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**DORMITORY AUTHORITY OF  
THE STATE OF NEW YORK**

**AUTHORIZING RESOLUTION**

**FOR**

**UP TO \$3,000,000,000  
LINE OF CREDIT FINANCING**

Adopted April 8, 2020

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# **AUTHORIZING RESOLUTION**

**FOR**

## **UP TO \$3,000,000,000 LINE OF CREDIT FINANCING**

**WHEREAS**, the State of New York (the “State”) by Part JJ of Chapter 56, Section 49-b of the Laws of 2020 (the “Legislation”) has authorized and established certain fiscal management measures in order for the State to (i) respond to and mitigate the impact of the COVID-19 coronavirus disease that has significantly and adversely affected individuals in the State as well as the State, and (ii) address budgetary pressures to the State arising from anticipated shortfalls and deferrals in the State’s fiscal 2021 financial plan receipts; and

**WHEREAS**, the Legislation authorizes the Dormitory Authority of the State of New York to enter into commitments with financial institutions for the establishment of one or more line of credit facilities and other similar revolving financing arrangements not in excess of \$3,000,000,000 in aggregate principal amount to be drawn and outstanding at any one time; and draw, at one or more times at the direction of the director of the budget, upon such line of credit facilities and provide to the State the amounts so drawn for the purpose of assisting the State to temporarily finance its budgetary needs; and

**WHEREAS**, the Dormitory Authority of the State of New York (the “Authority”), a body corporate and politic constituting a public benefit corporation of the State created by the Act, desires to adopt this Authorizing Resolution to implement the authorizations contained in the Legislation and to assist the State to address the State’s budgetary pressures described above.

**NOW, THEREFORE, BE IT RESOLVED** by the Dormitory Authority of the State of New York, as follows:

### **ARTICLE I**

#### **Statutory Authority and Definitions**

**SECTION 1.01 Authority for the Authorizing Resolution.** This Authorizing Resolution is adopted pursuant to the provisions of the Act and the Legislation.

#### **SECTION 1.02 Definitions.**

All terms used in this Authorizing Resolution shall have the following respective meanings:

“**Act**” means the Dormitory Authority Act (being Chapter 524 of the Laws of 1944 of the State, and constituting Title 4 of Article 8 of the Public Authorities Law), as the same may be amended from time to time.

**“Authorized Officer”** means the Chair, Vice-Chair, Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Executive Director and President, Deputy Executive Director and Vice President, the Chief Financial Officer, Managing Director of Public Finance and Portfolio Monitoring, Managing Director of Construction, General Counsel and any other person authorized by a resolution or the by-laws of the Authority to perform any specific act or execute any specific document.

**“Authorizing Resolution”** means this resolution.

**“Director of the Budget”** means the Director of the Budget of the State of New York.

**“Fiscal Year”** means the fiscal year of the State commencing April 1 of each calendar year.

**“Legislation”** means the Laws of 2020 more particularly described in the first recital paragraph of this Authorizing Resolution.

**“Line of Credit Facility”** or **Line of Credit Facilities”** means a short-term borrowing or similar revolving financing arrangement contemplated by the Legislation that is issued or extended by any financial institution, including without limitation, any bank, trust company, national banking association, or an organization subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law.

**“Line of Credit Facility Provider”** means the issuer of a Line of Credit Facility.

**“Service Contract”** means the Service Contract, as from time to time amended or supplemented in accordance with the terms thereof, entered into by the Director of the Budget pursuant to the Legislation and delivered to the Authority with respect to Line of Credit Facilities established by the Authority pursuant to the Legislation and this Authorizing Resolution, pursuant to which the Director of the Budget agrees to pay to the Authority subject to annual appropriation by the State Legislature, such sums as are necessary to repay any draws on Line of Credit Facilities, together with interest accrued thereon, and to pay any commitment fees to Line of Credit Facility Providers and any costs of issuance of the Authority incurred in connection with establishing the Line of Credit Facilities. The term of the Service Contract shall not exceed thirty (30) years in duration.

**“State”** means the State of New York.

## ARTICLE II

### Authorization, Terms and Establishment of Line of Credit Facilities

**SECTION 2.01 Authorization of Line of Credit Financing; Maximum Principal Amount; Term.** (a) In accordance with the Legislation, a line of credit financing is hereby authorized to assist the State to address anticipated shortfalls and deferrals in the State’s fiscal

2021 financial plan receipts caused by the deferral of Federal and State income tax filing and payment deadlines. The Authority is hereby further authorized, during the State's 2021 fiscal year, to (i) enter into commitments with financial institutions for the establishment of one or more Line of Credit Facilities providing for up to \$3,000,000,000 in aggregate principal amount to be drawn and outstanding at any one time; (ii) draw, at one or more times at the direction of the Director of the Budget, upon the Line of Credit Facilities and provide to the State the amounts so drawn for the purpose of assisting the State to temporarily finance its budgetary needs; and (iii) secure repayment of draws under the Line of Credit Facilities with amounts payable under the Service Contract. Pursuant to the Legislation, during the State's 2021 fiscal year, the Authority shall establish the Line of Credit Facilities and draw thereunder notwithstanding any provision of law to the contrary, including, specifically, the provisions of the Debt Reform Act of 2000.

(b) No Line of Credit Facility shall be established for an original term exceeding one year from the date of issuance. Each Line of Credit Facility may be extended, renewed or refinanced by the Authority for up to two additional one year terms at the direction of the Director of the Budget. In accordance with the Legislation, the Authority shall be authorized to draw on Line of Credit Facilities only to and including March 31, 2021.

(c) Amounts repaid under a Line of Credit Facility during fiscal year 2021 may be re-borrowed by the Authority during such fiscal year provided that the State Legislature has enacted sufficient appropriation authority to provide for the repayment of any such re-borrowed amounts.

**SECTION 2.02 Purposes.** The purposes for which the Authority is establishing one or more Line of Credit Facilities with one or more financial institutions is to assist the State to address budgetary pressures to the State arising from anticipated shortfalls and deferrals in the State's fiscal 2021 financial plan receipts.

**SECTION 2.03 Security for Line of Credit Facilities.** (a) In accordance with the Legislation, the State shall execute and deliver to the Authority the Service Contract to secure the repayment obligation of the Authority for draws under the Line of Credit Facilities. The Service Contract shall obligate the Division of Budget of the State to make payments at such times and in such amounts necessary to repay the principal of all draws, together with interest thereon. The Authority is hereby authorized to pledge payments made by the State to the Authority pursuant to the Service Contract as security for the Authority's repayment obligations under the Line of Credit Facilities.

(b) The Service Contract expressly provides that the State's obligation to make the payments under the Service Contract shall not constitute a debt of the State within the meaning of any constitutional or statutory provision and shall be deemed executory only to the extent moneys are available and that no liability shall be incurred by the State beyond the moneys available for such purpose, and that such obligation is subject to and conditioned upon annual appropriation by the State Legislature of money for that purpose and the availability of such money for payment. If, however, appropriations are made and money is available, the State will be legally obligated to make the payments required to be made under the Service Contract.

**SECTION 2.04 Condition Precedent to Draws Under Line of Credit Facilities.**

(a) The Authority shall only draw under one or more Line of Credit Facilities if, upon execution and delivery by the State of the Service Contract, the State certifies that the State Legislature has enacted sufficient appropriation authority to provide for the repayment of all amounts expected to be drawn by the Authority under all Line of Credit Facilities during fiscal year 2021.

**SECTION 2.05 Delegation of Authority.** There is hereby delegated to any Authorized Officer of the Authority, subject to the limitations contained herein, the power to determine and carry out the following with respect to the Line of Credit Facilities established pursuant to the Legislation:

(a) The number and identity of the financial institutions to enter into Line of Credit Facilities and the respective amount of each Line of Credit Facility;

(b) The maximum amount of each line of credit established with a financial institution; provided that the aggregate principal amount of all draws outstanding at any one time on all Line of Credit Facilities established pursuant to the Legislation shall not exceed \$3,000,000,000;

(c) The initial maturity date or dates and the renewal or extension maturity date or dates, if any, of each Line of Credit Facility, subject to any limitation contained in the Legislation; provided that no Line of Credit Facility shall have an initial term of more than one year from the date of incurrence, nor be subject to extension or renewal for more than two additional one-year terms;

(d) The interest rates and/or interest rate formulas for each Line of Credit Facility (as determined by an Authorized Officer of the Authority, which determination shall be conclusive);

(e) Any related costs, fees and charges imposed by a Line of Credit Provider; and

(f) Execution of any documents and the undertaking all things necessary, convenient or desirable in connection with the line of credit financing transaction authorized by this Authorizing Resolution and not in conflict with the provisions hereof.

**ARTICLE III**

**Execution and Authentication of  
Line of Credit Facility Documents and Service Contract;  
Limited Obligation; No Recourse**

**SECTION 3.01 Execution of Line of Credit Facility Documents and Service Contract.** The Chair or other Authorized Officer of the Authority is hereby authorized and directed to execute by manual, facsimile or electronic signature any agreements, documents, certificates, or instruments necessary or desirable in connection with the establishment of any Line of Credit Facilities. The Secretary, an Assistant Secretary or other Authorized Officer of the Authority is hereby authorized and directed to attest, as necessary, by manual, facsimile or electronic signature any such agreements, documents, certificates or instruments.

**SECTION 3.02 Limited Obligation; No Recourse on Line of Credit Facility Documents.** The Authority shall not have any financial liability for the repayment of draws under any Line of Credit Facility beyond the moneys received for such purpose under the Service Contract. No recourse shall be had for the repayment of draws under any Line of Credit Facilities beyond the moneys received for such purpose from the State under the Service Contract or for any claim based thereon or on this Authorizing Resolution against any member, officer or employee of the Authority and neither the members of the Authority nor any officer or employee of the Authority shall be subject to any personal liability or accountability by reason of the execution of any Line of Credit Facility, any draw thereunder or any matter related thereto. A statement to such effect shall be included in any loan documents providing for the establishment of the Line of Credit Facilities.

#### **ARTICLE IV**

##### **Payment of Line of Credit Draws to the State**

**SECTION 4.01 Payment of Draws Under Any Line of Credit Facility.** All moneys drawn by the Authority under any Line of Credit Facility shall be promptly wired to the New York State Comptroller for deposit into the General Fund of the State.

#### **ARTICLE V**

##### **Approval of Form and Authorization to Execute and Deliver the Documents**

**SECTION 5.01 Approval and Execution of Service Contract.** The form of the Service Contract as submitted to this meeting is approved. Any Authorized Officer of the Authority is hereby authorized and directed to execute and deliver the Service Contract with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive evidence of such approval.

**SECTION 5.02 Execution and Delivery of Documents Necessary for Establishment of Line of Credit Facilities.** Any Authorized Officer of the Authority is hereby authorized and directed to execute and deliver any and all documents and instruments, necessary to establish one or more Line of Credit Facilities, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Authorizing Resolution.

#### **ARTICLE VI**

##### **Miscellaneous**

**SECTION 6.01 When Effective.** This Authorizing Resolution shall become effective immediately upon its adoption.