§ 1828. Expenses and reserve funds. 1. There shall be included in the financial information to be submitted annually by the authority pursuant to the provisions of section eighteen hundred twenty-nine of the public authorities law, and in the annual report referred to in said section, items separately showing the respective totals during the last completed fiscal year of the authority, of (i) all expenses of the authority clearly attributable to its operations under subtitle II of this title, (ii) all expenses of the authority clearly attributable to its operations under subtitle III of this title, and (iii) expenses of the authority not clearly attributable to a category set forth in clauses (i) and (ii) of this subdivision.

2. To assure the continued operation and solvency of the authority for the fulfillment of its corporate purposes with pollution control funds, provision is made in subdivision two of section eighteen hundred twenty of this title for the accumulation in the pollution control capital reserve fund of an amount equal to the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on all pollution control bonds of the authority then outstanding. In order further to secure such maintenance of the pollution control capital reserve fund, there shall be annually apportioned and paid to the authority for deposit in the pollution control capital reserve fund such sum, if any, as shall be certified by the chairman of the authority to the governor and director of the budget as necessary to restore the pollution control capital reserve fund to an amount equal to the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on the pollution control bonds of the authority then outstanding. The chairman of the authority shall annually, on or before December first, make and deliver to the governor and director of the budget his certificate stating the amount, if any, required to restore the pollution control capital reserve fund to the amount aforesaid and the amount so stated in said certificate, if any, shall be apportioned and paid to the authority during the then current state fiscal year. No amount or amounts shall be apportioned and paid to the authority pursuant to this subdivision two until the authority has entered into a written agreement with the director of the budget providing for the repayment thereof to the state. Any such agreement

shall provide, in lieu of any other provisions required by law regarding such repayment, that the authority will repay the state in full from pollution control funds the amount or amounts so apportioned and paid on the date one year after all pollution control bonds and notes of the authority outstanding at the date of such agreement or thereafter issued, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the holders thereof, are fully met and discharged. The principal amount of bonds secured by the pollution control capital reserve fund to which state funds are apportionable pursuant to this subdivision shall be limited to the total amount of bonds and notes outstanding on the effective date of this act, plus the total amount of bonds and notes contracted after the effective date of this act to finance projects in progress on the effective date of this act, as determined by the New York state public authorities control board created pursuant to section fifty of this chapter whose affirmative determination shall be conclusive as to all matters of law and fact solely for the purposes of the limitations contained in this subdivision, but in no event shall the total amount of bonds so secured by such a capital reserve fund or funds exceed five million dollars, excluding bonds issued to refund such outstanding bonds until the date of redemption of such outstanding bonds. As outstanding bonds so secured are paid, the amount so secured shall be reduced accordingly but the redemption of such outstanding bonds from the proceeds of refunding bonds shall not reduce the amount so secured.

3. The authority may make and enter into all such covenants and agreements with respect to accounting for or paying its expenses with holders of any of its bonds and notes, or of any issue thereof, as it may determine to be necessary and desirable.

4. To assure the continued operation and solvency of the authority for the fulfillment of its corporate purposes, there shall be annually paid to the authority such sum as shall have been appropriated for the expenses of the authority. The chairman of the authority shall make and deliver to the governor and director of the budget on or before December first, nineteen hundred sixty-six and on or before December first in

each year thereafter, a certificate stating the amount estimated to be required for payment of or provision for expenses of the authority for the next ensuing state fiscal year. The amount so stated for any such ensuing state fiscal year shall be the sum of the amounts, if any, estimated for such fiscal year, by which pollution control expenses exceed pollution control available revenues, by which special purpose expenses in respect of loans and the special purpose expenses in respect of loan guarantees exceed special purpose available revenues. The entire amount appropriated for each such fiscal year for the expenses of the authority shall be paid to the authority not later than the tenth day of each such fiscal year. As used in this subdivision, (i) the term "expenses" for the fiscal year means ordinary expenditures for operation and administration of the authority, including interest paid by the authority on its bonds and notes, and, in addition, such amounts as the authority may determine to be reasonable and necessary as a reserve against defaults on its loans and as a reserve against defaults in the payment or terms of loans guaranteed by the authority, but shall not include amounts required to be paid to the state under or pursuant to any written agreement entered into pursuant to subdivision two of this section; and (ii) the term "available revenues" for the fiscal year means all amounts received on account of loans (exclusive of principal repayments), and loan guarantees and applications therefor, and income or interest earned or added to funds of the authority due to investment thereof, and not required under the terms or provisions of any covenant or agreement with holders of any bonds or notes of the authority to be applied to any purposes other than payment of expenses of the authority.

5. The members of the authority shall formulate a plan and policy to provide an expedited financial assistance process for fixed asset financing and other financing assistance programs provided by the authority for new businesses and expansions of existing businesses within areas designated as empire zones pursuant to article eighteen-B of the general municipal law.