

## **TRANSPORTATION (TIFIA)**

Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by section 69-b of part HH of chapter 57 of the laws of 2013, reads as follows:

1. (a) Notwithstanding the provisions of any other law to the contrary, each of the authorized issuers, as such term is defined in paragraphs (a) and (b) of subdivision 1 of section 68-a of the state finance law, are hereby authorized to accept transportation infrastructure finance and innovation act (TIFIA) loans from the United States of America, subject to any applicable agreement with bondholders or noteholders, to enter into contracts, secured loan agreements, service agreements or repayment agreements and to execute all instruments necessary, convenient or desirable in connection therewith, including, its bonds, notes or other obligations evidencing any such loan from the United States of America, and to pledge and assign as security for any such grants or loans, bonds or notes issued by such authorized issuer or payments due to such authorized issuer in connection therewith or revenues of such authorized issuer, as applicable. The aggregate principal amount of bonds authorized to be issued by the authorized issuers pursuant to this section shall not exceed seven hundred fifty million dollars, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds, notes, or other obligations issued to refund or otherwise repay such bonds, notes, or other obligations previously issued. If such bonds, notes, or other obligations are secured by a service contract with the state of New York, such bonds, notes, or other obligations of the authorized issuers shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the authorized issuers for principal, interest, and related expenses pursuant to a service contract and such bonds, notes, and other obligations shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.