

Model Legislation for Dormitory Authority Financing

In order for a library to be eligible for financing through the Dormitory Authority, the library must be covered by the Dormitory Authority Act, specifically, §§1676 and 1680 of the Public Authorities Law (the “PAL”).

PAL §1676(2)(b) defines “dormitory” to include “[a] public library.” PAL §1676(32) goes on to define the term “public library” as “those libraries set forth in section five of the chapter of the laws of nineteen hundred ninety-three which added this subdivision [i.e., L.1993 c.672], as defined as a public library or as an association library pursuant to section two hundred fifty-three of the education law.”

Likewise, PAL §1680(1) defines “educational institution” to include “[a] public library.” Thus, PAL §1680(3)(a), which authorizes the Dormitory Authority to “make loans to any educational institution for the acquisition, construction, [etc.]...of dormitories and attendant facilities,” provides a statutory basis for the financing of public libraries. Moreover, PAL §1680(33) gives a public library, subject to voter approval in accordance with the Education Law, “full power and authority to assign and pledge to the dormitory authority any and all public funds...in an amount sufficient to make all payments required to be made by such public library” pursuant to its loan agreement with the Dormitory Authority. Finally, to the extent required by the library’s loan agreement with the Dormitory Authority, PAL §1680(33) requires “all state and local officers...to pay all such funds so assigned and pledged” to the Dormitory Authority or the applicable bond trustee.

To add a library to the Dormitory Authority Act, the Dormitory Authority recommends the following language:

AN ACT to amend chapter 672 of the laws of 1993, amending the public authorities law relating to the construction and financing of facilities for certain public libraries, in relation to expanding the list of eligible libraries to include [name of library].

§1. Section 5 of chapter 672 of the laws of 1993, amending the public authorities law relating to the construction and financing of facilities for certain public libraries, is amended to include [name of library] as an eligible public library for purposes of title 4 of article 8 of the public authorities law.

§2. This act shall take effect immediately.

The above language designating the library as a “public library” for purposes of the Dormitory Authority Act not only confers the requisite statutory authorization on the Dormitory Authority, but it also authorizes the pledge of tax revenues by the library and mandates the remittance of those revenues to the Dormitory Authority (or its bond trustee) by any state or local officers collecting them.

For further information, please contact Cheryl Ishmael at the Dormitory Authority at (518) 257-3362.