New York State
Liquidity Provider Costs

Introduction:

Variable rate demand bonds (VRDB) must have liquidity facilities to ensure that bonds can be successfully remarketed. Liquidity providers charge fees in basis points based on the amount of credit provided. A variety of factors impact liquidity facility pricing, including:

- The type of liquidity facility;
  - Letters of Credit offer the most coverage since they guarantee the payment of principal and interest.
  - Standby Bond Purchase Agreements provide for the purchase of bonds only if they cannot be remarketed.
- Options for the provider to terminate the contract;
- The relative strength of the underlying credit;
- The relative strength of the liquidity facility provider; and
- Liquidity market conditions at the time of entering into the contract.

Other forms of State-supported variable rate debt, including Auction Rate Securities, do not require Liquidity Facilities. The following chart provides information on liquidity providers and cost for State VRDBs.

NEW YORK STATE DIVISION OF THE BUDGET
LIQUIDITY INFORMATION
October 31, 2021

Issuer	Series	Amount Outstanding	Liquidity Provider	Liquidity Type	Liquidity Fee (bp)	Liquidity Renewal Date
DA	CUNY 2008C	183,040,000	Bank of America	LOC	68	12/08/21
DA	MH 2003D2 (E)	47,200,000	RBC Capital Markets	LOC	42	01/07/22
DA	MH 2003D2 (H)	24,100,000	RBC Capital Markets	LOC	42	01/07/22
DA	MH 2003D2 (F)	24,100,000	JPMorgan Chase Bank	SBPA	75	01/11/22
DA	PIT 2019C	77,400,000	JPMorgan Chase Bank	SBPA	40	01/28/22
DA	CUNY 2008D	126,975,000	TD Bank	LOC	44	12/12/23
ESDC	PIT 2004A-3C	74,615,000	JPMorgan Chase Bank	SBPA	45	06/05/26
	TOTAL	**557,430,000**				

DA	Dormitory Authority of the State of New York
CUNY	City University of New York
ESDC	Empire State Development Corporation
LOC	Letter of Credit
MH	Mental Health
PIT	Personal Income Tax
SBPA	Standby Bond Purchase Agreement