

32 Section 1. Paragraph 3 of subdivision (c) of section 1261 of the tax  
33 law, as amended by section 9 of part SS-1 of chapter 57 of the laws of  
34 2008, is amended to read as follows:

35 (3) However, the taxes, penalties and interest which (i) the county of  
36 Nassau, (ii) the county of Erie, to the extent the county of Erie is  
37 contractually or statutorily obligated to allocate and apply or pay net  
38 collections to the city of Buffalo and to the extent that such county  
39 has set aside net collections for educational purposes attributable to  
40 the Buffalo school district, or the city of Buffalo or (iii) the county  
41 of Erie is authorized to impose pursuant to section twelve hundred ten  
42 of this article, other than such taxes in the amounts described, respec-  
43 tively, in subdivisions one and two of section one thousand two hundred  
44 sixty-two-e of this part, during the period that such section authorizes  
45 Nassau county to establish special or local assistance programs there-  
46 under, together with any penalties and interest related thereto, and  
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1 after the comptroller has reserved such refund fund and such costs,  
2 shall, commencing on the next payment date after the effective date of  
3 this sentence and of each month thereafter, until such date as (i) the  
4 Nassau county interim finance authority shall have no obligations  
5 outstanding, or (ii) the Buffalo fiscal stability authority shall cease  
6 to exist, or (iii) the Erie county fiscal stability authority shall  
7 cease to exist, be paid by the comptroller, respectively, to (i) the  
8 Nassau county interim finance authority to be applied by the Nassau  
9 county interim finance authority, or (ii) to the Buffalo fiscal stabili-  
10 ty authority to be applied by the Buffalo fiscal stability authority, or  
11 (iii) to the Erie county fiscal stability authority to be applied by the  
12 Erie county fiscal stability authority, as the case may be, in the  
13 following order of priority: first pursuant to the Nassau county interim  
14 finance authority's contracts with bondholders or the Buffalo fiscal  
15 stability authority's contracts with bondholders or the Erie county  
16 fiscal stability authority's contracts with bondholders, respectively,  
17 then to pay the Nassau county interim finance authority's operating  
18 expenses not otherwise provided for or the Buffalo fiscal stability  
19 authority's operating expenses not otherwise provided for or the Erie  
20 county fiscal stability authority's operating expenses not otherwise  
21 provided for, respectively, then (i) for the Nassau county interim  
22 finance authority to pay to the state as soon as practicable in the  
23 months of May and December each year, the amount necessary to fulfill  
24 the town and village distribution requirement on behalf of Nassau county  
25 pursuant to paragraph five-a of this subdivision, or (ii) for the  
26 Buffalo fiscal stability authority to pay to the state as soon as prac-  
27 ticable in the months of May and December each year, the percentage of  
28 the amount necessary to fulfill the town and village distribution  
29 requirement on behalf of Erie county pursuant to paragraph five-a of  
30 this subdivision that equates to the percentage of the county net  
31 collections that the city of Buffalo and the Buffalo city school  
32 district, together, are due in the months of May and December each year,  
33 or (iii) for the Erie county fiscal stability authority to pay to the  
34 state as soon as practicable in the months of May and December each  
35 year, the amount necessary to fulfill the town and village distribution  
36 requirement on behalf of Erie county pursuant to paragraph five-a of  
37 this subdivision, less the amount being paid to the state by the Buffalo

38 fiscal stability authority in each respective month, and then (i) pursu-  
39 ant to the Nassau county interim finance authority's agreements with the  
40 county of Nassau, which agreements shall require the Nassau county  
41 interim finance authority to transfer such taxes, penalties and interest  
42 remaining after providing for contractual or other obligations of the  
43 Nassau county interim finance authority, and subject to any agreement  
44 between such authority and the county of Nassau, to the county of Nassau  
45 as frequently as practicable; or (ii) pursuant to the Buffalo fiscal  
46 stability authority's agreements with the city of Buffalo, which agree-  
47 ments shall require the Buffalo fiscal stability authority to transfer  
48 such taxes, penalties and interest remaining after providing for  
49 contractual or other obligations of the Buffalo fiscal stability author-  
50 ity, and subject to any agreement between such authority and the city of  
51 Buffalo, to the city of Buffalo or the city of Buffalo school district,  
52 as the case may be, as frequently as practicable; or (iii) pursuant to  
53 the Erie county fiscal stability authority's agreements with the county  
54 of Erie, which agreements shall require the Erie county fiscal stability  
55 authority to transfer such taxes, penalties and interest remaining after  
56 providing for contractual or other obligations of the Erie county fiscal  
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1 stability authority, and subject to any agreement between such authority  
2 and the county of Erie, to the county of Erie as frequently as practica-  
3 ble. During the period that the comptroller is required to make payments  
4 to the Nassau county interim finance authority described in the previous  
5 sentence, the county of Nassau shall have no right, title or interest in  
6 or to such taxes, penalties and interest required to be paid to the  
7 Nassau county interim finance authority, except as provided in such  
8 authority's agreements with the county of Nassau. During the period that  
9 the comptroller is required to make payments to the Buffalo fiscal  
10 stability authority described in the second previous sentence, the city  
11 of Buffalo and such school district shall have no right, title or inter-  
12 est in or to such taxes, penalties and interest required to be paid to  
13 the Buffalo fiscal stability authority, except as provided in such  
14 authority's agreements with the city of Buffalo. During the period that  
15 the comptroller is required to make payments to the Erie county fiscal  
16 stability authority described in the third previous sentence, the county  
17 of Erie shall have no right, title or interest in or to such taxes,  
18 penalties and interest required to be paid to the Erie county fiscal  
19 stability authority, except as provided in such authority's agreements  
20 with the county of Erie.

21 § 2. Paragraph 5-a of subdivision (c) of section 1261 of the tax law,  
22 as added by section 3 of part PPP of chapter 59 of the laws of 2019, is  
23 amended to read as follows:

24 (5-a) However, after the comptroller has made the payments to the  
25 Nassau county interim finance authority, the Buffalo fiscal stability  
26 authority, and the Erie county fiscal stability authority required by  
27 [~~paragraphs two,~~ paragraph three [~~and five~~] of this subdivision, for  
28 each municipality that received a base level grant in state fiscal year  
29 two thousand eighteen-two thousand nineteen but not in state fiscal year  
30 two thousand nineteen-two thousand twenty under the aid and incentives  
31 for municipalities program pursuant to subdivision ten of section  
32 fifty-four of the state finance law, the comptroller shall annually  
33 withhold from each county except Nassau and Erie from the remaining  
34 taxes, penalties and interest imposed by the county in which a majority  
35 of the population of such municipality resides, and on behalf of Nassau  
36 and Erie counties the comptroller shall annually receive from the Nassau

37 county interim finance authority, the Buffalo fiscal stability authori-  
38 ty, and the Erie county fiscal stability authority, an amount equal to  
39 the base level grant received by such municipality in state fiscal year  
40 two thousand eighteen-two thousand nineteen and shall annually distrib-  
41 ute, by December fifteenth, two thousand nineteen and by such date annu-  
42 ally thereafter, such amount directly to such municipality, unless such  
43 municipality has a fiscal year ending May thirty-first, then such annual  
44 distribution shall be made by May fifteenth, two thousand twenty and by  
45 such date annually thereafter. No county shall have any right, title or  
46 interest in or to the taxes, penalties and interest required to be with-  
47 held [~~and~~] or distributed pursuant to this paragraph.

48 § 3. Subdivision 5 of section 3657 of the public authorities law, as  
49 added by chapter 84 of the laws of 2000, is amended to read as follows:

50 5. Tax revenues received by the authority pursuant to section twelve  
51 hundred sixty-one of the tax law, together with any other revenues  
52 received by the authority, shall be applied in the following order of  
53 priority: first pursuant to the authority's contracts with bondholders,  
54 then to pay the authority's operating expenses not otherwise provided  
55 for, then to pay to the state pursuant to paragraph three of subdivision  
56 (c) of section twelve hundred sixty-one of the tax law, and then,  
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1 subject to the authority's agreements with the county, to transfer the  
2 balance of such tax revenues not required to meet contractual or other  
3 obligations of the authority to the county as frequently as practicable.

4 § 4. Subdivision 5 of section 3865 of the public authorities law, as  
5 amended by chapter 86 of the laws of 2004, is amended to read as  
6 follows:

7 5. Revenues of the authority shall be applied in the following order  
8 of priority: first to pay debt service or for set asides to pay debt  
9 service on the authority's bonds, notes, or other obligations and to  
10 replenish any reserve funds securing such bonds, notes or other obli-  
11 gations of the authority, in accordance with the provision of any inden-  
12 ture or bond resolution of the authority; then to pay the authority's  
13 operating expenses not otherwise provided for; then to pay to the state  
14 pursuant to paragraph three of subdivision (c) of section twelve hundred  
15 sixty-one of the tax law; and then, subject to the authority's agreement  
16 with the city, for itself or on behalf of the city's dependent school  
17 district and any other covered organization, to transfer as frequently  
18 as practicable the balance of revenues not required to meet contractual  
19 or other obligations of the authority to the city or the city's depend-  
20 ent school district as provided in subdivision seven of this section.

21 § 5. Subdivision 5 of section 3965 of the public authorities law, as  
22 added by chapter 182 of the laws of 2005, is amended to read as follows:

23 5. Revenues of the authority shall be applied in the following order  
24 of priority: first to pay debt service or for set asides to pay debt  
25 service on the authority's bonds, notes, or other obligations and to  
26 replenish any reserve funds securing such bonds, notes or other obli-  
27 gations of the authority in accordance with the provision of indenture  
28 or bond resolution of the authority; then to pay the authority's operat-  
29 ing expenses not otherwise provided for; then to pay to the state pursu-  
30 ant to paragraph three of subdivision (c) of section twelve hundred  
31 sixty-one of the tax law; and then, subject to the authority's agree-  
32 ments with the county for itself or on behalf of any covered organiza-  
33 tion to transfer as frequently as practicable the balance of revenues  
34 not required to meet contractual or other obligations of the authority  
35 to the county as provided in subdivision seven of this section.

36 § 6. This act shall take effect immediately.