§ 1290. Notes and bonds of the corporation. 1. (a) The corporation shall have power and is hereby authorized from time to time to issue its negotiable or non-negotiable bonds and notes in conformity with applicable provisions of the uniform commercial code in such principal amount, as, in the opinion of the corporation, shall be necessary to provide sufficient funds for achieving its purposes, including the acquisition and construction, operation and maintenance of sewage treatment works, sewage collecting systems, solid waste disposal facilities, storm water collecting systems, water management facilities, air pollution control facilities, the removal, disposal and remediation of petroleum storage tanks and the remediation of the sites thereof and any other project or projects authorized pursuant to the provisions of this title, and paying the cost thereof; the making of loans to persons and, for purposes of sections twelve hundred eighty-five-j, twelve hundred eighty-five-m and twelve hundred eighty-five-o of this title only, to any municipality or recipient for such purposes; the making of loans, providing of financing or extension of credit to or on behalf of beginning farmers for purposes of section twelve hundred eighty-five-r of this title only; the financing of the design, acquisition, construction, improvement and installation of all or any portion of Riverbank Park, provided however, that any such bonds or notes issued to finance Riverbank Park shall only be issued in such principal amount as shall be necessary to provide sufficient funds for the repayment of amounts disbursed pursuant to appropriations or reappropriations under chapter fifty-four of the laws of nineteen hundred ninety-one including any subsequent reappropriation of the unexpended balance of such appropriations or reappropriations for the purpose of Riverbank Park, plus an amount sufficient to fund any debt service reserve fund established by the corporation for the purpose of Riverbank Park and to provide for the payment of fees and other charges and expenses of the corporation in connection with such bonds and notes, which principal amount shall constitute the statutory ceiling on the amount of bonds and notes that can be issued for such purpose; the financing of all or any portion of any state park infrastructure project or reimbursement of the state for expenditures relating thereto, plus an amount to provide for the payment of fees and other charges and expenses of the corporation in connection with such bonds and notes; the provision of funds to the

state for any amounts contributed or to be contributed to the water pollution control revolving fund, the pipeline for jobs fund or the drinking water revolving fund provided, however, that any such bonds or notes issued to provide funds to the water pollution control revolving fund, the pipeline for jobs fund or the drinking water revolving fund shall only be issued in such principal amount as shall be necessary to provide sufficient funds for the repayment of amounts disbursed pursuant to any appropriation or reappropriation enacted for the pipeline for jobs fund or for the payment of the state match for federal capitalization grants for the water pollution control revolving fund or the drinking water revolving fund, plus an amount sufficient to fund any debt service reserve fund and to provide for fees, charges and other costs of issuance, which principal amount shall constitute the statutory ceiling on the amount of bonds and notes that can be issued for such purpose; the financing of any environmental infrastructure projects authorized by section twelve hundred eighty-five-p of this title; the purchase of municipal bonds and notes, and bonds and notes of a state agency, the payment of the cost of any project, the payment of interest on bonds and notes of the corporation, the establishment of reserves to secure such bonds and notes; the provision of working capital and all other expenditures of the corporation incident to and necessary or convenient to carry out its purposes and powers;

(b) The corporation shall have power, from time to time, to issue renewal notes, to issue bonds to pay notes and whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and to issue bonds partly to refund bonds then outstanding, and partly for any other purpose. The refunding bonds shall be sold and the proceeds applied to the purchase, redemption or payment of the bonds to be refunded. Notwithstanding any statutory ceiling on outstanding bonds, any refunding bonds shall be sold in the amount required to pay or redeem outstanding bonds, to fund any reserve, escrow or payment fund, and to provide for the payment of all fees and other charges and expenses, including costs of issuance, incurred in connection with the issuance of such refunding bonds, provided that the present value of the aggregate debt service on the refunding bonds does not exceed the present value of the aggregate debt service on the bonds refunded thereby.

(c) Except as may otherwise be expressly provided by the corporation, every issue of its notes or bonds shall be (i) general obligations of the corporation payable out of any revenues or monies of the corporation, subject only to any agreements with the holders of particular notes or bonds pledging any particular receipts or revenues, (ii) special obligations of the corporation payable solely from the revenues, service charges, rentals, proceeds or other payments to be received on account of the mortgage, loan or other agreements and payments, reserve and insurance funds or accounts issuance of special obligations, and fees, charges or other monies to be received by the corporation in respect to loans pursuant to section twelve hundred eighty-five-b or twelve hundred eighty-five-j of this title, or from amounts received by the corporation pursuant to any contract, lease, easement, license or other instrument entered into by the corporation pursuant to sections twelve hundred eighty-five-k and twelve hundred eighty-five-l of this title or, (iii) special obligations of the corporation payable solely from amounts received pursuant to an agreement with the commissioner of environmental conservation pursuant to subdivision twelve of section twelve hundred eighty-five-j of this title, and may, but need not, be secured by mortgages, assignments or pledges of such revenues, service charges, rentals, proceeds, other payments, funds and accounts, fees, charges and other monies, and by mortgages or assignments thereof in respect to projects, and may include pooled financings subject only to any agreements with the holders of particular special obligation notes or bonds issued to finance the cost of, or loans for, a project or projects; no general obligations of the corporation shall be issued to finance the cost of, or loans for, a project or projects authorized to be constructed pursuant to section twelve hundred eighty-five-b or twelve hundred eighty-five-j of this title or to finance (A) the contribution of the state to the water pollution control revolving fund, (B) the design, acquisition, construction, improvement and installation of all or any portion of Riverbank Park or (C) state park infrastructure projects and no funds, monies, revenues or other assets of the corporation shall be used for loans authorized pursuant to section twelve hundred eighty-five-b or twelve hundred eighty-five-j of this title, except as may be available with respect to a project and a contract with a person as aforesaid, or

for the payment to the state for amounts contributed by the state to the water pollution control revolving fund, to finance the design, acquisition, construction, improvement and installation of all or any portion of Riverbank Park or state park infrastructure projects. Nor shall any special obligation authorized pursuant hereto be payable from or secured by any debt service reserve fund created pursuant to section twelve hundred ninety-one of this title, and the state shall not be entitled to require the redemption of such special obligations pursuant to section twelve hundred ninety-three of this title; and such special obligation and the security therefor shall not be subject to the provisions of section twelve hundred ninety-four of this title but the remedies of the holders thereof shall be set forth in the terms of such special obligations and the instruments constituting such security; the making of loans, providing of financial or extension of credit to or on behalf of beginning farmers for purposes of section twelve hundred eighty-five-r of this title only;

(d) Any bonds or notes issued for the purpose of financing amounts deposited or to be deposited by the state in the water pollution control revolving fund may be issued in an aggregate principal amount sufficient to finance the amount to be paid or reimbursed to the state plus an amount sufficient to fund any debt service reserve fund established by the corporation and to provide for the payment of fees and other charges and expenses of the corporation in connection with such bonds and notes.

(e) Notwithstanding any other law to the contrary, the corporation shall not issue any notes or bonds on behalf of any state department or agency to fund the removal, disposal and remediation of petroleum storage tanks and the remediation of the sites thereof or on behalf of the office of mental health to finance the pilgrim state sewage treatment project, after the thirty-first day of March, nineteen hundred ninety-six. This limitation shall not apply to bonds and notes issued to refund bonds issued for such purposes.

2. The notes and bonds shall be authorized by resolution of the directors of the corporation, shall bear such date or dates, and shall mature at such time or times, in the case of any such note or any renewals thereof not exceeding twelve years from the date of issue of such original note, and in the case of any such bond not exceeding forty

years from the date of issue, as such resolution or resolutions may provide; provided, however, that the final maturity of any bond issued for the purpose of financing any amounts deposited or to be deposited by the state in the water pollution control revolving fund shall not exceed thirty years from the date of issue of such bond. The notes and bonds shall bear interest at such rate or rates which may vary from time to time, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment, at such place or places and be subject to such terms of redemption as such resolution or resolutions may provide. The notes and bonds of the corporation may be sold by the corporation, at public or private sale, at such price or prices as the corporation shall determine. No notes or bonds of the corporation may be sold by the corporation at private sale, however, unless such sale and the terms thereof have been approved in writing by (a) the comptroller, where such sale is not to the comptroller, or (b) the director of the budget, where such sale is to the comptroller.

3. Any resolution or resolutions authorizing any notes or bonds or any issue thereof may contain provisions, which shall be a part of the contract with the holders thereof, as to:

(a) pledging all or any part of the rentals, rates, charges and other fees made or received by the corporation and other monies received or to be received from the ownership or operation or otherwise in connection with any project or projects and all or any part of the monies received in payment of principal or interest on bonds or notes of any state agency and municipal bonds or notes acquired by the corporation, to secure the payment of the notes or bonds or of any issue thereof, subject to such agreements with bondholders or noteholders as may then exist;

(b) pledging all or any part of the assets of the corporation including municipal bonds and notes acquired by the corporation in the issuance of general obligations, and in the issuance of special obligations, notes or other evidences of indebtedness of any person acquired by the corporation, and assigning and pledging any mortgages or other security interests acquired by the corporation or any interests of the corporation in properties or revenues or other sums payable to the

corporation and any reserve and insurance funds or accounts or other funds and accounts established in connection with the issuance of special obligations to secure the payment of the notes or bonds or of any issue of notes or bonds of general obligations or special obligations, as the case may be, subject to such agreements with noteholders or bondholders as may then exist;

(c) the use and disposition of rentals, rates, charges and other fees made or received by the corporation;

(d) the setting aside of reserves or sinking funds and the regulation and disposition thereof from the ownership or operation or otherwise in connection with any project or projects and of the gross income from municipal bonds and notes and bonds and notes of any state agency owned by the corporation;

(e) limitations on the purpose to which the proceeds of sale of notes or bonds may be applied and pledging such proceeds to secure the payment of the notes or bonds or of any issue thereof;

(f) limitations on the issuance of additional notes or bonds; the terms upon which additional notes or bonds may be issued and secured; the refunding of outstanding or other notes or bonds;

(g) the procedure, if any, by which the terms of any contract with noteholders or bondholders may be amended or abrogated, the amount of notes or bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(h) limitations on the amount of monies to be expended by the corporation for operating, administrative or other expenses of the corporation;

(i) vesting in a trustee or trustees such property, rights, powers and duties in trust as the corporation may determine, which may include any or all of the rights, powers and duties of the trustee appointed by the bondholders pursuant to this title, and limiting or abrogating the right of the bondholders to appoint a trustee under this article or limiting the rights, powers and duties of such trustee;

(j) any other matters, of like or different character, which in any way affect the security or protection of the notes or bonds.

4. In addition to the powers herein conferred upon the corporation to secure its notes and bonds, the corporation shall have power in

connection with the issuance of notes and bonds to enter into such agreements as the corporation may deem necessary, convenient or desirable concerning the use or disposition of its monies or property including the mortgaging of any such property and the entrusting, pledging or creation of any other security interest in any such monies or property and the doing of any act (including refraining from doing any act) which the corporation would have the right to do in the absence of such agreements. The corporation shall have power to enter into amendments of any such agreements within the powers granted to the corporation by this title and to perform such agreements. The provisions of any such agreements may be made a part of the contract with the holders of the notes and bonds of the corporation.

5. It is the intention hereof that any pledge, mortgage or security instrument made by the corporation shall be valid and binding from the time when the pledge, mortgage or security instrument is made; that the monies or property so pledged, mortgaged and entrusted and thereafter received by the corporation shall immediately be subject to the lien of such pledge, mortgage or security instrument without any physical delivery thereof or further act; and that the lien of any such pledge, mortgage or security instrument shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the corporation, irrespective of whether such parties have notice thereof. Neither the resolution nor any mortgage, security instrument or other instrument by which a pledge, mortgage lien or other security is created need be recorded or filed and the corporation shall not be required to comply with any of the provisions of the uniform commercial code.

6. Neither the directors of the corporation nor any person executing the notes or bonds shall be liable personally on the notes or bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

7. The corporation, subject to such agreements with noteholders or bondholders as may then exist, shall have power out of any funds available therefor to purchase notes or bonds of the corporation, which

shall thereupon be cancelled, at a price not exceeding (a) if the notes or bonds are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment thereon, or (b) if the notes or bonds are not then redeemable, the redemption price applicable on the first date after such purchase upon which the notes or bonds become subject to redemption plus accrued interest to such date.

8. Neither the state nor any municipality shall be liable on notes or bonds issued as general obligations of the corporation and such notes and bonds shall not be a debt of the state or any municipality, and such notes and bonds shall contain on the face thereof a statement to such effect. The state shall not be liable on notes or bonds issued as special obligations of the corporation, and such notes and bonds shall not be a debt of the state and shall be payable solely from the revenues, service charges, rentals, proceeds or other payments to be derived from the extension of credit or the loan for the project for which such notes and bonds were issued, and such notes and bonds shall contain on the face thereof a statement to such effect.