

STATE OF NEW YORK

2408

2025-2026 Regular Sessions

IN SENATE

January 17, 2025

Introduced by Sen. SEPULVEDA -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the state finance law, in relation to creating the Puerto Rican relief account; and providing for the repeal of such provisions upon expiration thereof

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

1 Section 1. The state finance law is amended by adding a new section
2 96-a to read as follows:

3 § 96-a. Puerto Rican relief account. 1. There is hereby established
4 at the request of the Commonwealth of Puerto Rico and in the custody of
5 the comptroller a special account to be known as the "Puerto Rican
6 relief account".

7 2. The sources of funds shall consist of all recovery and relief funds
8 provided by the federal government to the Commonwealth of Puerto Rico
9 under the Bipartisan Budget Act of 2018.

10 3. (a) The comptroller shall invest such funds in securities in which
11 such comptroller is authorized by law to invest the funds of the state,
12 except that such comptroller may invest in obligations consisting of
13 notes, bonds, debentures, or equipment trust certificates issued under
14 an indenture, which are the direct obligations of, or in the case of
15 equipment trust certificates are secured by direct obligations of, a
16 railroad or industrial corporation, or a corporation engaged directly
17 and primarily in the production, transportation, distribution, or sale
18 of electricity or gas, or the operation of telephone or telegraph
19 systems or waterworks, or in some combination of them; provided the
20 obligor corporation is one which is incorporated under the laws of the
21 United States, or any state thereof, or of the District of Columbia, and
22 said obligations shall be rated at the time of purchase within the three
23 highest classifications established by at least two standard rating
24 services. The maximum amount that the comptroller may invest in such

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

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1 obligations shall not exceed thirty per centum of the assets of such
2 account; and provided further that not more than two and one-half per
3 centum of the assets of such account shall be invested in the obli-
4 gations of any one corporation of the highest classification and subsid-
5 iary or subsidiaries thereof, that not more than two per centum of the
6 assets of such account shall be invested in the obligations of any one
7 corporation of the second highest classification and subsidiary or
8 subsidiaries thereof, that not more than one and one-half per centum of
9 such account shall be invested in the obligations of any one corporation
10 of the third highest classification and subsidiary or subsidiaries ther-
11 eof. The comptroller shall, however, be subject to all terms, condi-
12 tions, limitations and restrictions imposed by law upon the making of
13 such investments. The comptroller shall have full power:

14 (i) To hold, purchase, sell, assign, transfer or dispose of any of the
15 securities or investments, in which any assets of such account shall be
16 invested, including the proceeds of such investments and any monies
17 belonging to such account, and

18 (ii) In such comptroller's name as trustee, to foreclose mortgages
19 upon default or to take title to real property in such proceedings in
20 lieu thereof and to lease and sell real property so acquired.

21 (b) All returns on any investments made by the comptroller of any
22 funds from such account shall be deposited within such account for the
23 sole benefit of the Commonwealth of Puerto Rico.

24 (c) The comptroller annually shall credit to such account regular
25 interest on the mean amount therein for the preceding year.

26 (d) The comptroller is authorized to deduct any necessary adminis-
27 tration fees for the management of such account.

28 4. The Commonwealth of Puerto Rico shall notify the comptroller of
29 their intention to terminate such account no later than the one hundred
30 eightieth day prior to the date such commonwealth requires the return of
31 all funds from such account.

32 § 2. This act shall take effect immediately and shall expire and be
33 deemed repealed 5 years after such date.