§ 3656. Bonds of the authority. 1. The authority shall have the power and is hereby authorized from time to time to issue bonds in such principal amounts as it may determine to be necessary pursuant to section thirty-six hundred fifty-five of this title to pay any financeable costs and to fund reserves to secure such bonds, including incidental expenses in connection therewith. Provided, however, the aggregate principal amounts of such bonds issued to pay the financeable county costs described in paragraph (c) of subdivision twelve of section thirty-six hundred fifty-one of this title, which resulted from certiorari proceedings commenced on or after June first, two thousand, shall not exceed eight hundred million dollars in the aggregate, excluding bonds, notes, or other obligations issued to refund or otherwise repay bonds, notes, or other obligations theretofore issued for such purposes. Effective in the year two thousand six, upon request of the county, the authority shall issue, in the amount requested, bonds to pay tax certiorari settlements or judgments of any kind to which the county is a party, not to exceed fifteen million dollars; and effective in the year two thousand seven, upon request of the county, the authority shall issue, in the amount requested, bonds to pay tax certiorari settlements or judgments of any kind to which the county is a party, not to exceed ten million dollars. Whenever this title establishes a limit on the principal amount of bonds that the authority is authorized to issue, there shall not be counted against such limit (i) amounts determined by the authority as reasonable to be used to pay the cost of issuing such bonds, (ii) the amount of bonds that would constitute interest under the Internal Revenue Code of 1986, as amended, and (iii) amounts determined by the authority as necessary to establish any reserves.

The authority shall have the power from time to time to refund any bonds of the authority by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds of the authority then outstanding and partly to pay the financeable costs pursuant to section thirty-six hundred fifty-five of this title. Bonds issued by the authority shall be payable solely out of particular revenues or other moneys of the authority as may be designated in the proceedings of the authority under which the bonds

shall be authorized to be issued, subject to any agreements entered into between the authority and the county, and subject to any agreements with the holders of outstanding bonds pledging any particular revenues or moneys; but in no event shall transitional state aid be pledged as security for or be made available for the payment of bonds.

2. The authority is authorized to issue its bonds for a period ending not later than December thirty-first, two thousand twenty-one. The authority may issue bonds to refund bonds previously issued without regard to the limitation in the first sentence of this subdivision, but in no event shall any bonds of the authority finally mature later than January thirty-first, two thousand fifty-one. Notwithstanding any other provision of law, no bond of the authority shall mature more than thirty years from the date of its issue.

3. Bonds of the authority may be issued, amortized, redeemed and refunded without regard to the provisions of the local finance law; provided, however, that the principal amount of outstanding bonds issued by the authority shall be deemed to be indebtedness of the county solely in ascertaining the amount of indebtedness the county may contract pursuant to the local finance law and the state constitution and the authority shall not exceed such limitation.

4. The directors may delegate to the chairperson or other director or officer of the authority the power to set the final terms of bonds.

5. The authority in its sole discretion shall determine that the issuance of its bonds is appropriate. Bonds shall be authorized by resolution of the authority. Bonds shall bear interest at such fixed or variable rates and shall be in such denominations, be in such form, either coupon or registered, be sold at such public or private sale, be executed in such manner, be denominated in United States currency, be payable in such medium of payment, at such place and be subject to such terms of redemption as the authority may provide in such resolution. No bonds of the authority may be sold at private sale unless such sale and the terms thereof have been approved in writing by (a) the state comptroller where such sale is not to the state comptroller, or (b) the

director of the budget, where such sale is to the state comptroller.

6. As a condition precedent to authorizing the issuance of any bonds hereunder, the authority may include in any agreement with the county such provisions as are deemed necessary and appropriate including express provisions regarding compliance with sections thirty-six hundred sixty-six and thirty-six hundred sixty-seven of this title, as applicable.

7. Any resolution or resolutions authorizing bonds or any issue of bonds may contain provisions which may be a part of the contract with the holders of the bonds thereby authorized as to:

(a) pledging all or part of the authority's revenues, together with any other moneys, securities or contracts, to secure the payment of the bonds, subject to such agreements with bondholders as may then exist;

(b) the setting aside of reserves and the creation of sinking funds and the regulation and disposition thereof;

(c) limitations on the purposes to which the proceeds from the sale of bonds may be applied;

(d) limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured and the refunding of bonds;

(e) the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, including the proportion of bondholders which must consent thereto and the manner in which such consent may be given;

(f) vesting in a trustee or trustees such properties, rights, powers and duties in trust as the authority may determine, which may include any or all of the rights, powers and duties of the trustee appointed by the bondholders pursuant to section thirty-six hundred sixty-four of this title and limiting or abrogating the rights of the bondholders to appoint a trustee under such section or limiting the rights, duties and powers of such trustee; and

(g) defining the acts or omissions to act which may constitute a default in the obligations and duties of the authority to the bondholders and providing for the rights and remedies of the bondholders in the event of such default, including as a matter of right the

appointment of a receiver; provided, however, that such acts or omissions to act which may constitute a default and such rights and remedies shall not be inconsistent with the general laws of the state and other provisions of this title.

8. In addition to the powers herein conferred upon the authority to secure its bonds, the authority shall have power in connection with the issuance of bonds to enter into such agreements for the benefit of the bondholders as the authority may deem necessary, convenient or desirable concerning the use or disposition of its revenues or other moneys, including the entrusting, pledging or creation of any other security interest in any such revenues, moneys and the doing of any act, including refraining from doing any act, which the authority would have the right to do in the absence of such agreements. The authority shall have power to enter into amendments of any such agreements within the powers granted to the authority 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 bonds of the authority.

9. Notwithstanding any provision of the uniform commercial code to the contrary, any pledge of or other security interest in revenues, moneys, accounts, contract rights, general intangibles or other personal property made or created by the authority shall be valid, binding and perfected from the time when such pledge is made or other security interest attaches without any physical delivery of the collateral or further act, and the lien of any such pledge or other security interest shall be valid, binding and perfected against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether such parties have notice thereof. No instrument by which such a pledge or security interest is created nor any financing statement need be recorded or filed.

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

11. Neither the directors of the authority nor any person executing bonds shall be liable personally thereon or be subject to any personal liability or accountability solely by reason of the issuance thereof. The bonds or other obligations of the authority shall not be a debt of either the state or the county, and neither the state nor the county shall be liable thereon, nor shall they be payable out of any funds other than those of the authority; and such bonds shall contain on the face thereof a statement to such effect.

12. The authority, subject to such agreements with bondholders as then may exist, shall have power to purchase bonds of the authority out of any moneys available therefor, which shall thereupon be cancelled.