§ 57.00 Sale of bonds. a. Bonds shall be sold only at public sale and in accordance with the procedure set forth in this section and sections 58.00 and 59.00 of this title, except as otherwise provided in this paragraph. Bonds may be sold at private sale to the United States government or any agency or instrumentality thereof, the state of New York municipal bond bank agency, to any sinking fund or pension fund of the municipality, school district or district corporation selling such bonds, or, in the case of sales by the city of New York prior to July first, two thousand twenty-seven, also to the municipal assistance corporation for the city of New York or to any other purchaser with the consent of the mayor and the comptroller of such city and approval of the state comptroller, or, in the case of sales by the county of Nassau prior to December thirty-first, two thousand seven, also to the Nassau county interim finance authority with the approval of the state comptroller, or, in the case of sales by the city of Buffalo prior to June thirtieth, two thousand thirty-seven, also to the Buffalo fiscal stability authority with the approval of the state comptroller, or, in the case of bonds or other obligations of a municipality issued for the construction of any sewage treatment works, sewage collecting system, storm water collecting system, water management facility, air pollution control facility or solid waste disposal facility, also to the New York state environmental facilities corporation, or, in the case of bonds or other obligations of a school district or a city acting on behalf of a city school district in a city having a population in excess of one hundred twenty-five thousand but less than one million inhabitants according to the latest federal census, issued to finance or refinance the cost of school district capital facilities or school district capital equipment, as defined in section sixteen hundred seventy-six of the public authorities law, also to the dormitory authority of the state of New York. Bonds of a river improvement or drainage district established by or under the supervision of the department of environmental conservation may be sold at private sale to the state of New York as investments for any funds of the state which by law may be invested, provided, however, that the rate of interest on any such bonds so sold shall be approved by the water power and control commission and the state comptroller. Bonds may also be sold at private sale as provided in section 63.00 of this title. No bonds shall be sold on

option or on a deferred payment plan, except that options to purchase, effective for a period not exceeding one year, may be given:

1. in any case to the state of New York municipal bond bank agency with respect to any bonds or bond anticipation notes; and

2. in the case of a municipality to the New York state environmental facilities corporation with respect to bonds or other obligations issued for the construction of any sewage treatment works, sewage collecting system, storm water collecting system, water management facility, air pollution control facility or solid waste disposal facility, or, in the case of bonds or other obligations of a school district or a city acting on behalf of a city school district in a city having a population in excess of one hundred twenty-five thousand but less than one million inhabitants according to the latest federal census, issued to finance or refinance the cost of school district capital facilities or school district capital equipment, as defined in section sixteen hundred seventy-six of the public authorities law, also to the dormitory authority of the state of New York. A loan commitment may also be entered into by and between a municipality, and the state of New York municipal bond bank agency, by and between a school district or a city acting on behalf of a city school district in a city having a population in excess of one hundred twenty-five thousand but less than one million inhabitants according to the latest federal census and the dormitory authority of the state of New York, and by and between a municipality and the New York state environmental facilities corporation, such commitment to be fulfilled by the purchase of the bonds or other obligations referred to therein by such agency or such corporation, as the case may be. As used in this paragraph, the term "sinking fund" means a fund required by law to be established and maintained for the purpose of amortizing indebtedness evidenced by sinking fund bonds issued pursuant to the provisions of this chapter or issued by any municipality, school district or district corporation under any other law.

b. Bonds shall be sold without limitation as to rate of interest and for a sum not less than the par value of, and the accrued interest on,

such obligations except as authorized by this chapter, and may also be sold by municipalities at private sale to the state of New York municipal bond bank agency and to the New York state environmental facilities corporation, and in addition by the city of New York to the municipal assistance corporation for the city of New York, and by the county of Nassau to the Nassau county interim finance authority, and by the city of Buffalo to the Buffalo fiscal stability authority, at such rate or rates of interest as may be agreed upon by and between the issuing municipality and either of such agency or corporation, as the case may be. When sold at public sale, the rate of interest shall be determined in the manner provided in section 59.00 of this title. However, the agency or corporation prescribing the terms, form and contents of such bonds, subject to the foregoing provisions of this paragraph, may fix a maximum rate of interest at which such bonds shall be sold.

c. Bonds for one or more specific objects or purposes or classes of objects or purposes, or a combination thereof, may be sold as a single bond issue.

d. The state comptroller shall adopt a rule or order which he may amend from time to time:

1. Designating a financial newspaper or newspaper published and circulated in the city of New York in which notices for the sale of bonds may be published;

2. Prescribing the procedure for the circularization of notices for the sale of bonds;

3. Prescribing such other requirements as he may deem necessary relating to the publication or circularization of notices for the sale of bonds, in addition to but not inconsistent with the provisions of this chapter;

4. Prescribing such data and information as he may deem advisable to be contained in notices for the sale of bonds, in addition to but not

inconsistent with the provisions of this chapter; and

5. Prescribing the requirements for the alternative and permissive publication or circularization of notices for the sale of bonds of an issue not exceeding five million dollars, as permitted in section 63.00 of this chapter.

Such rule or order and the amendments thereof shall be filed in his office and in such other offices as he may designate.

e. Notwithstanding the limitations set forth in paragraph b of this section, a municipality, school district, or district corporation may provide for the public sale of its bonds at a price of less than the face value of such bonds at maturity; provided that no issue of bonds shall be sold at a price such that the difference between the sale price of such bonds, not including accrued interest, and the face value of such bonds at maturity, shall exceed five percent of the face value of such issue of bonds at maturity unless the municipality, school district or district corporation issuing such bonds has determined to issue them pursuant to a substantially level or declining annual debt service schedule or unless interest is contributed at least annually to a sinking fund in accordance with section two of article VIII of the constitution and the procedures of section 22.10 of this article. The cost of such original issue discount, together with other costs of the issuance of obligations, shall be deemed a part of the cost of the object or purpose for which such obligations are issued.

* f. To facilitate the marketing of any issue of bonds issued pursuant to paragraph e of this section, such municipality, school district or district corporation may, notwithstanding any limitations on private sales of bonds provided by law, and subject to rules promulgated by the state comptroller governing such sales: (A) arrange for the underwriting of such bonds at private sale through negotiated agreement, compensation for such underwriting to be provided by negotiated fee or by sale of such bonds to an underwriter at a price of less than the sum of face value at maturity of, and the accrued interest on, such obligations; or (B) arrange for private sale of such bonds through negotiated agreement, compensation for such sale to be provided by negotiated arrangement, if

required. The cost of such underwriting or private placement shall be deemed a preliminary cost for purposes of section 11.00 of this chapter.

* NB Repealed July 15, 2027