

**NIFA CALLS UPON COUNTY TO DISMISS LAWSUIT**

**Mineola, NY – March 24, 2011** – The Board of the Nassau County Interim Finance Authority has called upon the County to dismiss its action seeking to vacate the controls imposed upon the County by NIFA. In a 29 page decision issued on March 11, 2011, Justice Arthur M. Diamond determined that the County was not entitled to enjoin the control period instituted by NIFA and that NIFA’s actions were constitutional. The court allowed the County to further brief the issue as to whether NIFA’s determination was arbitrary and capricious, but stated that NIFA’s determination appeared to be supported by the record and justified. The court also dismissed as inaccurate the County’s characterization of NIFA’s acts as being inconsistent with its prior positions.

Chairman Ronald A. Stack stated, “As a result of the County’s lawsuit NIFA was required to pay to its attorneys money that could have been used to help solve the County’s fiscal crisis.”

Since last Fall, following the County’s threats to bring suit, NIFA has been required to pay its attorneys approximately \$418,000. This does not include attorney fees the County has paid to its outside counsel to bring its lawsuit. “No more money should be spent on litigation,” said Stack. “The County’s energy and funds should be focused on balancing its budget. NIFA’s counsel Judith Kaye, the former Chief Judge of New York’s highest court and her firm, Skadden Arps, worked at a significant discount from their standard rates. Nonetheless, the County’s actions have cost the taxpayers too much already.”

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