

# **DEBT SERVICE**

## **Summary of Recommended Appropriations By Agency**

## DEBT SERVICE

	Adjusted Appropriation 2011-12	Executive Request 2012-13	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	245,000,000	245,000,000	0	0.0%
Fiduciary	30,500,000	30,500,000	0	0.0%
Debt Service Fund	6,143,925,000	6,665,660,000	521,735,000	8.5%
Capital Projects Fund - Other	960,250,000	960,300,000	50,000	0.01%
Emergency	1,500,000,000	1,400,000,000	(100,000,000)	-6.7%
<b>Total for AGENCY SUMMARY:</b>	<b>8,879,675,000</b>	<b>9,301,460,000</b>	<b>421,785,000</b>	<b>4.8%</b>

### Programmatic Highlights

The State Fiscal Year (SFY) 2012-13 Executive Budget includes \$9,301,460,000 in Debt Service Appropriations.

### Budget Detail

#### State Operations

##### Proposed Increases

The Executive proposes:

- \$253,600,000 in the Revenue Bond Financing Agreement Payments;
- \$250,000,000 in the Debt Reduction Reserve Fund;
- \$31,900,000 in the General Financing Agreements;
- \$14,500,000 from the Local Government Assistance Tax Fund;
- \$11,800,000 in the State University Dormitory Income Fund; and
- \$50,000 in the Dedicated Highway and Bridget Trust Fund.

## Proposed Decreases

The Executive proposes:

- \$27,500,000 from the General Obligation Payments;
- \$5,000,000 from the Mental Health Services Fund;
- \$3,000,000 from the Housing Debt Fund;
- \$1,600,000 from the Health Income Fund;
- \$2,900,000 from elimination of the Lease Purchase Payments; and
- \$100,000,000 from the All Funds to cover market uncertainties in interest rate exchange agreements and variable rate debt obligations.

## Article VII

The Executive recommends Article VII legislation that would:

- reimburse certain appropriations and reappropriations from the Capital Projects Fund with authority bond proceeds;
- enable the Mental Health Services Fund to make arbitrage rebate payments to the federal government, if necessary;
- authorize the Comptroller to make required certification in relation to the 1986 Environmental Quality Bond Act to assure the continuation of the tax-exempt status of the bonds;
- extend the authorization to issue mental health bonds under the personal income tax credit structure until 2013;
- amends Section 73 of the State Finance Law to ensure that federal interest subsidy payments received by the State Qualified School Construction Bonds are accounted for consistent with interest subsidies for Build America Bonds;
- authorizes \$500,000,000 from the General Fund to be set aside (no cash behind appropriation) for the Debt Reduction Reserve Fund; and
- amends certain bond caps to reflect the Executive's capital investment plan.