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To: Chief Fiscal Officers

From: Division of Local Government and School Accountability

Subject: Local Government Report on Private Sale of Bonds

Purpose of Bulletin

Effective August 13, 2010, Chapter 386 of the Laws of New York amended Section 63.00 of the Local Finance Law to increase the cap on bonds issued through private sales from \$1 million to \$5 million (this provision sunsets on June 1, 2012, at which time the cap will revert to \$1 million absent action by the State Legislature). In conjunction with this change, any municipality (i.e., town, village, city or county), school district, or district corporation (e.g., fire district), that sells bonds at private sale pursuant to Section 63.00 between August 13, 2010 and June 30, 2011, must file a report of such sale with the Office of the State Comptroller (OSC). This reporting requirement does not apply to private sales of notes (e.g., bond anticipation notes, revenue anticipation notes, tax anticipation notes, budget notes) or to bonds sold at private sale pursuant to any other statute (e.g., private sales to the Environmental Facilities Corporation pursuant to Local Finance Law Section 57.00, private sales of advance refunding bonds pursuant to Local Finance Law Section 90.10).

Background

OSC is required to provide a report to the Governor and the State Legislature on private sales conducted pursuant to Section 63.00. The information submitted to us will provide necessary data upon which to base our report.

The new law provides that the reports are to be filed at the time, in the manner, and containing the information that may be required by OSC. In order to assist local governments with this reporting requirement and better ensure the receipt of consistent information and data, OSC has developed an online report form that is available on our website at:

<http://wwe1.osc.state.ny.us/localgov/bonds/login.cfm>

(If you experience technical difficulties logging into the online form copy and paste the link into your web browser)

An email with a login password was sent to the chief fiscal officer of each municipality. If you do not have the original email, send a request for the password to localgov@osc.state.ny.us. Include your name, the name of the local government and phone number where you can be reached.

Please complete and submit your bond sale information electronically, no later than August 1, 2011.