

# THE BOND BUYER

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## DASNY Set to Deal \$516M of Personal Income Tax Bonds

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By Paul Burton

The Dormitory Authority of the State of New York plans to sell \$515.6 million of general-purpose state personal income tax revenue bonds Tuesday through competitive bid.

The fixed-rate bonds will consist of \$467.3 million of tax-exempt Series 2011 E, and \$48.3 million of , federally taxable Series 2011 F.

According to Portia Lee, DASNY's managing director of public finance, the bonds are being issued to finance grants to libraries; state and voluntary agency facilities for the Office of Mental Health, the Office for People with Developmental Disabilities, and the Office of Alcoholism and Substance Abuse Services; construction of a state court officers training academy; implementation of a state longitudinal data system; and economic development grants.

No refinancing or swaps are involved in the deal.

Standard & Poor's and Fitch Ratings have assigned ratings of AAA and AA, respectively.

About \$22.85 billion of PIT bonds are outstanding through all of the state-supported debt issuers as of Sept. 16, Lee said.

Under New York law, there are five state issuers that can sell PIT revenue bonds: DASNY, the New York State Environmental Facilities Corp., the New York State Housing Finance Agency, the New York State Thruway Authority, and the New York State Urban Development Corp.

All PIT revenue bonds issued through the five agencies are on par with each other.

The PIT is the state's major revenue source, making up about 60% of tax receipts historically.

"The purchase of insurance is at the sole option and expense of each successful bidder," Lee said.

"We released a principal amortization schedule in the notices of sale. We will know the structure after we receive the bids and make an award."

The Series E bonds are subject to redemption on or after Aug. 15, 2021. The Series F bonds mature in 2021 and are not subject to redemption before the maturity, according to Lee.

Hawkins Delafield & Wood LLP and Bryant Burgher Jaffe LLP are co-bond counsel.

Public Finance Management Inc. is the financial advisor.

DASNY on Sept. 21 sold \$90 million of Yeshiva University Series 2011 A revenue bonds. Five days earlier, it sold \$392.2 million of North Shore-Long Island Jewish Obligated Group revenue bonds, also Series 2011A.

In addition, DASNY's board on Sept. 21 approved \$1.5 billion in financing for education and health care.

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