outstanding at the end of its  
48 fiscal year, together with a statement of the amounts redeemed and  
49 incurred during such fiscal year.

50 2. Within ninety days after the end of the first fiscal year, the  
51 authority shall provide a timeline for the work of such authority and  
52 shall include an inventory of all unused and/or surplus property to  
53 submit to the governor, the chair of the senate finance committee, the  
54 chair of the assembly ways and means committee, the minority leader of  
55 the senate, and the minority leader of the assembly.

1     § 2747. Separability. If any clause, sentence, paragraph, section or  
2 part of this title shall be adjudged by any court of competent jurisdic-  
3 tion to be invalid, such judgment shall not affect, impair or invalidate  
4 the remainder thereof, but shall be confined in its operation to the  
5 clause, sentence, paragraph, section or part thereof involved in the  
6 controversy in which such judgment shall have been rendered.

7     § 2. This act shall take effect on the ninetieth day after it shall  
8 have become a law. Effective immediately, the addition, amendment  
9 and/or repeal of any rule or regulation necessary for the implementation  
10 of this act on its effective date are authorized to be made and  
11 completed on or before such effective date.