

# **DEBT SERVICE**

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

## DEBT SERVICE

	Adjusted Appropriation 2012-13	Executive Request 2013-14	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	245,000,000	245,000,000	0	0%
Fiduciary	30,500,000	25,600,000	(4,900,000)	-19.1%
Debt Service Funds	6,665,660,000	7,223,260,000	557,600,000	7.7%
Capital Projects Funds	960,300,000	980,300,000	20,000,000	2%
Contingency Appropriation	1,400,000,000	1,500,000,000	100,000,000	6.7%
<b>Total for AGENCY SUMMARY:</b>	<b>9,301,460,000</b>	<b>9,974,160,000</b>	<b>672,700,000</b>	<b>7.2</b>

### Programmatic Highlights

The State Fiscal Year (SFY) 2013-14 Executive Budget includes \$9,997,160,000 in Debt Service Appropriations, an increase \$72.7 million or 7.2 percent over SFY 2012-13.

### Article VII Proposals

The Executive recommends Article VII legislation that would:

- authorize the Comptroller to make required certifications in relation to the 1986 Environmental Quality Bond Act to assure the continuation of the tax-exempt status of the bonds;
- authorize use of Mental Health Services Fund to make arbitrage rebate payments to the federal government, if necessary;
- reimburse certain capital spending from appropriations into the correctional facilities capital improvement fund;
- authorize \$1 billion from the General Fund to the debt reduction reserve fund;
- authorize Dormitory Authority of the State of New York (DASNY) and Empire State Development Corporation to issue bonds for any other issuers' authorized purposes under the Personal Income Tax (PIT) credit structure;
- amend the statute governing the Board of the Local Government Assistance Corporation, allowing bond issues to be approved by a unanimous vote of all directors;

- authorize PIT bonds to be issued for any purposes that state-supported debt can be issued, except General Obligation bonds;
- reimburse new appropriations and reappropriations from the Capital Projects Fund with the authority bond proceeds;
- authorize the creation of the New York State Transformative Capital Fund which would consist of two accounts; one to finance Federal Emergency Management Agency and a transformative capital account to finance transformative economic development and infrastructure initiatives;
- authorize the creation of a new Sales Tax Revenue Bond Tax Fund to replicate PIT and Local Government Assistance Corporation revenue bonds, to lower the costs of borrowing. The Sales Tax Revenue Bond will be secured by the pledge of payments from the General Debt Service Fund which will receive one percent of the state's four percent sales and use tax receipts. The bonds will be used interchangeably with PIT bonds to finance state capital needs; and
- authorize a new self-supporting bonding program State University of New York (SUNY) Dormitory Facilities supported by third party revenues generated by student rents. These revenues will flow directly to DASNY for the payment of debt service without an appropriation. Future bonds of SUNY dorms will not count as debt of the state.