

STATE OF NEW YORK

5555

2021-2022 Regular Sessions

IN SENATE

March 10, 2021

Introduced by Sen. COMRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation

AN ACT to amend the public authorities law and the transportation law, in relation to establishing the big apple transit authority and the commuter transportation authority for the purpose of providing such authorities with municipal control over the New York city subway system; and to repeal certain provisions of the public authorities law relating thereto (Part A); to amend the public authorities law, in relation to establishing the big apple transit authority within the New York city transit authority (Part B); to amend the public authorities law, in relation to establishing the big apple transit authority; and to repeal subdivision 5 of section 553-k of the public authorities law relating thereto (Part C); to amend the public authorities law in relation to establishing the big apple transit authority (Part D); and to amend the public authorities law, in relation to establishing the commuter transportation authority (Part E)

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act enacts into law major components of legislation
2 which establish the Big Apple Transit Authority and the Commuter Transit
3 Authority. Each component is wholly contained within a Part identified
4 as Parts A through E. The effective date for each particular provision
5 contained within such Part is set forth in the last section of such
6 Part. Any provision in any section contained within a Part, including
7 the effective date of the Part, which makes a reference to a section "of
8 this act", when used in connection with that particular component, shall
9 be deemed to mean and refer to the corresponding section of the Part in
10 which it is found. Section three of this act sets forth the general
11 effective date of this act.

12 PART A

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

LBD05676-01-1

1 Section 1. Section 1261 of the public authorities law, as amended by
2 section 1 of part H of chapter 25 of the laws of 2009, subdivision 18-a
3 as amended by section 1 of part PP of chapter 58 of the laws of 2017, is
4 amended to read as follows:

5 § 1261. Definitions. As used or referred to in this title, unless a
6 different meaning clearly appears from the context:

7 1. "Authority" shall mean the corporation created by section twelve
8 hundred sixty-three of this title.

9 ~~2. ["Authority facilities" shall mean the authority's railroad, omni-~~
10 ~~bus, marine and aviation facilities and operations pursuant to joint~~
11 ~~service arrangements.~~

12 ~~3.]~~ "Budget" shall mean the preliminary, final proposed and adopted
13 final plans of the authority, and each of its agencies.

14 ~~[4.]~~ 3. "Comptroller" shall mean the comptroller of the state of New
15 York.

16 ~~[5.]~~ 4. "Equipment" shall mean rolling stock, omnibuses, vehicles,
17 air, marine or surface craft, motors, boilers, engines, wires, ways,
18 conduits and mechanisms, machinery, tools, implements, materials,
19 supplies, instruments and devices of every nature whatsoever used or
20 useful for transportation purposes or for the generation or transmission
21 of motive power including but not limited to all power houses, and all
22 apparatus and all devices for signalling, communications and ventilation
23 as may be necessary, convenient or desirable for the operation of a
24 transportation facility.

25 ~~[6.]~~ 5. "Federal government" shall mean the United States of America,
26 and any officer, department, board, commission, bureau, division, corpo-
27 ration, agency or instrumentality thereof.

28 ~~[7. "Gap" shall mean the difference between projected revenues and~~
29 ~~expenses for any given fiscal year based on the existing fare structure.~~

30 ~~8. "Gap closing initiative" shall mean any action to reduce a project-~~
31 ~~ed gap.~~

32 ~~9.]~~ 6. "Governor" shall mean the governor of the state of New York.

33 ~~[10.]~~ 7. "Joint service arrangements" shall mean agreements between or
34 among the authority and any common carrier or freight forwarder, the
35 state, any state agency, the federal government, any other state or
36 agency or instrumentality thereof, any public authority of this or any
37 other state, or any political subdivision or municipality of the state,
38 relating to property, buildings, structures, facilities, services,
39 rates, fares, classifications, divisions, allowances or charges (includ-
40 ing charges between operators of railroad, omnibus, marine and aviation
41 facilities), or rules or regulations pertaining thereto, for or in
42 connection with or incidental to transportation in part in or upon rail-
43 road, omnibus, marine or aviation facilities located within the district
44 and in part in or upon railroad, omnibus, marine or aviation facilities
45 located outside the district.

46 ~~[11.]~~ 8. "Marine and aviation facilities" shall mean equipment and
47 craft for the transportation of passengers, mail and cargo between
48 points within the district or pursuant to joint service arrangements, by
49 marine craft and aircraft of all types including but not limited to
50 hydrofoils, ferries, lighters, tugs, barges, helicopters, amphibians,
51 seaplanes or other contrivances now or hereafter used in navigation or
52 movement on waterways or in the navigation of or flight in airspace. It
53 shall also mean any marine port or airport facility within the transpor-
54 tation district but outside the port of New York district as defined in
55 chapter one hundred fifty-four of the laws of nineteen hundred twenty-
56 one, including but not limited to terminals, docks, piers, bulkheads,

1 ramps or any facility or real property necessary, convenient or desira-
2 ble for the accommodation of passengers and cargo or the docking, sail-
3 ing, landing, taking off, accommodation or servicing of such marine
4 craft or aircraft.

5 ~~[12-]~~ 9. "Omnibus facilities" shall mean motor vehicles, of the type
6 operated by carriers subject to the jurisdiction of the public service
7 commission, engaged in the transportation of passengers and their
8 baggage, express and mail between points within the district or pursuant
9 to joint service arrangements, and equipment, property, buildings,
10 structures, improvements, loading or unloading areas, parking areas or
11 other facilities, necessary, convenient or desirable for the accommo-
12 dation of such motor vehicles or their passengers, including but not
13 limited to buildings, structures and areas notwithstanding that portions
14 may not be devoted to any omnibus purpose other than the production of
15 revenues available for the costs and expenses of all or any facilities
16 of the authority.

17 ~~[13-]~~ 10. "Railroad facilities" shall mean right of way and related
18 trackage, rails, cars, locomotives, other rolling stock, signal, power,
19 fuel, communication and ventilation systems, power plants, stations,
20 terminals, storage yards, repair and maintenance shops, yards, equipment
21 and parts, offices and other real estate or personalty used or held for
22 or incidental to the operation, rehabilitation or improvement of any
23 railroad operating or to operate between points within the district or
24 pursuant to joint service arrangements, including but not limited to
25 buildings, structures, and areas notwithstanding that portions thereof
26 may not be devoted to any railroad purpose other than the production of
27 revenues available for the costs and expenses of all or any facilities
28 of the authority.

29 ~~[14-]~~ 11. "Real property" shall mean lands, structures, franchises and
30 interests in land, waters, lands under water, riparian rights and air
31 rights and any and all things and rights included within said term and
32 includes not only fees simple absolute but also any and all lesser
33 interests including but not limited to easements, rights of way, uses,
34 leases, licenses and all other incorporeal hereditaments and every
35 estate, interest or right, legal or equitable, including terms for years
36 and liens thereon by way of judgments, mortgages or otherwise.

37 ~~[15-]~~ 12. "State" shall mean the state of New York.

38 ~~[16-]~~ 13. "State agency" shall mean any officer, department, board,
39 commissioner, bureau, division, public benefit corporation, agency or
40 instrumentality of the state.

41 ~~[17-]~~ 14. "Transportation facility" shall mean any transit, railroad,
42 omnibus, marine or aviation facility and any person, firm, partnership,
43 association or, corporation which owns, leases or operates any such
44 facility or any other facility used for service in the transportation of
45 passengers, United States mail or personal property as a common carrier
46 for hire and any portion thereof and the rights, leaseholds or other
47 interest therein together with routes, tracks, extensions, connections,
48 parking lots, garages, warehouses, yards, storage yards, maintenance and
49 repair shops, terminals, stations and other related facilities thereof,
50 the devices, appurtenances, and equipment thereof and power plants and
51 other instrumentalities used or useful therefor or in connection there-
52 with.

53 ~~[18-]~~ 15. "Transportation district" and "district" shall mean the
54 metropolitan commuter transportation district created by section twelve
55 hundred sixty-two of this title.

1 ~~[18-a.]~~ 16. "Transportation purpose" shall mean a purpose that direct-
2 ly supports the missions or purposes of the authority, any of its
3 subsidiaries, New York city transit authority or its subsidiary, includ-
4 ing the realization of revenues derived from property that is, or is to
5 be used as, a transportation facility.

6 ~~[19-]~~ 17. "New York city transit authority" shall mean the corporation
7 created by section twelve hundred one of this chapter.

8 ~~[20-]~~ 18. "Triborough bridge and tunnel authority" shall mean the
9 corporation created by section five hundred fifty-two of this chapter.

10 ~~[21-]~~ 19. "Inspector general" shall mean the metropolitan transporta-
11 tion authority inspector general.

12 ~~[22. "Revenues." All]~~ 20. "Revenues" shall mean all monies received by
13 the authority or its subsidiaries, or New York city transit authority or
14 its subsidiaries, or Triborough bridge and tunnel authority, as the case
15 may be, from whatever source, derived directly or indirectly from or in
16 connection with the operations of the respective entity.

17 ~~[23. "Transit facility." Transit facility as defined in subdivision~~
18 ~~fifteen of section twelve hundred of this article.~~

19 ~~24. "Utilization" shall mean public usage of the subway, bus, railroad~~
20 ~~and paratransit services, and bridge and tunnel crossings, of the~~
21 ~~authority and its affiliates and subsidiaries as reflected in empirical~~
22 ~~data.]~~

23 21. "Big apple transit authority" shall mean the corporation created
24 by section thirteen hundred forty-nine-c of this article.

25 22. "Big apple transit authority and its affiliates" shall mean the
26 big apple transit authority, the New York city transit authority, the
27 Triborough bridge and tunnel authority, and all their respective subsid-
28 aries.

29 23. "Commuter transportation authority" shall mean the corporation
30 created by section thirteen hundred forty-nine-cccc of this chapter.

31 § 2. Section 1262 of the public authorities law, as amended by chapter
32 669 of the laws of 1986, is amended to read as follows:

33 § 1262. Metropolitan commuter transportation district. There is hereby
34 created and established a commuter transportation district to be known
35 as the metropolitan commuter transportation district which shall embrace
36 the city of New York and the counties of Dutchess, Nassau, Orange,
37 Putnam, Rockland, Suffolk and Westchester, provided, however, that the
38 district shall not include a county that has withdrawn from the district
39 pursuant to section ~~[twelve]~~ thirteen hundred ~~[seventy-nine-b]~~ forty-
40 nine-wwwww of this article.

41 § 3. Paragraph (a-1) of subdivision 1 and subdivision 9 of section 1263
42 of the public authorities law are REPEALED.

43 § 4. Paragraph (b) of subdivision 4 of section 1263 of the public
44 authorities law is REPEALED, and paragraphs (c) and (d) of subdivision
45 4, paragraph (c) as added by chapter 247 of the laws of 1990, and para-
46 graph (d) as added by section 5 of part H of chapter 25 of the laws of
47 2009, are amended to read as follows:

48 ~~[(c)]~~ (b) The chairman shall ensure that at every meeting of the board
49 and at every meeting of each committee the public shall be allotted a
50 period of time, not less than thirty minutes, to speak on any topic on
51 the agenda.

52 ~~[(d)]~~ (c) Notwithstanding paragraph ~~[(c)]~~ (b) of subdivision one of
53 section twenty-eight hundred twenty-four of this chapter or any other
54 provision of law to the contrary, the chairman shall not participate in
55 establishing authority policies regarding the payment of salary, compen-
56 sation and reimbursement to, nor establish rules for the time and

attendance of, the chief executive officer. The salary of the chairman, as determined pursuant to subdivision two of this section, shall also be compensation for all services performed as chief executive officer.

§ 5. Subdivision 1 of section 1264 of the public authorities law, as amended by section 2 of subpart B of part ZZZ of chapter 59 of the laws of 2019, is amended to read as follows:

1. The purposes of the authority shall be the [~~continuance, further development and improvement of commuter transportation and other services related thereto within the metropolitan commuter transportation district, including but not limited to such transportation by railroad, omnibus, marine and air, in accordance with the provisions of this title. It shall be the further purpose of the authority, consistent with its status as the ex officio board of both the New York city transit authority and the triborough bridge and tunnel authority, to develop and implement a unified mass transportation policy for such district in an efficient and cost effective manner that includes the use of design-build contracting on all projects over twenty five million dollars in cost except where a waiver is granted by the New York state budget director pursuant to a request in writing from the metropolitan transportation authority. For purposes of granting a waiver pursuant to this section, such review shall consider whether the design build contracting method is appropriate for the project that such waiver is sought for, and the amount of savings and efficiencies that could be achieved using such method. The determination for such waiver shall be made in writing within forty five days from request or shall be deemed granted~~] payment of debt interest and principal, and the fulfillment of all terms, covenants, and other obligations entered into with the holders of said debt.

§ 6. Section 1264-a of the public authorities law is REPEALED.

§ 7. Subdivisions 3, 10 and 11 of section 1265 of the public authorities law are REPEALED.

§ 8. Subdivision 6 of section 1265 of the public authorities law, as amended by chapter 988 of the laws of 1984, is amended to read as follows:

6. [~~(a)~~] To enter into contracts and leases and to execute all instruments necessary or convenient;

~~[(b) With respect to any lease transaction entered into pursuant to section 168 (f) (8) of the United States internal revenue code or any successor provisions, the authority shall meet the following standards and procedures:~~

~~(i) notice of intention to negotiate shall be published in at least one newspaper of general circulation, and a copy thereof shall be mailed to all parties who have requested notification from the authority to engage in transactions of this type. Such notice shall describe the nature of the proposed transaction and the factors subject to negotiation, which shall include, but not be limited to, the price to be paid to the authority;~~

~~(ii) the authority shall negotiate with those respondents whose response complies with the requirements set forth in the notice;~~

~~(iii) the board of the authority shall resolve on the basis of particularized findings relevant to the factors negotiated that such transaction will provide maximum available financial benefits, consistent with other defined objectives and requirements.~~

~~(c) The authority shall provide to the governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate and the minority leader of the assembly, notice of each lease entered into pursuant to paragraph (b) of this subdivision and support~~

~~ing documentation of compliance by the authority with subparagraphs (i), (ii) and (iii) of paragraph (b) of this subdivision; (d) Paragraphs (b) and (c) of this subdivision shall be of no force and effect with respect to any lease transaction entered into pursuant to a commitment approved prior to January first, nineteen hundred eighty-five by the board of the authority.]~~

§ 9. Section 1265-a of the public authorities law is REPEALED.

§ 10. Section 1265-b of the public authorities law is REPEALED.

§ 11. Section 1266 of the public authorities law, as added by chapter 324 of the laws of 1965, subdivisions 1, 2, 6 and 8 as amended and subdivisions 3-a and 6-a as added by section 23 of part 0 and subdivision 17 as added by section 8 of part N of chapter 61 of the laws of 2000, subdivision 3 as amended and subdivisions 10, 11 and 12 as added by chapter 314 of the laws of 1981, subdivision 4 as amended by chapter 460 of the laws of 2015, subdivision 5 as amended by section 8 of part H of chapter 25 of the laws of 2009, the opening paragraph of subdivision 5 as amended by chapter 506 of the laws of 2009, subdivision 9 as added by chapter 717 of the laws of 1967, the opening paragraph of subdivision 9 as separately amended by chapters 657 and 789 of the laws of 1973, paragraphs (a), (b), (c) and (d) of subdivision 9 as relettered by chapter 789 of the laws of 1973, paragraph (b) of subdivision 9 as amended by chapter 420 of the laws of 1968, subdivision 12-a as added by section 2 of part VVV of chapter 58 of the laws of 2020, subdivision 13 as added by chapter 530 of the laws of 1986, subdivision 14 as amended by chapter 182 of the laws of 2013, subdivision 15 as added by chapter 523 of the laws of 1999, subdivision 16 as amended by chapter 25 of the laws of 2000 and subdivision 18 as amended by chapter 607 of the laws of 2003, is amended to read as follows:

§ 1266. Special powers of the authority. In order to effectuate the purposes of this title:

1. ~~[The authority may acquire, by purchase, gift, grant, transfer, contract or lease, any transportation facility other than a transit facility or, subject to subdivision two of this section or any transportation facility constituting a transit facility, wholly or partially within the metropolitan commuter transportation district, or any part thereof, or the use thereof, and may enter into any joint service arrangements as hereinafter provided. Any such acquisition or joint service arrangement shall be authorized only by resolution of the authority approved by not less than a majority vote of the whole number of members of the authority then in office, except that in the event of a tie vote the chairman shall cast one additional vote.]~~

2. ~~The authority may on such terms and conditions as the authority may determine necessary, convenient or desirable itself plan, design, acquire, establish, construct, effectuate, operate, maintain, renovate, improve, extend, rehabilitate or repair (a) any transportation facility other than a transit project, or (b) upon the request of the New York city transit authority, and upon such terms and conditions as shall be agreed to by the authority or any transportation facility constituting a transit facility (a "transportation assistance project"), or may provide for such planning, design, acquisition, establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension, rehabilitation or repair by contract, lease or other arrangement on such terms as the authority may deem necessary, convenient or desirable with any person, including but not limited to any common carrier or freight forwarder, the state, any state agency, the federal government, any other state or agency or instrumentality thereof, any public author-~~

~~ity of this or any other state, the port of New York authority or any political subdivision or municipality of the state. In connection with the operation of any transportation facility, the authority may plan, design, acquire, establish, construct, effectuate, operate, maintain, renovate, improve, extend or repair or may provide by contract, lease or other arrangement for the planning, design, acquisition, establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension or repair of any related services and activities it deems necessary, convenient or desirable, including but not limited to the transportation and storage of freight and the United States mail, feeder and connecting transportation, parking areas, transportation centers, stations and related facilities. Upon the completion of any such transportation assistance project or any part thereof or the termination of any contract, lease or other arrangement relating to such transportation assistance project, the authority shall cause the same to be transferred, leased or subleased to the New York city transit authority or its designated subsidiary, as appropriate, with or without consideration.~~

3-] (a) The authority [may] shall ensure that its revenues and any other funds or property actually available to the authority are sufficient to maintain the operations of the authority on a self-sustaining basis. The operations of the authority shall be deemed to be on a self-sustaining basis as required by this title when the authority is able to pay or cause to be paid from revenue and any other funds or property actually available to the authority: (i) as the same shall become due, the principal of and interest on the bonds and notes and other obligations of the authority; (ii) the cost and expense of keeping the properties and assets of the authority in good condition and repair; (iii) the operating expenses of the authority; and (iv) any additional investment or savings necessary to maintain proper reserves.

(b) The term "proper reserves" as used in this title means the funds necessary, taking into consideration projections of future revenues and expenses, to ensure that total funds available for the following month will exceed two hundred fifty percent of the amount necessary to pay or cause to be paid:

(i) as the same shall become due, the principal of and interest on the bonds and notes and other obligations of the authority;

(ii) the cost and expense of keeping the properties and assets of the authority in good condition and repair; and

(iii) the operating expenses of the authority, for that following month.

(c) Notwithstanding any contrary provision of law in title eleven-E or title eleven-F of this article, if monthly revenues fall below one hundred twenty-five percent of the amount necessary to maintain the operations of the authority on a self-sustaining basis, the authority shall, in accordance with sections thirteen hundred forty-nine-h and thirteen hundred forty-nine-iii of this article, establish, levy and collect or cause to be established, levied and collected and, in the case of a joint service arrangement, join with others in the establishment, levy and collection of such fares, tolls, rentals, rates, charges and other fees as it may deem necessary, convenient or desirable for the use and operation of any transportation facility and related services operated by the authority or by a subsidiary corporation of the authority or under contract, lease or other arrangement, including joint service arrangements, with the authority, until such time that monthly revenues and any other funds or property actually available to the

1 authority, including its reserves, exceed two hundred percent of the
2 amount necessary to maintain the monthly operations of the authority on
3 a self-sustaining basis for three consecutive months.

4 (d) Any such fares, tolls, rentals, rates, charges or other fees for
5 the transportation of passengers shall be established and changed only
6 if approved by resolution of the authority adopted by not less than a
7 majority vote of the whole number of members of the authority then in
8 office, with the chairman having one additional vote in the event of a
9 tie vote, and only after a public hearing, provided however, that fares,
10 tolls, rentals, rates, charges or other fees for the transportation of
11 passengers on any transportation facility which are in effect at the
12 time that the then owner of such transportation facility becomes a
13 subsidiary corporation of the authority or at the time that operation of
14 such transportation facility is commenced by the authority or is
15 commenced under contract, lease or other arrangement, including joint
16 service arrangements, with the authority may be continued in effect
17 without such a hearing. [~~Such fares, tolls, rentals, rates, charges and~~

18 ~~other fees shall be established as may in the judgment of the authority~~
19 ~~be necessary to maintain the combined operations of the authority and~~
20 ~~its subsidiary corporations on a self-sustaining basis. The said oper-~~
21 ~~ations shall be deemed to be on a self-sustaining basis as required by~~
22 ~~this title, when the authority is able to pay or cause to be paid from~~
23 ~~revenue and any other funds or property actually available to the~~
24 ~~authority and its subsidiary corporations (a) as the same shall become~~
25 ~~due, the principal of and interest on the bonds and notes and other~~
26 ~~obligations of the authority and of such subsidiary corporations,~~
27 ~~together with the maintenance of proper reserves therefor, (b) the cost~~
28 ~~and expense of keeping the properties and assets of the authority and~~
29 ~~its subsidiary corporations in good condition and repair, and (c) the~~
30 ~~capital and operating expenses of the authority and its subsidiary~~
31 ~~corporations.]~~

32 (e) The authority may contract with the holders of bonds and notes
33 with respect to the exercise of the powers authorized by this section.

34 (f) No acts or activities taken or proposed to be taken by the author-
35 ity or any subsidiary of the authority pursuant to the provisions of
36 this subdivision shall be deemed to be "actions" for the purposes or
37 within the meaning of article eight of the environmental conservation
38 law.

39 [~~3-a. In furtherance of the authority's mandate to develop and imple-~~
40 ~~ment a unified mass transportation policy for the metropolitan commuter~~
41 ~~transportation district and the exercise of its powers, including the~~
42 ~~power to issue notes, bonds and other obligations secured in whole or in~~
43 ~~part by the revenues of the authority and its subsidiaries, and New York~~
44 ~~city transit authority and its subsidiaries, the authority shall join~~
45 ~~with the New York city transit authority and its subsidiaries in~~
46 ~~connection with any change in the establishment, levy and collection of~~
47 ~~fares, tolls, rentals, rates, charges and other fees for the transporta-~~
48 ~~tion of passengers on any transportation facilities operated by New York~~
49 ~~city transit authority and its subsidiaries. Such fares, tolls, rentals,~~
50 ~~charges and other fees on transit facilities shall be established in~~
51 ~~accordance with the requirements of sections twelve hundred five and~~
52 ~~twelve hundred seven i of this article.~~

53 4. The authority may establish and, in the case of joint service
54 arrangements, join with others in the establishment of such schedules
55 and standards of operations and such other rules and regulations includ-
56 ing but not limited to rules and regulations governing the conduct and

~~safety of the public as it may deem necessary, convenient or desirable for the use and operation of any transportation facility and related services operated by the authority or under contract, lease or other arrangement, including joint service arrangements, with the authority. Such rules and regulations governing the conduct and safety of the public shall be filed with the department of state in the manner provided by section one hundred two of the executive law. In the case of any conflict between any such rule or regulation of the authority governing the conduct or the safety of the public and any local law, ordinance, rule or regulation, such rule or regulation of the authority shall prevail. Violation of any such rule or regulation of the authority governing the conduct or the safety of the public in or upon any facility of the authority shall constitute an offense and shall be punishable by a fine not exceeding fifty dollars or imprisonment for not more than thirty days or both or may be punishable by the imposition of a civil penalty by the transit adjudication bureau established pursuant to the provisions of title nine of this article.~~

~~5. The authority may acquire, hold, own, lease, establish, construct, effectuate, operate, maintain, renovate, improve, extend or repair any transportation facilities through, and cause any one or more of its powers, duties, functions or activities to be exercised or performed by, one or more wholly owned subsidiary corporations of the authority, or by New York city transit authority or any of its subsidiary corporations in the case of transit facilities and may transfer to or from any such corporations any moneys, real property or other property for any of the purposes of this title upon such terms and conditions as shall be agreed to and subject to such payment or repayment obligations as are required by law or by any agreement to which any of the affected entities is subject. The directors or members of each such subsidiary corporation of the authority corporation shall be the same persons holding the offices of members of the authority. The chairman of the board of each such subsidiary shall be the chairman of the authority, serving ex officio and, provided that there is an executive director of the metropolitan transportation authority, the executive director of such subsidiary shall be the executive director of the metropolitan transportation authority, serving ex officio. Notwithstanding any provision of law to the contrary, the chairman shall be the chief executive officer of each such subsidiary and shall be responsible for the discharge of the executive and administrative functions and powers of each such subsidiary. The chairman and executive director, if any, shall be empowered to delegate his or her functions and powers to one or more officers or employees of each such subsidiary designated by him or her. Each such subsidiary corporation of the authority and any of its property, functions and activities shall have all of the privileges, immunities, tax exemptions and other exemptions of the authority and of the authority's property, functions and activities. Each such subsidiary corporation shall be subject to the restrictions and limitations to which the authority may be subject. Each such subsidiary corporation of the authority shall be subject to suit in accordance with section twelve hundred seventy-six of this title. The employees of any such subsidiary corporation, except those who are also employees of the authority, shall not be deemed employees of the authority.~~

~~If the authority shall determine that one or more of its subsidiary corporations should be in the form of a public benefit corporation, it shall create each such public benefit corporation by executing and filing with the secretary of state a certificate of incorporation, which~~

~~may be amended from time to time by filing, which shall set forth the name of such public benefit subsidiary corporation, its duration, the location of its principal office, and any or all of the purposes of acquiring, owning, leasing, establishing, constructing, effectuating, operating, maintaining, renovating, improving, extending or repairing one or more facilities of the authority. Each such public benefit subsidiary corporation shall be a body politic and corporate and shall have all those powers vested in the authority by the provisions of this title which the authority shall determine to include in its certificate of incorporation except the power to contract indebtedness.~~

~~Whenever any state, political subdivision, municipality, commission, agency, officer, department, board, division or person is authorized and empowered for any of the purposes of this title to co-operate and enter into agreements with the authority such state, political subdivision, municipality, commission, agency, officer, department, board, division or person shall have the same authorization and power for any of such purposes to co-operate and enter into agreements with a subsidiary corporation of the authority.~~

6. Each of the] 2. On a monthly basis, or more frequently if required by law or agreement, the authority shall:

(a) pay:

(i) as the same shall become due, the principal of and interest on the bonds and notes and other obligations of the authority, together with the maintenance of proper reserves therefor;

(ii) the cost and expense of keeping the properties and assets of the authority in good condition and repair; and

(iii) the operating expenses of the authority;

(b) make all other payments and transfers as required by law, including those required by sections twelve hundred seventy-a, twelve hundred seventy-b, twelve hundred seventy-c, twelve hundred seventy-d, twelve hundred seventy-h, and twelve hundred seventy-i of this title; and

(c) transfer all remaining funds, except those required to be held in reserve by law, to the big apple transit authority and the commuter transportation authority as follows: eighty percent of the funds shall be transferred to the big apple transit authority and twenty percent of the funds shall be transferred to the commuter transportation authority.

~~3. The authority [and its subsidiaries, and the New York city transit authority and its subsidiaries, in its own name or in the name of the state,] may apply for and receive and accept grants of property, money and services and other assistance offered or made available to it by any person, government or agency, which it may use to meet capital or operating expenses and for any other use within the scope of its powers, and to negotiate for the same upon such terms and conditions as the respective authority may determine to be necessary, convenient or desirable.~~

~~[6-a.] 4. Subject to the rights of the holders of any outstanding bonds, notes or other obligations of the authority, [New York city transit authority and Triborough bridge and tunnel authority] the big apple transit authority and its affiliates, and the commuter transportation authority, and to facilitate the efficient financial management of the authority, [its subsidiary corporations, New York city transit authority and its subsidiary corporations, and Triborough bridge and tunnel authority] the big apple transit authority and its affiliates, and the commuter transportation authority, (the "affiliated entities"), the authority may[, and may permit and direct any affiliated entity to,] transfer revenues, subsidies and other monies or securities to one or more funds or accounts of another affiliated entity for use by such~~

1 other affiliated entity, provided at the time of such transfer it is
2 reasonably anticipated that the monies and securities so transferred
3 will be reimbursed, repaid or otherwise provided for by the end of the
4 next succeeding calendar year if reimbursement or repayment is required
5 by law or by any agreement to which any of the affected affiliated enti-
6 ties is subject. Any revenues of an affiliated entity that are trans-
7 ferred to another affiliated entity, which transfer was not authorized
8 by a provision of law other than this subdivision, shall be considered
9 to be required to be repaid to the affiliated entity which was the
10 source of such revenues by the end of the next succeeding calendar year
11 following such transfer.

12 ~~[7. The authority may lease railroad cars for use in its passenger~~
13 ~~service pursuant to the provisions of chapter six hundred thirty-eight~~
14 ~~of the laws of nineteen hundred fifty-nine.~~

15 ~~8. The authority may do all things it deems necessary, convenient or~~
16 ~~desirable to manage, control and direct the maintenance and operation of~~
17 ~~transportation facilities, equipment or real property operated by or~~
18 ~~under contract, lease or other arrangement with the authority and its~~
19 ~~subsidiaries, and New York city transit authority and its subsidiaries.~~
20 ~~Except as hereinafter specially provided, no municipality or political~~
21 ~~subdivision, including but not limited to a county, city, village, town~~
22 ~~or school or other district shall have jurisdiction over any facilities~~
23 ~~of the authority and its subsidiaries, and New York city transit author-~~
24 ~~ity and its subsidiaries, or any of their activities or operations. The~~
25 ~~local laws, resolutions, ordinances, rules and regulations of a munici-~~
26 ~~pality or political subdivision, heretofore or hereafter adopted,~~
27 ~~conflicting with this title or any rule or regulation of the authority~~
28 ~~or its subsidiaries, or New York city transit authority or its subsid-~~
29 ~~aries, shall not be applicable to the activities or operations of the~~
30 ~~authority and its subsidiaries, and New York city transit authority, or~~
31 ~~the facilities of the authority and its subsidiaries, and New York city~~
32 ~~transit authority and its subsidiaries, except such facilities that are~~
33 ~~devoted to purposes other than transportation or transit purposes. Each~~
34 ~~municipality or political subdivision, including but not limited to a~~
35 ~~county, city, village, town or district in which any facilities of the~~
36 ~~authority or its subsidiaries, or New York city transit authority or its~~
37 ~~subsidiaries are located shall provide for such facilities police, fire~~
38 ~~and health protection services of the same character and to the same~~
39 ~~extent as those provided for residents of such municipality or political~~
40 ~~subdivision.~~

41 ~~The jurisdiction, supervision, powers and duties of the department of~~
42 ~~transportation of the state under the transportation law shall not~~
43 ~~extend to the authority in the exercise of any of its powers under this~~
44 ~~title. The authority may agree with such department for the execution by~~
45 ~~such department of any grade crossing elimination project or any grade~~
46 ~~crossing separation reconstruction project along any railroad facility~~
47 ~~operated by the authority or by one of its subsidiary corporations or~~
48 ~~under contract, lease or other arrangement with the authority. Any such~~
49 ~~project shall be executed as provided in article ten of the transporta-~~
50 ~~tion law and the railroad law, respectively, and the costs of any such~~
51 ~~project shall be borne as provided in such laws, except that the author-~~
52 ~~ity's share of such costs shall be borne by the state.~~

53 ~~9. Upon approval by the commissioner of transportation of the state of~~
54 ~~New York of detailed plans and specifications, which approval may be~~
55 ~~based upon considerations of relative need and the timing of~~
56 ~~construction, the authority is authorized to design, construct, main-~~

tain, operate, improve and reconstruct a highway bridge crossing Long Island sound, as follows:

(a) Upon (i) the enactment by the state of Connecticut of legislation having like effect as the provisions of this paragraph and the granting of the consent of the congress of the United States of America to the interstate compact thereby created, and (ii) in conformity with recommendations of the New York Connecticut bi-state bridge study commission, the authority is authorized, in cooperation with any duly designated agency or agencies of the state of Connecticut, to design, construct, maintain, operate, improve and reconstruct a highway bridge crossing Long Island sound from a point in the vicinity of the city of Bridgeport in the state of Connecticut to a point in the vicinity of the village of Port Jefferson in the state of New York, together with approaches to such bridge; and to contract from time to time with such agency or agencies of the state of Connecticut with respect to all matters affecting these authorizations, including, without limitation, the sharing of all capital, operational and maintenance expense (except that the capital expense of the original construction of such bridge, other than the expense of acquiring the needed real property, shall be in the ratio of fifty per centum for the authority and fifty per centum for such agency or agencies of the state of Connecticut), the manner and by whom the work of design, construction, reconstruction, improvement, maintenance and operation is to be performed or contracted to others for performance, the tolls, fees and other charges to be imposed from time to time for the use of such bridge, and the sharing of revenues derived from the imposition of such tolls, fees and charges (except that net revenues remaining after deduction of operational and maintenance expense of such bridge shall be in the ratio of fifty per centum for the authority and fifty per centum for the state of Connecticut or for such agency or agencies of the state of Connecticut. Subject to the limitations imposed upon the authority by the provisions of the said contracts, that portion of the said bridge and its approaches situate and lying within the territorial boundaries of the state of New York shall be deemed a "transportation facility" of the authority for all the purposes of this title, but tolls, fees and other charges imposed for the use of such bridge shall not be deemed to have been imposed "for the transportation of passengers" within the intendment of subdivision three of this section.

(b) If funds are made available by the authority for the payment of the cost and expense of the acquisition thereof, the commissioner of transportation of the state of New York, when requested by the authority, may acquire in the name of the state such real property lying within the territorial boundaries of the state as may be determined from time to time by the authority to be necessary, convenient or desirable to carry out the authorizations set forth in paragraphs (a) and (b) of this subdivision, may remove the owner or occupant thereof where necessary and obtain possession and, when requested by the authority, may dispose of any real property so acquired, all according to the procedure provided in section thirty of the highway law. The authority shall have the right to possess and use for its corporate purposes all such real property so acquired, all according to the procedure provided in section thirty of the highway law. The authority shall have the right to possess and use for its corporate purposes all such real property so acquired. Claims for the value of the property appropriated and for legal damages caused by any such appropriation shall be adjusted and determined by the commissioner of transportation with the approval of the authority or by

~~the court of claims as provided in section thirty of the highway law. When a claim has been filed with the court of claims, the claimant shall cause a copy of such claim to be served upon the authority and the authority shall have the right to be represented and heard before such court. All awards and judgments arising from such claims shall be paid out of moneys of the authority.~~

~~(c) The authority, acting independently or jointly or in cooperation with such agency or agencies of the state of Connecticut, may also apply for and accept, upon condition or otherwise, from the duly authorized agencies of the federal government, and of the governments of the states of Connecticut and New York, such underwater and overwater grants of real property, licenses or permits as shall be necessary, convenient or desirable to carry out the authorizations set forth in paragraphs (a) and (b) of this subdivision.~~

~~(d) The provisions of chapter four hundred forty two of the laws of nineteen hundred sixty five (and of any agreement entered into in pursuance thereof) relating to the repayment of a loan made by the state to the authority for the purchase of the Long Island railroad shall be inapplicable to (i) the construction of such bridges and their approaches, (ii) bonds, notes or other obligations of the authority issued for or in connection with the financing of the cost of design, construction and reconstruction of such bridges and their approaches, or the proceeds realized upon such issuance; and (iii) revenues derived from the investment of such proceeds or of any part thereof, and from the imposition of tolls, fees or other charges for the use of such bridges.~~

~~10.]~~ 5. Notwithstanding the provisions of any other law, general, special or local, or of any agreement entered into in pursuance thereof, relating to the repayment of any loan or advance made by the state to the authority or to the New York city transit authority, neither the authority nor the New York city transit authority shall be required to repay any such loan or advance heretofore made from or by reason of the issuance of bonds or notes of either of them or from the proceeds realized upon such issuance or from any other funds received by either of them from any source whatever in aid or assistance of the project or projects for the financing of which such bonds or notes are issued.

~~[11. No project to be constructed upon real property theretofore used for a transportation purpose, or on an insubstantial addition to such property contiguous thereto, which will not change in a material respect the general character of such prior transportation use, nor any acts or activities in connection with such project, shall be subject to the provisions of article eight, nineteen, twenty four or twenty five of the environmental conservation law, or to any local law or ordinance adopted pursuant to any such article. Nor shall any acts or activities taken or proposed to be taken by the authority or by any other person or entity, public or private, in connection with the planning, design, acquisition, improvement, construction, reconstruction or rehabilitation of a transportation facility, other than a marine or aviation facility, be subject to the provisions of article eight of the environmental conservation law, or to any local law or ordinance adopted pursuant to any such article if such acts or activities require the preparation of a statement under or pursuant to any federal law or regulation as to the environmental impact thereof.~~

~~12. The authority may, upon suitable notice to and an offer to consult with an officer designated by the city of New York, occupy the streets of the city of New York for the purpose of doing any work over or under~~

~~the same in connection with the improvement, construction, reconstruction or rehabilitation of a transportation facility without the consent of or payment to such city.~~

~~12-a]~~ 6. (a) Whenever the authority determines in consultation with

the city of New York that it is necessary to obtain the temporary or permanent use, occupancy, control or possession of vacant or undeveloped or underutilized but replaceable real property, or any interest therein, or subsurface real property or any interest therein then owned by the city of New York for a project in the two thousand fifteen to two thousand nineteen or the two thousand twenty to two thousand twenty-four approved capital programs to (i) install one or more elevators to make one or more subway stations more accessible, (ii) construct or reconstruct an electrical substation to increase available power to the subway system to expand passenger capacity or reliability, or (iii) in connection with the capital project to construct four commuter railroad passengers stations in the borough of the Bronx known as Penn Station access, the authority upon approval by the board of the metropolitan transportation authority and upon suitable notice and with the consent of the city of New York may cause the title to such real property, or any interest therein, to be transferred to the authority by adding it to the agreement of lease dated June first, nineteen hundred fifty-three, as amended, renewed and supplemented, authorized by section twelve hundred three of this article, or may itself acquire title to such property from the city of New York, and any such transfer or acquisition of real property shall be subject to the provisions of subdivision five of section twelve hundred sixty-six-c of this title. Nothing in this subdivision shall be deemed to authorize any temporary or permanent transfer or acquisition of real property, or interest therein, that is dedicated parkland without separate legislative approval of such alienation.

(b) (i) Upon the execution of any transfer or acquisition pursuant to this subdivision, which shall be final upon the approval by the board of the metropolitan transportation authority and consent of the city of New York, the fair market value shall be determined pursuant to this paragraph. The authority shall make a written offer to pay to the city of New York the fair market value of the authority's use, occupancy, control, possession or acquisition of such property. The offer by the authority shall be based on an appraisal of the value of such property and a copy of such appraisal shall be included with the offer. Such appraisal shall be done by an independent New York state licensed or certified appraiser, who may not be employed by the authority, selected at random from a panel of appraisers maintained by it for such purpose. Such appraisal and a second appraisal, if required pursuant to subparagraph (ii) of this paragraph, shall consider only the reasonably anticipated lawful use of the property and its zoning designation under the zoning resolution of the city of New York at the time the authority notified the city of New York of its determination to use, occupy, control, possess or acquire such property.

(ii) Within thirty days of receipt of the offer by the authority, the city of New York may accept it, agree with the authority on another amount, or request a second appraisal by an independent New York state licensed or certified appraiser, who may not be employed by the city of New York, selected at random by the city of New York from a panel of appraisers maintained by it for such purpose. Such second appraisal shall be completed within thirty days. If the second appraisal produces an estimate of the fair market value of the property that is greater than that of the first appraisal, the authority shall have ten days to

1 increase its offer to such higher amount, otherwise the two appraisers
2 shall reconcile their valuations and agree on a final valuation within
3 ten days, which shall be an amount not less than the first appraisal nor
4 greater than the second appraisal.

5 ~~[(c) Nothing in this subdivision shall be construed to affect or limit
6 the authority's power under subdivision twelve of this section.]~~

7 ~~13. The authority and each of its subsidiary corporations shall place
8 on each transformer and substation which contains polychlorinated biphe-
9 nyls (PCBs) a symbol so indicating the presence of PCBs. Use of a PCB
10 mark illustrated in the rules and regulations promulgated pursuant to
11 the federal Toxic Substances Control Act shall constitute compliance
12 with the provisions of this subdivision.~~

13 ~~14. Notwithstanding any other provisions of law or the terms of any
14 contract, the authority, in consultation with the Long Island Rail Road,
15 shall establish and implement a no fare program for transportation on
16 the Long Island Rail Road for police officers employed by the city of
17 New York, county of Nassau, Nassau county villages and cities, county of
18 Suffolk, Suffolk county villages and towns, the division of state
19 police, the port authority of New York and New Jersey, the Metro-North
20 Commuter Railroad Company, the New York city housing authority and the
21 New York city transit authority. In establishing such program, which has
22 as its goal increased protection and improved safety for its commuters,
23 the authority and the Long Island Rail Road shall, among other things,
24 consider: (a) requiring police officers who ride without cost to regis-
25 ter with the Long Island Rail Road as a condition of riding without
26 cost; (b) requiring such officers to indicate during such registration
27 process their regular working hours and the Long Island Rail Road trains
28 that such officers expect to ride; and (c) periodically re-registering
29 and re-validating such officers. The authority and the Long Island Rail
30 Road shall also have the power to consider other matters necessary to
31 carry out the goals and objectives of this section.~~

32 ~~15. (a) Notwithstanding any other provisions of law or the terms of
33 any contract, the authority, in consultation with the New York city
34 transit authority, the Long Island Rail Road and the Metro-North Commu-
35 ter Railroad Company, shall establish and implement a no fare program
36 for transportation on New York city transit authority systems, the Long
37 Island Rail Road and the Metro-North Commuter Railroad Company for indi-
38 viduals serving as personal care attendants accompanying an Americans
39 With Disabilities Act paratransit eligible individual.~~

40 ~~(b) In order to be eligible for such no fare program the personal care
41 attendant must show his or her community based personal care attendant
42 agency issued identification card.~~

43 ~~(c) In order to be considered accompanying an Americans With Disabili-
44 ties Act paratransit eligible individual the personal care attendant
45 shall have the same origin and destination as such paratransit eligible
46 individual.~~

47 ~~16. Notwithstanding any other provision of law, the authority and any
48 of its subsidiary corporations shall establish and implement a half fare
49 rate program for persons with serious mental illness who are eligible to
50 receive supplemental security income benefits as defined pursuant to
51 title sixteen of the federal social security act and section two hundred
52 nine of the social services law.~~

53 ~~17. Notwithstanding any conflicting provisions of general, special or
54 local law, and pursuant to the authority's 2000-2004 capital program
55 plans approved by the metropolitan transportation authority capital
56 program review board, the authority or any of its subsidiaries, the New~~

~~York city transit authority or any of its subsidiaries, or Triborough bridge and tunnel authority, shall provide, from funds identified in such approved 2000-2004 capital program plans, up to twelve million dollars for the financing of a bus and heavy duty vehicles omission research and testing facility and related equipment located in the state of New York, whether within or outside of the transportation district, which facility shall be operated by the department of environmental conservation and shall be available for use on a non-exclusive basis by the authority and any of its subsidiaries, the New York city transit authority and any of its subsidiaries, and Triborough bridge and tunnel authority.~~

~~18. The authority shall conduct a campaign of public outreach to inform the public of the provisions pertaining to assault on employees described in subdivision eleven of section 120.05 of the penal law.]~~

§ 12. Section 1266-a of the public authorities law is REPEALED.

§ 13. Section 1266-b of the public authorities law is REPEALED.

§ 14. Section 1266-c of the public authorities law is REPEALED.

§ 15. Section 1266-d of the public authorities law is REPEALED.

§ 16. Section 1266-e of the public authorities law is REPEALED.

§ 17. Section 1266-f of the public authorities law is REPEALED.

§ 18. Section 1266-g of the public authorities law is REPEALED.

§ 19. Section 1266-h of the public authorities law is REPEALED and a new section 1266-h is added to read as follows:

§ 1266-h. Transfer of employees. 1. In order to assist the big apple transportation authority and the commuter transportation authority in carrying out their powers and responsibilities, the authority shall develop and complete a personnel reorganization plan to transfer its employees to the big apple transportation authority and the commuter transportation authority to perform any operation or function subject only to a determination that they are substantially similar to any operation or function currently performed. Substantially similar operation or function shall be determined by the authority receiving the employees.

2. Such assignment, transfer, sharing, or consolidation pursuant to this section shall occur only if approved by resolution of the boards of the authority, the big apple transportation authority, and the commuter transportation authority, adopted by not less than a majority vote of the whole number of members of the authority then in office, with the chairman having one additional vote in the event of a tie vote.

3. Nothing set forth in this section shall be construed to impede, infringe or diminish the rights and benefits that accrue to employees and employers through collective bargaining agreements, or impact or change an employee's membership in a bargaining unit.

4. A transferred employee who is a member or beneficiary of any existing pension or retirement system shall continue to have the rights, privileges, obligations and status with respect to such system or systems as if they had continued in their employment with the authority.

5. Pursuant to this section, any such assigning, transferring, sharing, or consolidating of powers, duties, functions or activities shall not be authorized where it would impair any rights and remedies of any holders of notes, bonds or other obligations issued by the authority, its subsidiaries, or affiliates or their subsidiaries.

6. Such transfers shall be subject to section seventy of the civil service law; or, where not subject to civil service, the provisions of such section seventy shall be deemed applicable, except where the context clearly requires otherwise. Any such employee who, at the time

1 of such transfer, has a temporary or provisional appointment shall be
2 transferred subject to the same right of removal, examination or termi-
3 nation as though such transfer had not been made except to the extent
4 such rights are modified by a collective bargaining agreement.

5 7. A transferred employee shall remain in the same collective bargain-
6 ing unit as was the case prior to his or her transfer; successor employ-
7 ees to the positions held by such transferred employees shall, consist-
8 ent with the provisions of article fourteen of the civil service law, be
9 included in the same unit as their predecessors. Employees, other than
10 managerial or confidential persons (as defined in article fourteen of
11 the civil service law), serving in positions in newly created titles
12 shall be assigned to the appropriate bargaining unit. Nothing contained
13 in this section shall be construed to affect:

14 (a) the rights of employees pursuant to a collective bargaining agree-
15 ment;

16 (b) the representational relationships among employee organizations or
17 the bargaining relationships between the state and an employee organiza-
18 tion; or

19 (c) existing law with respect to an application to the public employ-
20 ment relations board, provided, however, that the merger of such negoti-
21 ating units of employees shall be effected only with the consent of the
22 recognized and certified representatives of such units and of the
23 authority.

24 8. Notwithstanding the provisions of any other law to the contrary,
25 all lawful appointees holding positions which hereinbefore were subject
26 to the civil service law and are transferred to the authority shall
27 continue to hold their positions without further examination or quali-
28 fications.

29 § 20. Section 1266-i of the public authorities law is REPEALED.

30 § 21. Section 1266-j of the public authorities law is REPEALED.

31 § 22. Section 1266-k of the public authorities law is REPEALED.

32 § 23. Section 1267 of the public authorities law is REPEALED.

33 § 24. Section 1267-a of the public authorities law is REPEALED.

34 § 25. Section 1267-b of the public authorities law is REPEALED.

35 § 26. Section 1268 of the public authorities law is REPEALED.

36 § 27. Subdivisions 1-a and 12 of section 1269 of the public authori-
37 ties law are REPEALED.

38 § 28. Subdivisions 1, 3, 4, 6 and 9 of section 1269 of the public
39 authorities law, as amended by section 27 of part 0 of chapter 61 of the
40 laws of 2000, are amended to read as follows:

41 1. (a) The authority shall only have power [~~and is hereby authorized~~
42 ~~from time to time~~] to issue its bonds, notes and other obligations in
43 such principal amount as [~~in the opinion of the authority, shall be~~
44 ~~necessary, convenient or desirable to effectuate any of its powers and~~
45 ~~purposes, including to provide sufficient funds for achieving its~~
46 ~~purposes, including the acquisition, establishment, construction, effec-~~
47 ~~tuation, operation, maintenance, renovation, improvement, extension,~~
48 ~~rehabilitation or repair of any transportation facility, the payment of~~
49 ~~principal, redemption premium and interest on bonds, notes and other~~
50 ~~obligations of the authority, establishment of reserves to secure such~~
51 ~~bonds notes and other obligations, the provision of working capital and~~
52 ~~all other expenditures of the authority and its subsidiary corporations,~~
53 ~~and New York city transit authority and its subsidiary corporations~~
54 ~~incident to and necessary or convenient to carry out their purposes and~~
55 ~~powers~~] already authorized by the 2015-2019 capital program. Such
56 bonds, notes or other obligations may be issued for an individual trans-

1 portation facility or issued on a consolidated basis for such groups or
2 classes of facilities and projects as the authority in its discretion
3 deems appropriate and be payable from and secured separately or on a
4 consolidated basis by, among other things, all or any portion of such
5 revenues and other monies and assets of the authority [~~and its subsid-~~
6 ~~iary corporations, and New York city transit authority and its subsid-~~
7 ~~iary corporations as the authority determines in accordance with the~~
8 ~~provisions of section twelve hundred seventy-d of this title~~];

9 (b) [~~The authority shall have power, from time to time, to issue~~
10 ~~renewal notes, to issue bonds to refund, redeem or otherwise pay,~~
11 ~~including by purchase or tender, notes of the authority and its subsid-~~
12 ~~iary corporations, and New York city transit authority and its subsid-~~
13 ~~iary corporations and whenever it deems refunding, redemption or payment~~
14 ~~expedient, to refund, redeem or otherwise pay, including by purchase or~~
15 ~~tender, any bonds of the authority and its subsidiary corporations, New~~
16 ~~York city transit authority and its subsidiary corporations and Tribor-~~
17 ~~ough bridge and tunnel authority by the issuance of new bonds, whether~~
18 ~~the bonds to be refunded, redeemed or otherwise paid have or have not~~
19 ~~matured, and to issue bonds partly for such purpose and partly for any~~
20 ~~other purpose and to otherwise refund, redeem, acquire by purchase or~~
21 ~~tender, or in any other way repay any outstanding notes, bonds or other~~
22 ~~obligations of the authority, any of its subsidiary corporations, New~~
23 ~~York city transit authority, any of its subsidiary corporations and~~
24 ~~Triborough bridge and tunnel authority;~~

25 (c) Every issue of its notes, bonds or other obligations shall be
26 general obligations or special obligations. Every issue of general obli-
27 gations of the authority shall be payable out of any revenues or monies
28 of the authority, subject only to any agreements with the holders of
29 particular notes or bonds pledging any particular receipts or revenues.
30 Every issue of special obligations shall be payable out of any revenues,
31 receipts, monies or other assets of the authority [~~and its subsidiary~~
32 ~~corporations, the New York city transit authority and its subsidiary~~
33 ~~corporations and the Triborough bridge and tunnel authority~~] identified
34 for such purposes in accordance with agreements with the holders of
35 particular notes, bonds or other obligations. [~~The authority may issue~~
36 ~~transportation revenue special obligation bonds, notes or other obli-~~
37 ~~gations as provided in section twelve hundred seventy-d of this title~~];

38 3. Any resolution or resolutions authorizing any notes, bonds or any
39 issue thereof, or any other obligations of the authority, may contain
40 provisions, which shall be a part of the contract with the holders ther-
41 eof, as to:

42 (a) pledging all or any part of the revenues of the authority [~~or of~~
43 ~~any of its subsidiary corporations or New York city transit authority or~~
44 ~~any of its subsidiary corporations or Triborough bridge and tunnel~~
45 ~~authority~~] to secure the payment of the notes or bonds or of any issue
46 thereof, or any other obligations of the authority, subject to such
47 applicable agreements with bondholders, noteholders, or holders of other
48 obligations of the authority, [~~the New York city transit authority and~~
49 ~~its subsidiary corporations, and Triborough bridge and tunnel authority~~]
50 the big apple transit authority and its affiliates, or the commuter
51 transportation authority as may then exist;

52 (b) [~~pledging all or any part of the assets of the authority or of any~~
53 ~~of its subsidiary corporations or New York city transit authority or any~~
54 ~~of its subsidiary corporations or Triborough bridge and tunnel authority~~
55 ~~to secure the payment of the notes or bonds or of any issue of notes or~~
56 ~~bonds, or any other obligations of the authority, subject to such agree-~~

~~ments with noteholders, bondholders, or holders of other obligations of the authority, the New York city transit authority and its subsidiary corporations, and Triborough bridge and tunnel authority as may then exist;~~

~~(c)]~~ the use and disposition of revenues, including fares, tolls, rentals, rates, charges and other fees, made or received by the authority, any of its subsidiary corporations, ~~[New York city transit authority or any of its subsidiary corporations, or Triborough bridge and tunnel authority]~~ the big apple transit authority and its affiliates, and the commuter transportation authority;

~~(d)]~~ (c) the setting aside of reserves or sinking funds and the regulation and disposition thereof;

~~(e)]~~ (d) limitations on the purpose to which the proceeds of sale of notes, bonds or other obligations of the authority may be applied and pledging such proceeds to secure the payment of the notes or bonds or of any issue thereof or of other obligations;

~~(f)]~~ (e) limitations on the issuance of additional notes, bonds or other obligations of the authority; the terms upon which additional notes, bonds or other obligations of the authority may be issued and secured; the refunding of outstanding or other notes, bonds or other obligations of the authority;

~~(g)]~~ (f) the procedure, if any, by which the terms of any contract with noteholders, bondholders, or holders of other obligations of the authority, may be amended or abrogated, the amount of notes, bonds or other obligations of the authority the holders of which must consent thereto, and the manner in which such consent may be given;

~~(h)]~~ (g) limitations on the amount of monies to be expended by the authority ~~[or any of its subsidiary corporations or New York city transit authority or any of its subsidiary corporations or Triborough bridge and tunnel authority for operating, administrative or other expenses of the authority or any of its subsidiary corporations or New York city transit authority or any of its subsidiary corporations or Triborough bridge and tunnel authority];~~

~~(i)]~~ (h) vesting in a trustee or trustees such property, rights, powers and duties in trust as the authority may determine, which may include any or all of the rights, powers and duties of the trustee appointed by the bondholders, noteholders or holders of other obligations of the authority pursuant to this title, and limiting or abrogating the right of the bondholders, noteholders or holders of other obligations of the authority to appoint a trustee under this article or limiting the rights, powers and duties of such trustee;

~~(j)]~~ (i) any other matters, of like or different character, which in any way affect the security or protection of the notes, bonds or other obligations of the authority.

4. In addition to the powers herein conferred upon the authority to secure its notes, bonds and other obligations, the authority shall have power in connection with the issuance of notes, bonds and other obligations to enter into such agreements as the authority may deem necessary, convenient or desirable concerning the use or disposition of the monies or property of ~~[any of] the authority[, its subsidiary corporations, New York city transit authority, or any of its subsidiary corporations, or Triborough bridge and tunnel authority]~~, including the mortgaging of any such property and the entrusting, pledging or creation of any other security interest in any such monies or property and the doing of any act (including refraining from doing any act) which the authority would have the right to do in the absence of such agreements.

1 The authority shall have power to enter into amendments of any such
2 agreements within the powers granted to the authority by this title and
3 to perform such agreements. The provisions of any such agreements may be
4 made a part of the contract with the holders of the notes, bonds and
5 other obligations of the authority.

6 6. Neither the members of the authority, [~~the New York city transit~~
7 ~~authority or the Triborough bridge and tunnel authority~~] the big apple
8 transit authority or any of its affiliates, or the commuter transporta-
9 tion authority nor any person executing the notes, bonds or other obli-
10 gations shall be liable personally on the notes, bonds or other obli-
11 gations or be subject to any personal liability or accountability by
12 reason of the issuance thereof.

13 9. So long as the authority has outstanding any bonds, notes or other
14 obligations issued pursuant to this section or any bonds, notes or other
15 obligations issued or incurred pursuant to the former section twelve
16 hundred sixty-six-c of this title, none of the authority or any of its
17 subsidiary corporations, New York city transit authority or any of its
18 subsidiary corporations, or Triborough bridge and tunnel authority shall
19 have the authority to file a voluntary petition under chapter nine of
20 the federal bankruptcy code or such corresponding chapter, chapters or
21 sections as may, from time to time, be in effect, and neither any public
22 officer nor any organization, entity or other person shall authorize the
23 authority or any of its subsidiary corporations, New York city transit
24 authority or any of its subsidiary corporations, or Triborough bridge
25 and tunnel authority to be or become a debtor under chapter nine or said
26 corresponding chapter, chapters or sections of the federal bankruptcy
27 code during any such period.

28 § 29. Section 1269-a of the public authorities law is REPEALED.

29 § 30. Section 1269-b of the public authorities law is REPEALED.

30 § 31. Section 1269-c of the public authorities law is REPEALED.

31 § 32. Section 1269-d of the public authorities law is REPEALED.

32 § 33. Section 1269-f of the public authorities law is REPEALED.

33 § 34. Section 1269-g of the public authorities law is REPEALED.

34 § 35. Subdivisions 2 and 3 and paragraphs (a), (d) and (e) of subdivi-
35 sion 4 of section 1270-a of the public authorities law, subdivisions 2
36 and 3 and paragraphs (a) and (d) of subdivision 4 as amended by section
37 29 of part 0 of chapter 61 of the laws of 2000, and paragraph (e) of
38 subdivision 4 as amended by section 7 of part FF of chapter 58 of the
39 laws of 2019, are amended to read as follows:

40 2. Moneys in the transit account [~~may be pledged to the Triborough~~
41 ~~bridge and tunnel authority to secure bonds and notes and, if so~~
42 ~~pledged,~~] if already pledged prior to January first, two thousand twen-
43 ty-two, shall be paid to the Triborough bridge and tunnel authority in
44 such amounts and at such times as necessary to pay or to reimburse that
45 authority for its payment of debt service and reserve requirements on
46 that portion of special Triborough bridge and tunnel authority bonds and
47 notes issued by that authority pursuant to section five hundred fifty-
48 three-d of this chapter for transit projects undertaken for the New York
49 city transit authority and its subsidiaries. Subject to the provisions
50 of such pledge, any excess monies, or in the event there is no such
51 pledge, any moneys in such account shall, at the direction of the
52 [~~metropolitan transportation~~] big apple transit authority, be (a) depos-
53 ited into one or more funds or accounts and used as contemplated by
54 section [~~twelve hundred seventy-d~~] thirteen hundred forty-nine-dd of
55 this [~~title~~] chapter or (b) used for the payment of operating and capi-

1 tal costs of the New York city transit authority and its subsidiaries
2 and the Staten Island rapid transit operating authority.

3 3. The authority shall transfer in nineteen hundred eighty-seven up to
4 twenty million dollars of the moneys in the commuter railroad account to
5 the suburban transportation fund in accordance with the terms of an
6 agreement between the authority and the department of transportation
7 with respect thereto, established herein, and pursuant to section eight-
8 y-eight-b of the state finance law. In subsequent years the authority
9 shall transfer twenty million dollars of the moneys in the commuter
10 railroad account to the suburban transportation fund in accordance with
11 the terms of an agreement between the authority and the department of
12 transportation with respect thereto, established herein, and pursuant to
13 section eighty-eight-b of the state finance law.

14 In the event the transfer to the suburban transportation fund provided
15 pursuant to this subdivision results in an operating deficit, as certi-
16 fied by the director of the division of the budget, in consultation with
17 the authority, that portion of the deficit attributable to such transfer
18 shall be appropriated from the general fund to the authority for commu-
19 ter railroad operating purposes, provided, however, that such appropri-
20 ation shall not exceed twenty million dollars.

21 The remaining moneys in the commuter railroad account [~~may be pledged~~
22 ~~to the Triborough bridge and tunnel authority to secure bonds and notes~~
23 ~~and, if so pledged]~~ if already pledged prior to January first, two thou-
24 sand twenty-two, shall be paid to the Triborough bridge and tunnel
25 authority in such amounts and at such times as necessary to pay or to
26 reimburse that authority for its payment of debt service and reserve
27 requirements on that portion of special Triborough bridge and tunnel
28 authority bonds and notes issued by that authority pursuant to section
29 five hundred fifty-three-d of this chapter for transportation facilities
30 undertaken for the authority and its subsidiaries. Subject to the
31 provisions of any such pledge, any excess monies, or in the event there
32 is no such pledge, any moneys in such account shall[, ~~at the direction~~
33 ~~of the metropolitan transportation authority, be (a) deposited into one~~
34 ~~or more funds or accounts and used as contemplated by section twelve~~
35 ~~hundred seventy-d of this title or, (b)]~~ be used for payment of operat-
36 ing and capital costs of the Long Island Rail Road company and the
37 Metro-North commuter railroad company.

38 (a) Moneys in the corporate transportation account shall first be used
39 for payments to the metropolitan transportation authority Dutchess,
40 Orange and Rockland fund established by section twelve hundred seventy-b
41 of this title. The remaining moneys in the corporate transportation
42 account [~~may be pledged by the authority, or pledged to the Triborough~~
43 ~~bridge and tunnel authority, to secure bonds, notes or other obligations~~
44 ~~of the authority or the Triborough bridge and tunnel authority, as the~~
45 ~~case may be, and, if so pledged]~~, if already pledged to the Triborough
46 bridge and tunnel authority prior to January first, two thousand twen-
47 ty-two, shall be paid to the Triborough bridge and tunnel authority in
48 such amounts and at such times as necessary to pay or to reimburse that
49 authority for its payment of debt service and reserve requirements, if
50 any, on that portion of special Triborough bridge and tunnel authority
51 bonds and notes issued by that authority pursuant to section five
52 hundred fifty-three-d of this chapter. Subject to the provisions of any
53 such pledge, or in the event there is no such pledge, any excess moneys
54 in the corporate transportation account [~~may~~] shall be [~~used by the~~
55 ~~authority for payment of operating costs of, and capital costs, includ-~~
56 ~~ing debt service and reserve requirements, if any, of or for the author-~~

ity,] transferred to the [~~New York city transit authority and their subsidiaries as the authority shall determine~~] big apple transit authority.

(d) (1) In the event the county of Dutchess, the county of Orange or the county of Rockland withdraws from the metropolitan transportation district, the authority shall not transfer from the corporate transportation account to the metropolitan transportation authority Dutchess, Orange and Rockland fund that portion of the moneys that would otherwise be transferred from such account to such fund to the credit of such withdrawing county or counties.

(2) For purposes of this subdivision, a county is deemed to have withdrawn if a resolution is adopted and filed by the county legislature of such county providing a public transportation plan pursuant to section [~~twelve hundred seventy-nine-b~~] thirteen hundred forty-nine-wwwww of this [~~title~~] chapter.

(e) Notwithstanding the foregoing provisions of this subdivision, any moneys in the corporate transportation account that are received by the authority: (i) without appropriation pursuant to subdivision one of this section, or (ii) pursuant to the provisions of section ninety-two-ff of the state finance law [~~may be pledged by the authority, or pledged to the Triborough bridge and tunnel authority, to secure bonds, notes or other obligations of the authority or the Triborough bridge and tunnel authority, as the case may be, and, if so pledged~~], if already pledged to the Triborough bridge and tunnel authority prior to January first, two thousand twenty-two, shall be paid to the Triborough bridge and tunnel authority in such amounts and at such times as necessary to pay or to reimburse that authority for its payment of debt service and reserve requirements, if any, on that portion of special Triborough bridge and tunnel authority bonds and notes issued by that authority pursuant to section five hundred fifty-three-d of this chapter. Subject to the provisions of any such pledge, or in the event there is no such pledge, any moneys in the corporate transportation account received by the authority: (i) without appropriation pursuant to subdivision one of this section, or (ii) pursuant to the provisions of section ninety-two-ff of the state finance law [~~may~~] shall be [~~used by the authority for payment of operating costs of, and capital costs, including debt service and reserve requirements, if any, of or for the authority,~~] transferred to the [~~New York city transit authority and their subsidiaries as the authority shall determine~~] big apple transit authority. No moneys in the corporate transportation account that are reserved by the authority: (i) without appropriation pursuant to subdivision one of this section; or (ii) pursuant to the provisions of section ninety-two-ff of the state finance law may be used for making any payment to the Dutchess, Orange and Rockland fund created by section twelve hundred seventy-b of this title or considered in calculating the amounts required to be paid into such fund.

§ 36. Subdivision 3 of section 1270-c of the public authorities law, as amended by section 30 of part 0 of chapter 61 of the laws of 2000, is amended to read as follows:

3. Moneys in the fund may be [~~(a) pledged by the authority to secure and be applied to the payment of its bonds, notes or other obligations specified by the authority and issued to finance (i) transit projects undertaken for the New York city transit authority and its subsidiaries and (ii) transportation facilities undertaken for the authority and its subsidiaries and (b)~~] used for payment of operating costs, [~~and capital costs,~~] including debt service, reserve requirements, if any, the

1 payment of amounts required under bond and note facilities or agreements
2 related thereto, the payment of federal government loans, security or
3 credit arrangements or other agreements related thereto, and the payment
4 of all costs related to such obligations, of or for the authority[~~the~~
5 ~~New York city transit authority and their subsidiaries as the authority~~
6 ~~shall determine~~]. To the extent moneys in the fund have already been
7 pledged by the authority prior to January first, two thousand twenty-two
8 to secure and pay its bonds, notes or other obligations [~~as herein~~
9 ~~provided~~], moneys deposited into the fund shall first be deposited into
10 the pledged amounts account to the extent necessary to satisfy the
11 requirements of any debt service or reserve requirements, if any, of the
12 resolution authorizing such bonds, notes or other obligations. After
13 satisfaction of such requirements of the resolution, or if the authority
14 has not so pledged the moneys in the fund, moneys deposited in the fund
15 shall be directly deposited into the operating and capital costs account
16 and, subject to the provisions of any resolutions of the authority not
17 secured by the pledged amounts account, transferred forthwith to or for
18 the benefit of the [~~New York city transit authority and its subsidiaries~~
19 ~~and the Staten Island rapid transit operating authority~~] big apple tran-
20 sit authority (the "[~~TA~~] BAT") and to and for the benefit of the [~~Long~~
21 ~~Island Rail Road company and the Metro North commuter rail road company~~]
22 commuter transportation authority (the "[~~CRR~~] CTA") as provided in this
23 section.

24 Moneys in the operating and capital costs account which were deposited
25 in the fund pursuant to appropriation from moneys deposited in the dedi-
26 cated mass transportation trust fund for payment to the metropolitan
27 transportation authority dedicated tax fund pursuant to subdivision (d)
28 of section three hundred one-j of the tax law (the "remaining PBT
29 amount") shall be distributed by the authority as follows: an amount
30 equal to the debt service incurred in such calendar year as a result of
31 obligations issued and secured by moneys in the fund, to the extent such
32 debt service is to be paid from money deposited in the fund pursuant to
33 appropriation from moneys deposited in the dedicated mass transportation
34 trust fund for payment to the metropolitan transportation authority
35 dedicated tax fund pursuant to subdivision (d) of section three hundred
36 one-j of the tax law ("PBT debt service"), shall be added to the remain-
37 ing PBT amount. The sum of these figures shall then be allocated as
38 follows: eighty-five per centum of such sum shall be allocated to the
39 [~~TA~~] BAT and fifteen per centum of such sum shall be allocated to the
40 [~~CRR~~] CTA. The amounts so allocated shall then be reduced respectively
41 by the proportional amount of PBT debt service attributable to the
42 payments for transit projects undertaken for the [~~TA~~] BAT and transpor-
43 tation facility projects undertaken for the [~~CRR~~] CTA. The remaining
44 amounts shall constitute the respective distributable shares of the
45 remaining PBT amount and shall be distributed to or for the benefit of
46 the [~~TA~~] BAT and the [~~CRR~~] CTA.

47 Moneys in the operating and capital costs account which were deposited
48 in the fund pursuant to section eighty-eight-a of the state finance law
49 (the "remaining MMTOA amount") shall be distributed by the authority as
50 follows: an amount equal to the debt service incurred in such calendar
51 year as a result of obligations issued and secured by money in the fund,
52 to the extent such debt service is to be paid from money deposited in
53 the fund pursuant to section eighty-eight-a of the state finance law
54 ("MMTOA debt service"), shall be added to the remaining MMTOA amount.
55 The sum of these figures shall then be allocated as follows: there shall
56 be allocated (i) to the [~~TA~~] BAT an amount of such sum which bears the

1 same proportion to such sum as the amount appropriated and paid during
2 such calendar year from the metropolitan mass transportation operating
3 assistance account to the authority for the operating expenses of the
4 ~~[TA]~~ BAT bears to the total amounts so appropriated and paid from such
5 operating assistance account during such calendar year to the ~~[TA]~~ BAT
6 and ~~[CRR]~~ CTA combined and (ii) to the ~~[CRR]~~ CTA an amount of such sum
7 which bears the same proportion to such sum as the amount appropriated
8 and paid during such calendar year from the metropolitan mass transpor-
9 tation operating assistance account to the ~~[CRR]~~ CTA bears to the total
10 amounts so appropriated and paid from such operating assistance account
11 during such calendar year to the ~~[TA]~~ BAT and ~~[CRR]~~ CTA combined. The
12 amounts so allocated shall then be reduced respectively by the propor-
13 tional amount of MMTOA debt service attributable to the payments for
14 transit projects undertaken for the ~~[TA]~~ BAT and transportation facility
15 projects undertaken for the ~~[CRR]~~ CTA. The remaining amounts shall
16 constitute the respective distributable shares of the remaining MMTOA
17 amount and shall be distributed to or for the benefit of the ~~[TA]~~ BAT
18 and the ~~[CRR]~~ CTA. In no event shall the authority utilize any measure
19 or calculation for determining such distributable shares other than the
20 formula prescribed herein nor shall the authority take any action which
21 would result in the use of such money which is different from or incon-
22 sistent with the use prescribed in this section.

23 To the extent that amounts described in the preceding two paragraphs
24 are distributed more frequently than annually, each such distribution
25 shall be made as nearly as may be practicable in accordance with the
26 allocations described above to the ~~[TA]~~ BAT and the ~~[CRR]~~ CTA. Within
27 thirty days after the end of each calendar year, the authority shall
28 certify to the director of the budget, the chairperson of the senate
29 finance committee and the chairperson of the assembly ways and means
30 committee, the amount of money deposited in the fund pursuant to appro-
31 priation from moneys deposited in the dedicated mass transportation
32 trust fund for payment to the metropolitan transportation authority
33 dedicated tax fund pursuant to subdivision (d) of section three hundred
34 one-j of the tax law and section eighty-eight-a of the state finance
35 law, the amounts expended from the pledged amounts account for the bene-
36 fit of the ~~[TA]~~ BAT and the ~~[CRR]~~ CTA, and the amounts of the remaining
37 PBT amount and the remaining MMTOA amount distributed during the prior
38 calendar year to the ~~[TA]~~ BAT and the ~~[CRR]~~ CTA and specifying in each
39 case the appropriation or appropriations which was the source of such
40 amounts.

41 § 37. Section 1270-d of the public authorities law is REPEALED.

42 § 38. Section 1270-g of the public authorities law, as added by
43 section 16 of part H of chapter 25 of the laws of 2009, is amended to
44 read as follows:

45 § 1270-g. Regulation of certain authority expenditures. 1. The author-
46 ity shall implement policies as appropriate to minimize unwarranted
47 expenses and to protect against abuses in connection with (i) the grant-
48 ing of any privileges or benefits having financial value, other than
49 wage payments or expense reimbursements, to members or staff of the
50 authority, or any subsidiary or other authority created by the authori-
51 ty; and (ii) the full-time and part-time assignment and use of automo-
52 biles owned or leased by the authority, or any subsidiary or other
53 authority created by the authority, and the use by authority employees
54 and board members of livery vehicles, as defined in section one hundred
55 twenty-one-e of the vehicle and traffic law.

2. The authority's total expenses for its first year, not including payments of interest or principal on bonds and notes and other obligations of the authority already outstanding as of January first, two thousand twenty-two, or already authorized by the 2015-2019 capital program, shall not exceed one hundred ten million dollars, and in subsequent years shall not exceed one percent of the total operating expenses, not including capital expenditures or payments of interest or principal on bonds and notes and other obligations, of the big apple transit authority in the previous year.

§ 39. Subdivision 3 of section 1270-h of the public authorities law, as added by section 16 of part H of chapter 25 of the laws of 2009, is amended to read as follows:

3. Moneys in the fund may be ~~[(a) pledged by the authority to secure and be applied to the payment of the bonds, notes or other obligations of the authority issued on or after the effective date of this section to finance capital projects of the authority and its subsidiaries and the New York city transit authority and any subsidiaries; or (b)]~~ used for payment of ~~[capital]~~ operating costs, including debt service, reserve requirements, if any, the payment of amounts required under bond and note facilities or agreements related thereto, the payment of federal government loans, security or credit arrangements or other agreements related thereto, and the payment of all costs related to such obligations, of or for the authority, the New York city transit authority and their subsidiaries as the authority shall determine. To the extent moneys in the fund have already been pledged by the authority prior to January first, two thousand twenty-two, to secure and pay the bonds, notes or other obligations of the authority issued to finance capital projects of the authority and its subsidiaries and the New York city transit authority and any subsidiaries as herein provided, monies deposited into the fund shall be deposited to the extent necessary to satisfy the requirements of any debt service or reserve requirements, if any, of the resolution authorizing such bonds, notes or other obligations. Subject to the provisions of any such pledge, or in the event there is no such pledge, any excess moneys in this fund ~~[may]~~ shall be ~~[used by the authority for payment of operating costs of, and capital costs, including debt service and reserve requirements, if any, of or for the authority, the New York city transit authority and their subsidiaries as the authority shall determine. To the extent moneys in the fund have been pledged by the authority to secure and pay the bonds, notes or other obligations of the authority issued to finance capital projects of the authority and its subsidiaries and the New York city transit authority and any subsidiaries as herein provided, monies deposited into the fund shall be deposited to the extent necessary to satisfy the requirements of any debt service or reserve requirements, if any, of the resolution authorizing such bonds, notes or other obligations]~~ transferred to the big apple transit authority.

§ 40. Subdivisions 2, 3 and 4 of section 1270-i of the public authorities law, as added by section 4 of part NNN of chapter 59 of the laws of 2018, are amended to read as follows:

2. Moneys in the subway action plan account shall be used for the exclusive purpose of funding the operating and capital costs of the ~~[metropolitan transportation authority's]~~ New York city subway action plan. Such funds may be used for infrastructure including construction, reconstruction, reconditioning and preservation of transportation systems, facilities and equipment, acquisition of property, and for operating costs including personal services, non-personal services,

1 fringe benefits, and contractual services. Funds may also be used to pay
2 or to reimburse the authority for its payment of debt service and
3 reserve requirements on that portion of authority bonds and notes issued
4 by the authority for capital costs of the [~~metropolitan transportation~~
5 ~~authority's~~] New York city subway action plan.

6 3. Moneys in the outer borough transportation account shall be used
7 for the exclusive purpose of funding the operating and capital costs of
8 [~~metropolitan transportation~~] the big apple transit authority facili-
9 ties, equipment and services in the counties of Bronx, Kings, Queens and
10 Richmond, and any projects improving transportation connections from
11 such counties to New York [~~County~~] county. Such funds may be used for
12 infrastructure including construction, reconstruction, reconditioning
13 and preservation of transportation systems, facilities and equipment,
14 acquisition of property, and for operating costs including personal
15 services, non-personal services, fringe benefits, and contractual
16 services. Funds may also be used to fund a toll reduction program for
17 any crossings under the jurisdiction of the [~~metropolitan transporta-~~
18 ~~tion~~] big apple transit authority [~~or its subsidiaries or~~] and its
19 affiliates. Funds may also be used to pay or to reimburse the authority
20 for its payment of debt service and reserve requirements on that portion
21 of authority bonds and notes that have been issued by the authority
22 specifically for the authorized purpose of this account. Notwithstanding
23 any law to the contrary, final approval of the use of any funds paid
24 into the outer borough transportation account shall be [~~unanimously~~]
25 approved by [~~three members of the Metropolitan Transportation Authority~~
26 ~~Capital Program Review Board, established pursuant to section twelve~~
27 ~~hundred sixty nine a of this title so designated pursuant to this subdi-~~
28 ~~vision. For purposes of such final approvals the three voting members~~
29 ~~are: the member appointed upon recommendation by the temporary president~~
30 ~~of the senate; the member appointed upon recommendation of speaker of~~
31 ~~the assembly; and the member appointed by the governor~~] the mayor of New
32 York city.

33 4. Moneys in the general transportation account shall be used for
34 funding the operating and capital costs of the [~~metropolitan transporta-~~
35 ~~tion~~] big apple transit authority. Such funds may be used for infras-
36 tructure including construction, reconstruction, reconditioning and
37 preservation of transportation systems, facilities and equipment, acqui-
38 sition of property, and for operating costs including personal services,
39 non-personal services, fringe benefits, and contractual services. Funds
40 may also be used to pay or to reimburse the authority for its payment of
41 debt service and reserve requirements on that portion of authority bonds
42 and notes that have been issued by the authority specifically for the
43 purposes of this account.

44 § 41. Section 1271 of the public authorities law, as amended by
45 section 32 of part 0 of chapter 61 of the laws of 2000, is amended to
46 read as follows:

47 § 1271. Agreement of the state. The state does hereby pledge to and
48 agree with the authority and its subsidiaries, [~~New York city transit~~
49 ~~authority and its subsidiaries, and Triborough bridge and tunnel author-~~
50 ~~ity~~] the big apple transit authority and its affiliates, the commuter
51 transportation authority, and the holders of any notes, bonds or other
52 obligations, including lease obligations, issued or incurred under this
53 title, that the state will not limit or alter the denial of authority
54 under subdivision nine of section twelve hundred sixty-nine of this
55 title, or the rights and powers vested in the authority and its subsid-
56 iaries, New York city transit authority and its subsidiaries, and

1 Triborough bridge and tunnel authority by this title to fulfill the
2 terms of any agreements made by any of them with the holders thereof, or
3 in any way impair the rights and remedies of such holders until such
4 notes, bonds or other obligations, including lease obligations, together
5 with the interest thereon, with interest on any unpaid installments of
6 interest, and all costs and expenses for which the authority or its
7 subsidiaries, New York city transit authority and its subsidiaries, and
8 Triborough bridge and tunnel authority is liable in connection with any
9 action or proceeding by or on behalf of such holders, are fully met and
10 discharged. The authority and its subsidiaries, New York city transit
11 authority and its subsidiaries, and Triborough bridge and tunnel author-
12 ity are each authorized to include this pledge and agreement of the
13 state in any agreement with the holders of such notes, bonds or other
14 obligations, including lease obligations.

15 § 42. Section 1276-f of the public authorities law is REPEALED.

16 § 43. Section 1277 of the public authorities law is REPEALED.

17 § 44. Section 1277-a of the public authorities law, as amended by
18 section 33 of part 0 of chapter 61 of the laws of 2000, is amended to
19 read as follows:

20 § 1277-a. Transfer and receipt of surplus funds. Notwithstanding any
21 provision of this title or any other provision of law, general, special
22 or local, the authority [~~may from time to time transfer and pay over to~~
23 ~~New York city transit authority or triborough bridge and tunnel authori-~~
24 ~~ty all or any part of its surplus funds; and~~] may accept and use any
25 moneys transferred and paid over to it by [~~New York city transit~~] the
26 big apple transit authority and its affiliates or [~~triborough bridge and~~
27 ~~tunnel~~] the commuter transportation authority.

28 § 45. Section 1279 of the public authorities law is REPEALED.

29 § 46. Section 1279-a of the public authorities law is REPEALED.

30 § 47. Section 1279-b of the public authorities law is REPEALED.

31 § 48. Section 1279-c of the public authorities law is REPEALED.

32 § 49. Section 1279-d of the public authorities law is REPEALED.

33 § 50. Section 1279-e of the public authorities law is REPEALED.

34 § 51. Section 1279-f of the public authorities law is REPEALED.

35 § 52. Section 1279-g of the public authorities law is REPEALED.

36 § 53. Section 1279-h of the public authorities law is REPEALED.

37 § 54. Section 1279-l of the public authorities law is REPEALED.

38 § 55. Subdivision 1 of section 17-b of the transportation law, as
39 amended chapter 84 of the laws of 1985, is amended to read as follows:

40 1. Notwithstanding the provisions of [~~subdivision eight of section~~
41 ~~twelve hundred sixty-six and~~] subdivision seven of section twelve
42 hundred ninety-nine-f of the public authorities law or of subdivision
43 seventeen of section one hundred forty-two of this chapter, every trans-
44 portation authority and every other public transportation operator or
45 carrier receiving mass transportation operating assistance pursuant to
46 section eighteen-b of this [~~chapter~~] article either directly from the
47 department [~~of transportation~~] or through a county or municipality
48 pursuant to said section, shall prepare and publicize a plan for trans-
49 portation safety, including but not limited to equipment maintenance
50 procedures, personnel safety training programs, accident reporting
51 systems, passenger safety practices and the persons responsible for the
52 implementation of such practices and programs. Every authority and every
53 other public transportation operator or carrier required herein to file
54 such a plan shall review such plan biennially and amend such plan if
55 amendments are necessary.

§ 56. Subdivision 17 of section 553 of the public authorities law, as amended by section 4 of part 0 of chapter 61 of the laws of 2000, is amended to read as follows:

17. To do all things necessary or convenient to carry out the powers expressly given in this title and to assist and cooperate with the metropolitan transportation authority to carry out the powers of the metropolitan transportation authority in furtherance of the purposes and powers of the authority as provided in this article, including, without limitation, the transactions described in [~~sections twelve hundred sixty-six e,~~] **section** twelve hundred sixty-nine[, ~~and twelve hundred seventy-d~~] of this chapter.

§ 57. Subdivisions 9 and 10 of section 553-e of the public authorities law are REPEALED.

§ 58. Subdivisions 7 and 11 of section 553-e of the public authorities law, subdivision 7 as added by chapter 314 of the laws of 1981 and subdivision 11 as amended by chapter 929 of the laws of 1986, are amended to read as follows:

7. The metropolitan transportation authority, the New York city transit authority and the designated subsidiaries of each of them are each hereby authorized (i) to request the authority to undertake any such project; (ii) to acquire in its own name by gift, purchase or condemnation, and, additionally, in the case of the metropolitan transportation authority, by appropriation [~~pursuant to section twelve hundred sixty-seven-a of this chapter~~], any real or personal property (or any interest therein), which is needed or useful for or in connection with such project, the provisions of any lease or other agreement with the city to the contrary notwithstanding, and to surrender the use, occupancy, control or possession of or to transfer the same, or of any other such real or personal property (or any interest therein) which it owns, leases, operates or controls, to the authority; (iii) to accept a transfer, transfer back, lease or sublease of any such project or part thereof upon its completion; (iv) to undertake any such project itself, or to finance, through loans, leases or otherwise, any other person or entity, public or private, to do so, in each case using funds granted by the authority to pay all or any part of the costs thereof (such undertaking, in the case of the New York city transit authority and its subsidiary, the Manhattan and Bronx surface transit operating authority, being free of any restriction set forth in subparagraph (ii) of paragraph b of subdivision one of section twelve hundred three or in paragraph (c) of subdivision five of section twelve hundred three-a of this chapter); and (v) to make its agents, employees and facilities available to the authority in connection therewith.

11. The aggregate principal amount of bonds and notes issued and outstanding at any time to finance projects authorized by paragraphs (m), (n), (o), (p) and (r) of subdivision nine of section five hundred fifty-three of this title shall not exceed one billion one hundred million dollars through December thirty-first, nineteen hundred eighty-six and three billion two hundred million dollars thereafter, provided however that such latter amount shall not exceed two billion two hundred million dollars for all bonds and notes other than those issued pursuant to section five hundred fifty-three-d of this title. This limitation shall not include (i) bonds and notes issued to refund or otherwise repay bonds or notes theretofore issued for such purposes, (ii) bonds issued to fund any reasonably required debt service reserve fund for bonds and notes, and (iii) an amount equal to any original issue discount from the [~~principal~~] **principal** amount of any bonds or notes

1 issued and then outstanding. From the proceeds of the bonds and notes
2 provided for in the first sentence of this subdivision, other than bonds
3 or notes authorized by section five hundred fifty-three-d of this title,
4 the authority shall not expend more than one billion three hundred twenty
5 million dollars for transit projects [~~as defined in section twelve~~
6 ~~hundred sixty-six-c of this chapter~~] nor more than eight hundred eighty
7 million dollars for transportation facilities as such term is defined in
8 subdivision fourteen of section twelve hundred sixty-one of this chapter
9 other than marine or aviation facilities. For the purposes of this
10 subdivision, facilities under the jurisdiction of the Staten Island
11 rapid transit operating authority shall be considered transit projects.

12 § 59. Subdivision 6 of section 1201 of the public authorities law, as
13 amended by section 11 of part 0 of chapter 61 of the laws of 2000, is
14 amended to read as follows:

15 6. The authority and its corporate existence shall continue until
16 terminated by law, provided however, that no such law shall take effect
17 so long as the authority or any of its subsidiaries, the metropolitan
18 transportation authority or the Triborough bridge and tunnel authority
19 shall have outstanding any notes or bonds or lease, sublease or other
20 contractual obligations issued or incurred pursuant to section twelve
21 hundred seven-m of this title or issued or incurred in connection with
22 the transfer of its interest in and the lease from the transferee of any
23 property furnished to it pursuant to chapter twelve of the laws of nine-
24 teen hundred seventy-nine or section fifteen of chapter three hundred
25 fourteen of the laws of nineteen hundred eighty-one[, ~~or section twelve~~
26 ~~hundred sixty-six-c or twelve hundred seventy-d of this article~~], unless
27 adequate provision has been made for the payment or satisfaction of such
28 outstanding notes, bonds, lease, sublease or other contractual obli-
29 gations.

30 § 60. Subdivision 11 of section 1204 of the public authorities law, as
31 amended by section 14 of part 0 of chapter 61 of the laws of 2000, is
32 amended to read as follows:

33 11. To make or enter into contracts, agreements, deeds, leases,
34 conveyances or other instruments necessary or convenient, and to assist
35 and cooperate with the metropolitan transportation authority to carry
36 out the powers of the metropolitan transportation authority in further-
37 ance of the purposes and powers of the authority as provided in this
38 article, including, without limitation, the transactions described in
39 [~~sections twelve hundred sixty-six-c,~~ **section** twelve hundred sixty-nine
40 ~~and twelve hundred seventy-d~~] of this article. This power shall include
41 the power to make contracts with other persons operating transit facili-
42 ties for combined fares for the use of such facilities and the transit
43 facilities operated by the authority and for the division of such fares,
44 and the power to make contracts for the transportation of the United
45 States mail or personal property.

46 § 61. Subdivision 10 of section 1207-m of the public authorities law
47 is REPEALED.

48 § 62. Subdivisions 1, 11 and 12 of section 1207-m of the public
49 authorities law, subdivision 1 as added by chapter 314 of the laws of
50 1981, subdivision 11 as amended by section 18 of part 0 of chapter 61 of
51 the laws of 2000 and subdivision 12 as added by chapter 929 of the laws
52 of 1986, are amended to read as follows:

53 1. [~~The term "transit project" as used in this section shall have the~~
54 ~~meaning given to such term from time to time in section twelve hundred~~
55 ~~sixty-six-c of this article.~~] The provisions of this section shall be
56 controlling and the authority and its subsidiaries shall have the powers

1 provided in this section notwithstanding any contrary provision of this
2 title or of local law or of any lease or other agreement with the city.

3 11. So long as the authority or any of its subsidiaries, or metropol-
4 itan transportation authority, shall have outstanding any notes, bonds,
5 lease, sublease or other contractual obligations authorized by this
6 section [~~or section twelve hundred sixty-six e~~] or **section** twelve
7 hundred sixty-nine of this article, or which have been issued or
8 incurred in connection with the transfer of the interest of any of them
9 in and the lease from the transferee of any property furnished pursuant
10 to chapter twelve of the laws of nineteen hundred seventy-nine or
11 section fifteen of chapter three hundred fourteen of the laws of nine-
12 teen hundred eighty-one, neither the authority nor any of its subsid-
13 iaries shall have the authority to file a voluntary petition under chap-
14 ter nine of the federal bankruptcy code, or such corresponding chapter,
15 chapters, or sections as may, from time to time, be in effect, and
16 neither any public officer nor any organization, entity or other person
17 shall authorize the authority or any of its subsidiaries to be or become
18 a debtor under said chapter nine or said corresponding chapter, chapters
19 or sections during any such period.

20 12. A project financed by the authority's issuance of its bonds, notes
21 or other obligations, pursuant to subdivision one-a of section twelve
22 hundred seven-b of this title shall be deemed to constitute a transit
23 project for the purposes of this section and any notes, bonds, lease,
24 sublease or other contractual obligations with respect to such project
25 shall, for purposes of this section, be deemed to have been authorized
26 by this section; provided, however, that such project shall not be
27 deemed to constitute part of any capital program plan [~~for the purposes~~
28 ~~of section twelve hundred sixty-nine b of this article~~] nor shall the
29 principal amounts of any bonds or notes, nor the capitalized value of
30 any lease, sublease, or other contractual obligation of the authority,
31 issued or entered into by the authority pursuant to such subdivision
32 one-a, be included in any computation pursuant to subdivision four of
33 this section.

34 § 63. The opening paragraph of subdivision 4 and subdivisions 5 and 11
35 of section 1209 of the public authorities law, the opening paragraph of
36 subdivision 4 as added by chapter 430 of the laws of 1983, subdivision 5
37 as added by chapter 383 of the laws of 1985 and subdivision 11 as added
38 by chapter 929 of the laws of 1986, are amended to read as follows:

39 Notwithstanding the provisions of subdivision two of this section, a
40 contract for the purchase of omnibuses or components of omnibuses in
41 furtherance or implementation of a capital program plan [~~approved pursu-~~
42 ~~ant to section twelve hundred sixty-nine b of this article~~] may also be
43 awarded by the authority by negotiation without competitive bidding
44 provided the following standards and procedures are complied with:

45 5. (a) Notwithstanding that funds of the authority may be used there-
46 for, a contract for all or a portion of work involving the alteration,
47 expansion or rehabilitation of a passenger station may be awarded by the
48 authority, by negotiation without competitive bidding, to a private
49 entity or the designee of a private entity where the authority by vote
50 of not less than eleven of its members approves written findings that
51 such award is expected to permit the alteration, expansion or rehabili-
52 tation to be carried out in the most efficient and cost effective
53 manner, that such private entity has agreed to pay at least one million
54 dollars toward the cost of the work, that such payment represents not
55 less than fifty percent of the total cost of the work, and that the
56 authority has complied with the procedures provided in paragraph (b) of

1 this subdivision. Notwithstanding the foregoing, a contract for all or a
2 portion of work involving the alteration, expansion or rehabilitation of
3 the passenger station located at the western terminus of the forty-second
4 street shuttle may be awarded by the authority, by negotiation without
5 competitive bidding, to a private entity or the designee of a
6 private entity where the authority by vote of not less than eleven of
7 its members approves written findings that such award is expected to
8 permit the alteration, expansion or rehabilitation to be carried out in
9 the most efficient and cost effective manner, and that the authority has
10 complied with the procedures provided in paragraph (b) of this subdivision.
11

12 (b) Not less than fifteen days prior to the consideration by the board
13 of the authority of a contract to be let pursuant to this subdivision, a
14 notice shall be published in at least one newspaper of general circulation.
15 Such notice shall identify the parties to the proposed contract and
16 summarize its terms and conditions. Such notice shall also invite
17 written public comment concerning the proposed contract, including, to
18 the extent appropriate, the submission of alternatives for the authority's
19 consideration. Such information shall be considered by the board of
20 authority prior to the approval of any contract proposed to be awarded
21 pursuant to this subdivision.

22 ~~[(c) Any contract entered into pursuant to this subdivision shall~~
23 ~~comply with the requirements of subdivision thirteen of section twelve~~
24 ~~hundred sixty-six c of this article.]~~

25 11. The authority shall compile a list of potential sources of
26 supplies, materials or equipment regularly purchased. The authority
27 shall, by resolution, set forth the procedures it has established to
28 identify new sources and to notify such new sources of the opportunity
29 to bid for contracts for the purchase of supplies, materials or equipment.
30 Such procedures shall include, but not be limited to: (a) advertising in
31 trade journals; (b) cooperation with federal, state and local agencies
32 within its area of operations; **and** (c) publication in the state
33 register quarterly~~;~~ ~~and (d) procedures established pursuant to subdivision~~
34 ~~thirteen of section twelve hundred sixty-six c of this article].~~

35 § 64. Subdivision 5 of section 1276-b of the public authorities law,
36 as added by section 17 of part H of chapter 25 of the laws of 2009, is
37 amended to read as follows:

38 5. Strategic operation plan. Financial information required to be
39 submitted by the authority ~~[pursuant to paragraphs d and e of subdivision~~
40 ~~one of section twelve hundred sixty-nine c of this title]~~ shall be
41 presented in a format consistent with the budget and plan, in downloadable,
42 searchable format.

43 § 65. Section 553-d of the public authorities law, as amended by
44 section 6 of part 0 of chapter 61 of the laws of 2000, is amended to
45 read as follows:

46 § 553-d. Special Triborough bridge and tunnel authority special obligation
47 bonds and notes. In addition to the powers contained elsewhere in this
48 title with respect to the projects authorized by paragraphs (m), (n), (o),
49 (p) and (r) of subdivision nine of section five hundred fifty-three of
50 this title, and subject to the application of the revenues and other monies
51 and assets of the authority ~~[pursuant to section twelve hundred seventy-d~~
52 ~~of this chapter]~~, the authority may issue its bonds and notes to finance
53 such projects payable from and secured by all or any part of the moneys
54 received by the authority from the metropolitan transportation authority
55 special assistance fund established under section twelve hundred seventy-a
56 of this chapter, provided however that

1 such bonds and notes may also be payable from and secured by any other
2 moneys, securities and funds designated by the authority as additional
3 security therefor. Debt service on bonds and notes issued by the author-
4 ity pursuant to this section which is paid or reimbursed from moneys
5 received by the authority from the metropolitan transportation authority
6 special assistance fund shall not be deemed to constitute debt service
7 incurred by the authority for purposes of subdivision three of section
8 twelve hundred nineteen-a of this chapter. Such bonds or notes shall be
9 issued in the manner provided in section five hundred sixty-one of this
10 title.

11 § 66. This act shall take effect January 1, 2022, provided, however,
12 that the amendments to subdivision 12-a of section 1266 of the public
13 authorities law made by section eleven of this act shall not affect the
14 expiration of such subdivision and shall be deemed to expire therewith.

15 PART B

16 Section 1. Subdivisions 1 and 3 of section 1200 of the public authori-
17 ties law, as added by chapter 200 of the laws of 1953 and such section
18 as renumbered by chapter 914 of the laws of 1957, are amended and two
19 new subdivisions 4-a and 19 are added to read as follows:

20 1. "Authority." The corporation created by section [~~eighteen~~] twelve
21 hundred one of this title.

22 3. "Board of estimate." The former board of estimate of the city.

23 4-a. "City council." The city council of New York.

24 19. "Big apple transit authority." The corporation created by section
25 thirteen hundred forty-nine of this article.

26 § 2. Subdivisions 1, 2, 5 and 6 of section 1201 of the public authori-
27 ties law, subdivisions 1 and 5 as amended by chapter 929 of the laws of
28 1986, subdivision 2 as amended by chapter 506 of the laws of 2009, and
29 subdivision 6 as amended by section 11 of part 0 of chapter 61 of the
30 laws of 2000, are amended to read as follows:

31 1. A board, to be known as "New York City Transit Authority" is hereby
32 created. Such board shall be a body corporate and politic constituting a
33 public benefit corporation. It shall consist of seventeen members, all
34 serving ex officio. Those members shall be the persons who from time to
35 time shall hold the offices of chairman and members of [~~metropolitan~~
36 ~~transportation~~] the big apple transit authority.

37 2. The chairman of such board shall be the chairman of [~~metropolitan~~
38 ~~transportation~~] the big apple transit authority, serving ex officio,
39 and, provided that there is an executive director of the [~~metropolitan~~
40 ~~transportation~~] big apple transit authority, the executive director of
41 the authority shall be the executive director of the [~~metropolitan~~
42 ~~transportation~~] big apple transit authority, serving ex officio.
43 Notwithstanding any provision of law to the contrary, the chairman shall
44 be the chief executive officer of the authority and shall be responsible
45 for the discharge of the executive and administrative functions and
46 powers of the authority. The chairman and executive director, if any,
47 each shall be empowered to delegate his or her functions and powers to
48 one or more officers or employees designated by him or her.

49 5. A majority of the whole number of members of the authority then in
50 office shall constitute a quorum for the transaction of any business or
51 the exercise of any power of the authority. Except as otherwise speci-
52 fied in this title, for the transaction of any business or the exercise
53 of any power of the authority, the authority shall have the power to act
54 by a majority vote of the members present at any meeting at which a

1 quorum is in attendance. In the event of a tie vote the chairman shall
2 cast one additional vote. For the purposes of the voting and quorum
3 requirements of this subdivision, the voting and quorum requirements set
4 forth in subdivision three of section [~~twelve hundred sixty-three~~] thir-
5 teen hundred forty-nine-c of this article and in any by-law of the
6 [~~metropolitan transportation~~] big apple transit authority adopted pursu-
7 ant to the provisions of such subdivision shall be applicable hereto.

8 6. The authority and its corporate existence shall continue until
9 terminated by law, provided however, that no such law shall take effect
10 so long as the authority [~~or any of its subsidiaries~~], the big apple
11 transit authority, the metropolitan transportation authority [~~or~~], the
12 Triborough bridge and tunnel authority, or any of their respective
13 subsidiaries, shall have outstanding any notes or bonds or lease,
14 sublease or other contractual obligations issued or incurred pursuant to
15 section twelve hundred seven-m of this title or issued or incurred in
16 connection with the transfer of its interest in and the lease from the
17 transferee of any property furnished to it pursuant to chapter twelve of
18 the laws of nineteen hundred seventy-nine or section fifteen of chapter
19 three hundred fourteen of the laws of nineteen hundred eighty-one, or
20 section [~~twelve hundred sixty-six-e~~] thirteen hundred forty-nine-j or
21 [~~twelve hundred seventy-d~~] thirteen hundred forty-nine-dd of this arti-
22 cle, unless adequate provision has been made for the payment or satis-
23 faction of such outstanding notes, bonds, lease, sublease or other
24 contractual obligations.

25 § 3. Section 1202 of the public authorities law, as added by chapter
26 200 of the laws of 1953, subdivision 1 as amended by section 12 of part
27 0 of chapter 61 of the laws of 2000 and such section as renumbered by
28 chapter 914 of the laws of 1957, is amended to read as follows:

29 § 1202. Purposes of the authority. 1. The purposes of the authority
30 shall be the acquisition of the transit facilities operated by the board
31 of transportation of the city, the operation of transit facilities in
32 accordance with the provisions of this title for the convenience and
33 safety of the public on a basis which will enable the operations there-
34 of, exclusive of capital costs, to be self-sustaining, and, in coordi-
35 nation with the [~~metropolitan transportation~~] big apple transit authori-
36 ty and the Triborough bridge and tunnel authority, the continuance,
37 further development and improvement of commuter transportation and other
38 services related thereto within the [~~metropolitan commuter transporta-~~
39 ~~tion district~~] city of New York and the development and implementation
40 of a unified mass transportation policy for such [~~district~~] city.

41 2. It is hereby found and declared that such purposes are in all
42 respects for the benefit of the people of the [~~state~~] city of New York
43 and the authority shall be regarded as performing a governmental func-
44 tion in carrying out its corporate purpose and in exercising the powers
45 granted by this title.

46 § 4. Subparagraph (ii) of paragraph b of subdivision 1 of section 1203
47 of the public authorities law, as amended by chapter 717 of the laws of
48 1967, is amended to read as follows:

49 (ii) From and after March first, nineteen hundred sixty-eight, the
50 authority shall also have the right to incur capital costs of such
51 nature in its own name to the extent that capital funds are available to
52 it for expenditures of such nature pursuant to the provisions of section
53 twelve hundred nineteen-a of this [~~chapter~~] title or of any other
54 provision of law, which capital costs shall not be payable by the city;
55 provided, however, that no project to be financed by the use of such
56 capital funds which is estimated by the authority to involve an expendi-

ture in excess of one million dollars shall be commenced unless the mayor and the ~~[board of estimate]~~ city council shall each have been notified in writing by the authority of the intent of the authority to undertake such project and of the nature thereof. No such project shall be commenced if and to the extent that either the mayor or a majority in voting power of the members of the ~~[board of estimate]~~ city council shall find that it is incompatible with sound planning for the development or redevelopment of the city, provided such finding, together with the reasons therefor, is set forth in a writing delivered to the authority within thirty days of the receipt by the mayor or the ~~[board of estimate]~~ city council, as the case may be, of the notification of the authority relating to such project. If any such project is not so disapproved, it may nevertheless not be commenced unless and until the city shall have been given an opportunity to include the same in the capital budget of the city for the first fiscal year of the city commencing not less than six months after receipt of such notification. If and to the extent that such project is included in such capital budget, the authority may not thereafter incur capital costs for the same in its own name. If or to the extent such project is not included in such capital budget, the authority may incur capital costs for the same in its own name. The operation of sections twenty, twenty-one and twenty-two of the rapid transit law shall be suspended with respect to any project financed with the capital funds referred to in this subparagraph.

§ 5. Paragraph (f) of subdivision 3, paragraph (c) of subdivision 5 and subdivision 8 of section 1203-a of the public authorities law, paragraph (f) of subdivision 3 as amended by chapter 791 of the laws of 1962 and paragraph (c) of subdivision 5 as amended and subdivision 8 as added by chapter 717 of the laws of 1967, are amended to read as follows:

(f) to operate omnibus lines on those routes in the city of New York where on February twenty-eighth, nineteen hundred sixty-two, omnibus lines were operated under franchises or temporary certificates of convenience and necessity which have been revoked, terminated, rescinded or condemned, or acquired by any other means, and to extend such routes so as to provide the complete service operated on February twenty-eighth, nineteen hundred sixty-two; and such operation, together with the necessary extensions, shall be deemed to constitute operation over approved routes with the same force and effect as if the said routes had been duly approved by the ~~[board of estimate]~~ city council of the city, as provided by law; and to operate on such other routes as the ~~[board]~~ council may authorize by resolution adopted only after a public hearing held after notice thereof, and of the proposed route, and the proposed resolutions authorizing the same, have been published in full for at least fifteen days, except Sundays and legal holidays, immediately prior thereto in the City Record, and at least twice in two newspapers published in the borough or boroughs affected, to be designated by the board.

(c) capital costs not now charged by the transit authority as operating expenses shall be paid by the city; provided, however, that from and after March first, nineteen hundred sixty-eight, the subsidiary corporation shall also have the right to incur capital costs in its own name to the extent that capital funds are available to it pursuant to the provisions of sections twelve hundred nineteen-a and twelve hundred three-b of this ~~[chapter]~~ title or of any other law, which capital costs shall not be payable by the city; and provided, further, that no project to be financed by the use of such capital funds which is estimated by the subsidiary corporation to involve an expenditure in excess of one

1 million dollars shall be commenced unless the mayor and the [~~board of~~
2 ~~estimate~~] city council shall each have been notified in writing by the
3 subsidiary corporation of the intent of the subsidiary corporation to
4 undertake such project and of the nature thereof. No such project shall
5 be commenced if and to the extent that either the mayor or a majority in
6 voting power of the members of the [~~board of estimate~~] city council
7 shall find that it is incompatible with sound planning for the develop-
8 ment or redevelopment of the city, provided such finding, together with
9 the reasons therefor, is set forth in a writing delivered to the subsid-
10 iary corporation within thirty days of the receipt by the mayor or the
11 [~~board of estimate~~] city council, as the case may be, of the notifica-
12 tion of the subsidiary corporation relating to such project. Where the
13 city is required to pay the capital costs of the subsidiary corporation
14 pursuant to such agreement, serial bonds or capital notes may be issued
15 by the city, pursuant to the local finance law, to finance any such
16 costs. The subsidiary corporation shall submit timely requests for the
17 necessary capital funds to the city planning commission and the mayor of
18 the city;

19 8. From and after March first, nineteen hundred sixty-eight, no
20 substantial or general change in the levels of service furnished upon
21 the facilities of the subsidiary corporation shall be instituted except
22 upon not less than thirty days' written notice to the mayor and to the
23 [~~board of estimate~~] city council.

24 § 6. Section 1203-b of the public authorities law, as amended by
25 section 13 of part 0 of chapter 61 of the laws of 2000, is amended to
26 read as follows:

27 § 1203-b. Transfer of funds. The authority and its subsidiary corpo-
28 ration, the Manhattan and Bronx surface transit operating authority, may
29 each transfer to the other from time to time such available funds as
30 they may jointly determine to be necessary or desirable, including funds
31 accepted by the authority pursuant to the provisions of section twelve
32 hundred nineteen-a of this title. Subject to the rights of the holders
33 of any outstanding bonds, notes or other obligations of the authority,
34 the big apple transit authority, the metropolitan transportation author-
35 ity and the Triborough bridge and tunnel authority, and to facilitate
36 the efficient financial management of the authority, [~~its subsidiary~~
37 ~~corporations~~] the big apple transit authority, the metropolitan trans-
38 portation authority and its subsidiary corporations, and the Triborough
39 bridge and tunnel authority (the "affiliated entities"), the authority
40 may, and shall at the direction of [~~metropolitan transportation~~] the big
41 apple transit authority, transfer revenues, subsidies and other monies
42 or securities to one or more funds or accounts of another affiliated
43 entity for use by such other affiliated entity, provided at the time of
44 such transfer it is reasonably anticipated that the monies and securi-
45 ties so transferred will be reimbursed, repaid or otherwise provided for
46 by the end of the next succeeding calendar year if reimbursement or
47 repayment is required by law or by any agreement to which any of the
48 affected affiliated entities is subject. Any revenues of an affiliated
49 entity that are transferred to another affiliated entity, which transfer
50 was not authorized by a provision of law other than this section, shall
51 be considered to be required to be repaid to the affiliated entity which
52 was the source of such revenues by the end of the next succeeding calen-
53 dar year following such transfer.

54 § 7. Subdivisions 11, 15 and 19 of section 1204 of the public authori-
55 ties law, subdivision 11 as amended by section 14 of part 0 of chapter
56 61 of the laws of 2000, subdivision 15 as amended by chapter 980 of the

1 laws of 1958 and subdivision 19 as added by section 15 of part 0 of
2 chapter 61 of the laws of 2000, are amended to read as follows:

3 11. To make or enter into contracts, agreements, deeds, leases,
4 conveyances or other instruments necessary or convenient, and to assist
5 and cooperate with the [~~metropolitan transportation~~] big apple transit
6 authority to carry out the powers of the [~~metropolitan transportation~~]
7 big apple transit authority in furtherance of the purposes and powers of
8 the authority as provided in this article, including, without limita-
9 tion, the transactions described in sections [~~twelve hundred~~
10 ~~sixty-six-e~~] thirteen hundred forty-nine-j, [~~twelve hundred sixty-nine~~
11 thirteen hundred forty-nine-u and [~~twelve hundred seventy-d~~] thirteen
12 hundred forty-nine-dd of this article. This power shall include the
13 power to make contracts with other persons operating transit facilities
14 for combined fares for the use of such facilities and the transit facil-
15 ities operated by the authority and for the division of such fares, and
16 the power to make contracts for the transportation of the United States
17 mail or personal property.

18 15. To exercise all requisite and necessary authority to manage,
19 control and direct the maintenance and operation of transit facilities
20 transferred to it for the convenience and safety of the public with
21 power, in its discretion, to extend, modify, discontinue, curtail, or
22 change routes or methods of transportation where the convenience and
23 safety of the public would be served thereby or where existing routes or
24 methods are inefficient or uneconomical; provided, however, that (except
25 in cases of emergencies) at least thirty days prior to any proposed
26 modification, discontinuance, curtailment or change of any transit route
27 or method of transportation, the authority shall give notice of its
28 intention to the [~~board of estimate~~] city council and shall, upon
29 request of such [~~board~~] council within such period, conduct a public
30 hearing thereon.

31 19. To invest any funds, accounts or other monies not required for
32 immediate use or disbursement, at the discretion of the authority, in
33 any of the investments in which the [~~metropolitan transportation~~] big
34 apple transit authority is permitted to invest its monies pursuant to
35 subdivision four of section [~~twelve hundred sixty-five~~] thirteen hundred
36 forty-nine-e of this article.

37 § 8. Subdivision 4 of section 1205 of the public authorities law, as
38 added by chapter 717 of the laws of 1967, is amended to read as follows:

39 4. From and after March first, nineteen hundred sixty-eight, no
40 substantial or general change in the levels of service furnished upon
41 the rapid transit facilities or the omnibus line facilities of the
42 authority shall be instituted except upon not less than thirty days'
43 written notice to the mayor and to the [~~board of estimate~~] city council.

44 § 9. Section 1206-a of the public authorities law, as added by chapter
45 576 of the laws of 1972, is amended to read as follows:

46 § 1206-a. Transit construction fund. In addition to the powers
47 provided elsewhere in this title, and to effectuate the purposes of the
48 transit construction fund act, constituting title [~~nine-a~~] nine-A of
49 this article [~~five of this chapter~~], the authority or any subsidiary
50 may: (a) acquire and use any transit facility in accordance with the
51 terms and conditions of any sublease or other agreement with the transit
52 construction fund; (b) authorize the use by the transit construction
53 fund, either with or without compensation to the authority, of the
54 agents, employees and facilities of the authority; (c) make and execute
55 contracts, leases, subleases and all other instruments or agreements
56 deemed necessary or convenient including agreements with the [~~metropol-~~

1 ~~itan transportation~~] big apple transit authority and the transit
2 construction fund; and (d) do any and all other things deemed necessary
3 or convenient.

4 § 10. Subdivision 1-a of section 1207-b of the public authorities law,
5 as amended by section 16 of part 0 of chapter 61 of the laws of 2000, is
6 amended to read as follows:

7 1-a. The authority may also issue its bonds, notes or other obli-
8 gations in such principal amounts as shall be necessary to finance the
9 construction, purchase, lease or acquisition of, or an equity interest
10 in, an office building located or to be constructed in the borough of
11 Brooklyn in the city, provided that (i) all or a portion of such build-
12 ing is intended to be occupied by the authority and that the board
13 shall, by resolution, have made findings that the sum of the capitalized
14 value of all payments due from the authority under such bonds, notes or
15 other obligations (not including any amounts attributable to principal
16 repayment) together with any rent payments for the space in such build-
17 ing to be occupied by the authority and of all payments required of the
18 authority under any related agreement does not exceed the capitalized
19 value of those payments which would be made in a conventional commercial
20 lease transaction for comparable space with an unrelated party and (ii)
21 not more than an insubstantial portion of any real property so financed
22 with the proceeds of bonds, notes, or other obligations is utilized by
23 other than the New York city transit authority or its designated subsid-
24 iary. The term "capitalized value" for the purposes of this subdivision
25 shall be computed in the manner set forth in subdivision four of section
26 twelve hundred seven-m of this title. The ~~metropolitan transportation~~
27 big apple transit authority is hereby additionally authorized from time
28 to time to issue bonds for the purposes of refunding, redeeming or
29 otherwise paying, including paying by purchase or tender, bonds issued
30 by the authority for such purposes and to secure such bonds in the
31 manner set forth in section ~~twelve hundred sixty-nine~~ thirteen hundred
32 forty-nine-u of this article.

33 § 11. Section 1207-i of the public authorities law, as amended by
34 section 17 of part 0 of chapter 61 of the laws of 2000, is amended to
35 read as follows:

36 § 1207-i. Rates of fare while bonds, notes and other obligations are
37 outstanding. Notwithstanding the provisions of section twelve hundred
38 five of this title or the provisions of any other law to the contrary,
39 so long as the authority shall have outstanding and unpaid bonds, notes
40 or other obligations issued pursuant to section twelve hundred seven-b
41 of this title, or the big apple transit authority, or the metropolitan
42 transportation authority or the Triborough bridge and tunnel authority
43 shall have outstanding and unpaid bonds, notes or other obligations
44 secured by or payable from, in whole or in part, the revenues, assets or
45 other monies of the authority or its subsidiary corporations, the
46 authority shall have the power at all times to fix or adjust the rate or
47 rates of fare to be charged for the use of any transit facility operated
48 by the authority as may, in the judgment of the board, be necessary to
49 produce sufficient revenues to pay, as the same shall become due, the
50 principal of and interest on such bonds, notes and other obligations of
51 the authority, the big apple transit authority, the metropolitan trans-
52 portation authority and the Triborough bridge and tunnel authority,
53 together with the maintenance of proper reserves therefor, in addition
54 to paying as the same shall become due the expenses of operation of the
55 authority. The authority, the big apple transit authority, the metropol-
56 itan transportation authority and the Triborough bridge and tunnel

1 authority, shall be authorized to contract with the holders of such
2 bonds notes and other obligations with respect to the exercise of the
3 power authorized by this section. In furtherance of the mandate of the
4 [~~metropolitan transportation~~] big apple transit authority to develop and
5 implement a unified mass transportation policy for the [~~metropolitan~~
6 ~~commuter transportation district~~] city of New York and the exercise of
7 its powers, including the power to issue notes, bonds and other obli-
8 gations secured in whole or in part by the revenues of the authority and
9 its subsidiaries, the big apple transit authority and its subsidiaries,
10 the metropolitan transportation authority and its subsidiaries, and the
11 Triborough bridge and tunnel authority, the authority shall join with
12 the [~~metropolitan transportation~~] big apple transit authority in
13 connection with the establishment, levy and collection of fares, tolls,
14 rentals, rates, charges and other fees for the transportation of passen-
15 gers on any transit facilities operated by authority and its subsid-
16 iaries, including any changes thereto.

17 § 12. Subdivision 2 of section 1207-j of the public authorities law,
18 as added by chapter 655 of the laws of 1962, is amended to read as
19 follows:

20 2. The city, by resolution of the [~~board of estimate~~] city council or
21 by instruments authorized by such resolution, and the authority shall be
22 authorized to enter into an agreement for the renewal and extension of
23 the existing agreement of lease between the city and the authority for
24 such term of years as shall be agreed upon and in any such renewal and
25 extension agreement the authority may agree to such limitations upon the
26 exercise of the powers conferred upon it by sections twelve hundred
27 seven-a through twelve hundred seven-i, inclusive, as the authority in
28 its discretion shall approve.

29 § 13. Section 1207-m of the public authorities law, as added by chap-
30 ter 314 of the laws of 1981, subdivisions 2 and 8 as amended by chapter
31 988 of the laws of 1984, subparagraph (i) of paragraph (a) of subdivi-
32 sion 4 as amended by chapter 602 of the laws of 1984, paragraph (b) of
33 subdivision 7 as amended by chapter 558 of the laws of 1981, subdivision
34 11 as amended by section 18 of part 0 of chapter 61 of the laws of 2000
35 and subdivision 12 as added by chapter 929 of the laws of 1986, is
36 amended to read as follows:

37 § 1207-m. Transit projects. 1. The term "transit project" as used in
38 this section shall have the meaning given to such term from time to time
39 in section [~~twelve hundred sixty-six-c~~] thirteen hundred forty-nine-j of
40 this article. The provisions of this section shall be controlling and
41 the authority and its subsidiaries shall have the powers provided in
42 this section notwithstanding any contrary provision of this title or of
43 local law or of any lease or other agreement with the city.

44 2. (a) The authority is hereby authorized to request the [~~metropolitan~~
45 ~~transportation~~] big apple transit authority to undertake any transit
46 project and the authority and its designated subsidiaries are each here-
47 by authorized (i) to enter into agreements with the [~~metropolitan trans-~~
48 ~~portation~~] big apple transit authority concerning transit projects; (ii)
49 to acquire in its own name by gift, purchase or condemnation any real or
50 personal property (or any interest therein) which is needed or useful
51 for or in connection with such project, and to surrender the use, occu-
52 pancy, control or possession of or to transfer the same, or any other
53 such real or personal property (or any interest therein) which it owns,
54 leases, operates or controls, to the [~~metropolitan transportation~~] big
55 apple transit authority or its designee; (iii) to accept a transfer,
56 transfer back, lease or sublease of any such project or part thereof

1 upon its completion; and (iv) to make its agents, employees and facili-
2 ties available to the [~~metropolitan transportation~~] big apple transit
3 authority in connection therewith.

4 (b) The authority and its subsidiary corporation is each hereby
5 authorized to sell or transfer, without regard as to how or from whom
6 acquired, all or part of its interest in any equipment which is deemed
7 to be a mass commuting vehicle under the United States internal revenue
8 code or the regulations thereunder, including, without limitation, any
9 of the same obtained as transit projects or obtained from or financed
10 with money received from the Triborough bridge and tunnel authority, for
11 such consideration and on such terms or conditions as it may deem appro-
12 priate, and to obtain a lease from the transferee on such terms and
13 conditions and for such period as it may deem appropriate pursuant to
14 which it may operate, use, control or possess such mass commuting vehi-
15 cle in furtherance of the statutory purposes of the authority and its
16 subsidiaries, provided (i) such lease contains an option to the authori-
17 ty or its subsidiary corporation to repurchase its interest at the expi-
18 ration of the scheduled lease term for nominal consideration, and (ii)
19 the aggregate of the regularly scheduled rental payments which the
20 authority or its subsidiary corporation is obligated to make pursuant to
21 such lease during each twelve month period of the lease term shall not
22 exceed the aggregate amount receivable, whether by principal or inter-
23 est, by the authority or its subsidiary corporation from its transferee
24 during each such twelve month period. Without limitation of the forego-
25 ing, any lease entered into pursuant hereto may also contain provisions
26 requiring the authority or its subsidiary corporation to indemnify the
27 transferee for any loss resulting from the loss or destruction of any
28 mass commuting vehicle which is the subject of such lease, or any loss
29 arising out of any misrepresentation, act, or omission of the authority
30 or its subsidiary in connection with such lease, and requiring the
31 authority or its subsidiary corporation to undertake to replace, repair
32 or restore any such mass commuting vehicle, but such obligations shall
33 not be deemed regularly scheduled rental payments for purposes of the
34 preceding sentence. Rental payments and other payments or costs incurred
35 by the authority or its subsidiary corporation in discharge of its obli-
36 gations under any lease entered into as hereinabove provided shall not
37 be deemed capital costs for the purposes of section twelve hundred three
38 or twelve hundred three-a of this title, and the considerations received
39 by the authority or its subsidiary corporation in connection with any
40 transactions entered into pursuant to the authorization of this para-
41 graph may be expended free of any restriction set forth in subparagraph
42 (ii) of paragraph (b) of subdivision one of section twelve hundred three
43 or in paragraph (c) of subdivision five of section twelve hundred
44 three-a of this title.

45 (c) Neither the authority nor its subsidiary shall enter into any
46 transaction authorized by paragraph (b) of this subdivision unless the
47 following standards and procedures have been met:

48 (i) notice of intention to negotiate shall be published in at least
49 one newspaper of general circulation, and a copy thereof shall be mailed
50 to all parties who have requested notification from the authority or its
51 subsidiary to engage in transactions of this type. Such notice shall
52 describe the nature of the proposed transaction and the factors subject
53 to negotiation, which shall include, but not be limited to, the price to
54 be paid to the authority or its subsidiary;

1 (ii) the authority or its subsidiary shall negotiate with those
2 respondents whose response complies with the requirements set forth in
3 the notice;

4 (iii) the board of the authority or its subsidiary shall resolve on
5 the basis of particularized findings relevant to the factors negotiated
6 that such transaction will provide maximum available financial benefits,
7 consistent with other defined objectives and requirements.

8 (d) The authority and its subsidiary shall provide to the [~~governor,~~
9 ~~the temporary president of the senate, the speaker of the assembly, the~~
10 ~~minority leader of the senate and the minority leader of the assembly,~~]
11 mayor and speaker of the city council notice of each lease entered into
12 pursuant to paragraph (b) of this subdivision and supporting documenta-
13 tion of compliance by the authority and its subsidiary with subpara-
14 graphs (i), (ii) and (iii) of paragraph (c) of this subdivision.

15 (e) Paragraphs (c) and (d) of this subdivision shall be of no force
16 and effect with respect to any lease transaction entered into pursuant
17 to a commitment approved prior to January first, nineteen hundred eight-
18 y-five by the board of the authority or its subsidiary or the board of
19 the metropolitan transportation authority.

20 3. The authority and its designated subsidiaries are hereby author-
21 ized, in connection with any transit project, to pay or agree to pay, in
22 a manner and on terms and conditions satisfactory to the [~~metropolitan~~
23 ~~transportation~~] big apple transit authority, any portion of the costs to
24 the [~~metropolitan transportation~~] big apple transit authority of such
25 transit project and the financing thereof which is not paid to the
26 [~~metropolitan transportation~~] big apple transit authority from any
27 federal, state or local aid or assistance or from any other moneys made
28 available or payable to the [~~metropolitan transportation~~] big apple
29 transit authority by others for such project.

30 4. (a) Such agreements with the [~~metropolitan transportation~~] big
31 apple transit authority may, without limitation, contain provisions
32 obligating the authority or its designated subsidiary to:

33 (i) issue its notes or bonds, or execute and deliver its lease,
34 sublease and other such contractual obligations, in payment for a trans-
35 fer, lease or sublease of a transit project to any of them, provided,
36 however, that in no event shall the aggregate principal amount of all
37 notes and bonds together with the capitalized value of all lease,
38 sublease and other such contractual obligations, exceed the sum of one
39 billion six hundred million dollars, excluding from such limitation (A)
40 the principal amount of any bonds or notes of the authority to the
41 extent the amount thereof is paid, is payable or has been agreed to be
42 paid by the federal government or any agency or instrumentality thereof
43 to the authority or to the holders of such bonds or notes, (B) the prin-
44 cipal amount of any bonds or notes of the authority issued to refund or
45 otherwise repay other obligations issued for such transit projects, (C)
46 the principal amount of any bonds or notes and the capitalized value of
47 any lease, sublease or other such contractual obligation, to the extent
48 such obligations are paid or agreed to be paid, subject to annual appro-
49 priation, under service contracts issued by the state to the metropol-
50 itan transportation authority for the benefit of the authority or its
51 subsidiaries pursuant to the provisions of section sixteen of the trans-
52 portation systems assistance and financing act of 1981, or under any
53 similar contract of the metropolitan transportation authority or the
54 authority with any other governmental entity for the benefit of the
55 authority or its subsidiaries, (D) the principal amount of any bonds or
56 notes of the authority issued to the metropolitan transportation author-

ity or to the big apple transit authority in connection with the funding of any debt service reserve fund required by any resolution of the metropolitan transportation authority or of the big apple transit authority pursuant to which special obligation bonds of that authority to fund a transit project were issued, and (E) a principal amount of any bonds or notes of the authority equal to the amount of any original issue discount from the principal amount of the special obligation bonds or notes issued by the metropolitan transportation authority or by the big apple transit authority in connection with the financing of a transit project by that authority;

(ii) give security for the payment of such notes, bonds, lease, sublease or other contractual obligations, including a pledge of all or any part of its revenues or other moneys, which pledge may contain covenants with respect to the charging and fixing of fares, fees and rentals, the use and disposition of such fares, fees, rentals and other charges, and the setting aside of reserves therefrom.

(b) Such agreements, and any notes, bonds, lease, sublease or other contractual obligations issued or entered into by the authority or its designated subsidiary pursuant thereto, may, without limitation, also contain provisions as to:

(i) limitations with respect to the use and disposition of transit projects and with respect to any other transit facilities;

(ii) limitations on the issuance of additional bonds, notes, lease, sublease or other contractual obligations, the terms upon which they may be secured and the funding or refunding thereof;

(iii) with respect to bonds or notes, vesting in a trustee or trustees such property rights, powers and duties in trust as it may determine, which rights, powers and duties may include, but shall not be limited to, those set forth in section twelve hundred seven-h of this title;

(iv) defining the acts or omissions to act which shall constitute a default and providing rights and remedies in the event of default;

(v) any other matters, of like or different character, which in any way affect the security or protection of the [~~metropolitan transportation~~] big apple transit authority or any lessor; and

(vi) consenting to the extending or assignment by the [~~metropolitan transportation~~] big apple transit authority or by any lessor to the holders of any of its bonds, notes or lease obligations of all of the benefits and rights of the [~~metropolitan transportation~~] big apple transit authority or of such lessor provided by any such agreement or other instrument.

(c) The term "revenues" as used in this subdivision shall include all those moneys referred to in section twelve hundred of this [~~article~~] title, as well as all operating subsidies provided by any public benefit corporation or by any governmental entity, federal, state or local.

(d) The term "capitalized value" as used in this subdivision shall mean the present value of all future payments required under a lease, sublease and other such contractual obligation discounted at a rate of interest determined on the basis of the net interest cost of the last [~~metropolitan transportation~~] big apple transit authority's special obligation bonds issued prior to the execution of any such lease, sublease or other contractual obligation or, if no such bonds have been issued, on the basis of the net interest cost of the last bonds issued by the Triborough bridge and tunnel authority, issued in payment for the transfer, lease or sublease of any such transit projects.

5. It is the intention hereof that, subject to such agreements with bondholders or noteholders as may then exist, any pledge of revenues or

1 other moneys made by the authority or its subsidiaries shall be valid
2 and binding from the time when the pledge is made; that the revenues or
3 other moneys so pledged and thereafter received by the authority or its
4 subsidiaries shall immediately be subject to the lien of such pledge
5 without any physical delivery thereof or further act, and that the lien
6 of any such pledge shall be valid and binding as against all parties
7 having claims of any kind in tort, contract or otherwise against the
8 authority or its subsidiaries irrespective of whether such parties have
9 notice thereof. Neither the agreement nor any other instrument by which
10 a pledge is created need be recorded.

11 6. So long as the authority or any of its subsidiaries shall have any
12 outstanding and unpaid obligation in connection with a transit project,
13 the authority and such subsidiaries shall have the power at all times to
14 fix or adjust the rate or rates of fares, fees, rentals or other charges
15 to be charged for the use of their transit facilities as may, together
16 with all other lawfully available moneys, be necessary in their judgment
17 to produce sufficient revenues to pay such obligations as the same
18 become due, in addition to paying as the same shall become due expenses
19 of operation of the transit facilities and satisfying all other obli-
20 gations of the authority and such subsidiaries. No acts or activities
21 taken or proposed to be taken by the authority pursuant to this subdivi-
22 sion shall be deemed to be "actions" for the purposes or within the
23 meaning of article eight of the environmental conservation law.

24 7. (a) In connection with (i) the lease between the city and the
25 authority dated June first, nineteen hundred fifty-three, and (ii) the
26 lease between the city and the Manhattan and Bronx surface transit oper-
27 ating authority dated March twentieth, nineteen hundred sixty-two (such
28 leases, as heretofore supplemented, amended or renewed, and the tenan-
29 cies originally created thereby, being referred to in this section as
30 "the existing leases"), the city, acting either by the mayor alone or by
31 resolution of the [~~board of estimate~~ city council], or by instruments
32 authorized by such resolution, and the authority are authorized to enter
33 into agreements for renewal or extension of the existing leases, or for
34 new leases, for such terms of years and upon such other terms and condi-
35 tions as the parties thereto shall agree and the [~~metropolitan transpor-~~
36 ~~tation~~ big apple transit authority shall approve, provided that under
37 the terms thereof, the rights, privileges and obligations of the parties
38 are not inconsistent with the provisions of, or in derogation of the
39 powers of the authority all as provided in this title [~~nine of article~~
40 ~~five of this chapter~~], and provided further that such agreements shall
41 in no way impair the rights or powers of the authority or the Manhattan
42 and Bronx surface transit operating authority to fulfill the terms of
43 any contract made by either of them with the holders of any of their
44 then outstanding bonds or notes, and such agreements shall provide that
45 such leases may not be terminated or permitted to expire or be amended
46 in any way inconsistent with the provisions of any agreement, bond,
47 note, lease, sublease or other contractual obligation given or made by
48 either of them in connection with a transit project. Neither the
49 provisions of section one hundred ninety-seven-c of the New York city
50 charter, relating to a uniform land use review procedure, nor the
51 provisions of any other local law of like or similar import shall apply
52 to the renewal or extension of the existing leases or to the making of
53 new leases as herein provided.

54 (b) Notwithstanding the provisions of any other law, general, special
55 or local, or the provisions of the existing leases, if either of the
56 agreements authorized by paragraph (a) [~~above~~ of this subdivision] is

1 not entered into, but a note, bond, lease, sublease or other contractual
2 obligation for a transit project has been issued or entered into, then
3 (i) no party to an existing lease may terminate the same, serve any
4 notice of termination pursuant thereto, exercise any option to terminate
5 reserved therein or permit the expiration thereof, (ii) the city shall
6 not in any way limit or disturb any right of the tenant to use, occupy,
7 control and possess any of the properties, facilities or revenues which
8 are the subject of such existing lease, and (iii) the city shall not
9 seek to enforce such existing lease in any way inconsistent with or
10 contrary to the manner in which such existing lease had been adminis-
11 tered prior to the enactment of this section or inconsistent with or
12 contrary to the interests of the [~~metropolitan transportation~~] big apple
13 transit authority or any lessor under any agreement, notes, bonds,
14 lease, sublease or other contractual obligations of the authority or any
15 of its subsidiaries issued or entered into in connection with a transit
16 project (and to the extent the provisions of such leases conflict at any
17 time or in any manner with the provisions of any such note, bond, lease,
18 sublease or other contractual obligation, the provisions of such note,
19 bond, lease, sublease or other contractual obligation shall be control-
20 ling and conflicting provisions of the leases with the city shall be
21 disregarded), unless prior thereto the city has satisfied all of such
22 outstanding notes, bonds or other contractual obligations and provided
23 for the termination of all such agreements, leases and subleases, all in
24 accordance with their terms. If and to the extent moneys are paid by
25 the city to the authority or its subsidiaries to satisfy their obli-
26 gations to the [~~metropolitan transportation~~] big apple transit authority
27 under such instruments, the authority and such subsidiaries shall remit
28 such moneys to the [~~metropolitan transportation~~] big apple transit
29 authority, which shall, in turn, apply the same to the satisfaction and
30 termination of its own notes, bonds and leases issued or entered into in
31 connection with a transit project in accordance with their terms.

32 (c) Upon termination or expiration of a new lease or of a renewed or
33 extended existing lease as permitted in paragraph (a) of this subdivi-
34 sion, or upon satisfaction of the requirements of paragraph (b) of this
35 subdivision, title to any real or personal property (or any interest
36 therein) constituting all or any part of a transit project then vested
37 in the authority or any of its subsidiaries or the [~~metropolitan trans-~~
38 portation] big apple transit authority pursuant to the provisions of
39 this chapter shall be transferred without further consideration or
40 payment to the city.

41 8. The state of New York does hereby pledge to and agree with the
42 authority and its subsidiaries, the big apple transit authority and its
43 subsidiaries, and the metropolitan transportation authority and the
44 holders of bonds or notes or lease, sublease or other contractual obli-
45 gations issued by any of them in connection with a transit project or in
46 connection with the transfer of the interest of any of them in and the
47 lease from the transferee of any property furnished to it pursuant to
48 chapter twelve of the laws of nineteen hundred seventy-nine or section
49 fifteen of chapter three hundred fourteen of the laws of nineteen
50 hundred eighty-one, or in connection with any transaction entered into
51 pursuant to the authorization of paragraph (b) of subdivision two of
52 this section, that the state will not limit or alter the denial of
53 authority under subdivision eleven of this section, or the rights and
54 powers vested in the authority and its subsidiaries by this title to
55 fulfill the terms of any agreement made by any of them with the big
56 apple transit authority or the metropolitan transportation authority or

1 with such holders, or in any way impair their rights and remedies until
2 such agreements, bonds, notes, and obligations, together with the inter-
3 est thereon and all costs and expenses in connection with any action or
4 proceedings by or on behalf of the big apple transit authority or the
5 metropolitan transportation authority or such holders, are fully met and
6 discharged. The authority and its subsidiaries are each authorized to
7 include this pledge and the agreement of the state in any agreement with
8 the holders of such bonds or notes or lease, sublease or other obli-
9 gations and in any agreement with the big apple transit authority or the
10 metropolitan transportation authority relating to a transit project
11 which may extend the same to the holders of its bonds, notes and lease
12 obligations.

13 9. The provisions of this section and of all agreements undertaken by
14 the authority or any of its subsidiaries in accordance therewith shall
15 in all respects be subject to the rights of the holders of any outstand-
16 ing bonds or notes of the authority and its subsidiaries.

17 10. In connection with the negotiation, award and implementation of
18 contracts of the authority relating to transit projects, the provisions
19 of [~~paragraphs (a), (b), (c) and (d) of subdivision~~] subdivisions thir-
20 teen and fourteen of section [~~twelve hundred sixty-six-e~~] thirteen
21 hundred forty-nine-j of this article shall apply to the authority as if
22 it were the "authority" referred to therein, and the [~~officer designated~~
23 ~~by the metropolitan transportation authority pursuant to paragraph (e)~~
24 ~~of such subdivision~~] division of minority and women's business develop-
25 ment, established pursuant to article fifteen-A of the executive law,
26 shall perform the duties therein described with respect to such
27 contracts of the authority.

28 11. So long as the authority or any of its subsidiaries, the big apple
29 transit authority, or the metropolitan transportation authority, shall
30 have outstanding any notes, bonds, lease, sublease or other contractual
31 obligations authorized by this section or section [~~twelve hundred~~
32 ~~sixty-six-e~~] thirteen hundred forty-nine-j or [~~twelve hundred sixty-~~
33 ~~nine~~] thirteen hundred forty-nine-u of this article, or which have been
34 issued or incurred in connection with the transfer of the interest of
35 any of them in and the lease from the transferee of any property
36 furnished pursuant to chapter twelve of the laws of nineteen hundred
37 seventy-nine or section fifteen of chapter three hundred fourteen of the
38 laws of nineteen hundred eighty-one, neither the authority nor any of
39 its subsidiaries shall have the authority to file a voluntary petition
40 under chapter nine of the federal bankruptcy code, or such corresponding
41 chapter, chapters, or sections as may, from time to time, be in effect,
42 and neither any public officer nor any organization, entity or other
43 person shall authorize the authority or any of its subsidiaries to be or
44 become a debtor under said chapter nine or said corresponding chapter,
45 chapters or sections during any such period.

46 12. A project financed by the authority's issuance of its bonds, notes
47 or other obligations, pursuant to subdivision [~~one-a~~] two of section
48 [~~twelve hundred seven-b~~] thirteen hundred forty-nine-u of this title
49 shall be deemed to constitute a transit project for the purposes of this
50 section and any notes, bonds, lease, sublease or other contractual obli-
51 gations with respect to such project shall, for purposes of this
52 section, be deemed to have been authorized by this section; provided,
53 however, that such project shall not be deemed to constitute part of any
54 capital program plan for the purposes of section [~~twelve hundred sixty-~~
55 ~~nine-b~~] thirteen hundred forty-nine-v of this article nor shall the
56 principal amounts of any bonds or notes, nor the capitalized value of

1 any lease, sublease, or other contractual obligation of the authority,
2 issued or entered into by the authority pursuant to [~~such~~] subdivision
3 [~~one-a~~] two of section thirteen hundred forty-nine-u of this title, be
4 included in any computation pursuant to subdivision four of this
5 section.

6 § 14. The opening paragraph of subdivision 4, paragraph (c) of subdivi-
7 vision 5 and subdivision 11 of section 1209 of the public authorities
8 law, the opening paragraph of subdivision 4 as added by chapter 430 of
9 the laws of 1983, paragraph (c) of subdivision 5 as added by chapter 383
10 of the laws of 1985 and subdivision 11 as added by chapter 929 of the
11 laws of 1986, are amended to read as follows:

12 Notwithstanding the provisions of subdivision two of this section, a
13 contract for the purchase of omnibuses or components of omnibuses in
14 furtherance or implementation of a capital program plan approved pursu-
15 ant to section [~~twelve hundred sixty-nine-b~~] thirteen hundred forty-
16 nine-v of this article may also be awarded by the authority by negoti-
17 ation without competitive bidding provided the following standards and
18 procedures are complied with:

19 (c) Any contract entered into pursuant to this subdivision shall
20 comply with the requirements of subdivision thirteen of section [~~twelve~~
21 ~~hundred sixty-six-e~~] thirteen hundred forty-nine-j of this article.

22 11. The authority shall compile a list of potential sources of
23 supplies, materials or equipment regularly purchased. The authority
24 shall, by resolution, set forth the procedures it has established to
25 identify new sources and to notify such new sources of the opportunity
26 to bid for contracts for the purchase of supplies, materials or equip-
27 ment. Such procedures shall include, but not be limited to: (a) adver-
28 tising in trade journals; (b) cooperation with federal, state and local
29 agencies within its area of operations; (c) publication in the state
30 register quarterly; and (d) procedures established pursuant to subdivi-
31 sion thirteen of section [~~twelve hundred sixty-six-e~~] thirteen hundred
32 forty-nine-j of this article.

33 § 15. Subdivision 3 and paragraphs b and i of subdivision 4 of section
34 1209-a of the public authorities law, as amended by chapter 460 of the
35 laws of 2015, are amended to read as follows:

36 3. Jurisdiction. The bureau shall have, with respect to acts or inci-
37 dents in or on the transit facilities of the authority committed by or
38 involving persons who are sixteen years of age or over, or with respect
39 to acts or incidents occurring on omnibuses owned or operated by the
40 [~~metropolitan transportation~~] big apple transit authority or a subsid-
41 iary thereof, and with respect to violation of toll collection regu-
42 lations of the [~~triborough~~] Triborough bridge and tunnel authority as
43 described in section twenty-nine hundred eighty-five of this chapter,
44 non-exclusive jurisdiction over violations of: (a) the rules which may
45 from time to time be established by the authority under subdivision
46 five-a of section twelve hundred four of this [~~chapter~~] title; (b) arti-
47 cle one hundred thirty-nine of the health code of the city of New York,
48 as it may be amended from time to time, relating to public transporta-
49 tion facilities; (c) article four of the noise control code of the city
50 of New York, as it may be amended from time to time, insofar as it
51 pertains to sound reproduction devices; (d) the rules and regulations
52 which may from time to time be established by the [~~triborough~~] Tribor-
53 ough bridge and tunnel authority in accordance with the provisions of
54 section twenty-nine hundred eighty-five of this chapter; and (e) rules
55 and regulations which may from time to time be established by the
56 [~~metropolitan transportation~~] big apple transit authority or a subsid-

1 iary thereof in accordance with the provisions of section [~~twelve~~
2 ~~hundred sixty-six~~] thirteen hundred forty-nine-h of this [~~chapter~~] arti-
3 cle. Matters within the jurisdiction of the bureau except violations of
4 the rules and regulations of the [~~triborough~~] Triborough bridge and
5 tunnel authority shall be known for purposes of this section as transit
6 infractions. Nothing herein shall be construed to divest jurisdiction
7 from any court now having jurisdiction over any criminal charge or traf-
8 fic infraction relating to any act committed in a transit or toll facil-
9 ity, or to impair the ability of a police officer to conduct a lawful
10 search of a person in a transit facility. The criminal court of the city
11 of New York shall continue to have jurisdiction over any criminal charge
12 or traffic infraction brought for violation of the rules of the authori-
13 ty, the [~~triborough~~] Triborough bridge and tunnel authority or the
14 [~~metropolitan transportation~~] big apple transit authority or a subsid-
15 iary thereof, as well as jurisdiction relating to any act which may
16 constitute a crime or an offense under any law of the state of New York
17 or any municipality or political subdivision thereof and which may also
18 constitute a violation of such rules. The bureau shall have concurrent
19 jurisdiction with the environmental control board and the administrative
20 tribunal of the department of health over the aforesaid provisions of
21 the health code and noise control code of the city of New York.

22 b. To impose civil penalties not to exceed a total of one hundred
23 fifty dollars for any transit infraction within its jurisdiction, in
24 accordance with a penalty schedule established by the authority or the
25 [~~metropolitan transportation~~] big apple transit authority or a subsid-
26 iary thereof, as applicable, except that penalties for violations of the
27 health code of the city of New York shall be in accordance with the
28 penalties established for such violations by the board of health of the
29 city of New York, and penalties for violations of the noise code of the
30 city of New York shall be in accordance with the penalties established
31 for such violations by law, and civil penalties for violations of the
32 rules and regulations of the [~~triborough~~] Triborough bridge and tunnel
33 authority shall be in accordance with the penalties established for such
34 violations by section twenty-nine hundred eighty-five of this chapter;

35 i. To accept payment of penalties and to remit same to the authority
36 or the [~~metropolitan transportation~~] big apple transit authority or a
37 subsidiary thereof, as applicable; and

38 § 16. Section 1213 of the public authorities law, as amended by chap-
39 ter 838 of the laws of 1983, is amended to read as follows:

40 § 1213. Report. Copies of the annual report required to be made and
41 submitted pursuant to section twenty-eight hundred of this chapter also
42 shall be submitted to the mayor, comptroller and [~~board of estimate~~]
43 city council.

44 § 17. Section 1219-a of the public authorities law, as amended by
45 section 19 of part 0 of chapter 61 of the laws of 2000, is amended to
46 read as follows:

47 § 1219-a. Transfer and receipt of surplus funds. 1. Notwithstanding
48 any provision of this title or any other provision of law, general,
49 special or local, the authority may from time to time transfer and pay
50 over to the metropolitan transportation authority, the big apple transit
51 authority or [~~triborough~~] the Triborough bridge and tunnel authority all
52 or any part of its surplus funds; and may accept and use any moneys
53 transferred and paid over to it by the metropolitan transportation
54 authority, the big apple transit authority or [~~triborough~~] the Tribor-
55 ough bridge and tunnel authority.

2. Notwithstanding the provisions of ~~[the preceding]~~ subdivision one of this section:

(a) If the city shall have provided in its capital budget for its fiscal year beginning July first, nineteen hundred sixty-eight the amount of one hundred million dollars, or such lesser amount as shall have been requested by the authority for inclusion in such budget, for the payment of the capital cost of projects requested by the authority pursuant to section twelve hundred three of this title, then upon the written request of the mayor made within thirty days after the commencement of such fiscal year, ~~[triborough]~~ the Triborough bridge and tunnel authority shall transfer to the authority, by lump sum payment or installments at such time or times and in such amounts as the mayor shall elect, all or such part of the surplus funds of ~~[triborough]~~ the Triborough bridge and tunnel authority on hand as of the last day of its last fiscal year ending prior to such request as the mayor shall specify, which funds shall be applied by the authority solely to the payment of its expenses of operation. If the city shall have provided in its capital budget for any of its next four fiscal years, commencing with the fiscal year beginning July first, nineteen hundred sixty-nine, the amount of one hundred million dollars, or such lesser amount as shall have been requested by the authority for inclusion in such budget, for the payment of the capital cost of projects requested by the authority pursuant to section twelve hundred three of this title, then upon the written request of the mayor made within thirty days after the commencement of such fiscal year, ~~[triborough]~~ the Triborough bridge and tunnel authority shall transfer to the authority solely for application to the payment of expenses of operation of the authority the operating surplus of ~~[triborough]~~ the Triborough bridge and tunnel authority for its last fiscal year ending prior to such request, which transfer shall also be by lump sum payment or installments at such time or times and in such amounts as the mayor shall elect. Projects shall be eligible for inclusion in a computation made hereunder only if included in a capital budget on the first day of the fiscal year for which it is adopted. A carry-over project shall not be eligible for inclusion unless it was first included in a capital budget by way of an amendment thereto, in which event it shall be eligible for inclusion in a computation made hereunder with respect to the first fiscal year of the city commencing after the adoption of the amendment.

(b) Promptly upon the making of the certification of its operating surplus, if any, for its fiscal year ending December thirty-first, nineteen hundred seventy-two and for each of its subsequent fiscal years, ~~[triborough]~~ the Triborough bridge and tunnel authority, at the direction of ~~[metropolitan transportation]~~ the big apple transit authority, shall transfer such operating surplus (1) to the ~~[metropolitan transportation]~~ big apple transit authority for deposit into one or more funds or accounts to be used as contemplated by section ~~[twelve hundred seventy-d]~~ thirteen hundred forty-nine-dd of this article, or (2) to the authority and the ~~[metropolitan transportation]~~ big apple transit authority solely for application to the payment of the expenses of operation. ~~[For purposes of determining the proportional allocation of the operating surplus as between the authority and the metropolitan transportation authority, the following formula shall apply: (i) twenty four million dollars plus fifty percentum of the balance of such operating surplus shall be allocable to the authority, and (ii) the remainder shall be allocable to metropolitan transportation authority on behalf of~~

~~the commuter railroads operated by it, by its subsidiary corporations or by others under joint arrangements.]~~

(c) The Triborough bridge and tunnel authority is authorized, at the direction of the ~~[metropolitan transportation]~~ big apple transit authority, from time to time to make advances from available funds on account of the operating surplus it anticipates will or may be certified and transferred as provided in this subdivision to (1) the ~~[metropolitan transportation]~~ big apple transit authority for deposit into one or more funds or accounts to be used as contemplated by section ~~[twelve hundred seventy-d]~~ thirteen hundred forty-nine-dd of this article, or (2) the authority and the ~~[metropolitan transportation]~~ big apple transit authority solely for application to the payment of the expenses of operation. In the event that advances so made in respect of any fiscal year including the year in which the surpluses are being earned exceed the amounts required to be transferred to the authority and ~~[metropolitan transportation]~~ the big apple transit authority pursuant to the provisions of this subdivision, then the amount of any such excess shall be refunded to ~~[triborough]~~ the Triborough bridge and tunnel authority by the authority or ~~[metropolitan transportation]~~ the big apple transit authority, as the case may be, within thirty days of the making by ~~[triborough]~~ the Triborough bridge and tunnel authority of its certification of operating surplus for such fiscal year.

(d) For the purposes of this subdivision, the existence and the amount of surplus funds and operating surplus of ~~[triborough]~~ the Triborough bridge and tunnel authority shall be determined in accordance with the provisions of subdivision twelve of section five hundred fifty-three of this chapter.

(e) The Triborough bridge and tunnel authority shall certify to the mayor and to the chairman of ~~[metropolitan transportation]~~ the big apple transit authority within ninety days after the end of its fiscal year ending December thirty-first, nineteen hundred sixty-seven, and within forty-five days after the end of each of its subsequent fiscal years, the amount of its operating surplus for that year and, in the case of the fiscal year ending December thirty-first, nineteen hundred sixty-seven, the amount of all of its surplus funds on hand as of the last day of such fiscal year.

(f) No transfer of funds shall be made to the authority pursuant to any provision of this section at any time when there shall have been pending and not acted upon by the mayor for ninety days any request of the authority for permission to expend or contract to expend funds for a project included in a capital budget for transit facility purposes. There shall be excluded from such ninety-day period any time during which the mayor is prevented from acting by order of court or by operation of law.

~~[3. Notwithstanding the preceding subdivisions of this section, for purposes of determining the proportional allocation of the operating surplus of the Triborough bridge and tunnel authority between the authority and the metropolitan transportation authority the following formula shall be used: An amount equal to the debt service incurred in such year as a result of the bonds issued to provide facilities pursuant to paragraphs (m), (n), (o), (p) and (r) of subdivision nine of section five hundred fifty three of this chapter shall be added to the operating surplus of the Triborough bridge and tunnel authority, as certified by that authority. The sum of these figures shall then be allocated to the authority and the commuter railroads operated by metropolitan transportation authority or by its subsidiary corporations, pursuant to the~~

~~formula contained in paragraph (b) of subdivision two of this section as if this amount were the operating surplus of the Triborough bridge and tunnel authority. The amounts so allocated to the authority and the commuter railroads operated by metropolitan transportation authority or by its subsidiary corporations, shall then be reduced respectively by the proportional amount of the debt service, incurred in such year by the Triborough bridge and tunnel authority pursuant to paragraphs (m), (n), (o), (p) and (r) of subdivision nine of section five hundred fifty-three of this chapter, reasonably attributable to the payments for transit projects undertaken for the authority and its subsidiaries and transportation facility projects undertaken for the commuter railroads operated by the metropolitan transportation authority or by its subsidiary corporations. The remaining amounts shall constitute the respective allocation of operating surplus for the authority and the commuter railroads operated by the metropolitan transportation authority or by its subsidiary corporations.]~~

§ 18. This act shall take effect January 1, 2022.

PART C

Section 1. Section 551 of the public authorities law is amended by adding two new subdivisions 11 and 12 to read as follows:

11. The term "big apple transit authority" shall mean the corporation created by title eleven-E of this article.

12. The term "city council" shall mean the city council of the city of New York.

§ 2. Subdivisions 1 and 2 of section 552 of the public authorities law, subdivision 1 as amended by chapter 506 of the laws of 2009 and subdivision 2 as amended by section 1 of part 0 of chapter 61 of the laws of 2000, are amended to read as follows:

1. A board, to be known as "Triborough bridge and tunnel authority" is hereby created. Such board shall be a body corporate and politic constituting a public benefit corporation. It shall consist of seventeen members, all serving ex officio. Those members shall be the persons who from time to time shall hold the offices of chairman and members of ~~[metropolitan transportation]~~ the big apple transit authority. The chairman of such board shall be the chairman of ~~[metropolitan transportation]~~ the big apple transit authority, serving ex officio, and, provided that there is an executive director of the ~~[metropolitan transportation]~~ big apple transit authority, the executive director of the authority shall be the executive director of the ~~[metropolitan transportation]~~ big apple transit authority, serving ex officio. Notwithstanding any provision of law to the contrary, the chairman shall be the chief executive officer of the authority and shall be responsible for the discharge of the executive and administrative functions and powers of the authority. The chairman and executive director, if any, each shall be empowered to delegate his or her functions and powers to the executive officer of the Triborough bridge and tunnel authority or to such person as may succeed to the powers and duties of said executive officer. The chairman and other members of the board hereby created, and the executive director, if any, shall not be entitled to compensation for their services hereunder but shall be entitled to reimbursement for their actual and necessary expenses incurred in the performance of their official duties.

2. A majority of the whole number of members of the authority then in office shall constitute a quorum for the transaction of any business or

1 the exercise of any power of the authority. Except as otherwise speci-
2 fied in this title for the transaction of any business or the exercise
3 of any power of the authority, the authority shall have the power to act
4 by a majority vote of the members present at any meeting at which a
5 quorum is in attendance and except further, that in the event of a tie
6 vote the chairman shall cast one additional vote. For the purposes of
7 the voting and quorum requirements of this subdivision, the voting and
8 quorum requirements set forth in [~~subdivision three of section twelve~~
9 ~~hundred sixty-three~~] subdivision three of section thirteen hundred
10 forty-nine-c of this chapter and in any by-law of the [~~metropolitan~~
11 ~~transportation~~] big apple transit authority adopted pursuant to the
12 provisions of such subdivision shall be applicable hereto. Such board
13 and its corporate existence shall continue only for a period of five
14 years and thereafter until all its liabilities have been met and its
15 bonds, notes and other obligations have been paid in full or such
16 liabilities or bonds, notes or other obligations have otherwise been
17 discharged, including bonds, notes or other obligations issued by the
18 metropolitan transportation authority that are payable in whole or in
19 part by revenues of the authority. When all liabilities incurred by the
20 authority of every kind and character have been met and all its bonds,
21 notes and other obligations have been paid in full, including bonds,
22 notes or other obligations issued by the metropolitan transportation
23 authority that are payable in whole or in part by revenues of the
24 authority, or such liabilities or bonds, notes or other obligations have
25 otherwise been discharged, all rights and properties of the authority
26 shall pass to and be vested in the city, except those rights and proper-
27 ties held by it relating to the convention center which shall pass to
28 and be vested in the state. The authority shall retain full jurisdiction
29 and control over all its projects, with the right and duty, subject to
30 the limitations of subdivision nine of section five hundred fifty-two-a
31 of this title, to charge tolls and collect revenues therefrom, for the
32 benefit of the holders of any of its bonds, notes or other obligations
33 or other liabilities, even if not issued or incurred in connection with
34 the project. Upon the authority's ceasing to exist all its remaining
35 rights and properties shall pass to the city, except those rights and
36 properties held by it relating to the convention center which shall pass
37 to the state.

38 § 3. Paragraphs (k), (o), (p) and (r) of subdivision 9 and subdivi-
39 sions 4-a, 4-b, 7-a, 12, 13, 14, 17, 20 and 21 of section 553 of the
40 public authorities law, subdivision 4-a as added by chapter 954 of the
41 laws of 1946, subdivision 4-b as amended by section 2, subdivision 12 as
42 amended by section 3, subdivision 17 as amended by section 4 and subdivi-
43 sion 21 as added by section 5 of part 0 of chapter 61 of the laws of
44 2000, subdivision 7-a as amended by section 7 of subpart B of part ZZZ
45 of chapter 59 of the laws of 2019, paragraph (k) of subdivision 9 as
46 added by chapter 806 of the laws of 1955, paragraphs (o) and (p) of
47 subdivision 9 as added by chapter 369 of the laws of 1979, paragraph (r)
48 of subdivision 9 as added by chapter 314 of the laws of 1981, subdivi-
49 sion 13 as amended by chapter 576 of the laws of 1964, subdivision 14 as
50 amended by chapter 874 of the laws of 1939 and subdivision 20 as added
51 by chapter 929 of the laws of 1986, are amended to read as follows:

52 4-a. Whenever any real property is determined by the authority to be
53 unnecessary for its corporate purpose.

54 (a) to surrender such real property to the [~~board of estimate of the~~]
55 city council for other public use or purpose of such city, or

(b) to sell and convey or lease in behalf of such city any real property acquired by the city at the expense of the authority. The proceeds of any such sale or lease shall be paid to the authority and applied to its corporate purpose. Any such lease shall run for a term not to exceed ten years, and a renewal thereof for a term not to exceed ten years.

4-b. To apply for and receive and accept grants of property, money and services and other assistance offered or made available to it by any person, government or agency whatever, which it may use to meet capital or operating expenses and for any other use within the scope of its powers, and to negotiate for the same upon such terms and conditions as the authority may determine to be necessary, convenient or desirable. Subject to the rights of the holders of any outstanding bonds, notes or other obligations of the authority, metropolitan transportation authority, the big apple transit authority and the New York city transit authority, and to facilitate the efficient financial management of the authority, the metropolitan transportation authority, the big apple transit authority, its subsidiary corporations, and the New York city transit authority and its subsidiary corporations (the "affiliated entities"), the authority may, and may permit and direct any affiliated entity to, transfer revenues, subsidies and other monies or securities to one or more funds or accounts of another affiliated entity for use by such other affiliated entity, provided at the time of such transfer it is reasonably anticipated that the monies and securities so transferred will be reimbursed, repaid or otherwise provided for by the end of the next succeeding calendar year if reimbursement or repayment is required by law or by any agreement to which any of the affected affiliated entities is subject. Any revenues of an affiliated entity that are transferred to another affiliated entity, which transfer was not authorized by a provision of law other than this subdivision, shall be considered to be required to be repaid to the affiliated entity which was the source of such revenues by the end of the next succeeding calendar year following such transfer.

7-a. Notwithstanding any inconsistent provision of law, the bridge and tunnel officers employed by the authority shall have the power to issue simplified traffic informations for traffic infractions as defined in section one hundred fifty-five of the vehicle and traffic law, committed on the sites owned, operated and maintained by the [~~triborough~~] Triborough bridge and tunnel authority, such informations to be administered pursuant to the provisions of chapter two of title [~~A of chapter forty~~] nineteen of the administrative code of the city of New York or article two-A of the vehicle and traffic law, as applicable and also shall have the power to issue notices of violation for transit infractions committed in and about any or all of the facilities, equipment or real property owned, occupied or operated by the [~~metropolitan transportation~~] big apple transit authority or its subsidiaries and the New York city transit authority and its subsidiaries, as provided and in accordance with section twelve hundred nine-a of this chapter. Nothing set forth in this subdivision shall be construed to impede, infringe or diminish the rights and benefits that accrue to employees and employers through collective bargaining agreements, or impact or change an employee's membership in a bargaining unit.

(k) Subject to and in accordance with all contract provisions with respect to any bonds and the rights of the holders of bonds, a vehicular bridge across the East river between the boroughs of the Bronx and Queens, east of the Bronx-Whitestone bridge, together with such incidental bridges and other structures, appurtenances, facilities and

1 approaches as shall be necessary or convenient (herein collectively
2 referred to as the "Throgs Neck bridge project"). With the consent of
3 the United States of America, the Throgs Neck bridge project or a
4 portion thereof, if deemed necessary or convenient by the authority, may
5 be constructed upon or pass over any part of the military reservation
6 known as Fort Schuyler and owned by the United States of America. No
7 lands, easements or rights in land shall be acquired by the authority
8 for the purposes of this paragraph without the prior consent of the
9 ~~[board of estimate of the]~~ city **council**.

10 ~~[(o) Subject to section five hundred fifty three c of this title, the~~
11 ~~acquisition of new diesel self propelled railroad passenger cars and the~~
12 ~~transfer of the same to the metropolitan transportation authority, for a~~
13 ~~nominal consideration, for use on commuter railroads owned or controlled~~
14 ~~by the metropolitan transportation authority. The authority shall have~~
15 ~~no obligation to operate, repair, maintain or reconstruct such cars~~
16 ~~subsequent to their acquisition and transfer, nor shall it be liable to~~
17 ~~the metropolitan transportation authority by reason of any warranty,~~
18 ~~express or implied, in respect of such cars. Manufacturers or other~~
19 ~~warranties furnished to the authority in connection with the purchase of~~
20 ~~such cars shall be assigned to the metropolitan transportation authority~~
21 ~~for enforcement.~~

22 ~~[(p) Subject to section five hundred fifty three c of this title, the~~
23 ~~acquisition of land in the name of the authority in the vicinity of Penn~~
24 ~~Station in the city of New York and/or the improvement of such land for~~
25 ~~the benefit of the Long Island Rail Road for a lay up yard and other~~
26 ~~railroad purposes and the transfer of the said land and any improvements~~
27 ~~thereon to the metropolitan transportation authority, parent corporation~~
28 ~~of the said railroad, for a nominal consideration. The authority shall~~
29 ~~have no obligation to operate, repair, maintain or reconstruct such land~~
30 ~~or its improvements subsequent to such transfer.]~~

31 (r) In its discretion and subject to and in accordance with all
32 contract provisions with respect to any bonds and the rights of the
33 holders of bonds, at the request of the New York city transit authority
34 or the ~~[metropolitan transportation]~~ **big apple transit** authority, (i)
35 the planning for and the design, acquisition, construction, improvement,
36 reconstruction or rehabilitation, in the name of the authority, of any
37 capital asset, whether in the nature of personal or real property (or
38 any interest therein) which is used or useful for a transit or transpor-
39 tation purpose other than a marine or aviation purpose of the requesting
40 authority or its designated subsidiary (and in the case of such assets
41 then owned, operated by or under lease to the requesting authority or
42 its designated subsidiary, the receipt by the authority of the use,
43 occupancy, control or possession of such assets for the purpose of plan-
44 ning, designing, constructing, improving, reconstructing or rehabilitat-
45 ing the same) and the transfer or transfer back of such asset to the
46 requesting authority, its designated subsidiary or other designee for a
47 nominal consideration upon its acquisition or upon the completion of
48 such improvement, construction, reconstruction or rehabilitation; or,
49 alternatively or in combination with the foregoing, (ii) the making of
50 capital grants to the requesting authority or its designated subsidiary
51 to permit it to undertake and to finance such planning, design, acquisi-
52 tion, improvement, construction, reconstruction or rehabilitation, or,
53 alternatively or in combination with the foregoing, (iii) the financing
54 of all or any part of the costs to the authority or to any other person
55 or entity, public or private, of such planning, design, acquisition,
56 construction, improvement, reconstruction or rehabilitation of any such

capital asset through or accompanied by a leasing of the asset by such person or entity to the authority or through or accompanied by a sale by the authority to any such person or entity and leaseback to the authority, in each case for subleasing to the requesting authority, its designated subsidiary or other designee for a nominal rental, except that such leasing or leaseback from such person or entity may be directly to the requesting authority or its designated subsidiary or other designee, for consideration, with the consent and at the expense of the authority.

The foregoing authorization shall extend to and include the continuation of projects enumerated in paragraphs (m)[~~r~~]and (n)[~~r~~, ~~(o)~~ and ~~(p)~~] of this subdivision without regard to any limitations set forth in section five hundred fifty-three-c of this title. The authority shall have no obligation to operate or, except as may otherwise be provided in any lease to which it may be a party as aforesaid, repair or maintain any capital asset after its acquisition, construction, improvement, reconstruction or rehabilitation and subsequent transfer, lease or sublease, nor shall it be liable to the transferee, lessee or sublessee by reason of any warranty, express or implied, in respect thereof. Warranties furnished in connection with such acquisition, improvement, construction, reconstruction or rehabilitation shall be assignable and assigned as directed by the requesting authority and approved by the authority.

12. To charge tolls, fees or rentals for the use of the project, subject to and in accordance with such agreement with bondholders as may be made as hereinafter provided. The toll rates charged for the use of either the Triborough or Whitestone bridge project shall, however, never be less than the toll rates charged for the use of the other, and this clause shall be deemed an obligation to the holders of any and all bonds at any time issued secured by the revenues of said projects. Subject to contracts with bondholders, all tolls and other revenues derived from any project shall be applied to the payment of operating, administration and other necessary expenses of the authority properly chargeable to such project and thereafter to the payment of interest or principal of bonds or for making sinking fund payments for bonds, not otherwise adequately provided for, whether issued in connection with such project or any other project. It is the intention hereof that surplus funds from any project remaining after providing for the payment of all operating, administration and other necessary expenses of the authority and all contract provisions with respect to any bonds, may be used to meet obligations incurred for other projects and if not so used or reserved for such use shall, at the discretion of [~~metropolitan transportation~~] the big apple transit authority, be transferred to [~~metropolitan transportation~~] the big apple transit authority or the New York city transit authority pursuant to section five hundred sixty-nine-c of this title. Subject to contracts with bondholders, the authority may treat one or more projects as a single enterprise in respect of revenues, expenses, the issuance of bonds, maintenance, operation or other purposes;

13. To construct and maintain over, under, along or across the project telephone, telegraph, or electric wires and cables, gas mains, water mains and other mechanical equipment not inconsistent with the appropriate use of the project, to contract for such construction and to lease the right to construct and/or use the same on such terms and for such considerations as it shall determine, provided, however, that no lease shall be made except with the approval of the [~~board of estimate of the~~] city council, or for a period of more than twenty years from the date when it is made;

1 14. To construct and maintain facilities for the public, not incon-
2 sistent with the use of the project, to contract for such construction,
3 and to lease the right to construct and/or use such facilities on such
4 terms and for such considerations as it shall determine, provided,
5 however, that no lease shall be made for a period of more than five
6 years from the date when it is made except with the approval of the
7 ~~[board of estimate of the]~~ city council;

8 17. To do all things necessary or convenient to carry out the powers
9 expressly given in this title and to assist and cooperate with the
10 ~~[metropolitan transportation]~~ big apple transit authority to carry out
11 the powers of the ~~[metropolitan transportation]~~ big apple transit
12 authority in furtherance of the purposes and powers of the authority as
13 provided in this article, including, without limitation, the trans-
14 actions described in sections ~~[twelve hundred sixty-six-c]~~ thirteen
15 hundred forty-nine-j, ~~[twelve hundred sixty-nine]~~ thirteen hundred
16 forty-nine-u, and ~~[twelve hundred seventy-d]~~ thirteen hundred forty-
17 nine-dd of this chapter.

18 20. Prior to the adoption after January first, nineteen hundred eight-
19 y-seven by the authority of a general resolution pursuant to which it is
20 authorized to issue any general or special obligation bonds or notes to
21 finance a project pursuant to the authorization contained in paragraph
22 (r) of subdivision nine of this section, not including any series resolu-
23 tion or resolutions, and prior to the adoption of any amendment to a
24 general resolution, whenever adopted, pursuant to which it is authorized
25 to issue any general or special obligation bonds or notes for such
26 purpose, not including a series resolution or resolutions, the authority
27 shall submit a copy of such proposed resolution to the ~~[metropolitan~~
28 ~~transportation authority capital program review]~~ big apple transit
29 authority's board (hereinafter referred to as the "board"). Within
30 fifteen days of such submission, the board may notify the authority of
31 its unanimous approval of the same by the members entitled to vote there-
32 on, or if the resolution is not approved and no individual member of
33 the board who is entitled to vote on such resolution has notified the
34 authority in writing of his disapproval, the resolution shall be deemed
35 to have been approved. Neither the board nor any member thereof shall
36 disapprove a proposed resolution by reason of any covenant requiring the
37 authority to charge and fix tolls, rentals and other charges sufficient
38 to pay its operating expenses and the debt service, including the fund-
39 ing of requisite reserves, on the bonds and notes authorized by such
40 resolution. If the board or any member thereof entitled to vote thereon
41 shall disapprove a proposed resolution, the authority may, at any time,
42 resubmit a reformulated resolution. Within ten days of the submission of
43 such reformulated resolution the board may notify the authority of its
44 unanimous approval of the same by the members entitled to vote thereon,
45 or, if the reformulated resolution is not approved and no individual
46 member of the board who is entitled to vote thereon has notified the
47 authority in writing of his disapproval within such period, the reformu-
48 lated resolution shall have been deemed to have been approved. Any
49 individual member of the board who votes against a resolution or a
50 reformulated resolution or who notifies the authority of his disapproval
51 shall state his reasons therefor. The member appointed on the recommen-
52 dation of the mayor of the city of New York shall participate in the
53 action of the board with respect to any resolution of the authority
54 submitted pursuant to this subdivision. The authority shall not adopt a
55 resolution or any amendment to a resolution disapproved by the board as
56 herein provided.

21. To invest any funds, accounts or other monies not required for immediate use or disbursement, at the discretion of the authority, in any of the investments in which the ~~[metropolitan transportation]~~ big apple transit authority is permitted to invest its monies pursuant to subdivision four of section ~~[twelve hundred sixty-five]~~ thirteen hundred forty-nine-e of this chapter.

§ 4. The opening paragraph of subdivision 1 and subdivision 2 of section 553-c of the public authorities law, as amended by chapter 273 of the laws of 1980, are amended to read as follows:

The authority shall have the power to finance all or any part of the costs of railroad and rapid transit costs enumerated in paragraphs ~~[m, n, o and p]~~ (m) and (n) of subdivision nine of section five hundred fifty-three of this article through the issuance of its negotiable bonds, notes or other obligations in the manner provided in section five hundred sixty-one of this ~~[chapter]~~ title subject only to the following limitations:

2. Moneys expended pursuant to subdivision one of this section shall be utilized insofar as practical to: (a) purchase at least one hundred twenty-four new subway cars for the New York city transit authority, and (b) rehabilitate at least two hundred eighty existing subway cars for the New York city transit authority~~[(c) acquire at least fifteen new diesel self propelled railroad passenger cars for the metropolitan transportation authority commuter service area and (d) provide a passenger car lay-up yard and other facilities for the Long Island Rail Road in Manhattan]~~. The authority shall either apply for or make reasonable effort to secure federal assistance in support of each of the programs herein authorized and to the extent such federal assistance is forthcoming and/or other cost savings are realized with respect to any such program shall have the power to expand the size of that or any of the foregoing programs.

§ 5. Section 553-d of the public authorities law, as amended by section 6 of part 0 of chapter 61 of the laws of 2000, is amended to read as follows:

§ 553-d. Special Triborough bridge and tunnel authority special obligation bonds and notes. In addition to the powers contained elsewhere in this title with respect to the projects authorized by paragraphs (m), (n)~~[(o), (p)]~~ and (r) of subdivision nine of section five hundred fifty-three of this title, and subject to the application of the revenues and other monies and assets of the authority pursuant to section ~~[twelve hundred seventy-d]~~ thirteen hundred forty-nine-dd of this chapter, the authority may issue its bonds and notes to finance such projects payable from and secured by all or any part of the moneys received by the authority from the metropolitan transportation authority special assistance fund established under section twelve hundred seventy-a of this chapter, provided however that such bonds and notes may also be payable from and secured by any other moneys, securities and funds designated by the authority as additional security therefor. Debt service on bonds and notes issued by the authority pursuant to this section which is paid or reimbursed from moneys received by the authority from the metropolitan transportation authority special assistance fund shall not be deemed to constitute debt service incurred by the authority for purposes of subdivision three of section twelve hundred nineteen-a of this chapter. Such bonds or notes shall be issued in the manner provided in section five hundred sixty-one of this title.

§ 6. Subdivisions 1, 7, 8, 9, 10 and 11 of section 553-e of the public authorities law, as added by chapter 314 of the laws of 1981, subdivi-

1 sion 10 as amended by chapter 558 of the laws of 1981 and subdivision 11
2 as amended by chapter 929 of the laws of 1986, are amended to read as
3 follows:

4 1. (a) In its performance of any project authorized by paragraph (m),
5 (n)[~~-(o), -(p)~~] or (r) of subdivision nine of section five hundred
6 fifty-three of this title, the authority shall not be deemed the agent
7 or instrumentality of any other public benefit or municipal corporation
8 notwithstanding the fact that title to any real or personal property (or
9 any interest therein) which is the subject of or is a part of such
10 project is held by, or upon completion of such project is to be trans-
11 ferred to, any such entity, and the provisions of section five hundred
12 fifty-nine of this title shall not be applicable with respect to any
13 such project. In its performance of any such project for the New York
14 city transit authority, however, the provisions of section twelve
15 hundred nine of this chapter shall apply to the authority as if it were
16 the "authority" referred to therein.

17 (b) Neither the provisions of section one hundred ninety-seven-c of
18 the New York city charter, relating to a uniform land use review proce-
19 dure, nor the provisions of any other local law of the city of New York
20 of like or similar tenor or import shall apply (i) to the acquisition of
21 any real property (or any interest therein) for the purposes of any such
22 project by the city or by the New York city transit authority or any of
23 its subsidiaries; (ii) to the subsequent transfer of any real property
24 (or interest therein) so acquired to the authority or its designee for
25 the purposes of such project or to the transfer to the authority or its
26 designee for such purposes of any real property (or interest therein)
27 then owned by the city or by the New York city transit authority or any
28 such subsidiary; nor (iii) to the transfer to the authority or its
29 designee for such purposes of the right of use, occupancy, control or
30 possession of any real property (or interest therein), whether presently
31 owned or hereafter acquired by the city or by the New York city transit
32 authority or any such subsidiary; provided in each such case, however,
33 that if at the time of such proposed acquisition or transfer the real
34 property which is the subject of such acquisition or transfer is not
35 then being utilized for a transit or transportation purpose or is not an
36 insubstantial addition to such property contiguous thereto; (a) the
37 authority proposing to acquire or receive such property shall, unless a
38 submission with respect to such property has previously been made and
39 approved as herein provided, submit to the community board for the
40 community district in which such property is located, data with respect
41 to the proposed use of such property and to the design of any facility
42 proposed to be constructed thereon; (b) such community board shall
43 inform the [~~board of estimate of the~~] city council of New York, with
44 copies to the city planning commission of the city of New York and the
45 proposing authority, of its views and recommendations with respect ther-
46 eto within forty-five days of such submission, and if the community
47 board shall fail to so inform the [~~board of estimate~~] city council with-
48 in such period it shall be deemed to have recommended the proposal; and
49 (c) the [~~board of estimate~~] city council shall, within forty-five days
50 of the recommendation of the community board, approve or disapprove such
51 acquisition or transfer, and if the [~~board of estimate~~] city council
52 shall fail to act within such period it shall be deemed to have approved
53 the same.

54 7. The [~~metropolitan transportation~~] big apple transit authority, the
55 New York city transit authority and the designated subsidiaries of each
56 of them are each hereby authorized (i) to request the authority to

1 undertake any such project; (ii) to acquire in its own name by gift,
2 purchase or condemnation, and, additionally, in the case of the [~~metro-~~
3 ~~politan transportation~~] big apple transit authority, by appropriation
4 pursuant to section [~~twelve hundred sixty-seven-a~~] thirteen hundred
5 forty-nine-q of this chapter, any real or personal property (or any
6 interest therein), which is needed or useful for or in connection with
7 such project, the provisions of any lease or other agreement with the
8 city to the contrary notwithstanding, and to surrender the use, occupan-
9 cy, control or possession of or to transfer the same, or of any other
10 such real or personal property (or any interest therein) which it owns,
11 leases, operates or controls, to the authority; (iii) to accept a trans-
12 fer, transfer back, lease or sublease of any such project or part there-
13 of upon its completion; (iv) to undertake any such project itself, or to
14 finance, through loans, leases or otherwise, any other person or entity,
15 public or private, to do so, in each case using funds granted by the
16 authority to pay all or any part of the costs thereof (such undertaking,
17 in the case of the New York city transit authority and its subsidiary,
18 the Manhattan and Bronx surface transit operating authority, being free
19 of any restriction set forth in subparagraph (ii) of paragraph b of
20 subdivision one of section twelve hundred three or in paragraph (c) of
21 subdivision five of section twelve hundred three-a of this chapter); and
22 (v) to make its agents, employees and facilities available to the
23 authority in connection therewith.

24 8. No such project to be constructed upon real property theretofore
25 used for a transit or transportation purpose, or on an insubstantial
26 addition to such property contiguous thereto, which will not change in a
27 material respect the general character of such prior transit or trans-
28 portation use, nor any acts or activities in connection with such
29 project, shall be subject to the provisions of article eight, nineteen,
30 twenty-four or twenty-five of the environmental conservation law, or to
31 any local law or ordinance adopted pursuant to any such article. Nor
32 shall any project or acts or activities in connection therewith taken by
33 any person or entity, public or private, pursuant to paragraph (m),
34 (n)[~~, (o), (p),~~] or (r) of subdivision nine of section five hundred
35 fifty-three of this title be subject to the provisions of article eight
36 of the environmental conservation law if such project, acts or activ-
37 ities to be taken in connection therewith require the preparation of a
38 statement under or pursuant to any federal law or regulation as to the
39 environmental impact thereof.

40 9. In connection with the negotiation, award and implementation of
41 contracts of the authority relating to any project hereafter initiated
42 pursuant to paragraphs (m), (n)[~~, (o), (p),~~] and (r) of subdivision nine
43 of section five hundred fifty-three of this title, the provisions of
44 [~~paragraphs (a), (b), (c) and (d) of subdivision~~] subdivisions
45 and fourteen of section [~~twelve hundred sixty-six-e~~] thirteen hundred
46 forty-nine-j of this chapter shall apply to the authority as if it were
47 the "authority" referred to therein, and the [~~officer designated by the~~
48 ~~metropolitan transportation authority pursuant to paragraph (e) of that~~
49 ~~subdivision~~] division of minority and women's business development,
50 established pursuant to article fifteen-A of the executive law, shall
51 perform the duties therein described with respect to such contracts of
52 the authority.

53 10. The financing of any such project through the issuance of bonds or
54 notes of the authority shall be subject to the provisions of section
55 [~~twelve hundred sixty-nine-b~~] thirteen hundred forty-nine-v of this
56 chapter.

11. The aggregate principal amount of bonds and notes issued and outstanding at any time to finance projects authorized by paragraphs (m), (n)[~~-, (o), (p)~~] and (r) of subdivision nine of section five hundred fifty-three of this title shall not exceed one billion one hundred million dollars through December thirty-first, nineteen hundred eighty-six and three billion two hundred million dollars thereafter, provided however that such latter amount shall not exceed two billion two hundred million dollars for all bonds and notes other than those issued pursuant to section five hundred fifty-three-d of this title. This limitation shall not include (i) bonds and notes issued to refund or otherwise repay bonds or notes theretofore issued for such purposes, (ii) bonds issued to fund any reasonably required debt service reserve fund for bonds and notes, and (iii) an amount equal to any original issue discount from the [~~principal~~] principal amount of any bonds or notes issued and then outstanding. From the proceeds of the bonds and notes provided for in the first sentence of this subdivision, other than bonds or notes authorized by section five hundred fifty-three-d of this title, the authority shall not expend more than one billion three hundred twenty million dollars for transit projects as defined in section [~~twelve hundred sixty-six-e~~] thirteen hundred forty-nine-j of this chapter nor more than eight hundred eighty million dollars for transportation facilities as such term is defined in subdivision [~~fourteen~~] nineteen of section [~~twelve hundred sixty-one~~] thirteen hundred forty-nine-b of this chapter other than marine or aviation facilities. For the purposes of this subdivision, facilities under the jurisdiction of the Staten Island rapid transit operating authority shall be considered transit projects.

§ 7. Subdivisions 2 and 4 of section 553-j of the public authorities law, as amended by section 1 of part MMM of chapter 58 of the laws of 2000, are amended to read as follows:

2. Monies in the fund shall be applied, subject to agreements with bondholders and applicable federal law, to the payment of operating, administration, and other necessary expenses of the authority, or to the city of New York subject to the memorandum of understanding executed pursuant to subdivision two-a of section seventeen hundred four of the vehicle and traffic law properly allocable to such program, including the planning, designing, constructing, installing or maintaining of the central business district tolling program, including, without limitation, the central business district tolling infrastructure, the central business district tolling collection system and the central business district tolling customer service center, and the costs of any [~~metropolitan transportation~~] big apple transit authority capital projects included within the 2020 to 2024 [~~MTA~~] big apple transit authority capital program or any successor programs. Monies in the fund may be: (a) pledged by the authority to secure and be applied to the payment of the bonds, notes or other obligations of the authority to finance the costs of the central business district tolling program, including, without limitation, the central business district tolling infrastructure, the central business district tolling collection system and the central business district tolling customer service center, and the costs of any [~~metropolitan transportation~~] big apple transit authority capital projects included within the 2020 to 2024 [~~MTA~~] big apple transit authority capital program or any successor programs, including debt service, reserve requirements, if any, the payment of amounts required under bond and note facilities or agreements related thereto, the payment of federal government loans, security or credit arrangements or other agreements related thereto; or (b) used by the authority for the

1 payment of such capital costs of the central business district tolling
2 program and the costs of any [~~metropolitan transportation~~] big apple
3 transit authority capital projects included within the 2020 to 2024
4 [~~MTA~~] big apple transit authority capital program or any successor
5 programs; or (c) transferred to the [~~metropolitan transportation~~] big
6 apple transit authority and (1) pledged by the [~~metropolitan transporta-~~
7 ~~tion~~] big apple transit authority to secure and be applied to the
8 payment of the bonds, notes or other obligations of the [~~metropolitan~~
9 ~~transportation~~] big apple transit authority to finance the costs of any
10 [~~metropolitan transportation~~] big apple transit authority capital
11 projects included within the 2020 to 2024 [~~MTA~~] big apple transit
12 authority capital program or any successor programs, including debt
13 service, reserve requirements, if any, the payment of amounts required
14 under bond and note facilities or agreements related thereto, the
15 payment of federal government loans, security or credit arrangements or
16 other agreements related thereto, or (2) used by the [~~metropolitan~~
17 ~~transportation~~] big apple transit authority for the payment of the costs
18 of any [~~metropolitan transportation~~] big apple transit authority capital
19 projects included within the 2020 to 2024 [~~MTA~~] big apple transit
20 authority capital program or any successor programs, or (3) subject to
21 approval by the board of the [~~metropolitan transportation~~] big apple
22 transit authority and the director of the budget, used by the [~~metropol-~~
23 ~~itan transportation~~] big apple transit authority in all or any of the
24 fiscal years of the authority beginning in 2020 through 2021 to offset
25 decreases in revenue, including but not limited to, lost taxes, fees,
26 charges, fares and tolls, due in whole or in part, or increases in oper-
27 ating costs due in whole to the state disaster emergency caused by the
28 novel coronavirus, COVID-19. Such revenues shall only supplement and
29 shall not supplant any federal, state, or local funds expended by the
30 authority or the [~~metropolitan transportation~~] big apple transit author-
31 ity, or such authority's or [~~metropolitan transportation~~] big apple
32 transit authority's affiliates or subsidiaries for such respective
33 purposes. Central business district toll revenues may be used as
34 required to obtain, utilize, or maintain federal authorization to
35 collect tolls on federal aid highways. Provided further that, in the
36 event the authority or [~~metropolitan transportation~~] big apple transit
37 authority receives funds or reimbursements, including without limitation
38 from the federal government or insurance maintained by the authority or
39 [~~metropolitan transportation~~] big apple transit authority, due in whole
40 or in part to the novel coronavirus, COVID-19, any monies from the fund
41 used to offset decreases in revenue or increases in operating costs due
42 in whole or in part to the state disaster emergency caused by the novel
43 coronavirus, COVID-19, shall be repaid after the authority or the
44 [~~metropolitan transportation~~] big apple transit authority fully repays
45 any public or private borrowings, draws on any lines of credit, issu-
46 ances of revenue anticipation notes, any internal loans, and use of
47 corpus of OPEB Trust to pay current retiree healthcare cost necessitated
48 by COVID-19 revenue shortfall. Such obligation to repay shall be limited
49 to the availability of any excess monies, and any such funds or
50 reimbursements in excess of the amounts needed to fully repay such
51 amounts shall be transferred to the fund and used for the purposes
52 originally intended for such fund.

53 4. The authority shall report annually on all receipts and expendi-
54 tures of the fund. The report shall detail operating expenses of the
55 central business district tolling program and all fund expenditures
56 including capital projects. If, during the period of the report, any

monies in the fund were used by the authority or the ~~[metropolitan transportation]~~ big apple transit authority to offset decreases in revenue lost in whole or in part due to the state disaster emergency caused by novel coronavirus, COVID-19, or increases in operating costs in whole due to the novel coronavirus, COVID-19, the report shall also provide: (a) details of such decreases in revenue in whole, (b) details of such decreases in revenue in part, (c) details of such increases in costs, (d) the methodology used by the authority or ~~[metropolitan transportation]~~ big apple transit authority to calculate such changes, and (e) explanation for attributing a particular increase in cost or a particular decrease in revenue, to the state disaster emergency caused by coronavirus, COVID-19. The report shall be readily available to the public, and shall be posted on the authority's website and be submitted to ~~[the governor, the temporary president of the senate, the speaker of the assembly, the comptroller, the director of the budget,]~~ the mayor and council of the city of New York, and the ~~[metropolitan transportation]~~ big apple transit authority board~~[, and the metropolitan transportation authority capital program review board]~~.

§ 8. Subdivision 2 of section 553-j of the public authorities law, as added by section 5 of subpart A of part ZZZ of chapter 59 of the laws of 2019, is amended to read as follows:

2. Monies in the fund shall be applied, subject to agreements with bondholders and applicable federal law, to the payment of operating, administration, and other necessary expenses of the authority, or to the city of New York subject to the memorandum of understanding executed pursuant to subdivision two-a of section seventeen hundred four of the vehicle and traffic law properly allocable to such program, including the planning, designing, constructing, installing or maintaining of the central business district tolling program, including, without limitation, the central business district tolling infrastructure, the central business district tolling collection system and the central business district tolling customer service center, and the costs of any ~~[metropolitan transportation]~~ big apple transit authority capital projects included within the 2020 to 2024 ~~[MTA]~~ big apple transit authority capital program or any successor programs. Monies in the fund may be: (a) pledged by the authority to secure and be applied to the payment of the bonds, notes or other obligations of the authority to finance the costs of the central business district tolling program, including, without limitation, the central business district tolling infrastructure, the central business district tolling collection system and the central business district tolling customer service center, and the costs of any ~~[metropolitan transportation]~~ big apple transit authority capital projects included within the 2020 to 2024 ~~[MTA]~~ big apple transit authority capital program or any successor programs, including debt service, reserve requirements, if any, the payment of amounts required under bond and note facilities or agreements related thereto, the payment of federal government loans, security or credit arrangements or other agreements related thereto; or (b) used by the authority for the payment of such capital costs of the central business district tolling program and the costs of any ~~[metropolitan transportation]~~ big apple transit authority capital projects included within the 2020 to 2024 ~~[MTA]~~ big apple transit authority capital program or any successor programs; or (c) transferred to the ~~[metropolitan transportation]~~ big apple transit authority and (1) pledged by the ~~[metropolitan transportation]~~ big apple transit authority to secure and be applied to the payment of the bonds, notes or other obligations of the ~~[metropolitan~~

1 ~~transportation]~~ big apple transit authority to finance the costs of any
2 ~~[metropolitan—transportation]~~ big apple transit authority capital
3 projects included within the 2020 to 2024 ~~[MTA]~~ big apple transit
4 authority capital program or any successor programs, including debt
5 service, reserve requirements, if any, the payment of amounts required
6 under bond and note facilities or agreements related thereto, the
7 payment of federal government loans, security or credit arrangements or
8 other agreements related thereto, or (2) used by the ~~[metropolitan~~
9 ~~transportation]~~ big apple transit authority for the payment of the costs
10 of any ~~[metropolitan—transportation]~~ big apple transit authority capital
11 projects included within the 2020 to 2024 ~~[MTA]~~ big apple transit
12 authority capital program or any successor programs. Such revenues shall
13 only supplement and shall not supplant any federal, state, or local
14 funds expended by the authority or the ~~[metropolitan—transportation]~~ big
15 apple transit authority, or such authority's or ~~[metropolitan—transpor-~~
16 ~~tation]~~ big apple transit authority's affiliates or subsidiaries for
17 such respective purposes. Central business district toll revenues may be
18 used as required to obtain, utilize, or maintain federal authorization
19 to collect tolls on federal aid highways.

20 § 9. Subdivisions 3, 3-a and 4 of section 553-j of the public authori-
21 ties law, as added by section 5 of subpart A of part ZZZ of chapter 59
22 of the laws of 2019, are amended to read as follows:

23 3. Any monies deposited in the fund shall be held in the fund free and
24 clear of any claim by any person arising out of or in connection with
25 article forty-four-C of the vehicle and traffic law and subdivision
26 twelve-a of section five hundred fifty-three of this title. Without
27 limiting the generality of the foregoing, no person paying any amount
28 that is deposited into the fund shall have any right or claim against
29 the authority or the ~~[metropolitan—transportation]~~ big apple transit
30 authority, any of their bondholders, any of the authority's or the
31 ~~[metropolitan—transportation]~~ big apple transit authority's subsidiaries
32 or affiliates to any monies in or distributed from the fund or in
33 respect of a refund, rebate, credit or reimbursement of monies arising
34 out of or in connection with article forty-four-C of the vehicle and
35 traffic law and subdivision twelve-a of section five hundred fifty-three
36 of this title.

37 3-a. Of the capital project costs paid by this fund~~[: eighty percent~~
38 ~~shall be capital project costs of the New York city transit authority~~
39 ~~and its subsidiary, Staten Island Rapid Transit Operating Authority, and~~
40 ~~MTA Bus with]~~ priority shall be given to the subway system, new signal-
41 ing, new subway cars, track and car repair, accessibility, buses and bus
42 system improvements and further investments in expanding transit avail-
43 ability to areas in the outer boroughs that have limited mass transit
44 options; ten percent shall be capital project costs of the Long Island
45 Rail Road, including but not limited to, parking facilities, rolling
46 stock, capacity enhancements, accessibility, and expanding transit
47 availability to areas in the Metropolitan Commuter Transportation
48 District that have limited mass transit options; and ten percent shall
49 be capital project costs of the Metro-North Commuter Railroad Company,
50 including but not limited to, parking facilities, rolling stock, capaci-
51 ty enhancements, accessibility, and expanding transit availability to
52 areas in the Metropolitan Commuter Transportation District that have
53 limited mass transit options.

54 4. The authority shall report annually on all receipts and expendi-
55 tures of the fund. The report shall detail operating expenses of the
56 central business district tolling program and all fund expenditures

1 including capital projects. The report shall be readily available to the
2 public, and shall be posted on the authority's website and be submitted
3 to [~~the governor, the temporary president of the senate, the speaker of~~
4 ~~the assembly,~~] the mayor and council of the city of New York, and the
5 [~~metropolitan transportation~~] big apple transit authority board[, ~~and~~
6 ~~the metropolitan transportation authority capital program review board~~].

7 § 10. Subdivision 5 of section 553-k of the public authorities law is
8 REPEALED.

9 § 11. Section 555 of the public authorities law, as amended by chapter
10 655 of the laws of 1978, is amended to read as follows:

11 § 555. Selection of site. Notwithstanding any provisions of any other
12 statute, the authority in conjunction with the commissioner of parks of
13 the city or his successor, the commissioner of parks and recreation, and
14 with the approval of the [~~board of estimate~~] city council of such city
15 and with the separate approval of the mayor thereof, is hereby author-
16 ized to select sites in the boroughs of the Bronx and Queens of the city
17 for the Whitestone bridge project and parkways connecting therewith,
18 which sites may be in or through existing public parks, and to select
19 sites for new public parks contiguous to such project or contiguous to
20 the roads, streets, parkways or avenues connecting with such project. A
21 site or sites may be selected for any or all of the aforementioned
22 purposes and thereafter the use thereof shall be allocated by the
23 commissioner of parks and recreation as herein provided. The property so
24 selected solely for such project, not already owned by the city, shall
25 be acquired at the sole expense of the authority in the manner provided
26 for under this title. The property so selected solely for new public
27 parks shall be acquired by the city at its sole expense. The cost of the
28 property so selected for such project, combined with any other aforemen-
29 tioned purposes the use of which is to be thereafter determined, shall
30 be divided between the city and the authority as may be determined by a
31 contract or contracts hereby authorized to be entered into between the
32 city and the authority, subject to the approval of the [~~board of esti-~~
33 ~~mate of the~~] city council. So much of the sites so selected and acquired
34 or such easements or rights of way therein as may be necessary or
35 convenient for the corporate purposes of the authority may be assigned
36 by the commissioner of parks and recreation of the city to the authority
37 for its use so long as its corporate existence shall continue.

38 § 12. Section 557 of the public authorities law, as amended by chapter
39 576 of the laws of 1964, is amended to read as follows:

40 § 557. Grant of land by the city to the authority. The city shall have
41 power and authority by resolution of the [~~board of estimate of the~~] city
42 council to assign to the authority, without consideration, any land
43 owned by the city on the seventh day of April, nineteen hundred thirty-
44 three, or thereafter acquired by it, needed or convenient for the
45 project, including lands released or to be released by the state to the
46 city pursuant to chapter three hundred seventy-nine of the laws of nine-
47 teen hundred twenty-nine as amended.

48 § 13. Subdivision 3 of section 557-a of the public authorities law, as
49 added by chapter 874 of the laws of 1939, is amended to read as follows:

50 3. The city may, by resolution of the [~~board of estimate~~] city
51 council, or by deed authorized by such a resolution, convey, with or
52 without consideration, to the authority for the project the use and
53 occupancy, for so long as its corporate existence shall continue, of any
54 lands then owned by the city including lands which, by any other law,
55 are inalienable by the city, and such conveyance may reserve to the city

1 such rights as shall not restrict the authority in the construction,
2 reconstruction, operation and maintenance of the project.

3 § 14. Subdivision 1 of section 561 of the public authorities law, as
4 amended by section 7 of part 0 of chapter 61 of the laws of 2000, is
5 amended to read as follows:

6 1. The authority shall have the power and is hereby authorized from
7 time to time to issue its negotiable bonds in conformity with applicable
8 provisions of the uniform commercial code for any corporate purpose or
9 power. The authority shall have power from time to time and whenever it
10 deems refunding advantageous or desirable, to refund, redeem or other-
11 wise pay, including by purchase or tender any bonds by the issuance of
12 new bonds, whether the bonds to be refunded have or have not matured,
13 and may issue bonds partly to refund bonds then outstanding and partly
14 for any other corporate purpose or power. The refunding bonds may be
15 exchanged for the bonds to be refunded, with such cash adjustments as
16 may be agreed, or may be sold and the proceeds applied to the purchase
17 or payment of the bonds to be refunded. The authority may issue general
18 or special obligation bonds. Every issue of general obligation bonds
19 shall be payable out of any moneys or revenues of the authority, subject
20 only to any agreements with the holders of particular bonds pledging any
21 particular tolls or revenues. Every issue of special obligation bonds
22 shall be payable out of any revenues, receipts, monies or assets of the
23 authority, the ~~[metropolitan transportation]~~ big apple transit authority
24 and its subsidiary corporations and the New York city transit authority
25 and its subsidiary corporations identified for such purposes in accord-
26 ance with agreements with the holders of particular bonds.

27 § 15. Section 569-c of the public authorities law, as amended by
28 section 9 of part 0 of chapter 61 of the laws of 2000, is amended to
29 read as follows:

30 § 569-c. Transfer and receipt of surplus funds. Notwithstanding any
31 provision of this title or any other provision of law, general, special
32 or local, the authority shall, at the direction of the ~~[metropolitan~~
33 ~~transportation]~~ big apple transit authority, from time to time transfer
34 and pay over all or any part of its surplus funds to (a) ~~[metropolitan~~
35 ~~transportation]~~ the big apple transit authority or (b) the New York city
36 transit authority, all in accordance with the provisions of subdivision
37 twelve of section five hundred fifty-three of this title ~~[and the deter-~~
38 ~~mination of the proportional allocation of such amounts of surplus funds~~
39 ~~so deposited as between the New York city transit authority and the~~
40 ~~commuter railroads operated by metropolitan transportation authority~~
41 ~~shall be governed by the provisions of section twelve hundred nineteen a~~
42 ~~of this chapter]~~ and the authority may accept and use any moneys trans-
43 ferred and paid over to it by ~~[metropolitan transportation]~~ the big
44 apple transit authority or the New York city transit authority.

45 § 16. This act shall take effect January 1, 2022; provided that the
46 amendments to subdivision 2 of section 553-j of the public authorities
47 law made by section seven of this act shall be subject to the expiration
48 and reversion of such subdivision pursuant to section 2 of part MMM of
49 chapter 58 of the laws of 2020, as amended, when upon such date the
50 provisions of section eight of this act shall take effect.

51 PART D

52 Section 1. Article 5 of the public authorities law is amended by
53 adding a new title 11-E to read as follows:

TITLE 11-EBIG APPLE TRANSIT AUTHORITYSection 1349-a. Short title.1349-b. Definitions.1349-c. Big apple transit authority.1349-d. Purposes of the authority.1349-e. General powers of the authority.1349-f. Contracts.1349-g. Big apple transit authority small business mentoring program.1349-h. Special powers of the authority.1349-i. Medical emergency services.1349-j. Transit projects.1349-k. Excess loss fund.1349-l. Authority police force.1349-m. The permanent citizens advisory committee.1349-n. Big apple transit authority pledge to customers.1349-o. Expired fare transfer policy.1349-p. Acquisition and disposition of real property.1349-q. Acquisition and disposition of real property by department of transportation.1349-r. Transit facilities for transit construction fund.1349-s. Co-operation and assistance of other agencies.1349-t. Promotion of qualified transportation fringes.1349-u. Notes, bonds and other obligations of the authority.1349-v. Capital program plans; approvals; effect of disapproval.1349-w. Submission of strategic operation plan.1349-x. Financial and operational reports.1349-y. Mission statement and measurement report.1349-z. Requirements for certain authority contracts and related subcontracts.1349-aa. Reserve funds and appropriations.1349-bb. Big apple transit authority special assistance fund.1349-cc. Big apple transit authority dedicated tax fund.1349-dd. Consolidated financings.1349-ee. Regulation of certain authority expenditures.1349-ff. Metropolitan transportation authority finance fund.1349-gg. New York city transportation assistance fund.1349-hh. Agreement of the state.1349-ii. Right of state to require redemption of bonds.1349-jj. Remedies of noteholders and bondholders.1349-kk. Notes and bonds as legal investment.1349-ll. Exemption from taxation.1349-mm. Actions against the authority.1349-nn. Annual audit of authority.1349-oo. Authority budget and financial plan.1349-pp. Independent audit of authority.1349-qq. Independent audit by the legislature.1349-rr. Reporting.1349-ss. Transfer and receipt of surplus funds.1349-tt. Title not affected if in part unconstitutional or ineffective.1349-uu. Big apple transit authority inspector general.1349-vv. Management advisory board.1349-ww. The office of legislative and community input.

1 1349-xx. Supplemental revenue reporting program.

2 § 1349-a. Short title. This title may be known and may be cited as the
3 "big apple transit authority act".

4 § 1349-b. Definitions. As used or referred to in this title, unless a
5 different meaning clearly appears from the context:

6 1. "Authority" shall mean the corporation created by section thirteen
7 hundred forty-nine-c of this title.

8 2. "Authority facilities" shall mean the authority's transit, rail-
9 road, omnibus, marine and aviation facilities and operations pursuant to
10 joint service arrangements.

11 3. "Budget" shall mean the preliminary, final proposed and adopted
12 final plans of the authority, and each of its agencies.

13 4. "Comptroller" shall mean the comptroller of the city of New York.

14 5. "Equipment" shall mean rolling stock, omnibuses, vehicles, air,
15 marine or surface craft, motors, boilers, engines, wires, ways, conduits
16 and mechanisms, machinery, tools, implements, materials, supplies,
17 instruments and devices of every nature whatsoever used or useful for
18 transportation purposes or for the generation or transmission of motive
19 power including but not limited to all power houses, and all apparatus
20 and all devices for signaling, communications and ventilation as may be
21 necessary, convenient or desirable for the operation of a transportation
22 facility.

23 6. "Federal government" shall mean the United States government, and
24 any officer, department, board, commission, bureau, division, corpo-
25 ration, agency or instrumentality thereof.

26 7. "Gap" shall mean the difference between projected revenues and
27 expenses for any given fiscal year based on the existing fare structure.

28 8. "Gap-closing initiative" shall mean any action to reduce a project-
29 ed gap.

30 9. "Governor" shall mean the governor of the state of New York.

31 10. "Joint service arrangements" shall mean agreements between or
32 among the authority and any common carrier or freight forwarder, the
33 state, any state agency, the federal government, any other state or
34 agency or instrumentality thereof, any public authority of this or any
35 other state, or any political subdivision or municipality of the state,
36 relating to property, buildings, structures, facilities, services,
37 rates, fares, classifications, divisions, allowances or charges (includ-
38 ing charges between operators of railroad, omnibus, marine and aviation
39 facilities), or rules or regulations pertaining thereto, for or in
40 connection with or incidental to transportation in part in or upon rail-
41 road, omnibus, marine or aviation facilities located within the district
42 and in part in or upon railroad, omnibus, marine or aviation facilities
43 located outside the district.

44 11. "Marine and aviation facilities" shall mean equipment and craft
45 for the transportation of passengers, mail and cargo between points
46 within the district or pursuant to joint service arrangements, by marine
47 craft and aircraft of all types including but not limited to hydrofoils,
48 ferries, lighters, tugs, barges, helicopters, amphibians, seaplanes or
49 other contrivances now or hereafter used in navigation or movement on
50 waterways or in the navigation of or flight in airspace. It shall also
51 mean any marine port or airport facility within the city but outside the
52 port of New York district as defined in chapter one hundred fifty-four
53 of the laws of nineteen hundred twenty-one, including but not limited to
54 terminals, docks, piers, bulkheads, ramps or any facility or real prop-
55 erty necessary, convenient or desirable for the accommodation of passen-

1 gers and cargo or the docking, sailing, landing, taking off, accommo-
2 dation or servicing of such marine craft or aircraft.

3 12. "Mayor" shall mean the mayor of the city of New York.

4 13. "Metropolitan transportation authority" shall mean the corporation
5 created pursuant to title eleven of this article.

6 14. "Omnibus facilities" shall mean motor vehicles, of the type oper-
7 ated by carriers subject to the jurisdiction of the public service
8 commission, engaged in the transportation of passengers and their
9 baggage, express and mail between points within the district or pursuant
10 to joint service arrangements, and equipment, property, buildings,
11 structures, improvements, loading or unloading areas, parking areas or
12 other facilities, necessary, convenient or desirable for the accommo-
13 dation of such motor vehicles or their passengers, including but not
14 limited to buildings, structures and areas notwithstanding that portions
15 may not be devoted to any omnibus purpose other than the production of
16 revenues available for the costs and expenses of all or any facilities
17 of the authority.

18 15. "Railroad facilities" shall mean right of way and related track-
19 age, rails, cars, locomotives, other rolling stock, signal, power, fuel,
20 communication and ventilation systems, power plants, stations, termi-
21 nals, storage yards, repair and maintenance shops, yards, equipment and
22 parts, offices and other real estate or personalty used or held for or
23 incidental to the operation, rehabilitation or improvement of any rail-
24 road operating or to operate between points within the district or
25 pursuant to joint service arrangements, including but not limited to
26 buildings, structures, and areas notwithstanding that portions thereof
27 may not be devoted to any railroad purpose other than the production of
28 revenues available for the costs and expenses of all or any facilities
29 of the authority.

30 16. "Real property" shall mean lands, structures, franchises and
31 interests in land, waters, lands under water, riparian rights and air
32 rights and any and all things and rights included within said term and
33 includes not only fees simple absolute but also any and all lesser
34 interests including but not limited to easements, rights of way, uses,
35 leases, licenses and all other incorporeal hereditaments and every
36 estate, interest or right, legal or equitable, including terms for years
37 and liens thereon by way of judgments, mortgages or otherwise.

38 17. "State" shall mean the state of New York.

39 18. "State agency" shall mean any officer, department, board, commis-
40 sion, bureau, division, public benefit corporation, agency or instrumen-
41 talities of the state.

42 19. "Transportation facility" shall mean any transit, railroad, omni-
43 bus, marine or aviation facility and any person, firm, partnership,
44 association or, corporation which owns, leases or operates any such
45 facility or any other facility used for service in the transportation of
46 passengers, United States mail or personal property as a common carrier
47 for hire and any portion thereof and the rights, leaseholds or other
48 interest therein together with routes, tracks, extensions, connections,
49 parking lots, garages, warehouses, yards, storage yards, maintenance and
50 repair shops, terminals, stations and other related facilities thereof,
51 the devices, appurtenances, and equipment thereof and power plants and
52 other instrumentalities used or useful therefor or in connection there-
53 with.

54 20. "Transportation district" and "district" shall mean the metropol-
55 itan commuter transportation district created by section twelve hundred
56 sixty-two of this article.

1 21. "Transportation purpose" shall mean a purpose that directly
2 supports the missions or purposes of the authority, any of its subsid-
3 aries, New York city transit authority or its subsidiary, including the
4 realization of revenues derived from property that is, or is to be used
5 as, a transportation facility.

6 22. "New York city transit authority" shall mean the corporation
7 created by section twelve hundred one of this article.

8 23. "Triborough bridge and tunnel authority" shall mean the corpo-
9 ration created pursuant to title three of article three of this chapter.

10 24. "Inspector general" shall mean the big apple transit authority
11 inspector general.

12 25. "Revenues" shall mean all monies received by the authority or its
13 subsidiaries, or New York city transit authority or its subsidiaries, or
14 Triborough bridge and tunnel authority, as the case may be, from whatev-
15 er source, derived directly or indirectly from or in connection with the
16 operations of the respective entity except for any monies transferred to
17 the metropolitan transportation authority pursuant to section thirteen
18 hundred forty-nine-h of this title that is not returned to the authority
19 pursuant to paragraph (c) of subdivision two of section twelve hundred
20 sixty-six of this chapter.

21 26. "Transit facility" shall have the same meaning as defined in
22 subdivision fifteen of section twelve hundred of this article.

23 27. "Utilization" shall mean public usage of the subway, bus, railroad
24 and paratransit services, and bridge and tunnel crossings, of the
25 authority and its affiliates and subsidiaries as reflected in empirical
26 data.

27 28. "Big apple transit authority and its affiliates" shall mean the
28 big apple transit authority, the New York city transit authority, and
29 the Triborough bridge and tunnel authority, and all their respective
30 subsidiaries.

31 § 1349-c. Big apple transit authority. 1. (a) There is hereby created
32 the "big apple transit authority". The authority shall be a body corpo-
33 rate and politic constituting a public benefit corporation. The authori-
34 ty shall consist of seven voting members, including a chairperson, and
35 two non-voting members. Members shall have experience in one or more of
36 the following areas of expertise: transportation or transit planning;
37 urban planning, including sustainability and resiliency; advocacy for
38 individuals with disabilities; demographics, social trends or the needs
39 of low-income New Yorkers; capital planning or civil engineering;
40 finance; or another area of expertise central to the purpose of the
41 authority. The mayor shall appoint four voting members, including the
42 chairperson, and each member shall be entitled to cast one vote. Each
43 borough president of the city of New York shall appoint one voting
44 member who shall be entitled to cast a half vote. The public advocate of
45 the city of New York shall appoint one voting member who shall be enti-
46 tled to cast a half vote. The two non-voting members shall be appointed
47 by the mayor. The first non-voting member shall be a regular mass trans-
48 it user of the facilities of the authority and be recommended to the
49 mayor of the city of New York by the permanent citizens advisory commit-
50 tee established pursuant to section thirteen hundred forty-nine-m of
51 this title. The second non-voting member shall be recommended to the
52 mayor by the labor organization representing the majority of employees
53 of the authority. The chairperson, at such chairperson's direction, may
54 exclude such non-voting member from attending any portion of a meeting
55 of the authority or of any committee established pursuant to paragraph
56 (b) of subdivision three of this section held for the purpose of

1 discussing negotiations with labor organizations. The chairperson and
2 each of the members shall be appointed for a term of three years.

3 (b) Each member shall be subject to the conflict of interest board
4 established by section twenty-six hundred two of the New York city char-
5 ter as public servants charged with substantial policy discretion.

6 (c) Vacancies occurring otherwise than by expiration of term shall be
7 filled in the same manner as original appointments for the balance of
8 the unexpired term.

9 2. The chairperson shall be paid a salary in the amount determined by
10 the authority; the other members shall not receive a salary or other
11 compensation. Each member, including the chairperson, shall be entitled
12 to reimbursement for actual and necessary expenses incurred in the
13 performance of such member's official duties.

14 3. (a) Notwithstanding any provision of law to the contrary, the
15 chairperson shall be the chief executive officer of the authority and
16 shall be responsible for the discharge of the executive and administra-
17 tive functions and powers of the authority. The chairperson may appoint
18 an executive director and such other officials and employees as shall in
19 such chairperson's judgment be needed to discharge the executive and
20 administrative functions and powers of the authority.

21 (b) The chairperson shall establish committees to assist such chair-
22 person in the performance of such chairperson's duties and shall appoint
23 members of the authority to such committees. Among such committees,
24 there shall be a committee on operations of the New York city transit
25 authority, the Manhattan and Bronx surface transit operating authority
26 and the Staten Island rapid transit operating authority; a committee on
27 operations of the Triborough bridge and tunnel authority; a committee on
28 finance; a committee on capital program oversight; and a committee on
29 safety. In addition to such appointed members, each of the non-voting
30 members shall serve on the committee on capital program oversight, the
31 committee on finance, the committee on safety, and the committee on
32 operations of the Triborough bridge and tunnel authority. The committee
33 on capital program oversight shall include not less than four members,
34 and shall include the chairpersons of the committee on operations of the
35 New York city transit authority, the Manhattan and Bronx surface transit
36 operating authority and the Staten Island rapid transit operating
37 authority, and the committee on safety. The committee on safety shall
38 convene at least once annually and each committee chairperson, that is a
39 member of the committee on safety, shall report to the committee on
40 safety any and all initiatives, concerns, improvements, or failures
41 involving the safety of customers, employees, and the public at large,
42 in relation to authority facilities and services. The capital program
43 committee shall, with respect to any approved or proposed capital
44 program plans:

45 (i) monitor the current and future availability of funds to be
46 utilized for such plans approved or proposed to be submitted to the
47 mayor as provided in section thirteen hundred forty-nine-v of this
48 title;

49 (ii) monitor the contract awards of the big apple transit authority
50 and the New York city transit authority to ensure that such awards are
51 consistent with:

52 (A) provisions of law authorizing United States content and New York
53 state content;

54 (B) collective bargaining agreements;

55 (C) provisions of law providing for participation by minority and
56 women-owned businesses;

1 (D) New York state labor laws;

2 (E) competitive bidding requirements including those regarding sole
3 source contracts; and

4 (F) any other relevant requirements established by law;

5 (iii) monitor the award of contracts to determine if such awards are
6 consistent with the manner in which the work was traditionally performed
7 in the past provided, however, that any such determination shall not be
8 admissible as evidence in any arbitration or judicial proceeding;

9 (iv) review the relationship between capital expenditures pursuant to
10 each such capital program plan and current and future operating budget
11 requirements;

12 (v) monitor the progress of capital elements described in each capital
13 program plan approved as provided in section thirteen hundred forty-
14 nine-v of this title;

15 (vi) monitor the expenditures incurred and to be incurred for each
16 such element; and

17 (vii) identify capital elements not progressing on schedule, ascertain
18 responsibility therefor and recommend those actions required or appro-
19 priate to accelerate their implementation.

20 (c) The capital program committee shall issue a quarterly report on
21 its activities and findings, and shall in connection with the prepara-
22 tion of such quarterly report, consult with the city department of
23 transportation, the mayor, and any other group the committee deems rele-
24 vant, including public employee organizations, and, at least annually,
25 with a nationally recognized independent transit engineering firm. Such
26 report shall be made available to the members of the authority, to the
27 mayor, and the directors of the municipal assistance corporation for the
28 city of New York.

29 (d) The chairperson shall ensure that at every meeting of the board
30 and at every meeting of each committee the public shall be allotted a
31 period of time, not less than thirty minutes, to speak on any topic on
32 the agenda.

33 (e) Notwithstanding paragraph (c) of subdivision one of section twenty-
34 eight hundred twenty-four of this chapter or any other provision of
35 law to the contrary, the chairperson shall not participate in establish-
36 ing authority policies regarding the payment of salary, compensation and
37 reimbursement to, nor establish rules for the time and attendance of,
38 the chief executive officer. The salary of the chairperson, as deter-
39 mined pursuant to subdivision two of this section, shall also be compen-
40 sation for all services performed as chief executive officer.

41 4. Notwithstanding any inconsistent provisions of this or any other
42 law, general, special or local, no officer or employee of the state, or
43 of any public corporation as defined in the general corporation law,
44 shall be deemed to have forfeited or shall forfeit such officer or
45 employee's office or employment or any benefits provided under the
46 retirement and social security law or under any public retirement system
47 maintained by the state or any of its subdivisions by reason of such
48 officer or employee's acceptance of a position of member or chairperson
49 of the authority; provided, however, a member or chairperson who holds
50 such other public office or employment shall receive no additional
51 compensation for services rendered pursuant to this title, but shall be
52 entitled to reimbursement for such member or chairperson's actual and
53 necessary expenses incurred in the performance of such services.

54 5. The mayor may remove any member for inefficiency, neglect of duty,
55 breach of fiduciary duty or misconduct in office after giving the member
56 a copy of the charges against the member and an opportunity to be heard,

1 in person or by counsel in the member's defense, upon not less than ten
2 days' notice. If any member shall be so removed, the mayor shall file a
3 complete statement of charges made against such member, and his or her
4 findings thereon, together with a complete record of the proceedings.

5 6. The authority shall continue so long as it shall have bonds or
6 other obligations outstanding and until its existence shall be termi-
7 nated by law. Upon the termination of the existence of the authority,
8 all its rights and properties shall pass to and be vested in the city.

9 7. Whenever the authority causes notices of hearings on proposed
10 changes in services or fares to be posted pursuant to this section or
11 any statute, regulation, or authority policy, or where it voluntarily
12 posts such notices, such notices shall:

13 (a) be written in a clear and coherent manner using words with common
14 and every day meaning;

15 (b) be captioned in large point type bold lettering with a title that
16 fairly and accurately conveys the basic nature of such change or chang-
17 es;

18 (c) where such change involves a proposed change in levels of fare,
19 include in its title the range of amounts of fare changes under consid-
20 eration;

21 (d) contain, to the extent practicable, a concise description of the
22 specific nature of the change or changes, including but not limited to a
23 concise description of those changes that affect the largest number of
24 passengers;

25 (e) where such change involves a change in the nature of a route,
26 contain, to the extent practicable, a clear graphic illustration of such
27 change or changes; and

28 (f) where such change involves a partial or complete station closing,
29 such notice shall be posted at the affected station with a clear graphic
30 illustration depicting the nature of any closing for such station.

31 § 1349-d. Purposes of the authority. 1. The purposes of the authority
32 shall be the continuance, further development and improvement of commu-
33 ter transportation and other services related thereto within the city of
34 New York, including but not limited to such transportation by railroad,
35 omnibus, marine and air, in accordance with the provisions of this
36 title. It shall be the further purpose of the authority, consistent with
37 its status as the ex officio board of both the New York city transit
38 authority and the Triborough bridge and tunnel authority, to develop and
39 implement a unified mass transportation policy for the city in an effi-
40 cient and cost-effective manner that includes the use of design-build
41 contracting on all appropriate projects.

42 2. It is hereby found and declared that such purposes are in all
43 respects for the benefit of the people of the city of New York and the
44 authority shall be regarded as performing an essential governmental
45 function in carrying out its purposes and in exercising the powers
46 granted by this title.

47 § 1349-e. General powers of the authority. Except as otherwise limited
48 by this title, the authority shall have power:

49 1. to sue and be sued;

50 2. to have a seal and alter the same at pleasure;

51 3. to borrow money, to issue negotiable notes, bonds or other obli-
52 gations and to provide for the rights of the holders thereof, and to
53 finance or refinance all or any part of the costs to the authority or to
54 any other person or entity, public or private, of the planning, design,
55 acquisition, construction, improvement, reconstruction or rehabilitation
56 of any transportation facility;

1 4. to invest any funds, accounts or other monies not required for
2 immediate use or disbursement, at the discretion of the authority in:

3 (a) obligations of the state or the United States government;

4 (b) obligations the principal and interest of which are guaranteed by
5 the state or the United States government;

6 (c) certificates of deposit of banks or trust companies in this state,
7 secured, if the authority shall so require, by obligations of the United
8 States or of the state of New York of a market value equal at all times
9 to the amount of the deposit;

10 (d) banker's acceptances with a maturity of ninety days or less which
11 are eligible for purchase by the Federal Reserve Banks and whose rating
12 at the time of purchase is in the highest rating category of two
13 nationally recognized independent rating agencies, provided, however,
14 that the amount of banker's acceptances of any one bank shall not exceed
15 two hundred fifty million dollars;

16 (e) obligations of any bank or corporation created under the laws of
17 either the United States or any state of the United States maturing
18 within two hundred seventy days, provided that such obligations receive
19 the highest rating of two nationally recognized independent rating agen-
20 cies and, provided further, that no more than two hundred fifty million
21 dollars may be invested in such obligations of any one bank or corpo-
22 ration;

23 (f) as to any such moneys held in reserve and sinking funds, other
24 securities in which the trustee or trustees of any public retirement
25 system or pension fund has the power to invest the monies thereof pursu-
26 ant to article four-A of the retirement and social security law, each
27 such reserve and sinking fund being treated as a separate fund for the
28 purposes of article four-A of the retirement and social security law;

29 (g) notes, bonds, debentures, mortgages and other evidences of indebt-
30 edness, issued or guaranteed at the time of the investment by the United
31 States Postal Service, the federal national mortgage association, the
32 federal home loan mortgage corporation, the student loan marketing asso-
33 ciation, the federal farm credit system, or any other United States
34 government sponsored agency, provided that at the time of the investment
35 such agency or its obligations are rated and the agency receives, or its
36 obligations receive, the highest rating of all independent rating agen-
37 cies that rate such agency or its obligations, provided, however, that
38 no more than two hundred fifty million dollars or such greater amount as
39 may be authorized for investment by the state comptroller pursuant to
40 section ninety-three of the state finance law may be invested in the
41 obligations of any one agency;

42 (h) general obligation bonds and notes of any state other than the
43 state, provided that such bonds and notes receive the highest rating of
44 at least one independent rating agency, and bonds and notes of any coun-
45 ty, town, city, village, fire district or school district of the state,
46 provided that such bonds and notes receive either of the two highest
47 ratings of at least two independent rating agencies;

48 (i) mutual funds registered with the United States securities and
49 exchange commission whose investments are limited to obligations of the
50 state described in paragraph (a) of this subdivision, obligations the
51 principal and interest of which are guaranteed by the state described in
52 paragraph (b) of this subdivision, and those securities described in
53 this paragraph and that have received the highest rating of at least one
54 independent rating agency, provided that the aggregate amount invested
55 at any one time in all such mutual funds shall not exceed ten million
56 dollars, and, provided further, that the authority shall not invest such

1 funds, accounts or other monies in any mutual fund for longer than thir-
2 ty days; and

3 (j) financial contracts in a foreign currency entered into for the
4 purpose of minimizing the foreign currency exchange risk of the purchase
5 price of a contract with a vendor chosen through competitive process for
6 the acquisition of capital assets for the benefit of the capital program
7 of the Triborough bridge and tunnel authority or the transit capital
8 program;

9 5. to make and alter by-laws for its organization and internal manage-
10 ment, and rules and regulations governing the exercise of its powers and
11 the fulfillment of its purposes under this title;

12 6. to enter into contracts and leases and to execute all instruments
13 necessary or convenient;

14 (a) with respect to any lease transaction entered into pursuant to
15 section 168(f)(8) of the United States Internal Revenue Code or any
16 successor provisions, the authority shall meet the following standards
17 and procedures:

18 (i) notice of intention to negotiate shall be published in at least
19 one newspaper of general circulation, and a copy thereof shall be mailed
20 to all parties who have requested notification from the authority to
21 engage in transactions of this type, and such notice shall describe the
22 nature of the proposed transaction and the factors subject to negoti-
23 ation, which shall include, but not be limited to, the price to be paid
24 to the authority;

25 (ii) the authority shall negotiate with those respondents whose
26 response complies with the requirements set forth in the notice;

27 (iii) the board of the authority shall resolve on the basis of parti-
28 cularized findings relevant to the factors negotiated that such trans-
29 action will provide maximum available financial benefits, consistent
30 with other defined objectives and requirements;

31 (b) the authority shall provide to the mayor, city council, and all
32 borough presidents of the boroughs in which the leased property is situ-
33 ated, notice of each lease entered into pursuant to paragraph (a) of
34 this subdivision and supporting documentation of compliance by the
35 authority with subparagraphs (i), (ii) and (iii) of paragraph (a) of
36 this subdivision;

37 (c) paragraphs (a) and (b) of this subdivision shall be of no force
38 and effect with respect to any lease transaction entered into pursuant
39 to a commitment approved prior the effective date of this section by the
40 board of the metropolitan transportation authority;

41 7. to acquire, hold, and dispose of real or personal property in the
42 exercise of its powers;

43 8. to appoint such officers and employees as it may require for the
44 performance of its duties, and to fix and determine their qualifica-
45 tions, duties, and compensation and to retain or employ counsel, audi-
46 tors, engineers, and private consultants on a contract basis or other-
47 wise for rendering professional or technical services and advice;

48 9. (a) notwithstanding section one hundred thirteen of the retirement
49 and social security law or any other general or special law, the author-
50 ity and any of its subsidiary corporations may continue or provide to
51 its affected officers and employees any retirement, disability, death or
52 other benefits provided or required for railroad personnel pursuant to
53 federal or state law;

54 (b) the authority and any of its public benefit subsidiary corpo-
55 rations may be a "participating employer" in the New York city employ-
56 ees' retirement system with respect to one or more classes of officers

1 and employees of such authority or any such public benefit subsidiary
2 corporation, as may be provided by resolution of such authority or any
3 such public benefit subsidiary corporation, as the case may be, or any
4 subsequent amendment thereof, filed with the comptroller and accepted by
5 such comptroller pursuant to section thirty-one of the retirement and
6 social security law. In taking any action pursuant to this paragraph,
7 the authority and any of its public benefit subsidiary corporations
8 shall consider the coverages and benefits continued or provided pursuant
9 to paragraph (a) of this subdivision;

10 10. to make plans, surveys, and studies necessary, convenient or
11 desirable to the effectuation of the purposes and powers of the authori-
12 ty and to prepare recommendations in regard thereto;

13 11. to enter upon such lands, waters or premises as in the judgment of
14 the authority as may be necessary, convenient or desirable for the
15 purpose of making surveys, soundings, borings and examinations to accom-
16 plish any purpose authorized by this title, the authority being liable
17 for actual damage done;

18 12. to conduct investigations and hearings in the furtherance of its
19 general purposes, and in aid thereof have access to any books, records
20 or papers relevant thereto; and if any person whose testimony shall be
21 required for the proper performance of the duties of the authority shall
22 fail or refuse to aid or assist the authority in the conduct of any
23 investigation or hearing, or to produce any relevant books, records or
24 other papers, the authority is authorized to apply for process of
25 subpoena, to issue out of any court of general original jurisdiction
26 whose process can reach such person, upon due cause shown;

27 13. a copy of any report submitted by the authority pursuant to
28 sections twenty-eight hundred, twenty-eight hundred one and twenty-eight
29 hundred two of this chapter shall be forwarded to the mayor and to the
30 speaker of the city council; and

31 14. to do all things necessary, convenient or desirable to carry out
32 its purposes and for the exercise of the powers granted in this title.

33 § 1349-f. Contracts. 1. (a) Except as otherwise provided in this
34 section, all purchase contracts for supplies, materials or equipment
35 involving an estimated expenditure in excess of one million dollars and
36 all contracts for public work involving an estimated expenditure in
37 excess of one million dollars shall be awarded by the authority to the
38 lowest responsible bidder after obtaining sealed bids in the manner
39 hereinafter set forth. For purposes hereof, contracts for public work
40 shall exclude contracts for personal, engineering and architectural, or
41 professional services. The authority may reject all bids and obtain new
42 bids in the manner provided by this section when it is deemed in the
43 public interest to do so or, in cases where two or more responsible
44 bidders submit identical bids which are the lowest bids, award the
45 contract to any of such bidders or obtain new bids from such bidders.
46 Nothing in this paragraph shall obligate the authority to seek new bids
47 after the rejection of bids or after cancellation of an invitation to
48 bid. Nothing in this section shall prohibit the evaluation of bids on
49 the basis of costs or savings including life cycle costs of the item to
50 be purchased, discounts, and inspection services so long as the invita-
51 tion to bid reasonably sets forth the criteria to be used in evaluating
52 such costs or savings. Life cycle costs may include but shall not be
53 limited to costs or savings associated with installation, energy use,
54 maintenance, operation and salvage or disposal.

55 (b) Section twenty-eight hundred seventy-nine of this chapter shall
56 apply to the authority's acquisition of goods or services of any kind,

1 in the actual or estimated amount of fifteen thousand dollars or more,
2 provided:

3 (i) that a contract for services in the actual or estimated amount of
4 one million dollars or less shall not require approval by the board of
5 the authority regardless of the length of the period over which the
6 services are rendered, and provided further that a contract for services
7 in the actual or estimated amount of one million dollars or more shall
8 require approval by the board of the authority regardless of the length
9 of the period over which the services are rendered unless such a
10 contract is awarded to the lowest responsible bidder after obtaining
11 sealed bids; and

12 (ii) the board of the authority may by resolution adopt guidelines
13 that authorize the award of contracts to small business concerns, to
14 service disabled veteran owned businesses certified pursuant to article
15 seventeen-B of the executive law, or minority or women-owned business
16 enterprises certified pursuant to article fifteen-A of the executive
17 law, or purchases of goods or technology that are recycled or remanufac-
18 tured, in an amount not to exceed one million dollars without a formal
19 competitive process and without further board approval. The board of the
20 authority shall adopt guidelines which shall be made publicly available
21 for the awarding of such contract without a formal competitive process.

22 2. (a) Advertisement for bids, when required by this section, shall be
23 published at least once in a newspaper of general circulation in the
24 area served by the authority and in the procurement opportunities news-
25 letter published pursuant to article four-C of the economic development
26 law provided that, notwithstanding the provisions of such article, an
27 advertisement shall only be required for a purchase contract for
28 supplies, materials or equipment when required by this section. Publi-
29 cation in a newspaper of general circulation in the area served or in
30 the procurement opportunities newsletter shall not be required if bids
31 for contracts for supplies, materials or equipment are of a type regu-
32 larly purchased by the authority and are to be solicited from a list of
33 potential suppliers, if such list is or has been developed consistent
34 with the provisions of subdivision six of this section. Any such adver-
35 tisement shall contain a statement of:

36 (i) the time and place where bids received pursuant to any notice
37 requesting sealed bids will be publicly opened and read;

38 (ii) the name of the contracting agency;

39 (iii) the contract identification number;

40 (iv) a brief description of the public work, supplies, materials, or
41 equipment sought, the location where work is to be performed, goods are
42 to be delivered or services provided and the contract term;

43 (v) the address where bids or proposals are to be submitted;

44 (vi) the date when bids or proposals are due;

45 (vii) a description of any eligibility or qualification requirement or
46 preference;

47 (viii) a statement as to whether the contract requirements may be
48 fulfilled by a subcontracting, joint venture, or co-production arrange-
49 ment;

50 (ix) any other information deemed useful to potential contractors; and

51 (x) the name, address, and telephone number of the person to be
52 contacted for additional information. At least fifteen business days
53 shall elapse between the first publication of such advertisement or the
54 solicitation of bids, as the case may be, and the date of opening and
55 reading of bids.

1 (b) The authority may designate any officer or employee to open the
2 bids at the time and place bids are to be opened and may designate an
3 officer to award the contract to the lowest responsible bidder. Such
4 designee shall make a record of all bids in such form and detail as the
5 authority shall prescribe. All bids received shall be publicly opened
6 and read at the time and place specified in the advertisement or at the
7 time of solicitation, or to which the opening and reading have been
8 adjourned by the authority. All bidders shall be notified of the time
9 and place of any such adjournment.

10 3. Notwithstanding the foregoing, the authority may, by resolution
11 approved by a two-thirds vote, or by a majority vote with respect to
12 contracts proposed to be let pursuant to paragraph (a) of this subdivi-
13 sion, declare that competitive bidding is impractical or inappropriate
14 because of the existence of any of the circumstances hereinafter set
15 forth and thereafter the authority may proceed to award contracts with-
16 out complying with the requirements of subdivision one or two of this
17 section. In each case where the authority declares competitive bidding
18 impractical or inappropriate, it shall state the reason therefor in
19 writing and summarize any negotiations that have been conducted. Except
20 for contracts awarded pursuant to paragraphs (a), (b), (c) and (e) of
21 this subdivision, the authority shall not award any contract pursuant to
22 this subdivision earlier than thirty days from the date on which the
23 authority declares that competitive bidding is impractical or inappro-
24 priate. Competitive bidding may only be declared impractical or inappro-
25 priate where:

26 (a) the existence of an emergency involving danger to life, safety or
27 property requires immediate action and cannot await competitive bidding
28 or the item to be purchased is essential to efficient operation or the
29 adequate provision of service and as a consequence of an unforeseen
30 circumstance such purchase cannot await competitive bidding;

31 (b) the item to be purchased is available only from a single responsi-
32 ble source, provided that if bids have not been solicited for such item
33 pursuant to subdivision one of this section within the preceding twelve
34 months public notice shall first be given pursuant to subdivision four
35 of this section;

36 (c) the authority receives no responsive bids or only a single respon-
37 sive bid in response to an invitation for competitive bids;

38 (d) the authority wishes to experiment with or test a product or tech-
39 nology or new source for such product or technology or evaluate the
40 service or reliability of such product or technology;

41 (e) the item is available through an existing contract between a
42 vendor and: (i) another public authority provided that such other
43 authority utilized a process of competitive bidding or a process of
44 competitive requests for proposals to award such contracts; (ii) Nassau
45 county; (iii) the state of New York; or (iv) the city of New York,
46 provided that in any case when under this paragraph the authority deter-
47 mines that obtaining such item thereby would be in the public interest
48 and sets forth the reasons for such determination. The authority shall
49 accept sole responsibility for any payment due the vendor as a result of
50 the authority's order;

51 (f) the authority determines that it is in the public interest to
52 award contracts pursuant to a process for competitive requests for
53 proposals as hereinafter set forth. For purposes of this section, a
54 process for competitive requests for proposals shall mean a method of
55 soliciting proposals and awarding a contract on the basis of a formal
56 evaluation of the characteristics, such as quality, cost, delivery sche-

1 dule and financing of such proposals against stated selection criteria.
2 Public notice of the requests for proposals shall be given in the same
3 manner as provided in subdivision four of this section and shall include
4 the selection criteria. In the event the authority makes a material
5 change in the selection criteria from those previously stated in the
6 notice, it will inform all proposers of such change and permit proposers
7 to modify their proposals;

8 (i) except for a contract with a value of one hundred million dollars
9 or less that is awarded pursuant to this paragraph to the proposer whose
10 proposal is the lowest cost, the authority may award a contract pursuant
11 to this paragraph only after a resolution approved by a two-thirds vote
12 of the board at a public meeting of the authority with such resolution:
13 (A) disclosing the other proposers and the substance of their proposals;
14 (B) summarizing the negotiation process including the opportunities, if
15 any, available to proposers to present and modify their proposals; and
16 (C) setting forth the criteria upon which the selection was made
17 provided however that for purposes of this subparagraph the board may,
18 at its discretion, require such a resolution be approved for contracts
19 with a value of one hundred million dollars or less;

20 (ii) nothing in this paragraph shall require or preclude (A) negoti-
21 ations with any proposers following the receipt of responses to the
22 request for proposals, or (B) the rejection of any or all proposals at
23 any time. Upon the rejection of all proposals, the authority may solicit
24 new proposals or bids in any manner prescribed in this section;

25 (g) the authority issues a competitive request for proposals pursuant
26 to the procedures of paragraph (f) of this subdivision for the purchase
27 or rehabilitation of rail cars and omnibuses. Any such request may
28 include among the stated selection criteria the performance of all or a
29 portion of the contract at sites within the state of New York or the use
30 of goods produced or services provided within the state of New York,
31 provided however that in no event shall the authority award a contract
32 to a manufacturer whose final offer, as expressed in unit cost is more
33 than ten percent higher than the unit cost of any qualified competing
34 final offer, if the sole basis for such award is that the higher priced
35 offer includes a more favorable provision for the performance of the
36 contract within the state of New York or the use of goods produced or
37 services provided within the state of New York, and further provided
38 that the authority's discretion to award a contract to any manufacturer
39 shall not be so limited if a basis for such award, as determined by the
40 authority, is superior financing, delivery schedule, life cycle, reli-
41 ability, or any other factor the authority deems relevant to its oper-
42 ations;

43 (i) except for a contract with a value of one hundred million dollars
44 or less that is awarded pursuant to this paragraph to the proposer whose
45 proposal is the lowest cost, the authority may award a contract pursuant
46 to this paragraph only after a resolution approved by a vote of not less
47 than a two-thirds vote of its members then in office at a public meeting
48 of the authority with such resolution: (A) disclosing the other propo-
49 sers and the substance of their proposals; (B) summarizing the negoti-
50 ation process including the opportunities, if any, available to propo-
51 sers to present and modify their proposals; and (C) setting forth the
52 criteria upon which the selection was made provided however that for
53 purposes of this subparagraph the board may, at its discretion, require
54 such a resolution be approved for contracts with a value of one hundred
55 million dollars or less;

1 (ii) nothing in this paragraph shall require or preclude: (A) negoti-
2 ations with any proposers following the receipt of responses to the
3 request for proposals; or (B) the rejection of any or all proposals at
4 any time. Upon the rejection of all proposals, the authority may solicit
5 new proposals or bids in any manner prescribed in this section.

6 4. Upon the adoption of a resolution by the authority stating, for
7 reasons of efficiency, economy, compatibility or maintenance reliabil-
8 ity, that there is a need for standardization, the authority may estab-
9 lish procedures whereby particular supplies, materials or equipment are
10 identified on a qualified products list. Such procedures shall provide
11 for products or vendors to be added to or deleted from such list and
12 shall include provisions for public advertisement of the manner in which
13 such lists are compiled. The authority shall review such list no less
14 than twice a year for the purpose of making such modifications.
15 Contracts for particular supplies, materials or equipment identified on
16 a qualified products list may be awarded by the authority to the lowest
17 responsible bidder after obtaining sealed bids in accordance with this
18 section or without competitive sealed bids in instances when the item is
19 available from only a single source, except that the authority may
20 dispense with advertising provided that it mails copies of the invita-
21 tion to bid to all vendors of the particular item on the qualified
22 products list.

23 5. The authority shall compile a list of potential sources of
24 supplies, materials or equipment regularly purchased. The authority
25 shall, by resolution, set forth the procedures it has established to
26 identify new sources and to notify such new sources of the opportunity
27 to bid for contracts for the purchase of supplies, materials or equip-
28 ment. Such procedures shall include, but not be limited to:

29 (a) advertising in trade journals;
30 (b) cooperation with federal, state and local agencies within its area
31 of operations;

32 (c) publication in the state register quarterly; and
33 (d) procedures established pursuant to subdivision thirteen of section
34 thirteen hundred forty-nine-j of this title.

35 6. The provisions of this section shall not supersede any other
36 provisions of law relative to purchases of products or devices manufac-
37 tured or provided by the blind or other severely handicapped persons, to
38 the invitation and acceptance of bids from small or minority business
39 enterprises or to the purchases of supplies, materials or equipment
40 through the office of general services. Except as may otherwise be
41 provided by law or as more restrictively defined in the official policy
42 or bid specifications of the authority, as used in this section the term
43 "small business" means a small business or similar term, under federal
44 regulations applicable to projects of the authority which are federally
45 assisted.

46 7. Notwithstanding any other provisions in this section, the authority
47 shall be allowed to use an electronic bidding system for the purchase of
48 goods, materials, and commodities that may inform bidders whether their
49 bid is the current low bid, and allow bidders to submit new bids before
50 the date and time assigned for the opening of bids. Such procedure shall
51 not constitute disclosure of bids in violation of section twenty-eight
52 hundred seventy-eight of this chapter.

53 8. The provisions of this section shall not apply to any procurement
54 made by any other public entity not otherwise required by law to award
55 contracts for such purchases to the lowest responsible bidder if such
56 purchases are made at the sole cost and expense of such entity.

1 9. (a) Whenever the comptroller pursuant to section twenty-eight
2 hundred seventy-nine-a of this chapter intends to require supervision in
3 the form of prior review and approval of a contract or contract amend-
4 ment to be awarded by the authority pursuant to this section, then such
5 contract or contract amendment shall be submitted to the comptroller by
6 the authority for approval and shall not be a valid enforceable contract
7 unless it shall first have been approved by the comptroller but only if
8 the comptroller has notified the authority of such determination within
9 thirty days of having received written notice of such contract or
10 contract amendment either in the authority's annual report or any
11 revised report;

12 (b) If the comptroller has timely notified the authority as provided
13 in paragraph (a) of this subdivision that any contract or contract
14 amendment shall be subject to comptroller prior review and approval, and
15 such contract or contract amendment has been submitted to the comp-
16 troller, it shall become valid and enforceable without such approval if
17 the comptroller has not approved or disapproved it within thirty days of
18 submission to the comptroller.

19 10. The award of construction contracts by the authority shall not be
20 subject to the provisions of section one hundred one of the general
21 municipal law.

22 § 1349-g. Big apple transit authority small business mentoring
23 program. 1. As used in this section, unless the context requires other-
24 wise:

25 (a) "Small business" means a business in the construction trades which
26 (i) is independently owned and operated; (ii) has annual revenues not
27 exceeding a fiscal limitation of five million dollars or such lesser
28 amount as established by the authority pursuant to these provisions; and
29 (iii) meets additional criteria as otherwise established by the chair-
30 person in consultation with the members of the big apple transit author-
31 ity small business mentoring program advisory committee. The chair of
32 the committee shall be the chief diversity officer of the authority. The
33 authority shall establish a detailed definition in general and specific
34 to different segments of the construction industry to the extent neces-
35 sary to reflect differing characteristics of such segments based on the
36 criteria used by the United States small business administration for
37 loans to small businesses as set forth in sections 121.301, 121.302,
38 121.303, 121.304, and 121.305, or for awarding government procurements
39 as set forth in sections 121.401, 121.402, 121.403, 121.404, 121.405,
40 121.406, 121.407, 121.408, 121.409, 121.410, 121.411, 121.412, and
41 121.413 of subpart A of part 121 of chapter I of title 13 of the Code of
42 Federal Regulations as amended, and such other criteria as determined by
43 the authority;

44 (b) "Small business mentoring program" means a program established by
45 the authority pursuant to these provisions to provide small businesses
46 accepted into the program with the opportunity:

47 (i) for up to four years, to compete for and, where awarded, to
48 perform certain authority public work contracts to be designated by the
49 authority for inclusion in this program under this subparagraph, with
50 the assistance of an authority-provided mentor, which shall be a firm
51 competitively selected by the authority that has extensive construction
52 management and mentoring experience, with the mentor to provide the
53 small business with advice and assistance in competing for and managing
54 authority public work contracts; and

55 (ii) for a small business mentoring program participant which the
56 authority has determined has successfully completed the program under

1 subparagraph (i) of this paragraph, for up to four additional years, (A)
2 additional opportunities to compete with other designated small busi-
3 nesses in the program for certain public work contracts to be designated
4 for inclusion under this subparagraph and, where awarded, to perform
5 such authority public work contracts, with the further assistance of an
6 authority-provided mentor, which shall be a firm competitively selected
7 by the authority that has extensive construction management and mentor-
8 ing experience, with the mentor to provide the small business with
9 advice and technical assistance in competing for and managing authority
10 public work contracts, and (B) authority-provided assistance, as deter-
11 mined by the authority, for such a small business to obtain bonding for
12 public work contracts that are competitively awarded pursuant to
13 provisions of law other than this section.

14 (c) "Small business mentoring program contract" means a non-federally
15 funded authority public work contract designated by the authority, in an
16 estimated amount of not more than one million dollars for contracts
17 under subparagraph (i) of paragraph (b) of this subdivision and three
18 million dollars for contracts under subparagraph (ii) of paragraph (b)
19 of this subdivision, for which bids or proposals are to be invited and
20 accepted only from businesses that are enrolled in the small business
21 mentoring program and have been selected by the authority to compete for
22 the contract.

23 2. (a) The authority may establish a small business mentoring program.
24 In connection therewith, the authority may determine the criteria pursu-
25 ant to which a small business shall be eligible for and selected to
26 participate in the program under subparagraphs (i) and (ii) of paragraph
27 (b) of subdivision one of this section, the number of participants to
28 participate in each of such components of the program, the criteria for
29 the competitive selection of the firms that will provide small busi-
30 nesses with mentoring services, the assignment of a mentor to a specific
31 small business in the small business mentoring program, and the funding
32 for the program.

33 (b) Under the small business mentoring program, the chairperson or the
34 chairperson's designee is authorized, notwithstanding any other
35 provision of law:

36 (i) to designate which eligible public work contracts shall be small
37 business mentoring program contracts under subparagraphs (i) and (ii) of
38 paragraph (b) of subdivision one of this section, respectively;

39 (ii) to establish standards for qualifying small business mentoring
40 program participants to compete for a small business mentoring program
41 contract, provided that no less than three qualified small businesses in
42 the program must submit responsive offers to perform the contract;

43 (iii) to determine when bids or proposals for a small business mentor-
44 ing program contract should be restricted to small business mentoring
45 program participants which, prior to the receipt of bids or proposals,
46 have been qualified by the authority for such competition;

47 (iv) to competitively select, designate and contract with one or more
48 experienced construction management firms that, under the general super-
49 vision of the authority, will provide mentoring services to the small
50 businesses participating in the small business mentoring program, and to
51 assign such mentors one or more designated small businesses participat-
52 ing in the program;

53 (v) for small business mentoring program contracts, except as set
54 forth herein, to waive requirements for the solicitation and award of a
55 public work contract pursuant to sections twelve hundred nine, thirteen

1 hundred forty-nine-f and twenty-eight hundred seventy-nine of this chap-
2 ter and any other provision of law;

3 (vi) to assist only small business mentoring program participants that
4 have been awarded small business mentoring program contracts to obtain
5 any surety bond or contract of insurance required of them in connection
6 with such contract only notwithstanding any provision of section two
7 thousand five hundred four of the insurance law to the contrary; and

8 (vii) for small businesses that have been accepted into the small
9 business mentoring program under subparagraph (ii) of paragraph (b) of
10 subdivision one of this section, in addition to the benefits of such
11 program and notwithstanding any other provision of law, to provide tech-
12 nical assistance in obtaining bids, payment and performance bonding for
13 authority public work contracts that are not small business mentoring
14 program contracts, for which the small business is otherwise qualified.

15 3. (a) If the total number of qualified small business mentoring
16 program participants that respond to a competition and are considered
17 capable of meeting the specifications and terms of the invitation to
18 compete is less than three, or if the chairperson or the chairperson's
19 designee determines that acceptance of the best offer will result in the
20 payment of an unreasonable price, the authority may reject all offers
21 and withdraw the designation of the contract as a small business mentor-
22 ing program contract.

23 (b) If the authority withdraws the designation of contract as a small
24 business mentoring program contract, the firms, if any, that made offers
25 shall be notified. Invitations to compete containing the same or rewrit-
26 ten specifications and terms shall then be re-issued as a small business
27 mentoring program contract for one or more additional contract period.

28 4. A mentor shall provide services and assistance to a small business
29 as designated by the authority, which may include the following:

30 (a) provide business training in the skills necessary to operate a
31 successful construction business and to compete for and perform a public
32 work contract;

33 (b) provide technical assistance to the small business to assess the
34 outcome if the small business competes for but is not awarded a
35 contract;

36 (c) if the small business mentoring program contract is awarded to the
37 small business, provide guidance, advice and technical assistance to the
38 small business in the performance of the contract; and

39 (d) provide other technical assistance to the small business to facil-
40 itate learning, training and other issues which may arise.

41 5. The authority may delegate to the chairperson or the chairperson's
42 designee, the authority's responsibilities set forth in this title.

43 6. The small business mentoring program contracts authorized by this
44 legislation shall, for the initial year of the program, be in an aggre-
45 gate amount of not less than ten million dollars, and shall not exceed
46 one hundred million dollars, with the maximum amount in future years to
47 be set by the chairperson.

48 § 1349-h. Special powers of the authority. In order to effectuate the
49 purposes of this title:

50 1. The authority may acquire, by purchase, gift, grant, transfer,
51 contract or lease, any transportation facility, wholly or partially
52 within the city, or any part thereof, or the use thereof, and may enter
53 into any joint service arrangements as hereinafter provided. Any such
54 acquisition or joint service arrangement shall be authorized only by
55 resolution of the authority approved by not less than a majority vote.

2. The authority may on such terms and conditions as the authority may determine necessary, convenient or desirable itself plan, design, acquire, establish, construct, effectuate, operate, maintain, renovate, improve, extend, rehabilitate or repair any transportation facility, or may provide for such planning, design, acquisition, establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension, rehabilitation or repair by contract, lease or other arrangement on such terms as the authority may deem necessary, convenient or desirable with any person, including but not limited to any common carrier or freight forwarder, the state, any state agency, the federal government, any other state or agency or instrumentality thereof, any public authority of this or any other state, the port of New York authority or any political subdivision or municipality of the state. In connection with the operation of any transportation facility, the authority may plan, design, acquire, establish, construct, effectuate, operate, maintain, renovate, improve, extend or repair or may provide by contract, lease or other arrangement for the planning, design, acquisition, establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension or repair of any related services and activities it deems necessary, convenient or desirable, including but not limited to the transportation and storage of freight and the United States mail, feeder and connecting transportation, parking areas, transportation centers, stations and related facilities.

3. (a) Except as directed in paragraph (c) of this subdivision, the authority shall establish, levy and collect or cause to be established, levied and collected and, in the case of a joint service arrangement, join with others in the establishment, levy and collection of such fares, tolls, rentals, rates, charges and other fees necessary for the use and operation of any transportation facility and related services operated by the authority or by a subsidiary corporation of the authority or under contract, lease or other arrangement, including joint service arrangements, with the authority. Any such fares, tolls, rentals, rates, charges or other fees for the transportation of passengers shall be established and changed only if approved by resolution of the authority adopted by not less than a majority vote and only after a public hearing, provided however, that fares, tolls, rentals, rates, charges or other fees for the transportation of passengers on any transportation facility which are in effect at the time that the then owner of such transportation facility becomes a subsidiary corporation of the authority or at the time that operation of such transportation facility is commenced by the authority or is commenced under contract, lease or other arrangement, including joint service arrangements, with the authority may be continued in effect without such a hearing. Such fares, tolls, rentals, rates, charges and other fees shall be established as may in the judgment of the authority be necessary to maintain the combined operations of the authority and its subsidiary corporations on a self-sustaining basis and to ensure that the operations of the authority are such that, at the end of the fiscal year, the results thereof shall not show a deficit when reported in accordance with generally accepted accounting principles unless such deficit is offset by funds withdrawn from reserves therefor. The said operations shall be deemed to be on a self-sustaining basis as required by this title, when the authority is able to pay or cause to be paid from revenue and any other funds or property actually available to the authority and its subsidiary corporations (i) as the same shall become due, the principal of and

1 interest on the bonds and notes and other obligations of the authority
2 and its subsidiaries, and the metropolitan transportation authority,
3 together with the maintenance of proper reserves therefor, (ii) the cost
4 and expense of keeping the properties and assets of the authority and
5 its subsidiary corporations in good condition and repair, and (iii) the
6 capital and operating expenses of the authority and its subsidiary
7 corporations. The authority may contract with the holders of bonds and
8 notes with respect to the exercise of the powers authorized by this
9 section. No acts or activities taken or proposed to be taken by the
10 authority or any subsidiary of the authority pursuant to the provisions
11 of this subdivision shall be deemed to be "actions" for the purposes or
12 within the meaning of article eight of the environmental conservation
13 law.

14 (b) All fares, tolls, rentals, rates, charges, and other fees estab-
15 lished, levied, and collected or caused to be established, levied, and
16 collected by the authority and its affiliates, shall first be trans-
17 ferred to the metropolitan transportation authority in order to maintain
18 the metropolitan transportation authority on a self-sustaining basis
19 unless already pledged to secure, and necessary to satisfy the debt
20 service or reserve requirements of, bonds, notes or other obligations of
21 the New York city transit authority or the Triborough bridge and tunnel
22 authority prior to January first, two thousand twenty-two.

23 (c) In the event that the monthly revenues of the metropolitan trans-
24 portation authority fall below one hundred twenty-five percent of the
25 amount necessary to maintain the operations of the metropolitan trans-
26 portation authority on a self-sustaining basis, as defined by section
27 twelve hundred sixty-six of this article, the authority shall, at the
28 direction of the metropolitan transportation authority, establish, levy
29 and collect or cause to be established, levied and collected, in the
30 case of a joint service arrangement, and join with others in the estab-
31 lishment, levy and collection of such fares, tolls, rentals, rates,
32 charges and other fees as the metropolitan transportation authority may
33 deem necessary, convenient or desirable for the use and operation of any
34 transportation facility and related services operated by the authority
35 or by a subsidiary corporation of the authority or under contract, lease
36 or other arrangement, including joint service arrangements, with the
37 authority, until such time that monthly revenues of the metropolitan
38 transportation authority has exceeded, for three consecutive months, two
39 hundred percent of the amount necessary to maintain the monthly oper-
40 ations of the metropolitan transportation authority on a self-sustaining
41 basis.

42 4. In furtherance of the authority's mandate to develop and implement
43 a unified mass transportation policy for the city and the exercise of
44 its powers, including the power to issue notes, bonds and other obli-
45 gations secured in whole or in part by the revenues of the authority and
46 its subsidiaries, and New York city transit authority and its subsid-
47 aries, the authority shall join with the New York city transit authori-
48 ty and its subsidiaries in connection with any change in the establish-
49 ment, levy and collection of fares, tolls, rentals, rates, charges and
50 other fees for the transportation of passengers on any transportation
51 facilities operated by New York city transit authority and its subsid-
52 aries. Such fares, tolls, rentals, charges and other fees on transit
53 facilities shall be established in accordance with the requirements of
54 sections twelve hundred five and twelve hundred seven-i of this article.

55 5. The authority may establish and, in the case of joint service
56 arrangements, join with others in the establishment of such schedules

1 and standards of operations and such other rules and regulations includ-
2 ing but not limited to rules and regulations governing the conduct and
3 safety of the public as it may deem necessary, convenient or desirable
4 for the use and operation of any transportation facility and related
5 services operated by the authority or under contract, lease or other
6 arrangement, including joint service arrangements, with the authority.
7 In the case of any conflict between any such rule or regulation of the
8 authority governing the conduct or the safety of the public and any
9 local law, ordinance, rule or regulation, such rule or regulation of the
10 authority shall prevail. Violation of any such rule or regulation of
11 the authority governing the conduct or the safety of the public in or
12 upon any facility of the authority shall constitute an offense and shall
13 be punishable by a fine not exceeding fifty dollars or imprisonment for
14 not more than thirty days or both or may be punishable by the imposition
15 of a civil penalty by the transit adjudication bureau established pursu-
16 ant to the provisions of title nine of this article.

17 6. The authority may acquire, hold, own, lease, establish, construct,
18 effectuate, operate, maintain, renovate, improve, extend or repair any
19 transportation facilities through, and cause any one or more of its
20 powers, duties, functions or activities to be exercised or performed by,
21 one or more wholly owned subsidiary corporations of the authority, or by
22 New York city transit authority or any of its subsidiary corporations in
23 the case of transit facilities and may transfer to or from any such
24 corporations any moneys, real property or other property for any of the
25 purposes of this title upon such terms and conditions as shall be agreed
26 to and subject to such payment or repayment obligations as are required
27 by law or by any agreement to which any of the affected entities is
28 subject. The directors or members of each such subsidiary corporation of
29 the authority corporation shall be the same persons holding the offices
30 of members of the authority. The chairperson of the board of each such
31 subsidiary shall be the chairperson of the authority, serving ex officio
32 and, provided that there is an executive director of the big apple tran-
33 sit authority, the executive director of such subsidiary shall be the
34 executive director of the big apple transit authority, serving ex offi-
35 cio. Notwithstanding any provision of law to the contrary, the chair-
36 person shall be the chief executive officer of each such subsidiary and
37 shall be responsible for the discharge of the executive and administra-
38 tive functions and powers of each such subsidiary. The chairperson and
39 executive director, if any, shall be empowered to delegate his or her
40 functions and powers to one or more officers or employees of each such
41 subsidiary designated by him or her. Each such subsidiary corporation of
42 the authority and any of its property, functions and activities shall
43 have all of the privileges, immunities, tax exemptions and other
44 exemptions of the authority and of the authority's property, functions
45 and activities. Each such subsidiary corporation shall be subject to the
46 restrictions and limitations to which the authority may be subject. Each
47 such subsidiary corporation of the authority shall be subject to suit in
48 accordance with section thirteen hundred forty-nine-mm of this title.
49 The employees of any such subsidiary corporation, except those who are
50 also employees of the authority, shall not be deemed employees of the
51 authority.

52 7. If the authority shall determine that one or more of its subsidiary
53 corporations should be in the form of a public benefit corporation, it
54 shall create each such public benefit corporation by executing and
55 filing with the secretary of state a certificate of incorporation, which
56 may be amended from time to time by filing, which shall set forth the

1 name of such public benefit subsidiary corporation, its duration, the
2 location of its principal office, and any or all of the purposes of
3 acquiring, owning, leasing, establishing, constructing, effectuating,
4 operating, maintaining, renovating, improving, extending or repairing
5 one or more facilities of the authority. Each such public benefit
6 subsidiary corporation shall be a body politic and corporate and shall
7 have all those powers vested in the authority by the provisions of this
8 title which the authority shall determine to include in its certificate
9 of incorporation except the power to contract indebtedness.

10 8. Whenever any state, political subdivision, municipality, commis-
11 sion, agency, officer, department, board, division or person is author-
12 ized and empowered for any of the purposes of this title to co-operate
13 and enter into agreements with the authority such state, political
14 subdivision, municipality, commission, agency, officer, department,
15 board, division or person shall have the same authorization and power
16 for any of such purposes to co-operate and enter into agreements with a
17 subsidiary corporation of the authority.

18 9. Each of the authority and its subsidiaries, and the New York city
19 transit authority and its subsidiaries, in its own name or in the name
20 of the city, may apply for and receive and accept grants of property,
21 money and services and other assistance offered or made available to it
22 by any person, government or agency, which it may use to meet capital or
23 operating expenses and for any other use within the scope of its powers,
24 and to negotiate for the same upon such terms and conditions as the
25 respective authority may determine to be necessary, convenient or desir-
26 able.

27 10. Subject to the rights of the holders of any outstanding bonds,
28 notes or other obligations of the authority, New York city transit
29 authority and Triborough bridge and tunnel authority, and to facilitate
30 the efficient financial management of the authority, its subsidiary
31 corporations, New York city transit authority and its subsidiary corpo-
32 rations, and Triborough bridge and tunnel authority (the "affiliated
33 entities"), the authority may, and may permit and direct any affiliated
34 entity to, transfer revenues, subsidies and other monies or securities
35 to one or more funds or accounts of another affiliated entity for use by
36 such other affiliated entity, provided at the time of such transfer it
37 is reasonably anticipated that the monies and securities so transferred
38 will be reimbursed, repaid or otherwise provided for by the end of the
39 next succeeding calendar year if reimbursement or repayment is required
40 by law or by any agreement to which any of the affected affiliated enti-
41 ties is subject. Any revenues of an affiliated entity that are trans-
42 ferred to another affiliated entity, which transfer was not authorized
43 by a provision of law other than this subdivision, shall be considered
44 to be required to be repaid to the affiliated entity which was the
45 source of such revenues by the end of the next succeeding calendar year
46 following such transfer.

47 11. The authority may lease railroad cars for use in its passenger
48 service pursuant to the provisions of chapter six hundred thirty-eight
49 of the laws of nineteen hundred fifty-nine.

50 12. The authority may do all things it deems necessary, convenient or
51 desirable to manage, control and direct the maintenance and operation of
52 transportation facilities, equipment or real property operated by or
53 under contract, lease or other arrangement with the authority and its
54 subsidiaries, and New York city transit authority and its subsidiaries.
55 Except as hereinafter specially provided, no municipality or political
56 subdivision other than the city of New York, including but not limited

1 to a county, city, village, town or school or other district shall have
2 jurisdiction over any facilities of the authority and its subsidiaries,
3 and New York city transit authority and its subsidiaries, or any of
4 their activities or operations. The local laws, resolutions, ordinances,
5 rules and regulations of a municipality or political subdivision, here-
6 tofore or hereafter adopted, conflicting with this title or any rule or
7 regulation of the authority or its subsidiaries, or New York city trans-
8 it authority or its subsidiaries, shall not be applicable to the activ-
9 ities or operations of the authority and its subsidiaries, and New York
10 city transit authority, or the facilities of the authority and its
11 subsidiaries, and New York city transit authority and its subsidiaries,
12 except such facilities that are devoted to purposes other than transpor-
13 tation or transit purposes. Each municipality or political subdivision,
14 including but not limited to a county, city, village, town or district
15 in which any facilities of the authority or its subsidiaries, or New
16 York city transit authority or its subsidiaries are located shall
17 provide for such facilities police, fire and health protection services
18 of the same character and to the same extent as those provided for resi-
19 dents of such municipality or political subdivision.

20 13. The jurisdiction, supervision, powers and duties of the department
21 of transportation of the state under the transportation law shall not
22 extend to the authority in the exercise of any of its powers under this
23 title. The authority may agree with such department for the execution by
24 such department of any grade crossing elimination project or any grade
25 crossing separation reconstruction project along any railroad facility
26 operated by the authority or by one of its subsidiary corporations or
27 under contract, lease or other arrangement with the authority. Any such
28 project shall be executed as provided in article ten of the transporta-
29 tion law and the railroad law, respectively, and the costs of any such
30 project shall be borne as provided in such laws, except that the author-
31 ity's share of such costs shall be borne by the state.

32 14. Notwithstanding the provisions of any other law, general, special
33 or local, or of any agreement entered into in pursuance thereof, relat-
34 ing to the repayment of any loan or advance made by the city or the
35 state to the authority or to the New York city transit authority,
36 neither the authority nor the New York city transit authority shall be
37 required to repay any such loan or advance heretofore made from or by
38 reason of the issuance of bonds or notes of either of them or from the
39 proceeds realized upon such issuance or from any other funds received by
40 either of them from any source whatever in aid or assistance of the
41 project or projects for the financing of which such bonds or notes are
42 issued.

43 15. No project to be constructed upon real property theretofore used
44 for a transportation purpose, or on an insubstantial addition to such
45 property contiguous thereto, which will not change in a material respect
46 the general character of such prior transportation use, nor any acts or
47 activities in connection with such project, shall be subject to the
48 provisions of article eight, nineteen, twenty-four, or twenty-five of
49 the environmental conservation law, or to any local law or ordinance
50 adopted pursuant to any such article. Nor shall any acts or activities
51 taken or proposed to be taken by the authority or by any other person or
52 entity, public or private, in connection with the planning, design,
53 acquisition, improvement, construction, reconstruction or rehabilitation
54 of a transportation facility, other than a marine or aviation facility,
55 be subject to the provisions of article eight of the environmental
56 conservation law, or to any local law or ordinance adopted pursuant to

1 any such article if such acts or activities require the preparation of a
2 statement under or pursuant to any federal law or regulation as to the
3 environmental impact thereof.

4 16. The authority may, upon suitable notice to and an offer to consult
5 with an officer designated by the city of New York, occupy the streets
6 of the city of New York for the purpose of doing any work over or under
7 the same in connection with the improvement, construction, recon-
8 struction or rehabilitation of a transportation facility without the
9 consent of or payment to such city.

10 17. The authority and each of its subsidiary corporations shall place
11 on each transformer and substation which contains polychlorinated biphe-
12 nyls a symbol so indicating the presence of polychlorinated biphenyls.
13 Use of a polychlorinated biphenyl mark illustrated in the rules and
14 regulations promulgated pursuant to the federal Toxic Substances Control
15 Act shall constitute compliance with the provisions of this subdivision.

16 18. (a) Notwithstanding any other provisions of law or the terms of
17 any contract, the authority shall establish and implement a no fare
18 program for transportation for individuals serving as personal care
19 attendants accompanying an Americans with Disabilities Act paratransit
20 eligible individual.

21 (b) In order to be eligible for such no fare program the personal care
22 attendant must show his or her community based personal care attendant
23 agency issued identification card.

24 (c) In order to be considered accompanying an Americans with Disabili-
25 ties Act paratransit eligible individual the personal care attendant
26 shall have the same origin and destination as such paratransit eligible
27 individual.

28 19. Notwithstanding any other provision of law, the authority and any
29 of its subsidiary corporations shall establish and implement a half fare
30 rate program for persons with serious mental illness who are eligible to
31 receive supplemental security income benefits as defined pursuant to
32 title sixteen of the federal Social Security Act and section two hundred
33 nine of the social services law.

34 20. The authority shall conduct a campaign of public outreach to
35 inform the public of the provisions pertaining to assault on employees
36 as provided by subdivision eleven of section 120.05 of the penal law.

37 § 1349-i. Medical emergency services. The authority is hereby author-
38 ized and directed to prepare and develop a medical emergency services
39 program to be implemented at a time to be specified in such program for
40 the benefit of persons utilizing transportation and other related
41 services of the authority. Such program may include but not be limited
42 to the provision for the following: the training of designated employees
43 in first aid, emergency techniques and procedures, handling and posi-
44 tioning of stricken commuters, and knowledge of procedures and equipment
45 used for respiratory and cardiac emergencies. Such program shall be
46 submitted to the legislature not later than one hundred eighty days
47 after the effective date of this section.

48 § 1349-j. Transit projects. 1. Subject to the provisions of this
49 section, the authority is hereby authorized, upon the request of the New
50 York city transit authority and upon such terms and conditions as shall
51 be agreed to by the authority (a) to plan, design, acquire, construct,
52 reconstruct, rehabilitate and improve facilities, equipment, devices and
53 appurtenances, and property or property rights constituting or to
54 constitute part of, or used or to be used in connection with the opera-
55 tion of any transit facility now or hereafter owned or operated by the
56 New York city transit authority or any of its subsidiaries, each of such

1 activities and programs being referred to in this section as a "transit
2 project"; (b) to finance the costs of a transit project by the issuance
3 of its notes, bonds or lease obligations; and (c) upon the completion of
4 any transit project or part thereof, to cause the same to be trans-
5 ferred, leased or subleased to the New York city transit authority or
6 its designated subsidiary or other designee, for consideration. The
7 terms "facilities", "equipment", "devices and appurtenances", "property"
8 or "property rights" and "transit facility" shall have the meanings
9 given to such terms in section twelve hundred of this article. The
10 authority shall have no obligation to operate or, except as may other-
11 wise be provided in any lease to which it may be a party as hereinafter
12 provided, repair or maintain any transit project or part thereof subse-
13 quent to its completion nor shall it be liable to the transferee, lessee
14 or sublessee by reason of any warranty, express or implied, in respect
15 thereof. Warranties furnished in connection with such transit project
16 shall be assignable and assigned as directed by the New York city trans-
17 it authority and approved by the authority.

18 2. In connection with any transit project, and in order to effectuate
19 the purposes of this section, the authority shall, subject to the
20 provisions of this section, have all of the powers provided elsewhere in
21 this title, and, in addition, the authority may:

22 (a) issue its notes or bonds to finance all or any part of the costs
23 of a transit project;

24 (b) finance all or any part of the costs to the authority or to any
25 other person or entity, public or private, of such transit project
26 through, or accompanied by, a leasing of such project or any part there-
27 of by such person or entity to the authority or through or accompanied
28 by a sale by the authority to any such person or entity and leaseback to
29 the authority, in each case for subleasing to the New York city transit
30 authority, its designated subsidiary or other designee for consider-
31 ation, except that such leasing or leaseback from such person or entity
32 may be made directly to the New York city transit authority or its
33 designated subsidiary or other designee with the consent of the authori-
34 ty;

35 (c) issue its notes or bonds to defease the lien of, refund or other-
36 wise repay any outstanding notes, bonds or other obligations of the New
37 York city transit authority which in the judgment of the authority would
38 otherwise delay, impede or prevent its financing a transit project;

39 (d) accept the notes, bonds, lease, sublease and other contractual
40 obligations of the New York city transit authority and any of its desig-
41 nated subsidiaries in payment for a transfer, lease or sublease of a
42 transit project;

43 (e) accept from the New York city transit authority or its designated
44 subsidiary or from the city of New York, acting by its mayor alone, a
45 transfer of title to or the use, occupancy, control or possession of any
46 real or personal property (or any interest therein) needed or useful for
47 or in connection with any transit project;

48 (f) obtain security for the payment by the New York city transit
49 authority or its designated subsidiary of its notes, bonds, lease,
50 sublease or other contractual obligations, including a pledge of all or
51 any part of any of their revenues, which pledge may contain covenants
52 with respect to the charging and fixing of fares, fees and rentals, the
53 use and disposition of such fares, fees, rentals and other revenues, and
54 the setting aside of reserves therefrom;

1 (g) with the consent of the New York city transit authority or its
2 designated subsidiary, use, with or without compensation, its agents,
3 employees and facilities; and

4 (h) apply for, accept, enter into contracts for, administer and
5 disburse any federal, state or local aid or assistance, subject to the
6 terms and conditions thereof, which may be available for any transit
7 project.

8 3. All of the provisions of this title not inconsistent with the
9 provisions of this section shall be applicable with respect to any
10 bonds, notes or lease obligations of the authority issued or entered
11 into to finance any transit project, or to defease the lien of, refund
12 or otherwise repay outstanding bonds, notes or other obligations of the
13 New York city transit authority, subject to the following conditions:

14 (a) such bonds and notes shall be payable as to principal, redemption
15 premium, if any, and interest and such other obligations shall be paya-
16 ble, all in the manner more particularly provided by the authority in
17 the resolution under which the same shall be authorized to be issued;

18 (b) such lease obligations shall be non-recourse obligations limited
19 to the recovery of the leased property by the lessor and as to the
20 payments of sums of money coming due thereunder, to proceedings against
21 the sublessee under any underlying sublease or pursuant to any pledge or
22 assignment given to secure sums payable under such underlying sublease;

23 (c) no bonds or notes of the authority shall be issued for the purpose
24 of defeasing the lien of, refunding or otherwise repaying outstanding
25 bonds, notes or other obligations of the New York city transit authority
26 unless (i) the city of New York shall have entered into an agreement on
27 terms satisfactory to the authority to make periodic payments to the New
28 York city transit authority, and (ii) the New York city transit authori-
29 ty shall have entered into an agreement on terms satisfactory to the
30 authority to make periodic payments to the authority, in each case
31 sufficient to pay, when due, the principal, redemption premium, if any,
32 and interest upon the bonds or notes of the authority issued to effect
33 such defeasance, refunding or repayment;

34 (d) notwithstanding and in addition to any provisions for the redemp-
35 tion of such bonds or notes which may be contained in any contract with
36 the holders thereof, the city of New York may, upon furnishing suffi-
37 cient funds therefor, require the authority to redeem as a whole any
38 issue of such bonds or notes at the time or times and at the place or
39 places and in accordance with the terms upon which such bonds or notes
40 are redeemable; and

41 (e) the city of New York shall not be liable on such bonds or notes,
42 and such bonds or notes shall not be a debt of the city of New York, and
43 shall contain on the face thereof a statement to such effect.

44 4. The authority shall not undertake any transit project unless the
45 New York city transit authority or the subsidiary for whose benefit the
46 transit project is to be undertaken, or both, shall pay or agree to pay,
47 in the form of a bond, note, lease, sublease or other contractual obli-
48 gation, in a manner and on terms and conditions satisfactory to the
49 authority, any portion of the costs to the authority of such transit
50 project and the financing thereof which is not paid to the authority
51 from any federal, state or local aid or assistance or which is not paya-
52 ble from any other moneys made available or payable to the authority by
53 others for such project.

54 5. Neither the provisions of section one hundred ninety-seven-c of the
55 New York city charter, relating to a uniform land use review procedure,
56 nor the provisions of any other local law of the city of New York of

1 like or similar tenor or import shall apply (a) to the acquisition of
2 any real property, or any interest therein, for the purposes of any
3 transit project by the city or by the New York city transit authority or
4 any of its subsidiaries; (b) to the subsequent transfer of any real
5 property (or interest therein) so acquired to the authority or its
6 designee for the purposes of such project or to the transfer to the
7 authority or its designee for such purposes of any real property (or
8 interest therein) then owned by the city or by the New York city transit
9 authority or any such subsidiary; nor (c) to the transfer to the author-
10 ity or its designee for such purposes of the right of use, occupancy,
11 control or possession of any real property (or interest therein), wheth-
12 er presently owned or hereafter acquired by the city or by the New York
13 city transit authority or any such subsidiary; provided in each such
14 case, however, that if at the time of such proposed acquisition or
15 transfer the real property which is the subject of such acquisition or
16 transfer is not then being utilized for a transit or transportation
17 purpose or is not an insubstantial addition to such property contiguous
18 thereto; (i) the authority proposing to acquire or receive such property
19 shall, unless a submission with respect to such property has previously
20 been made and approved as herein provided, submit to the community board
21 for the community district in which such property is located, data with
22 respect to the proposed use of such property and to the design of any
23 facility proposed to be constructed thereon; (ii) such community board
24 shall inform the council of the city of New York, with copies to the
25 city planning commission of the city of New York and the proposing
26 authority, of its views and recommendations with respect thereto within
27 forty-five days of such submission, and if the community board shall
28 fail to so inform such council within such period it shall be deemed to
29 have recommended the proposal; and (iii) such council shall, within
30 forty-five days of the recommendation of the community board, approve or
31 disapprove such acquisition or transfer, and if such council shall fail
32 to act within such period it shall be deemed to have approved the same.

33 6. In its performance of any transit project, the authority shall not
34 be deemed the agent or instrumentality of the city of New York or the
35 New York city transit authority or any of its subsidiaries notwithstand-
36 ing the fact that title to any real or personal property (or any inter-
37 est therein) which is the subject of or is a part of such project is
38 held by or upon completion of such project is to be transferred to such
39 other entity. In its performance of any transit project, however, the
40 provisions of section twelve hundred nine of this article shall apply to
41 the authority as if it were the authority referred to in such section.

42 7. The authority, in addition to the powers provided elsewhere in this
43 title, shall possess all of the powers, rights and privileges of the New
44 York city transit authority or its designated subsidiary in connection
45 with the undertaking by the authority of any transit project. The
46 authority, upon suitable notice to and an offer to consult with an offi-
47 cer designated by the city of New York, may occupy the streets of the
48 city of New York for the purpose of doing any work over or under the
49 same in connection with any transit project without the consent of or
50 payment to such city.

51 8. After the transfer, transfer back, lease or sublease to the New
52 York city transit authority or its designated subsidiary or other desig-
53 nee of any transit project or part thereof, actions for damages for
54 injuries to real or personal property or for the destruction thereof, or
55 for personal injuries or death, based upon the use, condition or state
56 of such project or part thereof may not be instituted against the

1 authority, which shall have no liability or responsibility to the trans-
2 feree, lessee or sublessee or to third parties therefor.

3 9. Except as the authority shall otherwise agree, title to any transit
4 project or any part thereof or interest therein which shall have been
5 transferred, leased, or subleased to the New York city transit authority
6 or its designated subsidiary, shall remain in such transferee, lessee,
7 or sublessee notwithstanding any provision of title nine of this article
8 or of any lease or other agreement entered into under the provisions of
9 such title to the contrary.

10 10. The providing of any transit project shall not relieve the city of
11 New York of its obligations under law and by lease to pay the capital
12 costs of the New York city transit authority or its subsidiaries.

13 11. No transit project to be constructed upon real property to be used
14 for a transit or transportation purpose, or on an insubstantial addition
15 to such property contiguous thereto, which will not change in a material
16 respect the general character of such prior transit or transportation
17 use, nor any acts or activities in connection with such project, shall
18 be subject to the provisions of article eight, nineteen, twenty-four or
19 twenty-five of the environmental conservation law, or to any local law
20 or ordinance adopted pursuant to any such article. Nor shall any trans-
21 it project or any acts or activities in connection therewith taken by
22 any person or entity, public or private, pursuant to this section be
23 subject to the provisions of article eight of the environmental conser-
24 vation law if such project, acts or activities require the preparation
25 of a statement under or pursuant to any federal law or regulation as to
26 the environmental impact thereof.

27 12. The provisions of this section and of all agreements undertaken by
28 the New York city transit authority in accordance therewith shall in all
29 respects be subject to the rights of the holders of any outstanding
30 bonds or notes of such authority.

31 13. (a) All contracts for design, construction, services and materials
32 pursuant to this title of whatever nature and all documents soliciting
33 bids or proposals therefor shall contain or make reference to the
34 following provisions:

35 (i) The contractor will not discriminate against employees or appli-
36 cants for employment because of race, creed, color, national origin,
37 sex, age, disability, or marital status, and will undertake or continue
38 existing programs of affirmative action to ensure that minority group
39 persons and women are afforded equal opportunity without discrimination.
40 Such programs shall include, but not be limited to, recruitment, employ-
41 ment, job assignment, promotion, upgrading, demotion, transfer, layoff,
42 termination, rates of pay or other forms of compensation, and selections
43 for training or retraining, including apprenticeship and on-the-job
44 training.

45 (ii) At the request of the New York city transit authority, the big
46 apple transit authority, and their subsidiaries, the contractor shall
47 request each employment agency, labor union, or authorized represen-
48 tative of workers with which it has a collective bargaining or other
49 agreement or understanding and which is involved in the performance of
50 the contract with the authority to furnish a written statement that such
51 employment agency, labor union or representative shall not discriminate
52 because of race, creed, color, national origin, sex, age, disability or
53 marital status and that such union or representative will cooperate in
54 the implementation of the contractor's obligations under this section.

55 (iii) The contractor will state, in all solicitations or advertise-
56 ments for employees placed by or on behalf of the contractor in the

1 performance of the contract with the authority, that all qualified
2 applicants will be afforded equal employment opportunity without
3 discrimination because of race, creed, color, national origin, sex, age,
4 disability or marital status.

5 (iv) The contractor will include the provisions of subparagraphs (i),
6 (ii), and (iii) of this paragraph in every subcontract or purchase order
7 in such a manner that such provisions will be binding upon each subcon-
8 tractor or vendor as to its work in connection with the contract with
9 the authority.

10 (b) The authority shall establish procedures and guidelines to ensure
11 that contractors and subcontractors undertake programs of affirmative
12 action and equal employment opportunity as required by this subdivision.
13 Such procedures may require after notice in a bid solicitation, the
14 submission of an affirmative action program prior to the award of any
15 contract, or at any time thereafter, and may require the submission of
16 compliance reports relating to the operation and implementation of any
17 affirmative action program adopted pursuant to this section. The author-
18 ity may take appropriate action including contractual sanctions for
19 non-compliance to effectuate the provisions of this subdivision and
20 shall be responsible for monitoring compliance with this title.

21 14. (a)(i) In the performance of projects pursuant to this title
22 minority and women-owned business enterprises shall be given the oppor-
23 tunity for meaningful participation. The authority provided for in this
24 title shall establish measures and procedures to secure meaningful
25 participation and identify those contracts and items of work for which
26 minority and women-owned business enterprises may best bid to actively
27 and affirmatively promote and assist their participation in the
28 projects, so as to facilitate the award of a fair share of contracts to
29 such enterprises; provided, however, that nothing in this title shall be
30 construed to limit the ability of the authority to assure that qualified
31 minority and women-owned business enterprises may participate in the
32 program.

33 (A) For purposes of this section, minority business enterprise shall
34 mean any business enterprise which is at least fifty-one per centum
35 owned by, or in the case of a publicly owned business, at least fifty-
36 one per centum of the stock of which is owned by citizens or permanent
37 resident aliens who are African-American, Hispanic, Asian or American
38 Indian, Pacific Islander or Alaskan natives and such ownership interest
39 is real, substantial and continuing and have the authority to independ-
40 ently control the day to day business decisions of the entity for at
41 least one year; and women-owned business enterprise shall mean any busi-
42 ness enterprise which is at least fifty-one per centum owned by, or in
43 the case of a publicly owned business, at least fifty-one per centum of
44 the stock of which is owned by citizens or permanent resident aliens who
45 are women, and such ownership interest is real, substantial and continu-
46 ing and have the authority to independently control the day to day busi-
47 ness decisions of the entity for at least one year.

48 (B) The provisions of this paragraph shall not be construed to limit
49 the ability of any minority or women-owned business enterprise to bid on
50 any contract.

51 (ii) In the implementation of this subdivision, the authority shall
52 consider compliance by any contractor with the requirements of any
53 federal, state, or local law concerning minority and women-owned busi-
54 ness enterprises, which may effectuate the requirements of this subdivi-
55 sion. If the authority determines that by virtue of the imposition of
56 the requirements of any such law, in respect to capital project

1 contracts, the provisions thereof duplicate or conflict with such law,
2 the authority may waive the applicability of this subdivision to the
3 extent of such duplication or conflict.

4 (iii) Nothing in this subdivision shall be deemed to require that
5 overall state and federal requirements for participation of minority and
6 women-owned business enterprises in programs authorized under this title
7 be applied without regard to local circumstances to all projects or in
8 all communities.

9 (b) In order to implement the requirements and objectives of this
10 subdivision, the authority shall establish procedures to monitor the
11 contractors' compliance with provisions hereof, provide assistance in
12 obtaining competing qualified minority and women-owned business enter-
13 prises to perform contracts proposed to be awarded, and take other
14 appropriate measures to improve the access of minority and women-owned
15 business enterprises to these contracts.

16 15. (a) In connection with the performance of projects pursuant to
17 this section, the authority shall, to the extent practicable and not
18 inconsistent with any federal law, regulation or requirement, promote
19 the meaningful participation of small business and New York state busi-
20 ness enterprises in the provision of goods and services that are
21 produced or manufactured in New York state as part of procurements
22 undertaken by the authority.

23 (b) The authority shall within one hundred eighty days after the
24 effective date of this subdivision develop, and review annually there-
25 after, a plan to effect the purposes of this subdivision.

26 § 1349-k. Excess loss fund. 1. Subject to the provisions of this
27 section, the authority is authorized to issue bonds and notes, in
28 accordance with section thirteen hundred forty-nine-u of this title, in
29 such principal amounts not in excess of the seventy-five million dollar
30 limitation established in subdivision four of this section as, in the
31 opinion of the authority, shall be necessary to provide sufficient funds
32 to meet the capital and reserve requirements of a trust, pooling
33 arrangement or other entity established for the purpose of providing
34 reimbursement and funding to the authority and its subsidiaries, the New
35 York city transit authority and its subsidiaries and Triborough bridge
36 and tunnel authority for excess or extraordinary losses for damages to
37 real or personal property or for the destruction thereof or for personal
38 injuries or death and for certain property damage losses which may be
39 incurred or sustained by any of them in connection with the use and
40 operation of their respective facilities and in the conduct of their
41 respective activities, the trust, pooling arrangement or other entity
42 established in order to provide such benefits to such participants being
43 referred to in this section as the "excess loss fund". Prior to the
44 issuance of any bonds or notes, other than refunding bonds or notes,
45 authorized by this section, the authority shall make a finding that such
46 issue is expected to result, on a present value basis, in a lower effec-
47 tive cost to the participating authorities than funding the requirements
48 of the excess loss fund solely through the payment of premiums and
49 assessments by such participating authorities.

50 2. In order to effectuate the purposes of the excess loss fund, the
51 authority shall, subject to the provisions of this section, have all the
52 powers provided elsewhere in this title and may:

53 (a) accept the notes, bonds and other contractual obligations of the
54 excess loss fund for funds provided to it by the authority;

55 (b) obtain security for the payment by the excess loss fund of its
56 notes, bonds and other contractual obligations issued to the authority,

1 including a pledge of all or any part of the assets and revenues of the
2 excess loss fund, including its receipts and rights to receive premiums,
3 assessments, reimbursements and other payments from the participants in
4 the excess loss fund, which pledge may contain covenants with respect to
5 the charging and fixing by actuarial estimates, where appropriate, of
6 premiums, assessments, reimbursements and other payments and the use and
7 disposition thereof; and

8 (c) enter into contracts with the excess loss fund and with the
9 participants therein, on such terms and conditions as the parties may
10 agree, with respect to the payment of premiums, assessments, reimburse-
11 ments and other payments to the excess loss fund and the nature and
12 extent of the benefits to be paid by the excess loss fund to such
13 participants.

14 3. The bonds and notes of the authority authorized by this section
15 shall not constitute general obligations of the authority, but shall be
16 special obligations of the authority payable as to principal, redemption
17 premium, if any, and interest solely from the security, sources of
18 payment and funds obtained from or on behalf of the excess loss fund,
19 all in the manner more particularly provided by the authority in the
20 resolution under which such bonds and notes shall be authorized to be
21 issued.

22 4. The aggregate principal amount of bonds and notes issued for the
23 purposes enumerated in subdivision one of this section shall not exceed
24 seventy-five million dollars, excluding:

25 (a) bonds and notes issued to fund costs of issuance and any reason-
26 ably required debt service reserve fund for such bonds or notes;

27 (b) an amount equal to any original issue discount from the principal
28 amount of any bonds or notes issued; and

29 (c) bonds and notes issued to refund or otherwise repay bonds or notes
30 theretofore issued for such purposes, provided, however, that upon any
31 such refunding or repayment of the total aggregate principal amount of
32 outstanding bonds and notes, including for purpose of such calculation
33 the principal amount of the refunding bonds or notes then to be issued
34 and excluding the principal amount of the bonds or notes so to be
35 refunded or repaid and any amounts excluded under paragraph (a) or (b)
36 of this subdivision, may be greater than seventy-five million dollars,
37 only if the present value of the aggregate debt service of the refunding
38 or repayment bonds or notes to be issued shall not exceed the present
39 value of the aggregate debt service of the bonds or notes so to be
40 refunded or repaid. For purposes of this subparagraph, the present
41 values of the aggregate debt service of the refunding or repayment bonds
42 or notes and of the aggregate debt service of the bonds or notes so to
43 be refunded or repaid, shall be calculated by utilizing the effective
44 interest rate of the refunding or repayment bonds or notes, which shall
45 be that rate arrived at by doubling the semi-annual interest rate,
46 compounded semi-annually, necessary to discount the debt service
47 payments on the refunding or repayment bonds or notes from the payment
48 dates thereof to the date of issue of the refunding or repayment bonds
49 or notes and to the price bid including estimated accrued interest or
50 proceeds received by the authority including estimated accrued interest
51 from the sale thereof.

52 5. The term "excess loss fund" as used in this section shall not
53 include any trust, pooling arrangements or other entity (a) which
54 provides or offers to provide reimbursement or funding for losses or
55 liabilities to any entity other than the authority and its subsidiaries,
56 the New York city transit authority and its subsidiaries and Triborough

1 bridge and tunnel authority, or (b) in which any entity other than the
2 authority and its subsidiaries, the New York city transit authority and
3 its subsidiaries and Triborough bridge and tunnel authority holds an
4 equity interest.

5 § 1349-1. Authority police force. 1. The authority is hereby author-
6 ized and empowered, to provide and maintain an authority police depart-
7 ment and a uniformed authority police force. Each member of such
8 uniformed police force shall be a "police officer" for the purposes of
9 the criminal procedure law, with all of the powers of such police offi-
10 cers thereunder and subject to the same jurisdictional provisions on the
11 exercise of that power as set forth in such law. The geographical area
12 of employment of such police officers for the purposes of the criminal
13 procedure law shall embrace the city of New York. Such department and
14 force shall have the power, in and about any or all of the facilities
15 owned, occupied and/or operated by the authority and its subsidiary
16 corporations, the New York city transit authority and its subsidiaries,
17 and the Triborough bridge and tunnel authority, as determined in the
18 discretion of the authority, to enforce and prevent violation of all
19 laws and ordinances. Nothing in this section shall confer upon the
20 authority police force or upon their collective negotiations represen-
21 tatives exclusive jurisdiction or claim over the exercise of police
22 power or security work on behalf of the authority and its subsidiary
23 corporations, the New York city transit authority and its subsidiaries,
24 and the Triborough bridge and tunnel authority. Nothing in this section
25 shall limit the authority and its subsidiary corporations, the New York
26 city transit authority and its subsidiaries, and the Triborough bridge
27 and tunnel authority from continuing to rely on local police for police
28 services.

29 2. Initial appointments to such authority police force shall from the
30 incumbent police officers of the metropolitan transportation authority
31 at the time of such appointment. The executive director of the authori-
32 ty, through the chief of police, shall have the power and authority to
33 appoint and employ such number of police officers as he or she deems
34 necessary to act as police officers of the authority and to administer
35 to the officers an oath or affirmation faithfully to perform the duties
36 of their respective positions or offices. Unless, at the time of
37 appointment, the person is a police officer of the metropolitan trans-
38 portation authority, only persons who have never been convicted of a
39 felony and are citizens of the United States shall be appointed police
40 officers on the authority police force. After the initial appointments
41 are made, selection of police officer candidates shall be made pursuant
42 to an examination process to be determined at the discretion of the
43 authority and candidates must receive a certificate attesting to satis-
44 factory completion of an approved municipal police basic training
45 program, as described in section two hundred nine-q of the general
46 municipal law. No person shall be eligible for appointment unless such
47 person is not less than twenty years of age as of the date of appoint-
48 ment nor more than thirty-five years of age as of the date when the
49 applicant takes the written examination, provided, however, that time
50 spent on military duty or on terminal leave, not exceeding a total of
51 six years, shall be subtracted from the age of any applicant who has
52 passed his or her thirty-fifth birthday as provided in subdivision ten-a
53 of section two hundred forty-three of the military law. Upon appoint-
54 ments made by transferring an entire group of police officers into the
55 authority police force, thereby eliminating such other group of police
56 officers, the authority shall recognize any representative previously

1 chosen by the police officers for the purposes of collective negoti-
2 ations consistent with the bargaining units already established and
3 shall also assume and continue to observe any existing labor contracts
4 covering these police officers including such provisions which relate to
5 the grievance and disciplinary procedures and interest arbitration.
6 Subsequent to the establishment of the consolidated police force the
7 authority and the collective bargaining representatives shall be author-
8 ized to negotiate a merger of the separate bargaining units.

9 3. The authority may appoint a chief and one or more deputy chiefs of
10 the authority police department who, in the discretion of the authority,
11 may be selected from the ranks of the authority police force, and assign
12 powers and duties to them and fix their compensation. The chief shall be
13 the head of such department. The deputy chief designated by the chief
14 shall possess all the powers and perform all the duties of the chief
15 during his or she absence or disability. The authority police force
16 shall consist of such divisions, supervisors and officers, including but
17 not limited to police officers, detectives, sergeants, lieutenants and
18 captains as designated by the authority. Notwithstanding any law or
19 provision to the contrary, the members of the uniformed authority police
20 force shall not acquire civil service status or become members of the
21 New York state and local employees' retirement system, except as set in
22 this section.

23 4. The authority may, in its sole discretion, establish within the
24 authority's defined benefit program, a retirement program consistent
25 with the foregoing. If the authority has not so established such program
26 in its defined benefit program within one hundred eighty days after
27 enactment, then the authority shall elect to participate in article
28 fourteen-B of the retirement and social security law.

29 5. If the authority elects to participate in the New York city employ-
30 ees' retirement system, such election to participate shall be made by
31 resolution filed with the comptroller and accepted by him or her pursu-
32 ant to section thirty-one of the retirement and social security law.

33 6. Nothing contained in this section shall be deemed to diminish,
34 suspend or abolish an existing benefit inured to a police officer,
35 transferred from the metropolitan transportation authority police force
36 and subject to the provisions of this section in and to the rights,
37 privileges or status previously earned within a pension or retirement
38 system of which they were a member immediately prior to the enactment of
39 this section; and any such existing right, privilege or status shall
40 survive the effect of any decisions or determinations lawfully made in
41 accordance with the provisions of this section so long as such right,
42 privilege or status is greater in benefit to that which would be imposed
43 or imputed to any subject officer as a result of actions of the authori-
44 ty authorized by this section.

45 § 1349-m. The permanent citizens advisory committee. There is hereby
46 established a permanent citizens advisory committee. The members of the
47 committee shall consist of the New York city transit authority advisory
48 council, as defined in section twelve hundred four-e of this title.

49 § 1349-n. Big apple transit authority pledge to customers. 1. A big
50 apple transit authority pledge to customers shall be created and adopted
51 by the big apple transit authority. A copy of such pledge shall be post-
52 ed on the website of the authority and shall be posted in stations where
53 the authority makes regular postings. The authority shall post the
54 pledge in the language or languages it deems necessary and appropriate.

55 2. The big apple transit authority pledge to customers shall be in the
56 form and manner as prescribed by the authority, include the contact

1 information of the authority, and include, but not be limited to, the
2 following:

3 (a) a description of the authority's commitment to provide safe and
4 reliable services;

5 (b) a description of the authority's commitment to provide timely and
6 accurate information on its services;

7 (c) a commitment that employees will provide service in a courteous
8 manner;

9 (d) a description of the authority's commitment to maintain clean
10 stations, facilities, subways and buses;

11 (e) a description of the authority's policies when it comes to arrang-
12 ing alternative transportation when service is interrupted;

13 (f) when service is interrupted, a description of the authority's
14 policies when it comes to considering the comfort of inconvenienced
15 customers;

16 (g) when service is interrupted due to weather conditions, a
17 description of the authority's policies on notifying customers; and

18 (h) when service is severely interrupted, a description of the author-
19 ity's policies on service restoration.

20 3. The authority from time to time may update and amend the big apple
21 transit authority pledge to customers as it deems necessary and proper
22 and may adopt rules and regulations for the proper administration of
23 this section.

24 § 1349-o. Expired fare transfer policy. Notwithstanding any other
25 provision of law to the contrary, the authority shall, within ninety
26 days of the effective date of this section, establish an expired fare
27 transfer policy that may be amended from time to time. Such policy shall
28 provide any person who purchases a fare the ability to transfer any
29 remaining balance for two years after such fare is deemed expired.

30 § 1349-p. Acquisition and disposition of real property. 1. In addi-
31 tion to the powers provided in section thirteen hundred forty-nine-h of
32 this title to acquire transportation facilities, equipment and real
33 property, the authority may acquire, by condemnation pursuant to the
34 eminent domain procedure law, any real property within the city of New
35 York it may deem necessary, convenient or desirable to effectuate the
36 purposes of this title, provided however, that any such condemnation
37 proceedings shall be brought only in the supreme court and the compen-
38 sation to be paid shall be ascertained and determined by the court with-
39 out a jury. Notwithstanding the provisions of this subdivision, no real
40 property may be acquired by the authority by condemnation for purposes
41 other than a transportation facility unless the governing body of the
42 city, village or town in which such real property is located shall first
43 consent to such condemnation.

44 2. Nothing contained in this section shall be construed to prevent the
45 authority from bringing any proceedings to remove a cloud on title or
46 such other proceedings as it may, in its discretion, deem proper and
47 necessary or from acquiring any such property by negotiation or
48 purchase.

49 3. Where a person entitled to an award in the proceedings to condemn
50 any real property for any of the purposes of this title remains in
51 possession of such property after the time of the vesting of title in
52 the condemnor, the reasonable value of his or her use and occupancy of
53 such property subsequent to such time as fixed by agreement or by the
54 court in such proceedings or by any court of competent jurisdiction
55 shall be a lien against such award subject only to the liens of record
56 at the time of vesting of title in the condemnor.

4. Subject to the provisions of sections thirteen hundred forty-nine-h and thirteen hundred forty-nine-j of this title, title to all property acquired under this title shall vest in the authority or one of its subsidiary corporations, or in the New York city transit authority or one of its subsidiary corporations as the authority directs.

5. The authority may, whenever it determines that it is in the interest of the authority, dispose of any real property or property other than real property, which it determines is not necessary, convenient or desirable for its purposes.

6. The authority may, whenever it shall determine that it is in the interest of the authority, rent, lease, or grant easements or other rights in, any land or property of the authority.

§ 1349-q. Acquisition and disposition of real property by department of transportation. If funds are made available by the authority for the payment of the cost and expense of the acquisition thereof, the commissioner of transportation of the state of New York, when requested by the authority, may acquire such real property in the name of the state as may be determined from time to time by the authority as being necessary, convenient or desirable to effectuate the purposes of this title, may remove the owner or occupant thereof where necessary and obtain possession and, when requested by the authority, may dispose of any real property so acquired, all according to the procedure provided in section thirty of the highway law. The authority shall have the right to possess and use for its corporate purposes all such real property so acquired. Claims for the value of the property appropriated and for legal damages caused by any such appropriation shall be adjusted and determined by such commissioner with the approval of the authority or by the court of claims as provided in section thirty of the highway law. When a claim has been filed with the court of claims, the claimant shall cause a copy of such claim to be served upon the authority and the authority shall have the right to be represented and heard before such court. All awards and judgments arising from such claims shall be paid out of moneys of the authority. No real property may be acquired pursuant to the provisions of this section for purposes other than a transportation facility unless the governing body of the city, village or town in which such real property is located shall first consent to such acquisition.

§ 1349-r. Transit facilities for transit construction fund. 1. As used in this section, unless a different meaning clearly appears from the context:

(a) "City" shall mean the city of New York.

(b) "Transit construction fund act" shall mean title nine-A of this article.

(c) "Transit construction fund" shall mean the corporation created by section twelve hundred twenty-five-c of this article.

(d) "Transit facility" shall mean such term as defined from time to time in section twelve hundred twenty-five-b of this article.

2. In addition to the powers provided elsewhere in this title, and to effectuate the purposes of the transit construction fund act, the authority may:

(a) Plan, design, construct, acquire, extend, reconstruct, rehabilitate, modernize and otherwise improve transit facilities in accordance with the terms and conditions of any lease or other agreement with the transit construction fund;

(b) Occupy the streets of the city of New York in the course of constructing and thereafter owning a transit facility which consists of a rapid transit railroad or portion thereof, provided such construction

1 is carried out in accordance with the terms of a lease or other agree-
2 ment with the transit construction fund entered into pursuant to the
3 provisions of the transit construction fund act;

4 (c) Make and execute contracts, leases, subleases, and all other
5 instruments or agreements deemed necessary or convenient;

6 (d) Authorize the use by the transit construction fund, either with or
7 without compensation to the authority or any subsidiary of the agents,
8 employees and facilities of the authority or any subsidiary;

9 (e) Undertake planning, design and feasibility studies in accordance
10 with the terms and conditions of any agreement with the transit
11 construction fund or the city; and

12 (f) Do any and all other things deemed necessary or convenient.

13 3. All of the provisions of this title not inconsistent with the
14 provisions of this section shall be applicable with respect to any bonds
15 or notes of the authority issued to finance any purpose authorized under
16 this section or the transit construction fund act, subject to the
17 following conditions and exceptions:

18 (a) Payment of the principal, redemption premium, if any, and interest
19 on such bonds and notes shall be made only from monies payable to the
20 authority from the transit construction fund under a lease or other
21 agreement entered into pursuant to the provisions of the transit
22 construction fund act, and any security given by the authority for the
23 payment of such principal, redemption premium or interest on such bonds
24 and notes shall be limited to the monies so payable from the transit
25 construction fund. The authority shall not grant any security interest
26 in or otherwise encumber any transit facility leased to the transit
27 construction fund.

28 (b) The provisions of section thirteen hundred forty-nine-aa of this
29 title, relating to the creation and establishment of and appropriations
30 and payments to certain debt service reserve funds shall be inapplica-
31 ble; provided that nothing in this section shall be deemed to prohibit
32 the creation and establishment of one or more reserve funds for debt
33 service as authorized by section thirteen hundred forty-nine-u of this
34 title;

35 (c) In addition to the statement required by subdivision nine of
36 section thirteen hundred forty-nine-u of this title, such bonds and
37 notes shall contain on the face thereof a statement to the effect that
38 the city shall not be liable thereon and that the same shall not be a
39 debt of the city.

40 4. Notwithstanding the provisions of any general or special law to the
41 contrary, or of any agreement entered into in pursuance thereof relating
42 to the repayment of any loan or advance made by the state to the author-
43 ity, the authority shall not be required to repay any such loan or
44 advance from or by reason of the issuance: (a) of bonds or notes of the
45 authority issued to finance any purpose authorized under this section or
46 the transit construction fund act, or the proceeds realized upon such
47 issuance; or (b) from any other funds of the authority derived from the
48 transit construction fund or from any other source whatever to effectu-
49 ate the purposes of the transit construction fund act.

50 § 1349-s. Co-operation and assistance of other agencies. 1. To avoid
51 duplication of effort and in the interests of economy, the authority may
52 make use of existing studies, surveys, plans, data and other materials
53 in the possession of any state agency or any municipality or political
54 subdivision of the state. Each such agency, municipality or subdivision
55 is hereby authorized to make the same available to the authority and
56 otherwise to assist it in the performance of its functions. At the

1 request of the authority, each such agency, municipality or subdivision
2 which is engaged in highway or other transportation activities or in
3 land use or development planning, or which is charged with the duty of
4 providing or regulating any transportation facility or any other public
5 facility, is further authorized to provide the authority with informa-
6 tion regarding its plans and programs affecting the transportation
7 district so that the authority may have available to it current informa-
8 tion with respect thereto. The officers and personnel of such agencies,
9 municipalities or subdivisions, and of any other government or agency
10 whatever, may serve at the request of the authority upon such advisory
11 committees as the authority shall determine to create and such officers
12 and personnel may serve upon such committees without forfeiture of
13 office or employment and with no loss or diminution in the compensation,
14 status, rights and privileges which they otherwise enjoy.

15 2. The authority shall, at the request of any state agency, munici-
16 pality or political subdivision of the state, engaged in highway or
17 other transportation activities or in land use or development planning,
18 provide said state agency, municipality or political subdivision with
19 all current and relevant information regarding its plans or programs, so
20 as to enable said agency, municipality or subdivision to properly effec-
21 tuate said activities or planning.

22 3. To the extent that the provisions of this title authorize the
23 authority to enter into any agreement or arrangement with, or undertake
24 any other activity requiring the participation of, the New York city
25 transit authority or any of its subsidiary corporations in furtherance
26 of their respective purposes and powers or the Triborough bridge and
27 tunnel authority in furtherance of its purposes and powers, such enti-
28 ties are hereby authorized and empowered to enter into and perform such
29 contract or other arrangement and to undertake such activities.

30 § 1349-t. Promotion of qualified transportation fringes. The authori-
31 ty shall promote the broad use of qualified transportation fringes,
32 under section one hundred thirty-two of the federal internal revenue
33 code, in order to increase the number of participating companies and
34 employees in such programs. The authority may also study and report on
35 ways in which programs may be improved so as to increase public partic-
36 ipation.

37 § 1349-u. Notes, bonds and other obligations of the authority. 1. (a)
38 The authority shall have power and is hereby authorized from time to
39 time to issue its bonds, notes and other obligations in such principal
40 amount as, in the opinion of the authority, shall be necessary, conven-
41 ient or desirable to effectuate any of its powers and purposes, includ-
42 ing to provide sufficient funds for achieving its purposes, including
43 the acquisition, establishment, construction, effectuation, operation,
44 maintenance, renovation, improvement, extension, rehabilitation or
45 repair of any transportation facility, the payment of principal, redemp-
46 tion premium and interest on bonds, notes and other obligations of the
47 authority, establishment of reserves to secure such bonds, notes and
48 other obligations, the provision of working capital and all other
49 expenditures of the authority and its subsidiary corporations, and New
50 York city transit authority and its subsidiary corporations incident to
51 and necessary or convenient to carry out their purposes and powers. Such
52 bonds, notes or other obligations may be issued for an individual trans-
53 portation facility or issued on a consolidated basis for such groups or
54 classes of facilities and projects as the authority in its discretion
55 deems appropriate and be payable from and secured separately or on a
56 consolidated basis by, among other things, all or any portion of such

1 revenues and other monies and assets of the authority and its subsidiary
2 corporations, and New York city transit authority and its subsidiary
3 corporations as the authority determines in accordance with the
4 provisions of section thirteen hundred forty-nine-dd of this title;

5 (b) The authority shall have power, from time to time, to issue
6 renewal notes, to issue bonds to refund, redeem or otherwise pay,
7 including by purchase or tender, notes of the authority and its subsid-
8 iary corporations, the metropolitan transportation authority, and the
9 New York city transit authority and its subsidiary corporations and
10 whenever it deems refunding, redemption or payment expedient, to refund,
11 redeem or otherwise pay, including by purchase or tender, any bonds of
12 the authority and its subsidiary corporations, the metropolitan trans-
13 portation authority, the New York city transit authority and its subsid-
14 iary corporations and the Triborough bridge and tunnel authority by the
15 issuance of new bonds, whether the bonds to be refunded, redeemed or
16 otherwise paid have or have not matured, and to issue bonds partly for
17 such purpose and partly for any other purpose and to otherwise refund,
18 redeem, acquire by purchase or tender, or in any other way repay any
19 outstanding notes, bonds or other obligations of the authority, any of
20 its subsidiary corporations, the metropolitan transportation authority,
21 the New York city transit authority, any of its subsidiary corporations
22 and the Triborough bridge and tunnel authority;

23 (c) Every issue of its notes, bonds or other obligations shall be
24 general obligations or special obligations. Every issue of general obli-
25 gations of the authority shall be payable out of any revenues or monies
26 of the authority, subject only to any agreements with the holders of
27 particular notes or bonds pledging any particular receipts or revenues.
28 Every issue of special obligations shall be payable out of any revenues,
29 receipts, monies or other assets of the authority and its subsidiary
30 corporations, the New York city transit authority and its subsidiary
31 corporations and the Triborough bridge and tunnel authority identified
32 for such purposes in accordance with agreements with the holders of
33 particular notes, bonds or other obligations. The authority may issue
34 transportation revenue special obligation bonds, notes or other obli-
35 gations as provided in section thirteen hundred forty-nine-dd of this
36 title;

37 2. The authority may from time to time issue its bonds and notes in
38 such principal amounts as, in the opinion of the authority, shall be
39 necessary to finance the unfunded pension fund liabilities of the
40 authority, its affiliates and subsidiaries, provided, however, that in
41 no event shall the cumulative amounts of bonds and notes issued pursuant
42 to the authority under this subdivision exceed one billion two hundred
43 million dollars or sixty percent of such unfunded pension fund liabil-
44 ities, whichever is less, and provided, further, that no bonds shall be
45 issued under this subdivision for a term longer than twenty years. The
46 authority may not issue bonds or notes in any twelve month period in a
47 cumulative principal amount in excess of forty percent of the total
48 amount permitted to be issued under this subdivision. Prior to the iss-
49 uance of any bonds or notes, the authority shall make a finding that such
50 issue is expected to result, on a present value basis, in a lower effec-
51 tive cost to the authority than funding the unfunded pension fund
52 liability solely through the payment of annual amounts to the pension
53 fund, assuming that the principal component of the unfunded liability
54 will be amortized over the same number of years as the term of the bonds
55 or notes and that the interest payable thereon is the actuarial rate of
56 interest determined by the actuary for the pension fund at the time of

1 the issuance of such bonds or notes. The aggregate principal amount of
2 bonds and notes issued for such purposes may be increased to fund costs
3 of issuance and reasonably required debt service or other reserve funds.
4 Bonds and notes may be issued to refund or otherwise repay bonds or
5 notes theretofore issued for such purposes; provided, however, that upon
6 any such refunding or repayment, including for purpose of such calcu-
7 lation the principal amount of the refunding bonds or notes then to be
8 issued and excluding the principal amount of the bonds or notes so to be
9 refunded or repaid and also excluding any amounts used to pay costs of
10 issuance and reasonably required debt service or other reserve funds,
11 the present value of the aggregate debt service of the refunding or
12 repayment bonds or notes to be issued shall not exceed the present value
13 of the aggregate debt service of the bonds or notes so to be refunded or
14 repaid. For purposes of the preceding sentence, the present values of
15 the aggregate debt service of the refunding or repayment bonds or notes
16 and of the aggregate debt service of the bonds or notes so to be
17 refunded or repaid shall be calculated by utilizing the effective inter-
18 est rate of the refunding or repayment bonds or notes, which shall be
19 that rate arrived at by doubling the semi-annual interest rate,
20 compounded semi-annually, necessary to discount the debt service
21 payments on the refunding or repayment bonds or notes from the payment
22 dates thereof to the date of issue of the refunding or repayment bonds
23 or notes and to the price bid including estimated accrued interest or
24 proceeds received by the authority including estimated accrued interest
25 from the sale thereof. Debt service on the bonds or notes shall be
26 structured so that the economic benefits thereof shall be relatively
27 uniform for each full year throughout the term of the bonds or notes.
28 Beginning with the date of first issuance of bonds under this section,
29 the authority and its subsidiaries shall make annual payments into the
30 pension fund in amounts at least equal to the current pension contrib-
31 ution liability applicable to such year. The net proceeds of the bonds
32 or notes intended to be invested in non-debt securities may be invested
33 by the recipient pension fund in a fiscally prudent manner in securities
34 consistent with any trust indentures and all applicable state and feder-
35 al law over a reasonable period of time not less than thirty days
36 following the issuance of the bonds or notes. The operating budget
37 savings associated with the issuance of pension obligation bonds pursu-
38 ant to this subdivision shall be dedicated to reducing service elimi-
39 nations projected to occur within that period.

40 3. The notes, bonds and other obligations shall be authorized by
41 resolution approved by not less than a majority vote of the whole number
42 of members of the authority then in office, except that in the event of
43 a tie vote the chairperson shall cast one additional vote. Such notes,
44 bonds and other obligations shall bear such date or dates, and shall
45 mature at such time or times, in the case of any such note or any
46 renewals thereof not exceeding five years from the date of issue of such
47 original note, and in the case of any such bond not exceeding fifty
48 years from the date of issue, as such resolution or resolutions may
49 provide. The notes, bonds and other obligations shall bear interest at
50 such rate or rates, be in such denominations, be in such form, either
51 coupon or registered, carry such registration privileges, be executed in
52 such manner, be payable in such medium of payment, at such place or
53 places and be subject to such terms of redemption as such resolution or
54 resolutions may provide. The notes, bonds and other obligations of the
55 authority may be sold by the authority, at public or private sale, at
56 such price or prices as the authority shall determine. No notes or bonds

1 of the authority may be sold by the authority at private sale, however,
2 unless such sale and the terms thereof have been approved in writing by
3 (a) the comptroller, where such sale is not to the comptroller, or (b)
4 the director of the office of management and budget, where such sale is
5 to the comptroller.

6 4. Any resolution or resolutions authorizing any notes, bonds or any
7 issue thereof, or any other obligations of the authority, may contain
8 provisions, which shall be a part of the contract with the holders ther-
9 eof, as to:

10 (a) pledging all or any part of the revenues of the authority or of
11 any of its subsidiary corporations or New York city transit authority or
12 any of its subsidiary corporations or Triborough bridge and tunnel
13 authority to secure the payment of the notes or bonds or of any issue
14 thereof, or any other obligations of the authority, subject to such
15 applicable agreements with bondholders, noteholders, or holders of other
16 obligations of the authority, the metropolitan transportation authority,
17 the New York city transit authority and its subsidiary corporations, and
18 Triborough bridge and tunnel authority;

19 (b) pledging all or any part of the assets of the authority or of any
20 of its subsidiary corporations or New York city transit authority or any
21 of its subsidiary corporations or Triborough bridge and tunnel authority
22 to secure the payment of the notes or bonds or of any issue of notes or
23 bonds, or any other obligations of the authority, subject to such agree-
24 ments with noteholders, bondholders, or holders of other obligations of
25 the authority, the New York city transit authority and its subsidiary
26 corporations, and Triborough bridge and tunnel authority;

27 (c) the use and disposition of revenues, including fares, tolls,
28 rentals, rates, charges and other fees, made or received by the authori-
29 ty, any of its subsidiary corporations, New York city transit authority
30 or any of its subsidiary corporations, or Triborough bridge and tunnel
31 authority;

32 (d) the setting aside of reserves or sinking funds and the regulation
33 and disposition thereof;

34 (e) limitations on the purpose to which the proceeds of sale of notes,
35 bonds or other obligations of the authority may be applied and pledging
36 such proceeds to secure the payment of the notes or bonds or of any
37 issue thereof or of other obligations;

38 (f) limitations on the issuance of additional notes, bonds or other
39 obligations of the authority; the terms upon which additional notes,
40 bonds or other obligations of the authority may be issued and secured;
41 the refunding of outstanding or other notes, bonds or other obligations
42 of the authority;

43 (g) the procedure, if any, by which the terms of any contract with
44 noteholders, bondholders, or holders of other obligations of the author-
45 ity, may be amended or abrogated, the amount of notes, bonds or other
46 obligations of the authority the holders of which must consent thereto,
47 and the manner in which such consent may be given;

48 (h) limitations on the amount of monies to be expended by the authori-
49 ty or any of its subsidiary corporations or New York city transit
50 authority or any of its subsidiary corporations or Triborough bridge and
51 tunnel authority for operating, administrative or other expenses of the
52 authority or any of its subsidiary corporations or New York city transit
53 authority or any of its subsidiary corporations or Triborough bridge and
54 tunnel authority;

55 (i) vesting in a trustee or trustees such property, rights, powers and
56 duties in trust as the authority may determine, which may include any or

1 all of the rights, powers and duties of the trustee appointed by the
2 bondholders, noteholders or holders of other obligations of the authori-
3 ty pursuant to this title, and limiting or abrogating the right of the
4 bondholders, noteholders or holders of other obligations of the authori-
5 ty to appoint a trustee under this article or limiting the rights,
6 powers and duties of such trustee; and

7 (j) any other matters, of like or different character, which in any
8 way affect the security or protection of the notes, bonds or other obli-
9 gations of the authority.

10 5. In addition to the powers conferred by this section upon the
11 authority to secure its notes, bonds and other obligations, the authori-
12 ty shall have power in connection with the issuance of notes, bonds and
13 other obligations to enter into such agreements as the authority may
14 deem necessary, convenient or desirable concerning the use or disposi-
15 tion of the monies or property of the authority, its subsidiary corpo-
16 rations, New York city transit authority, or any of its subsidiary
17 corporations, or Triborough bridge and tunnel authority, including the
18 mortgaging of any such property and the entrusting, pledging or creation
19 of any other security interest in any such monies or property and the
20 doing of any act (including refraining from doing any act) which the
21 authority would have the right to do in the absence of such agreements.
22 The authority shall have power to enter into amendments of any such
23 agreements within the powers granted to the authority by this title and
24 to perform such agreements. The provisions of any such agreements may be
25 made a part of the contract with the holders of the notes, bonds and
26 other obligations of the authority.

27 6. Any pledge, mortgage or security instrument made by the authority
28 shall be valid and binding from the time when the pledge, mortgage or
29 security instrument is made; the monies or property so pledged, mort-
30 gaged and entrusted and thereafter received by the authority, or any of
31 its subsidiary corporations shall immediately be subject to the lien of
32 such pledge, mortgage or security instrument without any physical deliv-
33 ery thereof or further act; and the lien of any such pledge, mortgage or
34 security instrument shall be valid and binding as against all parties
35 having claims of any kind in tort, contract or otherwise against the
36 authority, or any of its subsidiary corporations, irrespective of wheth-
37 er such parties have notice thereof. Neither the resolution nor any
38 mortgage, security instrument or other instrument by which a pledge,
39 mortgage lien or other security is created shall need to be recorded or
40 filed and neither the authority nor, any of its subsidiary corporations
41 shall be required to comply with any of the provisions of the uniform
42 commercial code.

43 7. Neither the members of the authority, the New York city transit
44 authority or the Triborough bridge and tunnel authority nor any person
45 executing the notes, bonds or other obligations shall be liable
46 personally on the notes, bonds or other obligations or be subject to any
47 personal liability or accountability by reason of the issuance thereof.

48 8. The authority, subject to such agreements with the holders of
49 notes, bonds or other obligations as may then exist, shall have power
50 out of any funds available therefor to purchase notes, bonds or other
51 obligations of the authority. The authority may hold, cancel or sell
52 such bonds, notes and other obligations, subject to and in accordance
53 with agreements with such holders.

54 9. Neither the state nor the city of New York shall be liable on
55 notes, bonds or other obligations of the authority and such notes, bonds
56 and other obligations shall not be a debt of the state or the city of

1 New York, and such notes, bonds and other obligations shall contain on
2 the face thereof, or in an equally prominent place, a statement to such
3 effect.

4 10. So long as the authority has any outstanding bonds, notes or other
5 obligations issued pursuant to this section or any bonds, notes or other
6 obligations issued or incurred pursuant to section thirteen hundred
7 forty-nine-j of this title, none of the authority or any of its subsid-
8 iary corporations, New York city transit authority or any of its subsid-
9 iary corporations, or Triborough bridge and tunnel authority shall have
10 the authority to file a voluntary petition under chapter nine of the
11 federal bankruptcy code or such corresponding chapter, chapters or
12 sections as may, from time to time, be in effect, and neither any public
13 officer nor any organization, entity or other person shall authorize the
14 authority or any of its subsidiary corporations, New York city transit
15 authority or any of its subsidiary corporations, or Triborough bridge
16 and tunnel authority to be or become a debtor under chapter nine of the
17 federal bankruptcy code or said corresponding chapter, chapters or
18 sections during any such period.

19 11. The term "monies" as used in this section shall include, but not
20 be limited to, all operating subsidies provided by (i) any public bene-
21 fit corporation, including without limitation transfers of operating
22 surplus by Triborough bridge and tunnel authority pursuant to section
23 twelve hundred nineteen-a of this article, or (ii) any governmental
24 entity, federal, state or local and shall exclude all funds required to
25 be transferred to the metropolitan transportation authority pursuant to
26 section thirteen hundred forty-nine-h of this title.

27 12. Any resolution or agreement authorizing the issuance of bonds,
28 notes or other obligations pursuant to this section may, in addition,
29 authorize and provide for the issuance of lease obligations of the
30 authority which may be issued for the purposes and on the terms and
31 conditions under which the bonds, notes and other obligations authorized
32 under this section may be issued, and may be secured in the same manner
33 as such bonds, notes and other obligations, and which resolution with
34 respect to such lease obligations, may contain such other provisions
35 applicable to bonds, notes and other obligations not inconsistent with
36 the provisions of this section, as the authority may determine.

37 13. The aggregate principal amount of bonds, notes or other obli-
38 gations issued after the first of January next succeeding the effective
39 date of this title, by the authority, the Triborough bridge and tunnel
40 authority and the New York city transit authority to fund projects
41 contained in capital program plans approved pursuant to section thirteen
42 hundred forty-nine-v of this title for the capital program authorization
43 period shall not exceed fifty-five billion four hundred ninety-seven
44 million dollars. Such aggregate principal amount of bonds, notes or
45 other obligations or the expenditure thereof shall not be subject to any
46 limitation contained in any other provision of law on the principal
47 amount of bonds, notes or other obligations or the expenditure thereof
48 applicable to the authority, the Triborough bridge and tunnel authority
49 or the New York city transit authority. The aggregate limitation estab-
50 lished by this subdivision shall not include: (a) obligations issued to
51 refund, redeem or otherwise repay, including by purchase or tender,
52 obligations theretofore issued either by the issuer of such refunding
53 obligations or by the authority, the New York city transit authority or
54 the Triborough bridge and tunnel authority; (b) obligations issued to
55 fund any debt service or other reserve funds for such obligations; (c)
56 obligations issued or incurred to fund the costs of issuance, the

1 payment of amounts required under bond and note facilities, federal or
2 other governmental loans, security or credit arrangements or other
3 agreements related thereto and the payment of other financing, original
4 issue premiums and related costs associated with such obligations; (d)
5 an amount equal to any original issue discount from the principal amount
6 of such obligations or to fund capitalized interest; (e) obligations
7 incurred pursuant to section twelve hundred seven-m of this article; (f)
8 obligations incurred to fund the acquisition of certain buses for the
9 New York city transit authority as identified in a capital program plan
10 approved pursuant to chapter fifty-three of the laws of nineteen hundred
11 ninety-two; (g) obligations incurred in connection with the leasing,
12 selling or transferring of equipment; and (h) bond anticipation notes or
13 other obligations payable solely from the proceeds of other bonds, notes
14 or other obligations which would be included in the aggregate principal
15 amount specified in the first sentence of this subdivision, whether or
16 not additionally secured by revenues of the authority, or any of its
17 subsidiary corporations, New York city transit authority, or any of its
18 subsidiary corporations, or Triborough bridge and tunnel authority.

19 § 1349-v. Capital program plans; approvals; effect of disapproval. 1.
20 On or before October first next succeeding the effective date of this
21 section, and every fifth year thereafter, the authority shall submit to
22 the mayor a capital program plan for the ten-year period commencing
23 January first of the following year.

24 2. For the period described in subdivision one of this section, the
25 plan shall contain the capital program for the transit facilities oper-
26 ated by the New York city transit authority and its subsidiaries and for
27 the Staten Island rapid transit operating authority.

28 3. The plan shall set system-wide goals and objectives for capital
29 spending, establish standards for service and operations, and describe
30 each capital element proposed to be initiated in each of the years
31 covered by the plan and explain how each proposed element supports the
32 achievement of the service and operational standards established in the
33 plan. The plan shall also set forth an estimate of the amount of capital
34 funding required each year and the expected sources of such funding.
35 Each plan subsequent to the first such plan and each proposed amendment
36 or modification thereof shall also describe the current status of each
37 capital element included in the previously approved plan, if any. The
38 plan shall be accompanied or supplemented by such supporting materials
39 as the mayor shall require.

40 4. A "capital element", as used in this section, shall mean either a
41 category of expenditure itemized in a plan, as hereinafter provided, for
42 which a specified maximum dollar amount is proposed to be expended, or a
43 particularly described capital project within one or more categories for
44 which no maximum expenditure is proposed, but for which an estimate of
45 expected cost is provided. A capital element shall be deemed to have
46 been initiated for purposes of this section if in connection with such
47 element the authority shall certify that:

48 (a) purchase or construction contracts have been entered into, obli-
49 gating in the aggregate an amount exceeding ten percent of the maximum
50 or estimated cost of the element as set forth in a plan;

51 (b) financing specific to the project has been undertaken; or

52 (c) in a case where such element is limited to design or engineering,
53 a contract therefor has been entered into.

54 5. The plan shall itemize the capital elements included in each
55 section of the plan under the following categories of expenditure: (a)
56 rolling stock and buses; (b) passenger stations; (c) track; (d) line

1 equipment; (e) line structures; (f) signals and communications; (g)
2 power equipment, emergency power equipment and substations; (h) shops,
3 yards, maintenance facilities, depots and terminals; (i) service vehi-
4 cles; (j) security systems; (k) electrification extensions; and (l)
5 unspecified, miscellaneous and emergency.

6 6. A capital program plan must be approved only by resolution of the
7 authority approved by not less than a majority vote. After approval, the
8 authority must submit the plan to the mayor, who has ninety days to
9 approve the plan.

10 7. A copy of any capital program plan that has been approved by the
11 authority and distributed to the mayor shall be simultaneously provided
12 to the public by the big apple transit authority, via its official or
13 shared internet website.

14 8. If the mayor takes no action within ninety days after receiving the
15 plan, the plan shall be deemed to have been approved.

16 9. If the mayor vetoes the plan, the authority may only override the
17 veto by unanimous vote.

18 10. If the mayor vetoes the plan and the authority does not override
19 the veto, the authority may thereafter reformulate and resubmit such
20 plan at any time. Within thirty days of the submission of such reformu-
21 lated plan, the mayor may notify the authority of its approval, or, if
22 the reformulated plan is not approved and the mayor has not notified the
23 authority of his or her disapproval within such period, the reformulated
24 plan shall be deemed to have been approved.

25 11. No general obligation bonds or notes of the authority, no special
26 obligation bonds or notes of the authority to finance a transit project,
27 as such term is defined in section thirteen hundred forty-nine-j of this
28 title, and no bonds or notes of the Triborough bridge and tunnel author-
29 ity to finance a project pursuant to the authorization contained in
30 paragraph (r) of subdivision nine of section five hundred fifty-three of
31 this chapter shall be issued to finance the costs of a capital element
32 unless such capital element and such source of funding was set forth in
33 a plan approved as provided in this section.

34 12. The disapproval of a capital program plan shall not affect: (a)
35 the right of the authority, of the Triborough bridge and tunnel authori-
36 ty, or of the New York city transit authority, or of the subsidiaries of
37 any of them to initiate and complete any capital element which will be
38 financed otherwise than through the issuance of the bonds or notes the
39 issuance of which is prohibited under subdivision seven of this section;
40 (b) the right of the authority or the Triborough bridge and tunnel
41 authority to issue bonds or notes to finance a capital element which was
42 initiated prior to such disapproval in conformity with a previously
43 approved plan; (c) the right of the New York city transit authority to
44 issue its bonds, notes, lease, sublease or other contractual obligations
45 in payment for a transit project initiated prior to such disapproval in
46 conformity with a previously approved plan; (d) the right of the author-
47 ity or of the Triborough bridge and tunnel authority to issue bonds or
48 notes to refund or otherwise repay any of its outstanding bonds or notes
49 or to fulfill any of their obligations to the holders of any of their
50 outstanding bonds or notes; or (e) the right of the New York city trans-
51 it authority to issue its bonds, notes, lease, sublease or other
52 contractual obligations to refund or otherwise repay any of its
53 outstanding bonds or notes or to fulfill any of its obligations to the
54 holders of any of its outstanding bonds or notes.

55 13. Notwithstanding the provisions of subdivision eight of this
56 section, if a source of funding described in an approved plan shall be

1 unavailable or be available in a lesser amount than that set forth in
2 such plan, the authority and the Triborough bridge and tunnel authority
3 may issue bonds or notes as necessary to provide the requisite funding
4 for the capital elements included in the plan to the extent that the
5 aggregate amount of such bonds or notes to be issued in substitution for
6 such unavailable amounts shall not exceed the greater of fifty million
7 dollars or twenty percent of the total amount described in such plan for
8 either the substitute funding source or the funding source being substi-
9 tuted for, subject to the limitations set forth in subdivision eleven of
10 section five hundred fifty-three-e of this chapter and paragraph (a) of
11 subdivision four of section twelve hundred seven-m of this article.

12 14. (a) The authority may from time to time submit to the mayor amend-
13 ments or modifications to any ten-year plan theretofore submitted, and
14 shall submit such an amendment or modification (i) if the estimated cost
15 of any capital element for which a specified dollar amount was proposed
16 to be expended exceeds the amount set forth in the approved plan for
17 such element by more than ten percent, (ii) if with respect to a partic-
18 ularly described capital element for which only an estimate of projected
19 cost has been provided in the plan there is a material change in the
20 description of such element from that contained in the approved plan,
21 (iii) if a capital element not previously included in the approved plan
22 is proposed to be undertaken and its cost, together with the cost of
23 other elements included in category (1) of the plan, exceeds by ten
24 percent the amount provided for such category (1) elements, (iv) if the
25 authority shall propose to change by more than one year from the time
26 when any capital element is proposed to be initiated or the effect of
27 such change will be to increase the estimated amount of capital funding
28 required in any year covered by the plan by more than twenty percent, or
29 (v) if the availability of funding sources changes to the degree to
30 which the authority or the Triborough bridge and tunnel authority are
31 precluded from exercising the authorization provided in subdivision nine
32 of this section and the authority wishes to do so.

33 (b) An amendment or modification may only be approved in two ways: (i)
34 an amendment or modification shall only be approved by the mayor and
35 within thirty days of the submission of an amendment or modification the
36 mayor may notify the authority of its approval of the same; or (ii) if
37 the amendment or modification is not approved by the mayor within such
38 thirty day period and the mayor has not notified the authority in writ-
39 ing of his or her disapproval within such period, the amendment or
40 modification shall be deemed to have been approved.

41 15. In formulating its capital program plans, the authority shall give
42 consideration to the physical condition and urgency of need of each of
43 the several transportation and transit systems involved, to the needs of
44 all of the communities and areas serviced by these systems, to the
45 extent to which other capital aid or assistance may be available to each
46 of these systems, and to the safety, comfort and convenience of its
47 passengers. In determining the source or method of funding which the
48 authority is to use to finance the cost of the capital elements included
49 in its capital program plans, the authority shall, insofar as practica-
50 ble, give consideration, among other things, to: (a) the potential
51 impact of each such source or method upon the level of passenger fares;
52 (b) the relative cost of the several funding alternatives; and (c) the
53 relative ability of each source or method to provide funding at times
54 and in amounts estimated to be required by the capital program plan. To
55 the extent funding is proposed to be obtained through the issuance and
56 sale of bonds or notes, the authority shall, insofar as practicable and

1 consistent with the matters set forth in paragraphs (a), (b) and (c) of
2 this subdivision, give preference to the use of funds appropriated or to
3 be appropriated to the authority by virtue of service contracts with the
4 director of the office of management and budget entered into pursuant to
5 the provisions of the transportation systems assistance and financing
6 act of nineteen hundred eighty-one for purposes of paying the annual
7 cost of debt service for such bonds or notes.

8 16. On or before the first of October succeeding the effective date of
9 this subdivision, and on or before October first of every fifth year
10 thereafter, the authority shall submit to the mayor a twenty-year capi-
11 tal needs assessment. Such assessment shall begin with the period
12 commencing on the first of January after such submission, and begin each
13 assessment with every fifth year thereafter, and describe capital
14 investments over the succeeding twenty years. Such assessment shall: (a)
15 set forth broad long-term capital investments to be made throughout the
16 district; and (b) establish a non-binding basis to be used by the
17 authority in the planning of strategic investments involving capital
18 elements in its five-year capital plan. Such assessment shall not
19 require approval of the mayor and shall be for informational purposes
20 only.

21 17. For purposes of this section, "broad long-term capital invest-
22 ments" shall include but not be limited to: system rebuilding, enhance-
23 ment, and expansion needs; agency needs broken down by capital element
24 or investment category; and projected future trends and network impli-
25 cations. Such assessment shall be certified by the chairperson of the
26 authority and shall be entered into the permanent record of the minutes
27 of the review board.

28 § 1349-w. Submission of strategic operation plan. 1. On or before the
29 first of July next succeeding the effective date of this section, the
30 authority shall submit to the mayor a strategic operation plan for the
31 bus and subway services of the New York city transit authority and its
32 subsidiaries and for the Staten Island rapid transit operating authority
33 for the five year period commencing January first of the following year.
34 The plan may be amended as required but shall be updated at least annu-
35 ally. The plan shall include, but need not be limited to, the following:

36 (a) Long-range goals and objectives for the operation of services and
37 facilities;

38 (b) Planned service and performance standards for each year of the
39 period covered by the plan; including, in such plan submitted after the
40 first of July next succeeding the effective date of this section: (i)
41 standards for determining frequency of service at peak hours and off-
42 peak hours; (ii) frequency of service at peak and off-peak hours based
43 on the application of such standards to the current period for each
44 subway line, bus route or group of bus routes; and (iii) projected
45 performance for each subway line, bus route or group of bus routes as
46 measured by reliability indicators commonly utilized within the transit
47 industry, including such measures as mean distance between failures for
48 subway cars, planned number of vehicles with air conditioning and
49 projected reliability of such equipment, planned standards for cleanli-
50 ness of the interior and exterior of subway cars, buses, and passenger
51 stations, and other appropriate measures of planned performance influ-
52 encing the quality of services;

53 (c) Level and structure of fares projected for each year of the period
54 covered by the plan;

1 (d) Estimated operating and capital resources anticipated to be avail-
2 able from internal sources as well as from federal, state, regional and
3 local sources;

4 (e) Estimated operating and capital costs to satisfy planned standards
5 of performance and service;

6 (f) Strategies to improve productivity; control cost growth; integrate
7 and coordinate the delivery of services provided by the authority as
8 well as other public and private transportation providers in the service
9 area;

10 (g) Specific allocation of operating and capital resources by mode and
11 operation, including funds, personnel and equipment;

12 (h) Configuration by mode, operation and route of the services to be
13 provided and the facilities to be operated, identifying major planned
14 changes in services and routes;

15 (i) Identification of the operating and capital costs as compared to
16 the revenues anticipated from system users for the big apple transit
17 authority and its subsidiaries and the New York city transit authority
18 and its subsidiaries; and

19 (j) An analysis of the relationship between specific planned capital
20 elements contained in approved capital program plans and the achievement
21 of planned service and performance standards. Such analysis shall
22 include the relationship of specific planned capital elements to the
23 achievement of such service and performance standards for each subway
24 line, bus route or group of bus routes as appropriate.

25 2. Each annual update of the plan shall include a status report summa-
26 rizing the extent to which planned service and performance standards
27 developed for the previous year were achieved, the causes of any failure
28 to achieve projected standards of service, and corrective measures the
29 authority intends to take to avoid non-achievement of projected stand-
30 ards in the next upcoming year.

31 3. The big apple transit authority shall take into consideration any
32 petitions from local officials for improved services, including how
33 these service improvements relate to the service and performance stand-
34 ards described in subdivision two of this section, and shall consult
35 with appropriate local officials in its preparation and periodic updates
36 to the operation plan.

37 § 1349-x. Financial and operational reports. The authority shall
38 submit to the mayor and speaker of the city council, no later than thir-
39 ty days following the submission of the annual independent audit report
40 pursuant to section twenty-eight hundred two of this chapter, a complete
41 detailed report or reports setting forth, to the extent such matters are
42 not fully addressed in the annual independent audit report, the follow-
43 ing:

44 1. its financial reports, including:

45 (a) audited financials in accordance with all applicable regulations
46 and following generally accepted accounting principles as defined in
47 subdivision ten of section two of the state finance law;

48 (b) grant and subsidy programs;

49 (c) operating and financial risks;

50 (d) current ratings of its bonds issued by recognized municipal bond
51 rating agencies and notice changes in such ratings; and

52 (e) long-term liabilities, including leases and employee benefit
53 plans; and

54 2. an assessment of the effectiveness of its internal control struc-
55 ture and procedures, including:

1 (a) descriptions of the authority and its major units and subsid-
2 iaries;

3 (b) the number of employees, and minority and women employees, for
4 each;

5 (c) an organizational chart;

6 (d) its charter, if any and by-laws;

7 (e) the extent of participation by minority and women-owned enter-
8 prises in authority contracts and services in accordance with article
9 fifteen-A of the executive law; and

10 (f) a listing of material changes in internal operations and programs
11 during the reporting year.

12 § 1349-y. Mission statement and measurement report. 1. The authority
13 shall submit to the mayor and speaker of the city council, on or before
14 the first of October next succeeding the effective date of this title, a
15 proposed authority mission statement and proposed measurements. The
16 proposed mission statement and proposed measurements shall have the
17 following components: a brief mission statement expressing the purpose
18 and goals of the authority; a description of the stakeholders of the
19 authority and their reasonable expectations from the authority, which
20 stakeholders shall include at a minimum: the residents and taxpayers of
21 the area of the state served by the authority, the persons that use the
22 services provided by the authority, and the employees of the authority
23 and any employee organization; the goals of the authority in response to
24 the needs of each group of stakeholders; and a list of measures by which
25 performance of the authority and the achievement of its goals may be
26 evaluated.

27 2. The authority shall thereafter reexamine its mission statement and
28 measurements on an annual basis and publish on its website self-evalua-
29 tions based on the stated measures.

30 § 1349-z. Requirements for certain authority contracts and related
31 subcontracts. 1. Any contractor or subcontractor subject to the posting
32 requirements of paragraph a of subdivision three-a of section two
33 hundred twenty of the labor law with respect to a public works contract
34 of the authority shall:

35 (a) post information conforming to the provisions of subdivision two
36 of this section in one or more conspicuous places at each major work-
37 place site where persons who perform work on the contract or subcon-
38 tract, including management, are most likely to see such postings;
39 provided that, this requirement may be satisfied by the displaying of
40 such information with other notices that inform persons of rights under
41 federal or state laws or rules, human resource policies, or collective
42 bargaining agreements;

43 (b) post information conforming to the provisions of subdivision two
44 of this section on an internet and intranet website, if any, of that
45 person or business organization; provided that, this requirement may be
46 satisfied by providing on such website a conspicuous hyperlink to the
47 authority website maintained pursuant to subdivision three of this
48 section, which hyperlink shall be labeled "Protections for Reporting
49 Fraud in New York";

50 (c) distribute information specified in subdivision two of this
51 section to those persons, including employees and managers, who perform
52 work on the contract; provided that, this requirement may be satisfied
53 by distributing such information in an employee handbook or through a
54 specific electronic communication containing the information to a known
55 electronic mail address maintained by the person; and

1 (d) comply with the provisions of this subdivision, and provide to the
2 authority satisfactory evidence of such compliance, within ninety days.

3 2. The disclosures required by subdivision one of this section shall:

4 (a) provide the telephone numbers and addresses to report information
5 of fraud or other illegal activity to the appropriate officers of the
6 inspector general of the authority and the attorney general of the
7 state;

8 (b) describe in detail conduct prohibited by section one hundred
9 eighty-nine of the state finance law, and the role of that act in
10 preventing and detecting fraud and abuse in work paid for by the author-
11 ity or with funds originating from the authority;

12 (c) notify prospective qui tam plaintiffs on how to file a qui tam
13 action, including the necessity to contact private counsel skilled in
14 filing such actions and of the potential for cash rewards in such
15 actions based on the percentage of the funds recovered by the govern-
16 ment; and

17 (d) describe prohibitions on employer retaliation against persons who
18 file or assist actions under article thirteen of the state finance law,
19 the New York false claims act pursuant to section one hundred ninety-one
20 of the state finance law, or who report illegal conduct that threatens
21 the health or safety of the public pursuant to section seven hundred
22 forty of the labor law.

23 3. No later than forty-five days after the effective date of this
24 section, the authority shall establish and continuously maintain on its
25 public website and its intranet site a page that shall provide the
26 information specified in subdivision two of this section, and that shall
27 also provide sample statements, displays and other materials suitable
28 for insertion in employee handbooks or posting at workplaces or on
29 websites that would satisfy the disclosure requirements of this section.

30 4. On and after the effective date of this section, the authority
31 shall not enter into any contract described in subdivision one of this
32 section that does not incorporate the terms of this section.

33 5. Material compliance by a covered person or business organization
34 that has contracted with the authority under a contract that incorpo-
35 rates the terms of this section shall be a material condition of payment
36 for the provision of goods or services.

37 6. The authority is authorized to adopt such rules and regulations as
38 are necessary to effectuate the purposes of this section.

39 § 1349-aa. Reserve funds and appropriations. The authority may create
40 and establish one or more reserve funds in accordance with agreements
41 with bondholders, noteholders or the holders of other obligations of the
42 authority and may pay into such reserve funds (a) any monies appropri-
43 ated and made available by the state for the purposes of such funds, (b)
44 any proceeds of sales of notes, bonds or other obligations to the extent
45 provided in the resolution of the authority authorizing the issuance
46 thereof, and (c) any other moneys which may be made available to the
47 authority for the purpose of such funds from any other source or sourc-
48 es. In lieu thereof, the authority may provide for the deposit therein
49 of, or substitute for moneys on deposit therein, a liquidity or credit
50 facility, surety bond or other similar agreement.

51 § 1349-bb. Big apple transit authority special assistance fund. 1. The
52 authority shall create and establish a fund to be known as the "big
53 apple transit authority special assistance fund" which shall be kept
54 separate from and shall not be commingled with any other moneys of the
55 authority. The special assistance fund shall consist of two separate

1 accounts: (i) the "transit account"; and (ii) the "corporate transporta-
2 tion account".

3 2. Moneys in the transit account may be pledged to the Triborough
4 bridge and tunnel authority to secure bonds and notes and, if so
5 pledged, shall be paid to the Triborough bridge and tunnel authority in
6 such amounts and at such times as necessary to pay or to reimburse that
7 authority for its payment of debt service and reserve requirements on
8 that portion of special Triborough bridge and tunnel authority bonds and
9 notes issued by that authority pursuant to section five hundred fifty-
10 three-d of this chapter for transit projects undertaken for the New York
11 city transit authority and its subsidiaries. Subject to the provisions
12 of such pledge, any excess moneys, or in the event there is no such
13 pledge, any moneys in such account shall, at the direction of the big
14 apple transit authority, be: (a) deposited into one or more funds or
15 accounts and used as contemplated by section thirteen hundred forty-
16 nine-dd of this title; or (b) used for the payment of operating and
17 capital costs of the New York city transit authority and its subsid-
18 aries and the Staten Island rapid transit operating authority.

19 3. (a) Moneys in the corporate transportation account shall be pledged
20 by the authority, or pledged to the Triborough bridge and tunnel author-
21 ity, to secure bonds, notes or other obligations of the authority or the
22 Triborough bridge and tunnel authority, as the case may be, and, if so
23 pledged to the Triborough bridge and tunnel authority, shall be paid to
24 the Triborough bridge and tunnel authority in such amounts and at such
25 times as necessary to pay or to reimburse that authority for its payment
26 of debt service and reserve requirements, if any, on that portion of
27 special Triborough bridge and tunnel authority bonds and notes issued by
28 that authority pursuant to section five hundred fifty-three-d of this
29 chapter. Subject to the provisions of any such pledge, or in the event
30 there is no such pledge, any excess moneys in the corporate transporta-
31 tion account may be used by the authority for payment of operating costs
32 of, and capital costs, including debt service and reserve requirements,
33 if any, of or for the authority, the New York city transit authority and
34 their subsidiaries as the authority shall determine.

35 § 1349-cc. Big apple transit authority dedicated tax fund. 1. The
36 authority shall establish a fund to be known as the "big apple transit
37 authority dedicated tax fund" which shall be kept separate from and
38 shall not be commingled with any other moneys of the authority. The fund
39 shall consist of a "pledged amounts account" and an "operating and capi-
40 tal costs account" and such other accounts and subaccounts as the
41 authority may determine.

42 2. Moneys in the fund may be:

43 (a) pledged by the authority to secure and be applied to the payment
44 of its bonds, notes or other obligations specified by the authority and
45 issued to finance: (i) transit projects undertaken for the New York city
46 transit authority and its subsidiaries; and (ii) transportation facili-
47 ties undertaken for the authority and its subsidiaries; and

48 (b) used for payment of operating costs, and capital costs, including
49 debt service, reserve requirements, if any, the payment of amounts
50 required under bond and note facilities or agreements related thereto,
51 the payment of federal government loans, security or credit arrangements
52 or other agreements related thereto, and the payment of all costs
53 related to such obligations, of or for the authority, the New York city
54 transit authority and their subsidiaries as the authority shall deter-
55 mine. To the extent moneys in the fund have been pledged by the authori-
56 ty to secure and pay its bonds, notes or other obligations as herein

1 provided, moneys deposited into the fund shall first be deposited into
2 the pledged amounts account to the extent necessary to satisfy the
3 requirements of any debt service or reserve requirements, if any, of the
4 resolution authorizing such bonds, notes or other obligations. After
5 satisfaction of such requirements of the resolution, or if the authority
6 has not so pledged the moneys in the fund, moneys deposited in the fund
7 shall be directly deposited into the operating and capital costs account
8 and, subject to the provisions of any resolutions of the authority not
9 secured by the pledged amounts account, transferred forthwith to or for
10 the benefit of the New York city transit authority and its subsidiaries
11 and the Staten Island rapid transit operating authority.

12 3. Any moneys deposited in the fund shall be held in the fund free and
13 clear of any claim by any person arising out of or in connection with
14 article thirteen-A of the tax law. Without limiting the generality of
15 the foregoing and without limiting the rights and duties of the commis-
16 sioner of taxation and finance under article thirteen-A of the tax law,
17 or any other person, including the state, a person shall have any right
18 or claim against the authority, any of its bondholders, the authority or
19 the commuter transportation authority to any moneys in or distributed
20 from the fund or in respect of a refund, rebate, credit or reimbursement
21 of taxes paid under article thirteen-A of the tax law.

22 § 1349-dd. Consolidated financings. 1. Notwithstanding any inconsist-
23 ent provisions of this law or any other law, general, special or local,
24 the authority may issue its notes, bonds and other obligations to
25 finance transportation facilities, including transit projects and
26 Triborough bridge and tunnel authority projects, utilizing a consol-
27 idated pledge of all or any portion of the revenues and other moneys and
28 assets of the authority and its subsidiaries, New York city transit
29 authority and its subsidiaries, and the Triborough bridge and tunnel
30 authority, together with those other sources of payment described in
31 this section. In connection therewith, at its discretion, the authority,
32 subject to the rights of the holders of notes, bonds or other obli-
33 gations of the authority, the metropolitan transportation authority, the
34 New York city transit authority or the Triborough bridge and tunnel
35 authority, may: (a) agree with the New York city transit authority or
36 the Triborough bridge and tunnel authority that any such entity shall
37 deposit all or any portion of the revenues, other monies and assets
38 received by it or its subsidiaries into one or more funds or accounts;
39 and (b) deposit or cause to be deposited into one or more funds and
40 accounts: (i) all or any portion of the revenues, other monies and
41 assets received by the authority and its subsidiaries; (ii) all or any
42 portion of the annual operating surplus of the Triborough bridge and
43 tunnel authority as certified pursuant to paragraph (b) of subdivision
44 two of section twelve hundred nineteen-a of this article; (iii) all or
45 any portion of the amounts from the operating and capital costs account
46 of the metropolitan transportation authority dedicated tax fund required
47 to be distributed to New York city transit authority under the
48 provisions of section twelve hundred seventy-c of this title; (iv) all
49 or any portion of the available monies in the transit account of the
50 metropolitan transportation authority special assistance fund estab-
51 lished under the provisions of section twelve hundred seventy-a of this
52 title available for payment of operating and capital costs of New York
53 city transit authority and its subsidiaries and Staten Island rapid
54 transit operating authority as provided in subdivision two of section
55 twelve hundred seventy-a of this title; (v) all or any portion of the
56 available moneys in the corporate transportation account of the metro-

1 politan transportation authority special assistance fund established
2 under the provisions of section twelve hundred seventy-a of this title
3 available for use by the authority for payment of operating costs of,
4 and capital costs, including debt service and reserve requirements, if
5 any, of or for the authority, the New York city transit authority and
6 their subsidiaries as provided in paragraph (a) of subdivision four of
7 section twelve hundred seventy-a of this title; and (vi) any other
8 monies of the authority, its subsidiaries, the New York city transit
9 authority and its subsidiaries, and the Triborough bridge and tunnel
10 authority from any source whatsoever.

11 2. Amounts so deposited in such funds or accounts may be: (a) pledged
12 by the authority to secure, and be applied to, the payment of its bonds,
13 notes or other obligations issued to finance transportation facilities
14 undertaken for the authority and its subsidiaries, transportation facil-
15 ities, including transit projects, undertaken for New York city transit
16 authority and its subsidiaries, and Triborough bridge and tunnel author-
17 ity projects undertaken for the Triborough bridge and tunnel authority;
18 and (b) used for payment of operating costs, and capital costs, includ-
19 ing debt service, reserve requirements, if any, the payment of amounts
20 required under bond, note or other financing facilities or agreements,
21 and the payment of all costs related to such obligations, of or for the
22 authority and its subsidiaries, and the New York city transit authority
23 and its subsidiaries as the authority in its full discretion shall
24 determine. To the extent moneys so deposited have been pledged by the
25 authority to secure and pay its bonds, notes or other obligations pursu-
26 ant to this subdivision, such moneys shall first be applied to satisfy
27 the requirements of any debt service or reserve requirements of the
28 resolution or resolutions or other contractual arrangements authorizing
29 such bonds, notes or other obligations. After satisfaction of such
30 requirements of any such resolution, resolutions, or other contractual
31 arrangements or if the authority has not so pledged such moneys, such
32 moneys so deposited, subject to the provisions of any other resolutions
33 or contractual arrangements of the authority and the New York city tran-
34 sit authority and applicable provisions of law, may be transferred to or
35 for the benefit of the authority and its subsidiaries and New York city
36 transit authority and its subsidiaries. Revenues and other monies of the
37 authority and its subsidiaries and New York city transit authority and
38 its subsidiaries, respectively, which are deposited in the funds or
39 accounts authorized by this section, as reduced by any application of
40 such revenues or monies to the payment of debt service, reserve require-
41 ments, if any, and other costs attributable to the funding of the capi-
42 tal costs of such entity, shall be allocated, credited and distributed
43 to such source entity. Any other revenues or monies which are deposited
44 in the funds or accounts authorized by this section which are required
45 by law to be allocated or paid to the authority or its subsidiaries or
46 New York city transit authority or its subsidiaries, shall be allocated
47 or paid to the entity to which it is required to be allocated or paid by
48 law after reduction by an amount equal to the portion thereof applied to
49 the payment of debt service, reserve requirements, if any, and other
50 costs attributable to the funding of the capital costs of such entity.
51 In determining the amount of debt service, reserve requirements, if any,
52 and other costs attributable to the authority and its subsidiaries and
53 the New York city transit authority and its subsidiaries, the authority
54 shall make such calculation based upon the percentage of the proceeds of
55 the bonds, notes and other obligations expended for the capital costs
56 attributable to each such entity. The authority may utilize any interim

1 allocation of such distributions, provided that within ninety days after
2 the end of each calendar year, the authority shall certify that the
3 aggregate amount of moneys transferred to each of the authority and its
4 subsidiaries, and the New York city transit authority and its subsid-
5 aries in respect of such calendar year, taking into account any intera-
6 gency repayments or reimbursements anticipated to be made in the next
7 succeeding calendar year, is not less than the amounts required to be
8 paid or transferred to such entities.

9 3. For the purpose of appropriately aligning and allocating the ulti-
10 mate responsibility for debt service among and between the authority and
11 its subsidiaries, New York city transit authority and its subsidiaries,
12 or the Triborough bridge and tunnel authority, each being an "affiliated
13 group", and except as otherwise authorized or required by law, in
14 connection with the application of revenues, subsidies or other moneys
15 or securities of an affiliated group to pay the debt service attribut-
16 able to bonds, notes or other obligations which provide funding of the
17 capital costs of another affiliated group or to refund or redeem bonds,
18 notes or other obligations, the proceeds of which were used to fund the
19 capital costs of another affiliated group, the affiliated group for
20 whose benefit debt service is paid or obligations refunded or redeemed,
21 shall repay, through payments, adjustments or other form of reconcil-
22 iation, such amounts to the affiliated group that made such payments not
23 later than the end of the next succeeding fiscal year; provided, howev-
24 er, that in connection with any refunding or redemption of bonds, notes
25 or other obligations, such repayment, adjustments or other form of
26 reconciliation shall be completed within the period of the applicable
27 capital program plan.

28 § 1349-ee. Regulation of certain authority expenditures. The authori-
29 ty shall implement policies as appropriate to minimize unwarranted
30 expenses and to protect against abuses in connection with (i) the grant-
31 ing of any privileges or benefits having financial value, other than
32 wage payments or expense reimbursements, to members or staff of the
33 authority, or any subsidiary or other authority created by the authori-
34 ty; and (ii) the full-time and part-time assignment and use of automo-
35 biles owned or leased by the authority, or any subsidiary or other
36 authority created by the authority, and the use by authority employees
37 and board members of livery vehicles, as defined in section one hundred
38 twenty-one-e of the vehicle and traffic law.

39 § 1349-ff. Metropolitan transportation authority finance fund. 1. The
40 authority shall establish a fund to be known as the "metropolitan trans-
41 portation authority finance fund" which shall be kept separate from and
42 shall not be commingled with any other moneys of the authority.

43 2. Moneys in the fund may be: (a) pledged by the authority to secure
44 and be applied to the payment of the bonds, notes or other obligations
45 of the authority issued on or after the effective date of this section
46 to finance capital projects of the authority and its subsidiaries and
47 the New York city transit authority and any subsidiaries; or (b) used
48 for payment of capital costs, including debt service, reserve require-
49 ments, if any, the payment of amounts required under bond and note
50 facilities or agreements related thereto, the payment of federal govern-
51 ment loans, security or credit arrangements or other agreements related
52 thereto, and the payment of all costs related to such obligations, of or
53 for the authority, the New York city transit authority and their subsid-
54 aries as the authority shall determine. Subject to the provisions of
55 any such pledge, or in the event there is no such pledge, any excess
56 moneys in this fund may be used by the authority for payment of operat-

1 ing costs of, and capital costs, including debt service and reserve
2 requirements, if any, of or for the authority, the New York city transit
3 authority and their subsidiaries as the authority shall determine. To
4 the extent moneys in the fund have been pledged by the authority to
5 secure and pay the bonds, notes or other obligations of the authority
6 issued to finance capital projects of the authority and its subsidiaries
7 and the New York city transit authority and any subsidiaries as herein
8 provided, moneys deposited into the fund shall be deposited to the
9 extent necessary to satisfy the requirements of any debt service or
10 reserve requirements, if any, of the resolution authorizing such bonds,
11 notes or other obligations.

12 3. Any moneys deposited in the fund shall be held in the fund free and
13 clear of any claim by any person arising out of or in connection with
14 article twenty-three of the tax law. Without limiting the generality of
15 the foregoing and without limiting the rights and duties of the commis-
16 sioner of taxation and finance under article twenty-three of the tax
17 law, a person shall have any right or claim against the authority, any
18 of their bondholders, any of the authority's other subsidiaries or the
19 New York city transit authority or any subsidiary to any moneys in or
20 distributed from the fund or in respect of a refund, rebate, credit or
21 reimbursement of taxes paid under article twenty-three of the tax law.

22 § 1349-gg. New York city transportation assistance fund. 1. The
23 authority shall create and establish a fund to be known as the "New York
24 city transportation assistance fund" which shall be kept separate from
25 and shall not be commingled with any other moneys of the authority. The
26 New York city transportation assistance fund shall consist of three
27 separate accounts: (i) the "subway action plan account"; (ii) the "outer
28 borough transportation account"; and (iii) the "general transportation
29 account".

30 2. Moneys in the subway action plan account shall be used for the
31 exclusive purpose of funding the operating and capital costs of the
32 metropolitan transportation authority's New York city subway action
33 plan. Such funds may be used for infrastructure including construction,
34 reconstruction, reconditioning and preservation of transportation
35 systems, facilities and equipment, acquisition of property, and for
36 operating costs including personal services, non-personal services,
37 fringe benefits, and contractual services. Funds may also be used to pay
38 or to reimburse the authority for its payment of debt service and
39 reserve requirements on that portion of authority bonds and notes issued
40 by the authority for capital costs of the metropolitan transportation
41 authority's New York city subway action plan.

42 3. Moneys in the outer borough transportation account shall be used
43 for the exclusive purpose of funding the operating and capital costs of
44 metropolitan transportation authority facilities, equipment and services
45 in the counties of Bronx, Kings, Queens and Richmond, and any projects
46 improving transportation connections from such counties to New York
47 county. Such funds may be used for infrastructure including
48 construction, reconstruction, reconditioning and preservation of trans-
49 portation systems, facilities and equipment, acquisition of property,
50 and for operating costs including personal services, non-personal
51 services, fringe benefits, and contractual services. Funds may also be
52 used to fund a toll reduction program for any crossings under the juris-
53 isdiction of the metropolitan transportation authority or its subsidiaries
54 or affiliates. Funds may also be used to pay or to reimburse the author-
55 ity for its payment of debt service and reserve requirements on that
56 portion of authority bonds and notes that have been issued by the

1 authority specifically for the authorized purpose of this account.
2 Notwithstanding any law to the contrary, final approval of the use of
3 any funds paid into the outer borough transportation account shall be
4 approved by the mayor.

5 4. Moneys in the general transportation account shall be used for
6 funding the operating and capital costs of the metropolitan transpor-
7 tation authority. Such funds may be used for infrastructure including
8 construction, reconstruction, reconditioning and preservation of trans-
9 portation systems, facilities and equipment, acquisition of property,
10 and for operating costs including personal services, non-personal
11 services, fringe benefits, and contractual services. Funds may also be
12 used to pay or to reimburse the authority for its payment of debt
13 service and reserve requirements on that portion of authority bonds and
14 notes that have been issued by the authority specifically for the
15 purposes of this account.

16 5. Any revenues deposited in the subway action plan account, the outer
17 borough transportation account, or the general transportation account
18 pursuant to subdivision one of this section shall be used exclusively
19 for the purposes described, respectively, in subdivisions two, three,
20 and four of this section. Such revenues shall only supplement and shall
21 not supplant any federal, state, or local funds expended by the metro-
22 politan transportation authority, such authority's affiliates or subsid-
23 aries for such respective purposes.

24 6. Any revenues deposited into the New York city transportation
25 assistance fund pursuant to subdivision one of this section shall not be
26 diverted into the general fund of the state, any other fund maintained
27 for the support of any other governmental purpose, or for any other
28 purpose not authorized by subdivisions two, three and four of this
29 section.

30 7. The authority shall report on the receipt and uses of all funds
31 received by the New York city transportation assistance fund, and in
32 each of its accounts, to the director of the budget, the temporary pres-
33 ident of the senate, and the speaker of the assembly, on an annual basis
34 no later than the first day of February.

35 § 1349-hh. Agreement of the state. The state does hereby pledge to and
36 agree with the authority and its subsidiaries, the New York city transit
37 authority and its subsidiaries, and the Triborough bridge and tunnel
38 authority, and the holders of any notes, bonds or other obligations,
39 including lease obligations, issued or incurred under this title, that
40 the state shall not limit or alter the denial of authority under subdivi-
41 vision nine of section thirteen hundred forty-nine-u of this title, or
42 the rights and powers vested in the authority and its subsidiaries, the
43 New York city transit authority and its subsidiaries, and the Triborough
44 bridge and tunnel authority by this title to fulfill the terms of any
45 agreements made by any of them with the holders thereof, or in any way
46 impair the rights and remedies of such holders until such notes, bonds
47 or other obligations, including lease obligations, together with the
48 interest thereon, with interest on any unpaid installments of interest,
49 and all costs and expenses for which the authority or its subsidiaries,
50 the New York city transit authority and its subsidiaries, and the
51 Triborough bridge and tunnel authority is liable in connection with any
52 action or proceeding by or on behalf of such holders, are fully met and
53 discharged. The authority and its subsidiaries, the New York city trans-
54 it authority and its subsidiaries, and the Triborough bridge and tunnel
55 authority are each authorized to include this pledge and agreement of

1 the state in any agreement with the holders of such notes, bonds or
2 other obligations, including lease obligations.

3 § 1349-ii. Right of state to require redemption of bonds. Notwith-
4 standing, and in addition to any provisions for the redemption of bonds
5 which may be contained in any contract with the holders of the bonds,
6 the state may, upon furnishing sufficient funds therefor, require the
7 authority to redeem, prior to maturity, as a whole, any issue of bonds
8 on any interest payment date not less than twenty years after the date
9 of the bonds of such issue at one hundred five per centum of their face
10 value and accrued interest or at such lower redemption price as may be
11 provided in the bonds in case of the redemption thereof as a whole on
12 the redemption date. Notice of such redemption shall be published in at
13 least two newspapers publishing and circulating respectively in the
14 cities of Albany and New York at least twice, the first publication to
15 be at least thirty days before the date of redemption.

16 § 1349-jj. Remedies of noteholders and bondholders. 1. In the event
17 that the authority shall default in the payment of principal of or
18 interest on any issue of notes or bonds after the same shall become due,
19 whether at maturity or upon call for redemption, and such default shall
20 continue for a period of thirty days, or in the event that the authority
21 shall fail or refuse to comply with the provisions of this title or
22 shall default in any agreement made with the holders of any issue of
23 notes or bonds, the holders of twenty-five per centum in aggregate prin-
24 cipal amount of the notes or bonds of such issue then outstanding, by
25 instrument or instruments filed in the office of the clerk of any county
26 in which the authority operates and has an office and proved or acknowl-
27 edged in the same manner as a deed to be recorded, may appoint a trustee
28 to represent the holders of such notes or bonds for the purposes
29 provided by this section.

30 2. Such trustee may, and upon written request of the holders of twen-
31 ty-five per centum in principal amount of such notes or bonds then
32 outstanding, shall, in his or her own name:

33 (a) by suit, action or proceeding in accordance with the civil prac-
34 tice law and rules, enforce all rights of the noteholders or bondhold-
35 ers, including the right to require the authority to collect fares,
36 tolls, rentals, rates, charges and other fees adequate to carry out any
37 agreement as to, or pledge of, such fares, tolls, rentals, rates, charg-
38 es and other fees and to require the authority to carry out any other
39 agreements with the holders of such notes or bonds and to perform its
40 duties under this title;

41 (b) bring suit upon such notes or bonds;

42 (c) by action or suit, require the authority to account as if it were
43 the trustee of an express trust for the holders of such notes or bonds;

44 (d) by action or suit, enjoin any acts or things which may be unlawful
45 or in violation of the rights of the holders of such notes or bonds; and

46 (e) declare all such notes or bonds due and payable, and if all
47 defaults shall be made good, then, with the consent of the holders of
48 twenty-five per centum of the principal amount of such notes or bonds
49 then outstanding, to annul such declaration and its consequences.

50 3. Such trustee shall in addition to the foregoing have and possess
51 all of the powers necessary or appropriate for the exercise of any func-
52 tions specifically set forth herein or incident to the general represen-
53 tation of bondholders or noteholders in the enforcement and protection
54 of their rights.

55 4. The supreme court shall have jurisdiction of any suit, action or
56 proceeding by the trustee on behalf of such noteholders or bondholders.

1 The venue of any such suit, action or proceeding shall be laid in the
2 county in which the instrument or instruments are filed in accordance
3 with subdivision one of this section.

4 5. Before declaring the principal of notes or bonds due and payable,
5 the trustee shall first give thirty days' notice, in writing, to the
6 mayor, the authority, the comptroller and the public advocate.

7 § 1349-kk. Notes and bonds as legal investment. The notes and bonds of
8 the authority are hereby made securities in which all public officers
9 and bodies of the state and all municipalities and political subdivi-
10 sions, all insurance companies and associations and all other persons
11 carrying on an insurance business, all banks, bankers, trust companies,
12 savings banks and savings associations, including savings and loan asso-
13 ciations, building and loan associations, investment companies and other
14 persons carrying on a banking business, all administrators, guardians,
15 executors, trustees and other fiduciaries, and all other persons whatso-
16 ever who are now or who may hereinafter be authorized to invest in bonds
17 or other obligations of the state, may properly and legally invest
18 funds, including capital, in their control or belonging to them.
19 Notwithstanding any other provisions of law, the bonds of the authority
20 are also hereby made securities which may be deposited with and shall be
21 received by all public officers and bodies of this state and all munici-
22 palities and political subdivisions for any purpose for which the depos-
23 it of bonds or other obligations of the state is now or may hereinafter
24 be authorized.

25 § 1349-ll. Exemption from taxation. It is hereby found, determined and
26 declared that the creation of the authority and the carrying out of its
27 purposes is, in all respects, for the benefit of the people of the city
28 of New York and for the improvement of their health, welfare and pros-
29 perity and is a public purpose, and that the authority shall be perform-
30 ing an essential governmental function in the exercise of the powers
31 conferred upon it by this title. Without limiting the generality of the
32 following provisions of this section, property owned by the authority,
33 property leased by the authority and used for transportation purposes,
34 and property used for transportation purposes by or for the benefit of
35 the authority exclusively pursuant to the provisions of a joint service
36 arrangement or of a joint facilities agreement or trackage rights agree-
37 ment shall all be exempt from taxation and special ad valorem levies.
38 The authority shall be required to pay no fees, taxes or assessments,
39 whether state or local, including but not limited to fees, taxes or
40 assessments on real estate, franchise taxes, sales taxes or other excise
41 taxes, upon any of its property, or upon the use thereof, or upon its
42 activities in the operation and maintenance of its facilities or on any
43 fares, tolls, rentals, rates, charges or other fees, revenues or other
44 income received by the authority and the bonds of the authority and the
45 income therefrom shall at all times be exempt from taxation, except for
46 gift and estate taxes and taxes on transfers. This section shall consti-
47 tute a covenant and agreement with the holders of all bonds issued by
48 the authority. The terms "taxation" and "special ad valorem levy" shall
49 have the same meanings as defined in section one hundred two of the real
50 property tax law and the term "transportation purposes" shall have the
51 same meaning as used in titles two-A and two-B of article four of such
52 law.

53 § 1349-mm. Actions against the authority. 1. As a condition to the
54 consent of the state to suits against the authority, in every action
55 against the authority for damages, for injuries to real or personal
56 property or for the destruction thereof, or for personal injuries or

1 death, the complaint shall contain an allegation that at least thirty
2 days have elapsed since the demand, claim or claims upon which such
3 action is founded were presented to a member of the authority or other
4 officer designated for such purpose and that the authority has neglected
5 or refused to make an adjustment or payment thereof.

6 2. An action against the authority founded on tort, except an action
7 for wrongful death, shall not be commenced more than fifteen months
8 after the cause of action therefor shall have accrued, nor unless a
9 notice of claim shall have been served on the authority within the time
10 limited by and in compliance with all the requirements of section
11 fifty-e of the general municipal law. An action against the authority
12 for wrongful death shall be commenced in accordance with the notice of
13 claim and time limitation provisions of title eleven of article nine of
14 this chapter.

15 3. The authority shall be liable, and shall assume the liability to
16 the extent that it shall save harmless any duly appointed officer or
17 employee of the authority, for the negligence of such officer or employ-
18 ee, in the operation of a vehicle or other facility of transportation
19 owned or otherwise under the jurisdiction and control of the authority
20 in the discharge of a duty imposed upon such officer or employee at the
21 time of the accident, injury or damages complained of, while otherwise
22 acting in the performance of his or her duties and within the scope of
23 his or her employment.

24 4. The authority may require any person, presenting for settlement an
25 account or claim for any cause whatever against the authority, to be
26 sworn before a member, counsel or an attorney, officer or employee of
27 the authority designated for such purpose, concerning such account or
28 claim and when so sworn to answer orally as to any facts relative to
29 such account or claim. The authority shall have power to settle or
30 adjust all claims in favor of or against the authority.

31 5. The rate of interest to be paid by the authority upon any judgment
32 for which it is liable shall not exceed four per centum per annum.

33 6. The provisions of this section which relate to the requirement for
34 service of a notice of claim shall not apply to a subsidiary corporation
35 of the authority. In all other respects, each subsidiary corporation of
36 the authority shall be subject to the provisions of this section as if
37 such subsidiary corporation were separately named herein, provided,
38 however, that a subsidiary corporation of the authority which is a stock
39 corporation shall not be subject to the provisions of this section
40 except with respect to those causes of action arising on and after the
41 first day of the twelfth calendar month following that calendar month in
42 which such stock corporation becomes a subsidiary corporation of the
43 authority.

44 § 1349-nn. Annual audit of authority. The comptroller shall conduct an
45 annual audit of the books and records of the authority and its subsid-
46 iary corporations. Such audit shall include a complete and thorough
47 examination of such authority's receipts, disbursements, revenues and
48 expenses during the prior fiscal year in accordance with the categories
49 or classifications established by such authority for its own operating
50 and capital outlay purposes; assets and liabilities at the end of its
51 last fiscal year including the status of reserve, depreciation, special
52 or other funds and including the receipts and payments of these funds;
53 schedule of bonds and notes outstanding at the end of its fiscal year
54 and their redemption dates, together with a statement of the amounts
55 redeemed and incurred during such fiscal year; operations, debt service
56 and capital construction during the prior fiscal year.

1 The comptroller, upon completion of such audit, shall within sixty
2 days thereafter, report to the mayor and city council of his or her
3 findings, conclusions and recommendations thereof.

4 § 1349-oo. Authority budget and financial plan. 1. In addition to the
5 requirements of section twenty-eight hundred two of this chapter, each
6 authority budget and plan shall be posted on its website and shall: (a)
7 present information relating to the authority and each of its agencies
8 in a clear and consistent manner and format; (b) be prepared in accord-
9 ance with generally accepted accounting principles, except as otherwise
10 consented to by the comptroller upon a showing of good cause; (c) be
11 based on reasonable assumptions and methods of estimation; (d) include
12 estimates of projected operating revenues and expenses; (e) identify any
13 planned transaction that would shift resources, from any source, from
14 one fiscal year to another, and the amount of any reserves; and (f)
15 contain a summary in plain English of the principal information in the
16 budget and conclusions to be drawn from it.

17 2. The authority shall prepare and make available for public
18 inspection on its website information that details the sources of data
19 and the assumptions and methods of estimation used to calculate all
20 operating and capital budget projections, consistent with generally
21 accepted budgetary practices.

22 3. The authority shall establish, at least annually, the quarterly
23 revenue and expense targets for the authority, and for each subsidiary
24 or other authority created by the authority itself and for which it
25 reports financial data.

26 4. The authority shall prepare and make available for public
27 inspection on its website: (a) within sixty days of the release of the
28 adopted budget and any updates to the budget, except updates released
29 within ninety days of the close of the fiscal year, monthly projections
30 for the current fiscal year of all revenues and expenses, staffing for
31 the authority and each of its agencies, and utilization for each of the
32 authority's agencies that operate transportation systems, including
33 bridges and tunnels; (b) within sixty days after the close of each quar-
34 ter, a comparison of actual revenues and expenses, actual staffing and
35 actual utilization to planned or projected levels for each of the
36 authority's agencies that operate transportation systems, including
37 bridges and tunnels, with an explanation of each material variance and
38 its budgetary impact; and (c) within ninety days after the close of each
39 quarter, the status of each gap-closing initiative with a projected
40 value greater than one million dollars in any given fiscal year; the
41 status of capital projects by capital element, including but not limited
42 to commitments, expenditures and completions; and an explanation of
43 material variances from the plan, cost overruns and delays.

44 5. Financial information required to be submitted by the authority
45 pursuant to paragraphs d and e of subdivision one of section thirteen
46 hundred forty-nine-x of this title shall be presented in a format
47 consistent with the budget and plan, in downloadable, searchable format.

48 § 1349-pp. Independent audit of authority. The independent auditor
49 retained by the authority shall not provide to the authority, contempo-
50 ranously with the audit, unless it shall have previously received writ-
51 ten approval by the audit committee, any non-audit service, including:

- 52 1. routine bookkeeping or other services;
- 53 2. financial information systems design and implementation;
- 54 3. appraisal or valuation services, fairness opinions, or contribu-
55 tion-in-kind reports;
- 56 4. actuarial services;

1 5. outsourcing services;
2 6. authority management functions or human resources;
3 7. broker or dealer, investment advisor or investment banking
4 services; and

5 8. legal services and expert services unrelated to the audit.

6 § 1349-qq. Independent audit by the legislature. After the submission
7 of the annual independent audit report to the legislature pursuant to
8 section twenty-eight hundred two of this chapter, and after review of
9 such report, the temporary president of the senate and the speaker of
10 the assembly may commission an auditing firm, every two years, to
11 conduct an independent audit of the authority, including its subsid-
12 iaries. The temporary president of the senate and the speaker of the
13 assembly shall set the scope of such audit and determine the terms of
14 the request for proposal for such audit. Such audit shall be performed
15 for the second year after the effective date of this section. The
16 authority shall fully cooperate with and assist in such an audit.

17 § 1349-rr. Reporting. The authority shall post on its website on or
18 before the first of May, the law firms retained by the authority which
19 in the past year received payment for services in such year.

20 § 1349-ss. Transfer and receipt of surplus funds. Notwithstanding any
21 provision of this title or any other provision of law, general, special
22 or local, the authority may from time to time transfer and pay over to
23 New York city transit authority or Triborough bridge and tunnel authori-
24 ty all or any part of its surplus funds; and may accept and use any
25 moneys transferred and paid over to it by New York city transit authori-
26 ty or Triborough bridge and tunnel authority.

27 § 1349-tt. Title not affected if in part unconstitutional or ineffec-
28 tive. If any provision of any section of this title or the application
29 thereof to any person or circumstance shall be adjudged invalid by a
30 court of competent jurisdiction, such order or judgment shall be
31 confined in its operation to the controversy in which it was rendered,
32 and shall not affect or invalidate the remainder of any provision of any
33 section of this title or the application of any part thereof to any
34 other person or circumstance and to this end the provisions of each
35 section of this title are hereby declared to be severable.

36 § 1349-uu. Big apple transit authority inspector general. 1. There is
37 hereby created in the big apple transit authority an office of big apple
38 transit authority inspector general. The inspector general shall be
39 appointed by the mayor with the advice and consent of the city council.
40 The inspector general shall, prior to his or her appointment, have had
41 at least ten years experience in the management of transportation
42 services, in auditing and investigation of governmental operations, or
43 in services related to management and productivity improvement. The term
44 of office of the inspector general shall be five years from the effec-
45 tive date of appointment, and he or she shall serve at the pleasure of
46 the mayor. The salary of the inspector general shall be determined by
47 the authority board.

48 2. The inspector general shall annually submit to the board of the big
49 apple transit authority a budget request for the operation of the
50 office. If the board disapproves any portion of such request and the
51 commissioner determines such disapproval to be unreasonable, such
52 commissioner shall withhold from payments due such authority, the amount
53 so determined to be unreasonable and transfer such amount to the office
54 of the big apple transit authority inspector general.

55 3. The inspector general shall have full and unrestricted access to
56 all records, information, data, reports, plans, projections, matters,

1 contracts, memoranda, correspondence and any other materials of the big
2 apple transit authority and its affiliates, or any other agency that may
3 come under the control of the authority, or within their custody or
4 control.

5 4. The inspector general, notwithstanding the provisions of this
6 title, title nine of this article and title three of article three of
7 this chapter, shall have the following functions, powers and duties:

8 (a) to receive and investigate complaints from any source or upon his
9 or her own initiative concerning alleged abuses, frauds and service
10 deficiencies, including deficiencies in the maintenance and operation of
11 facilities, relating to the authority and its affiliates;

12 (b) to initiate such reviews as he or she may deem appropriate of the
13 operations of the authority and its affiliate subsidiaries, in order to
14 identify areas in which performance might be improved and available
15 funds used more effectively;

16 (c) to recommend remedial actions to be taken by the authority and its
17 affiliates, to overcome or correct operating or maintenance deficiencies
18 and inefficiencies that he or she determines to exist;

19 (d) to make available to appropriate law enforcement officials infor-
20 mation and evidence that relate to criminal acts that he or she may
21 obtain in carrying out his or her duties;

22 (e) to subpoena witnesses, administer oaths or affirmations, take
23 testimony and compel the production of such books, papers, records and
24 documents as he or she may deem to be relevant to any inquiry or inves-
25 tigation undertaken pursuant to this section and to delegate such powers
26 to a duly authorized deputy inspector general;

27 (f) to monitor the implementation by the authority and its subsid-
28 aries, the Triborough bridge and tunnel authority and the New York city
29 transit authority and its subsidiaries of recommendations made by the
30 inspector general or other audit agencies; and

31 (g) to do all things necessary to carry out the functions, powers and
32 duties set forth in this section.

33 5. The inspector general shall cooperate, consult and coordinate with
34 the state public transportation safety board with regard to any activity
35 concerning the operations of the big apple transit authority. With
36 respect to any accident on the facilities of the big apple transit
37 authority, the primary responsibility for investigation shall be that of
38 the board which shall share its findings with the big apple transit
39 authority inspector general.

40 6. The inspector general shall make annual public reports on his or
41 her findings and recommendations. Such a report shall be filed in the
42 office of the mayor and with the city council on or before the first day
43 of February for the preceding year. The big apple transit authority and
44 its applicable constituent agencies shall prepare a response to the
45 annual report and to any and all other final reports made by the inspec-
46 tor general within thirty days of receipt, which time may be extended by
47 the inspector general in his or her discretion, indicating whether such
48 authority intends to implement the recommendations in such reports, and,
49 if not, an explanation of why not. In addition, the big apple transit
50 authority and its applicable constituent agencies shall give quarterly
51 reports to the inspector general outlining the status of each of the
52 recommendations made by the inspector general in his or her final
53 reports. Copies of all such reports shall be sent to the mayor and the
54 speaker of the city council.

55 7. To effectuate the purposes of this section, the inspector general
56 may request from any department, board, bureau, commission, office or

1 other agency of the state, or of any of its political subdivisions, such
2 cooperation, assistance, services and data as shall enable him or her to
3 carry out his or her functions, powers and duties hereunder, and such
4 departments, boards, bureaus, commissions, offices or other agencies of
5 the state are authorized and directed to provide such cooperation,
6 assistance, services and data.

7 § 1349-vv. Management advisory board. 1. There is hereby created in
8 the office of the big apple transit authority inspector general a
9 management advisory board, consisting of thirteen members appointed by
10 the mayor, of whom two shall be appointed upon nomination by the city
11 council. All members shall serve for a term of three years. One of the
12 members appointed to the management advisory board directly by the mayor
13 shall be designated by the mayor to serve as its chairman.

14 2. All members of the management advisory board shall be residents of
15 the city and shall be persons with substantial experience in the manage-
16 ment of private enterprises, in the delivery of public services, or in
17 labor or labor-management relations.

18 3. The management advisory board shall assist the big apple transit
19 authority inspector general in identifying ways to improve services,
20 reduce costs and increase the efficiency of the authority and its
21 subsidiaries, the Triborough bridge and tunnel authority or the New York
22 city transit authority and its subsidiaries.

23 4. No later than April first, two thousand twenty-two. Proceeding the
24 effective date of this section, and annually thereafter, the management
25 advisory board shall submit to the mayor and the city council a report
26 on its activities during the previous year.

27 5. The office of the big apple transit authority inspector general
28 shall provide the management advisory board with such staff support as
29 may be required for the performance of its duties.

30 6. Members of the management advisory board shall serve without
31 compensation, but shall be reimbursed for expenses reasonably incurred
32 in the performance of their duties.

33 § 1349-ww. The office of legislative and community input. 1. The
34 chairperson of the authority shall establish the office of legislative
35 and community input for the purpose of communicating information to, and
36 receiving comments, concerns and recommendations from, members of the
37 city council, and members of the permanent citizens advisory committee
38 to the authority, as defined in section thirteen hundred forty-nine-m of
39 this title, on the following:

40 (a) the operations of the rapid transit and omnibus facilities of the
41 authority, including but not limited to:

42 (i) the quality of service provided on any rapid transit, and omnibus
43 line or route;

44 (ii) the frequency of operating service on the authority's mass trans-
45 it facilities;

46 (iii) the maintenance and condition of the authority's mass transit
47 facilities, including but not limited to, rapid transit and buses, fare
48 collection systems and sound systems; and

49 (iv) proposed service changes, including any reductions or expansion
50 of services, as it relates to the authority's mass transit facilities;
51 and

52 (b) any proposed, submitted and/or approved capital program plan, its
53 components, elements and projects, and associated expenditures. Any such
54 comments, concerns and recommendations relating to the capital program
55 plan, its components, elements and projects, and associated expenditures

1 shall be taken into consideration in the development of the current and
2 each successive capital program plan and/or any amendment to such plan.

3 2. The office shall establish a process to ensure timely notification
4 of the receipt of, and response to, comments, concerns, and recommenda-
5 tions by members of the legislature or members of the permanent citizens
6 advisory committee to the authority.

7 3. The chair and office shall prepare a report containing the follow-
8 ing information:

9 (a) a compilation of the comments, concerns, and recommendations
10 received by the office;

11 (b) how these comments, concerns or recommendations were or will be
12 addressed, such as the authority's response by the incorporation or
13 initiation of system and operational adjustments, improvements or expan-
14 sions if applicable; and

15 (c) how these comments, concerns or recommendations were or will be
16 addressed, such as the authority's response by changing or amending the
17 capital plan, as well as providing status updates on the progress of
18 such plan.

19 4. Such report shall, on a biannual basis commencing September first,
20 two thousand twenty-one, succeeding the effective date of this section,
21 be submitted to the mayor, the speaker of the city council and be posted
22 on the authority's website and also be made readily available to the
23 public.

24 § 1349-xx. Supplemental revenue reporting program. 1. On or before the
25 first of January next succeeding the effective date of this section, the
26 authority shall develop a supplemental revenue reporting program. Such
27 program shall provide a detailed accounting of the amount spent from
28 supplemental revenues on actions, measures or projects undertaken to
29 reduce major incidents that have been found to cause delays to the New
30 York city subway system, including but not limited to: track incidents;
31 signal failure; persons on the track; police and medical activity;
32 structural and electrical problems; and broken traincar equipment. The
33 information described in this subdivision, including the spending
34 details and the associated category of major incident, shall be updated
35 quarterly and be prominently posted together on the authority's website.

36 2. For purposes of this section, "supplemental revenues" shall include
37 any funds appropriated by the state or the city of New York to support
38 the NYC subway action plan approved by the board of the authority.

39 § 2. This act shall take effect January 1, 2022.

40 PART E

41 Section 1. Article 5 of the public authorities law is amended by
42 adding a new title 11-F to read as follows:

43 TITLE 11-F

44 COMMUTER TRANSPORTATION AUTHORITY

45 Section 1349-aaaa. Short title.

46 1349-bbbb. Definitions.

47 1349-cccc. Commuter transportation authority.

48 1349-dddd. Purposes of the authority.

49 1349-eeee. State of emergency; boarding of a commuter transpor-
50 tation by domestic companion animals.

51 1349-ffff. General powers of the authority.

52 1349-gggg. Contracts.

1 1349-hhhh. Commuter transportation authority small business
 2 mentoring program.
 3 1349-iiii. Special powers of the authority.
 4 1349-jjjj. Medical emergency services.
 5 1349-kkkk. Medical emergency services plan; implementation on
 6 Long Island Rail Road.
 7 1349-llll. Long Island Rail Road commuter council.
 8 1349-mmmm. Metro-North rail commuter council.
 9 1349-nnnn. Medical emergency services plan; implementation on
 10 Metro-North Commuter Railroad Company.
 11 1349-oooo. Excess loss fund.
 12 1349-pppp. Authority police force.
 13 1349-qqqq. The permanent citizens advisory committee.
 14 1349-rrrr. Commuter transportation authority pledge to custom-
 15 ers.
 16 1349-ssss. Expired fare transfer policy.
 17 1349-tttt. Acquisition and disposition of real property.
 18 1349-uuuu. Acquisition and disposition of real property by
 19 department of transportation.
 20 1349-vvvv. Cooperation and assistance of other agencies.
 21 1349-wwwv. Promotion of qualified transportation fringes.
 22 1349-xxxx. Notes, bonds and other obligations of the authority.
 23 1349-yyyy. Capital program plans; approvals; effect of disap-
 24 proval.
 25 1349-zzzz. Submission of strategic operation plan.
 26 1349-aaaaa. Financial and operational reports.
 27 1349-bbbbb. Mission statement and measurement report.
 28 1349-ccccc. Requirements for certain authority contracts and
 29 related subcontracts.
 30 1349-ddddd. Reserve funds and appropriations.
 31 1349-eeee. Consolidated financings.
 32 1349-fffff. Regulation of certain authority expenditures.
 33 1349-ggggg. Agreement of the state.
 34 1349-hhhhh. Right of state to require redemption of bonds.
 35 1349-iiiii. Remedies of noteholders and bondholders.
 36 1349-jjjjj. Notes and bonds as legal investment.
 37 1349-kkkkk. Exemption from taxation.
 38 1349-lllll. Actions against the authority.
 39 1349-mmmmm. Annual audit of the authority.
 40 1349-nnnnn. Authority budget and financial plan.
 41 1349-ooooo. Independent audit of the authority.
 42 1349-ppppp. Independent audit by the legislature.
 43 1349-qqqqq. Reporting.
 44 1349-rrrrr. Station operation and maintenance.
 45 1349-sssss. Transfer and receipt of surplus funds.
 46 1349-ttttt. Title not affected if in part unconstitutional or
 47 ineffective.
 48 1349-uuuuu. Commuter transportation authority inspector general.
 49 1349-vvvvv. Management advisory board.
 50 1349-wwwvv. Transition-election to withdraw from the metropol-
 51 itan commuter transportation district.
 52 1349-xxxxx. The office of legislative and community input.
 53 1349-yyyyy. Debarment.
 54 1349-zzzzz. Right to share employees.
 55 § 1349-aaaa. Short title. This title may be known and may be cited as
 56 the "Metropolitan Commuter Authority Act".

1 § 1349-bbbb. Definitions. As used or referred to in this title, unless
2 a different meaning clearly appears from the context:

3 1. "Authority" shall mean the corporation created by section thirteen
4 hundred forty-nine-cccc of this title.

5 2. "Authority facilities" shall mean the authority's railroad, omni-
6 bus, marine and aviation facilities and operations pursuant to joint
7 service arrangements.

8 3. "Budget" shall mean the preliminary, final proposed and adopted
9 final plans of the authority, and each of its agencies.

10 4. "Comptroller" shall mean the comptroller of the state of New York.

11 5. "Equipment" shall mean rolling stock, omnibuses, vehicles, air,
12 marine or surface craft, motors, boilers, engines, wires, ways, conduits
13 and mechanisms, machinery, tools, implements, materials, supplies,
14 instruments and devices of every nature whatsoever used or useful for
15 transportation purposes or for the generation or transmission of motive
16 power including but not limited to all power houses, and all apparatus
17 and all devices for signaling, communications and ventilation as may be
18 necessary, convenient or desirable for the operation of a transportation
19 facility.

20 6. "Federal government" shall mean the United States of America, and
21 any officer, department, board, commission, bureau, division, corpo-
22 ration, agency or instrumentality thereof.

23 7. "Gap" shall mean the difference between projected revenues and
24 expenses for any given fiscal year based on the existing fare structure.

25 8. "Gap-closing initiative" shall mean any action to reduce a project-
26 ed gap.

27 9. "Joint service arrangements" shall mean agreements between or among
28 the authority and any common carrier or freight forwarder, the state,
29 any state agency, the federal government, any other state or agency or
30 instrumentality thereof, any public authority of this or any other
31 state, or any political subdivision or municipality of the state, relat-
32 ing to property, buildings, structures, facilities, services, rates,
33 fares, classifications, divisions, allowances or charges, including
34 charges between operators of railroad, omnibus, marine and aviation
35 facilities, or rules or regulations pertaining thereto, for or in
36 connection with or incidental to transportation in part in or upon rail-
37 road, omnibus, marine or aviation facilities located within the district
38 and in part in or upon railroad, omnibus, marine or aviation facilities
39 located outside the district.

40 10. "Marine and aviation facilities" shall mean equipment and craft
41 for the transportation of passengers, mail and cargo between points
42 within the district or pursuant to joint service arrangements, by marine
43 craft and aircraft of all types including but not limited to hydrofoils,
44 ferries, lighters, tugs, barges, helicopters, amphibians, seaplanes or
45 other contrivances now or hereafter used in navigation or movement on
46 waterways or in the navigation of or flight in airspace. It shall also
47 mean any marine port or airport facility within the transportation
48 district but outside the port of New York district as defined in chapter
49 one hundred fifty-four of the laws of nineteen hundred twenty-one,
50 including but not limited to terminals, docks, piers, bulkheads, ramps
51 or any facility or real property necessary, convenient or desirable for
52 the accommodation of passengers and cargo or the docking, sailing, land-
53 ing, taking off, accommodation or servicing of such marine craft or
54 aircraft.

55 11. "Omnibus facilities" shall mean motor vehicles, of the type oper-
56 ated by carriers subject to the jurisdiction of the public service

1 commission, engaged in the transportation of passengers and their
2 baggage, express and mail between points within the district or pursuant
3 to joint service arrangements, and equipment, property, buildings,
4 structures, improvements, loading or unloading areas, parking areas or
5 other facilities, necessary, convenient or desirable for the accommo-
6 dation of such motor vehicles or their passengers, including but not
7 limited to buildings, structures and areas notwithstanding that portions
8 shall not be devoted to any omnibus purpose other than the production of
9 revenues available for the costs and expenses of all or any facilities
10 of the authority.

11 12. "Railroad facilities" shall mean right of way and related track-
12 age, rails, cars, locomotives, other rolling stock, signal, power, fuel,
13 communication and ventilation systems, power plants, stations, termi-
14 nals, storage yards, repair and maintenance shops, yards, equipment and
15 parts, offices and other real estate or personal property used or held
16 for or incidental to the operation, rehabilitation or improvement of any
17 railroad operating or to operate between points within the district or
18 pursuant to joint service arrangements, including but not limited to
19 buildings, structures, and areas notwithstanding that portions thereof
20 shall not be devoted to any railroad purpose other than the production
21 of revenues available for the costs and expenses of all or any facili-
22 ties of the authority.

23 13. "Real property" shall mean lands, structures, franchises and
24 interests in land, waters, lands under water, riparian rights and air
25 rights and any and all things and rights included within said term and
26 includes not only fees simple absolute but also any and all lesser
27 interests including but not limited to easements, rights of way, uses,
28 leases, licenses and all other incorporeal hereditaments and every
29 estate, interest or right, legal or equitable, including terms for years
30 and liens thereon by way of judgments, mortgages or otherwise.

31 14. "State" shall mean the state of New York.

32 15. "State agency" shall mean any officer, department, board, commis-
33 sion, bureau, division, public benefit corporation, agency or instrumen-
34 talidity of the state.

35 16. "Transportation facility" shall mean any transit, railroad, omni-
36 bus, marine or aviation facility and any person, firm, partnership,
37 association or, corporation which owns, leases or operates any such
38 facility or any other facility used for service in the transportation of
39 passengers, United States mail or personal property as a common carrier
40 for hire and any portion thereof and the rights, leaseholds or other
41 interest therein together with routes, tracks, extensions, connections,
42 parking lots, garages, warehouses, yards, storage yards, maintenance and
43 repair shops, terminals, stations and other related facilities thereof,
44 the devices, appurtenances, and equipment thereof and power plants and
45 other instrumentalities used or useful therefor or in connection there-
46 with.

47 17. "Transportation district" and "district" shall mean the metropol-
48 itan commuter transportation district created by section twelve hundred
49 sixty-two of this article.

50 18. "Transportation purpose" shall mean a purpose that directly
51 supports the missions or purposes of the authority, any of its subsid-
52 aries, including the realization of revenues derived from property that
53 is, or is to be used as, a transportation facility.

54 19. "New York city transit authority" shall mean the corporation
55 created by section twelve hundred one of this article.

1 20. "Triborough bridge and tunnel authority" shall mean the corpo-
2 ration created by section five hundred fifty-two of this chapter.

3 21. "Inspector general" shall mean the commuter transportation author-
4 ity inspector general.

5 22. "Revenues" shall mean all monies received by the authority or its
6 subsidiaries from whatever source, derived directly or indirectly from
7 or in connection with the operations of the respective entity except for
8 any monies transferred to the metropolitan transportation authority
9 pursuant to section thirteen hundred forty-nine-h of this title that is
10 not returned to the authority pursuant to paragraph (c) of subdivision
11 two of section twelve hundred sixty-six of this chapter.

12 23. "Transit facility" shall mean rapid transit railroad, omnibus line
13 or any other facility or any railroad used for local service in the
14 transportation of passengers as common carriers for hire or in the
15 transportation of the United States mail or personal property, and any
16 portion thereof and the rights, leaseholds or other interests therein,
17 together with the devices and appurtenances, facilities and equipment
18 thereof and power plants and other instrumentalities used or useful
19 therefor or in connection therewith.

20 24. "Utilization" shall mean public usage of buses and railroads as
21 reflected in empirical data.

22 § 1349-cccc. Commuter transportation authority. 1. (a) (i) There is
23 hereby created the "commuter transportation authority". The authority
24 shall be a body corporate and politic constituting a public benefit
25 corporation. The authority shall consist of a chairperson, seven other
26 voting members, and four non-voting members, as described in subpara-
27 graph (ii) of this paragraph, appointed by the governor and with the
28 advice and consent of the senate. Any member appointed shall have expe-
29 rience in one or more of the following areas of expertise: transporta-
30 tion, public administration, business management, finance, accounting,
31 law, engineering, land use, urban and regional planning, management of
32 large capital projects, labor relations, or have experience in some
33 other area of activity central to the mission of the authority. Each
34 voting member other than the chairperson shall be appointed after
35 selection from a written list of three recommendations from the chief
36 executive officer of the county in which such member is required to
37 reside pursuant to the provisions of this subdivision. Of the members
38 appointed on recommendation of the chief executive officer of a county,
39 one such member shall be, at the time of appointment: a resident of the
40 county of Nassau; one a resident of the county of Suffolk; one a resi-
41 dent of the county of Westchester; one a resident of the county of
42 Dutchess; one a resident of the county of Orange; one a resident of the
43 county of Putnam; and one a resident of the county of Rockland. The term
44 of any member who is a resident of a county that has withdrawn from the
45 metropolitan commuter transportation district pursuant to section twelve
46 hundred seventy-nine-b of this article shall terminate upon the effec-
47 tive date of such county's withdrawal from such district. The chair-
48 person and each of the members shall be appointed for a term of six
49 years. The members from the counties of Dutchess, Orange, Putnam and
50 Rockland shall cast one collective vote.

51 (ii) There shall be four non-voting members, as referred to in subpar-
52 agraph (i) of this paragraph. The first non-voting member shall be a
53 regular user of the facilities of the authority and be recommended to
54 the governor by the Metro-North commuter council. The second non-voting
55 member shall be a regular mass transit user of the facilities of the
56 authority and be recommended to the governor by the Long Island Rail

1 Road commuter council. The third non-voting member shall be recommended
2 to the governor by the labor organization representing the majority of
3 employees of the Long Island Rail Road. The fourth non-voting member
4 shall be recommended to the governor by the labor organization repres-
5 enting the majority of employees of the Metro-North Commuter Railroad
6 Company. The chairperson of the authority, at their direction, may
7 exclude such non-voting member from attending any portion of a meeting
8 of the authority or of any committee established pursuant to paragraph
9 (b) of subdivision four of this section held for the purpose of discuss-
10 ing negotiations with labor organizations.

11 (b) Vacancies occurring otherwise than by expiration of term shall be
12 filled in the same manner as original appointments for the balance of
13 the unexpired term.

14 2. The chairperson and the first vice chairperson shall be paid a
15 salary in the amount determined by the authority; the other members
16 shall not receive a salary or other compensation. Each member, includ-
17 ing the chairperson and the first vice chairperson, shall be entitled to
18 reimbursement for actual and necessary expenses incurred in the perform-
19 ance of his or her official duties.

20 3. (a) A majority of the whole number of members of the authority then
21 in office shall constitute a quorum for the transaction of any business
22 or the exercise of any power of the authority. Except as otherwise spec-
23 ified in this title, for the transaction of any business or the exercise
24 of any power of the authority, the authority shall have power to act by
25 a majority vote of the members present at any meeting at which a quorum
26 is in attendance and except further, that in the event of a tie vote the
27 chairperson shall cast one additional vote.

28 (b) For purposes of determining the presence of a quorum, and for
29 purposes of participation on any committee or subcommittee, those
30 members who collectively cast a single vote pursuant to the provisions
31 of paragraph (a) of subdivision one of this section shall be considered
32 to be a single member, and the presence of such member shall be deter-
33 mined as provided in this subdivision. Except as otherwise provided in a
34 by-law adopted as hereinafter provided, such single member constituting
35 those members entitled to a collective vote shall be deemed present as a
36 single member for purposes of a quorum if one or more of the members
37 then in office entitled to cast such collective vote is present, and
38 such collective vote shall be cast in accordance with the majority
39 agreement of the members entitled to a collective vote who are present
40 or in the event a single member entitled to a collective vote is present
41 it shall be cast by that member. To evidence the existence of such
42 majority agreement among the members entitled to a collective vote, each
43 such member shall be polled as to his or her vote and such poll shall be
44 recorded in the minutes. In the event a majority vote is not achieved by
45 the members entitled to a collective vote who are present, then the vote
46 shall not be cast. Nothing herein shall limit the right of an individual
47 member to participate in board meetings or in other activities of the
48 authority when the other members then in office entitled to collectively
49 cast a vote are not present. At any meeting of the authority at which
50 there is a quorum including all the members then in office entitled to
51 cast a collective vote, the authority may adopt a by-law or by-laws
52 regulating the casting of such collective vote, provided all members
53 then in office entitled to cast a collective vote affirmatively approve
54 such by-law or by-laws. Any action taken by the authority in accordance
55 with any such by-law or by-laws adopted pursuant to the provisions of
56 this paragraph shall take effect in the same manner as any other action

1 of the authority. Any such by-law or by-laws shall not provide for the
2 casting of any fractional vote. Nor shall such a by-law or by-laws
3 provide for the amendment, repeal or adoption in the future of such a
4 by-law or by-laws in a manner other than that set forth in this para-
5 graph.

6 (c) No provision of paragraph (b) of this subdivision relating to the
7 adoption of certain by-laws by the authority shall affect the manner in
8 which by-laws of the authority are adopted concerning any subject other
9 than the voting and presence for quorum purposes of the members from the
10 counties of Dutchess, Putnam, Orange and Rockland.

11 4. (a) Notwithstanding any provision of law to the contrary, the
12 chairperson shall be the chief executive officer of the authority and
13 shall be responsible for the discharge of the executive and administra-
14 tive functions and powers of the authority. The chairperson may appoint
15 an executive director and such other officials and employees as shall in
16 his or her judgment be needed to discharge the executive and administra-
17 tive functions and powers of the authority.

18 (b) The chairperson shall establish committees to assist in the
19 performance of their duties and shall appoint members of the authority
20 to such committees. Among such committees, there shall be: (i) a commit-
21 tee on operations of the Long Island Rail Road and the metropolitan
22 suburban bus authority; (ii) a committee on operations of the Metro-
23 North commuter railroad; (iii) a committee on finance; (iv) a committee
24 on capital program oversight; and (v) a committee on safety. The commit-
25 tee on capital program oversight shall include not less than four
26 members, and shall include the chairpersons of the committee on oper-
27 ations of the Long Island Rail Road and the metropolitan suburban bus
28 authority, the committee on operations of the Metro-North commuter rail-
29 road, and the committee on safety. The committee on safety shall convene
30 at least once annually and each committee chairperson, that is a member
31 of the committee on safety, shall report to the committee on safety any
32 and all initiatives, concerns, improvements, or failures involving the
33 safety of: (i) customers; (ii) employees; and (iii) the public at large,
34 in relation to authority facilities and services. The capital program
35 committee shall, with respect to any approved or proposed capital
36 program plans: (i) monitor the current and future availability of funds
37 to be utilized for such plans; (ii) monitor the contract awards of the
38 commuter transportation authority to ensure that such awards are
39 consistent with: (A) provisions of law authorizing United States content
40 and New York state content; (B) collective bargaining agreements; (C)
41 provisions of law providing for participation by minority and women-
42 owned businesses; (D) New York state labor laws; (E) competitive bidding
43 requirements including those regarding sole source contracts; and (F)
44 any other relevant requirements established by law; (iii) monitor the
45 award of contracts to determine if such awards are consistent with the
46 manner in which the work was traditionally performed in the past
47 provided, however, that any such determination shall not be admissible
48 as evidence in any arbitration or judicial proceeding; (iv) review the
49 relationship between capital expenditures pursuant to each such capital
50 program plan and current and future operating budget requirements; (v)
51 monitor the progress of capital elements described in each capital
52 program plan; (vi) monitor the expenditures incurred and to be incurred
53 for each such element; and (vii) identify capital elements not progress-
54 ing on schedule, ascertain responsibility therefor and recommend those
55 actions required or appropriate to accelerate their implementation. The
56 capital program committee shall issue a quarterly report on its activ-

ities and findings, and shall in connection with the preparation of such quarterly report, consult with the division of the budget, the department of transportation, the governor, and any other group the committee deems relevant, including public employee organizations, and, at least annually, with a nationally recognized independent transit engineering firm. Such report shall be made available to the members of the authority, to the governor, and the directors of the municipal assistance corporation for the city of New York.

(c) The chairperson shall ensure that at every meeting of the board and at every meeting of each committee the public shall be allotted a period of time, not less than thirty minutes, to speak on any topic on the agenda.

(d) Notwithstanding paragraph (c) of subdivision one of section twenty-eight hundred twenty-four of this chapter or any other provision of law to the contrary, the chairperson shall not participate in establishing authority policies regarding the payment of salary, compensation and reimbursement to, nor establish rules for the time and attendance of, the chief executive officer. The salary of the chairperson, as determined pursuant to subdivision two of this section, shall also be compensation for all services performed as chief executive officer.

5. The authority shall be a "state agency" for the purposes of sections seventy-three and seventy-four of the public officers law.

6. Notwithstanding any inconsistent provisions of this or any other law, general, special or local, no officer or employee of the state, or of any public corporation, shall be deemed to have forfeited or shall forfeit his or her office or employment or any benefits provided under the retirement and social security law or under any public retirement system maintained by the state by reason of their acceptance of membership on or chairpersonship of the authority; provided, however, a member or chairperson who holds such other public office or employment shall receive no additional compensation for services rendered pursuant to this title, but shall be entitled to reimbursement for their actual and necessary expenses incurred in the performance of such services.

7. The governor may remove any member for inefficiency, neglect of duty, breach of fiduciary duty or misconduct in office after giving the member a copy of the charges against the member and an opportunity to be heard, in person or by counsel in the member's defense, upon not less than ten days' notice. If any member shall be so removed, the governor shall file in the office of the department of state a complete statement of charges made against such member, and his or her findings thereon, together with a complete record of the proceedings.

8. The authority shall continue so long as it shall have bonds or other obligations outstanding and until its existence shall be terminated by law. Upon the termination of the existence of the authority, all its rights and properties shall pass to and be vested in the state.

9. Whenever the authority causes notices of hearings on proposed changes in services or fares to be posted pursuant to this section or any statute, regulation, or authority policy, or where it voluntarily posts such notices, such notices shall: (a) be written in a clear and coherent manner using words with common and every day meaning; (b) be captioned in large point type bold lettering with a title that fairly and accurately conveys the basic nature of such change or changes; (c) where such change involves a proposed change in levels of fare, include in its title the range of amounts of fare changes under consideration; (d) contain, to the extent practicable, a concise description of the specific nature of the change or changes, including but not limited to a

1 concise description of those changes that affect the largest number of
2 passengers; (e) where such change involves a change in the nature of a
3 route, contain, to the extent practicable, a clear graphic illustration
4 of such change or changes; and (f) where such change involves a partial
5 or complete station closing, such notice shall be posted at the affected
6 station with a clear graphic illustration depicting the nature of any
7 closing for such station.

8 § 1349-dddd. Purposes of the authority. 1. The purposes of the author-
9 ity shall be the continuance, further development and improvement of
10 commuter transportation and other services related thereto within the
11 metropolitan commuter transportation district, except within the city of
12 New York, including but not limited to such transportation by railroad,
13 omnibus, marine and air, in accordance with the provisions of this
14 title, in an efficient and cost-effective manner that includes the use
15 of design-build contracting on all appropriate projects.

16 2. It is hereby found and declared that such purposes are in all
17 respects for the benefit of the people of the state of New York and the
18 authority shall be regarded as performing an essential governmental
19 function in carrying out its purposes and in exercising the powers
20 granted by this title.

21 § 1349-eeee. State of emergency; boarding of a commuter transportation
22 by domestic companion animals. 1. For the purposes of this section:

23 (a) "Commuter transportation" means commuter transportation, and other
24 related services and facilities, operated by the authority or any of its
25 subsidiaries, including but not limited to such transportation by rail-
26 road, omnibus, marine and air, in accordance with this title.

27 (b) "Domestic companion animal" means a companion animal or pet as
28 defined in section three hundred fifty of the agriculture and markets
29 law and shall also mean any other domesticated animal normally main-
30 tained in or near the household of the owner or person who cares for
31 such other domesticated animal. "Domestic companion animal" shall not
32 include a "farm animal", as defined in section three hundred fifty of
33 the agriculture and markets law.

34 2. (a) In the event that a state of emergency has been declared and an
35 evacuation of any region of the state is in progress, the owner of a
36 domestic companion animal shall be permitted to board any commuter
37 transportation with such domestic companion animal so long as that
38 animal is under the owner's control by use of a leash or tether, or is
39 properly confined in an appropriate container or by other suitable
40 means, provided that such boarding is authorized by and consistent with
41 the provisions of state disaster emergency plans or local state of emer-
42 gency plans pertaining to the needs of animals and individuals with an
43 animal under their care. The provisions of this section shall only apply
44 to the owners of domestic companion animals who are evacuating from a
45 region of the state affected by an emergency or disaster, or a local
46 state of emergency, as defined in section twenty-four of the executive
47 law.

48 (b) A domestic companion animal may be refused permission to board any
49 commuter transportation, even if the animal is under the owner's control
50 or properly confined in accordance with this subdivision if there is
51 reasonable cause to believe that, due to attendant circumstances,
52 permitting the animal to board would pose a health or safety hazard.

53 3. All passengers with service animals shall be given priority seating
54 on all means of transportation regulated by this title in accordance
55 with the federal "Americans with Disabilities Act of 1990", 42 U.S.C.
56 s.12101 et seq. For the purposes of this section, "service animal" shall

1 have the same meaning as set forth in the federal "Americans with Disa-
2 bilities Act of 1990", 42 U.S.C. s.12101 et seq. and any regulations
3 under such act.

4 4. All passengers on any commuter transportation shall be provided
5 seating before a domestic companion animal may be placed in a seat.

6 5. The authority is authorized and directed to promulgate and enforce
7 such rules and regulations as shall be necessary for the implementation
8 of this section.

9 § 1349-ffff. General powers of the authority. Except as otherwise
10 limited by this title, the authority shall have power:

11 1. To sue and be sued;

12 2. To have a seal and alter the same at pleasure;

13 3. To borrow money, to issue negotiable notes, bonds or other obli-
14 gations and to provide for the rights of the holders thereof, and to
15 finance or refinance all or any part of the costs to the authority or to
16 any other person or entity, public or private, of the planning, design,
17 acquisition, construction, improvement, reconstruction or rehabilitation
18 of any transportation facility;

19 4. To invest any funds, accounts or other monies not required for
20 immediate use or disbursement, at the discretion of the authority, in:

21 (a) obligations of the state or the United States government;

22 (b) obligations the principal and interest of which are guaranteed by
23 the state or the United States government;

24 (c) certificates of deposit of banks or trust companies in this state,
25 secured, if the authority shall so require, by obligations of the United
26 States or of the state of New York of a market value equal at all times
27 to the amount of the deposit;

28 (d) banker's acceptances with a maturity of ninety days or less which
29 are eligible for purchase by the Federal Reserve Banks and whose rating
30 at the time of purchase is in the highest rating category of two
31 nationally recognized independent rating agencies, provided, however,
32 that the amount of banker's acceptances of any one bank shall not exceed
33 two hundred fifty million dollars;

34 (e) obligations of any bank or corporation created under the laws of
35 either the United States or any state of the United States maturing
36 within two hundred seventy days, provided that such obligations receive
37 the highest rating of two nationally recognized independent rating agen-
38 cies and, provided further, that no more than two hundred fifty million
39 dollars may be invested in such obligations of any one bank or corpo-
40 ration;

41 (f) as to any such moneys held in reserve and sinking funds, other
42 securities in which the trustee or trustees of any public retirement
43 system or pension fund has the power to invest the monies thereof pursu-
44 ant to article four-A of the retirement and social security law, each
45 such reserve and sinking fund being treated as a separate fund for the
46 purposes of article four-A of the retirement and social security law;

47 (g) notes, bonds, debentures, mortgages and other evidences of indebt-
48 edness, issued or guaranteed at the time of the investment by the United
49 States Postal Service, the federal national mortgage association, the
50 federal home loan mortgage corporation, the student loan marketing asso-
51 ciation, the federal farm credit system, or any other United States
52 government sponsored agency, provided that at the time of the investment
53 such agency or its obligations are rated and the agency receives, or its
54 obligations receive, the highest rating of all independent rating agen-
55 cies that rate such agency or its obligations, provided, however, that
56 no more than two hundred fifty million dollars or such greater amount as

1 may be authorized for investment by the state comptroller by section
2 ninety-eight of the state finance law may be invested in the obligations
3 of any one agency;

4 (h) general obligation bonds and notes of any state other than the
5 state, provided that such bonds and notes receive the highest rating of
6 at least one independent rating agency, and bonds and notes of any coun-
7 ty, town, city, village, fire district or school district of the state,
8 provided that such bonds and notes receive either of the two highest
9 ratings of at least two independent rating agencies;

10 (i) mutual funds registered with the United States securities and
11 exchange commission whose investments are limited to obligations of the
12 state described in paragraph (a) of this subdivision, obligations the
13 principal and interest of which are guaranteed by the state described in
14 paragraph (b) of this subdivision, and those securities described in
15 paragraph (h) of this subdivision and that have received the highest
16 rating of at least one independent rating agency, provided that the
17 aggregate amount invested at any one time in all such mutual funds shall
18 not exceed ten million dollars, and, provided further, that the authori-
19 ty shall not invest such funds, accounts or other monies in any mutual
20 fund for longer than thirty days; and

21 (j) financial contracts in a foreign currency entered into for the
22 purpose of minimizing the foreign currency exchange risk of the purchase
23 price of a contract with a vendor chosen through competitive process for
24 the acquisition of capital assets for the benefit of the transportation
25 capital program;

26 5. To make and alter by-laws for its organization and internal manage-
27 ment, and rules and regulations governing the exercise of its powers and
28 the fulfillment of its purposes under this title;

29 6. (a) To enter into contracts and leases and to execute all instru-
30 ments necessary or convenient;

31 (b) With respect to any lease transaction entered into pursuant to
32 section 168(f)(8) of the United States internal revenue code or any
33 successor provisions, the authority shall meet the following standards
34 and procedures:

35 (i) notice of intention to negotiate shall be published in at least
36 one newspaper of general circulation, and a copy thereof shall be mailed
37 to all parties who have requested notification from the authority to
38 engage in transactions of this type. Such notice shall describe the
39 nature of the proposed transaction and the factors subject to negoti-
40 ation, which shall include, but not be limited to, the price to be paid
41 to the authority;

42 (ii) the authority shall negotiate with those respondents whose
43 response complies with the requirements set forth in the notice; and

44 (iii) the board of the authority shall resolve on the basis of parti-
45 cularized findings relevant to the factors negotiated that such trans-
46 action will provide maximum available financial benefits, consistent
47 with other defined objectives and requirements;

48 (c) The authority shall provide to the governor, the temporary presi-
49 dent of the senate, the speaker of the assembly, the minority leader of
50 the senate and the minority leader of the assembly notice of each lease
51 entered into pursuant to paragraph (b) of this subdivision and support-
52 ing documentation of compliance by the authority with subparagraphs (i),
53 (ii) and (iii) of paragraph (b) of this subdivision;

54 7. To acquire, hold and dispose of real or personal property in the
55 exercise of its powers;

1 8. To appoint such officers and employees as it may require for the
2 performance of its duties, and to fix and determine their qualifica-
3 tions, duties, and compensation and to retain or employ counsel, audi-
4 tors, engineers and private consultants on a contract basis or otherwise
5 for rendering professional or technical services and advice;

6 9. (a) Notwithstanding section one hundred thirteen of the retirement
7 and social security law or any other general or special law, the author-
8 ity and any of its subsidiary corporations may continue or provide to
9 its affected officers and employees any retirement, disability, death or
10 other benefits provided or required for railroad personnel pursuant to
11 federal or state law;

12 (b) The authority and any of its public benefit subsidiary corpo-
13 rations may be a participating employer in the New York state employees'
14 retirement system with respect to one or more classes of officers and
15 employees of such authority or any such public benefit subsidiary corpo-
16 ration, as may be provided by resolution of such authority or any such
17 public benefit subsidiary corporation, as the case may be, or any subse-
18 quent amendment thereof, filed with the comptroller and accepted by him
19 or her pursuant to section thirty-one of the retirement and social secu-
20 rity law. In taking any action pursuant to this paragraph, the authority
21 and any of its public benefit subsidiary corporations shall consider the
22 coverages and benefits continued or provided pursuant to paragraph (a)
23 of this subdivision;

24 10. To make plans, surveys, and studies necessary, convenient or
25 desirable to the effectuation of the purposes and powers of the authori-
26 ty and to prepare recommendations in regard thereto;

27 11. To enter upon such lands, waters or premises as in the judgment of
28 the authority may be necessary, convenient or desirable for the purpose
29 of making surveys, soundings, borings and examinations to accomplish any
30 purpose authorized by this title. The authority shall be liable for
31 actual damage done due to the entering upon such lands, waters or prem-
32 ises and any activities taken thereon;

33 12. The authority may conduct investigations and hearings in the
34 furtherance of its general purposes, and in aid thereof have access to
35 any books, records or papers relevant thereto. If any person whose
36 testimony shall be required for the proper performance of the duties of
37 the authority shall fail or refuse to aid or assist the authority in the
38 conduct of any investigation or hearing, or to produce any relevant
39 books, records or other papers, the authority is authorized to apply for
40 process of subpoena, to issue out of any court of general original
41 jurisdiction whose process can reach such person, upon due cause shown;

42 13. A copy of any report submitted by the authority pursuant to
43 sections twenty-eight hundred, twenty-eight hundred one and twenty-eight
44 hundred two of this chapter shall be forwarded to the mayor of the city
45 of New York and to the chairperson of the board of supervisors and to
46 the county executive, if any, of each county within the district; and

47 14. To do all things necessary, convenient or desirable to carry out
48 its purposes and for the exercise of the powers granted in this title.

49 § 1349-gggg. Contracts. 1. The provisions of this section shall not
50 apply to:

51 (a) the award of any contract of the authority if the bid documents
52 for such contract so provide and such bid documents are issued within
53 sixty days of the effective date of this section; or

54 (b) for a period of one hundred eighty days after the effective date
55 of this section, the award of any contract for which an invitation to
56 bid, solicitation, request for proposal, or any similar document has

1 been issued by the authority prior to the effective date of this
2 section.

3 2. (a) Except as otherwise provided in this section, all purchase
4 contracts for supplies, materials or equipment involving an estimated
5 expenditure in excess of one million dollars and all contracts for
6 public work involving an estimated expenditure in excess of one million
7 dollars shall be awarded by the authority to the lowest responsible
8 bidder after obtaining sealed bids in the manner hereinafter set forth.
9 For purposes hereof, contracts for public work shall exclude contracts
10 for personal, engineering and architectural, or professional services.
11 The authority may reject all bids and obtain new bids in the manner
12 provided by this section when it is deemed in the public interest to do
13 so or, in cases where two or more responsible bidders submit identical
14 bids which are the lowest bids, award the contract to any of such
15 bidders or obtain new bids from such bidders. Nothing in this paragraph
16 shall obligate the authority to seek new bids after the rejection of
17 bids or after cancellation of an invitation to bid. Nothing in this
18 section shall prohibit the evaluation of bids on the basis of costs or
19 savings including life cycle costs of the item to be purchased,
20 discounts, and inspection services so long as the invitation to bid
21 reasonably sets forth the criteria to be used in evaluating such costs
22 or savings. Life cycle costs may include but shall not be limited to
23 costs or savings associated with installation, energy use, maintenance,
24 operation and salvage or disposal.

25 (b) Section twenty-eight hundred seventy-nine of this chapter shall
26 apply to the authority's acquisition of goods or services of any kind,
27 in the actual or estimated amount of fifteen thousand dollars or more,
28 provided: (i) that a contract for services in the actual or estimated
29 amount of one million dollars or less shall not require approval by the
30 board of the authority regardless of the length of the period over which
31 the services are rendered, and provided further that a contract for
32 services in the actual or estimated amount of one million dollars or
33 more shall require approval by the board of the authority regardless of
34 the length of the period over which the services are rendered unless
35 such a contract is awarded to the lowest responsible bidder after
36 obtaining sealed bids; and (ii) the board of the authority may by resol-
37 ution adopt guidelines that authorize the award of contracts to small
38 business concerns, to service disabled veteran owned businesses certi-
39 fied pursuant to article seventeen-B of the executive law, or minority
40 or women-owned business enterprises certified pursuant to article
41 fifteen-A of the executive law, or purchases of goods or technology that
42 are recycled or remanufactured, in an amount not to exceed one million
43 dollars without a formal competitive process and without further board
44 approval. The board of the authority shall adopt guidelines which shall
45 be made publicly available for the awarding of such contract without a
46 formal competitive process.

47 (c)(i) Notwithstanding the provisions of paragraph (a) of this subdi-
48 vision, the authority shall establish guidelines governing the quali-
49 fications of bidders entering into contracts for its project to bring
50 the Long Island Rail Road into Grand Central Terminal, referred to as
51 the "East Side Access Project" for the purposes of this section. The
52 bidding may be restricted to those who have qualified prior to the
53 receipt of bids according to standards fixed by the authority; provided,
54 however, that the award of contracts shall, to the extent not inconsis-
55 ent with this paragraph, be in accordance with paragraph (a) of this
56 subdivision.

1 (ii) In determining whether a prospective bidder qualifies for the
2 inclusion on a list of prequalified bidders for the East Side Access
3 Project, the authority shall consider: (A) the experience and past
4 performance of the prospective bidder; (B) the prospective bidder's
5 ability to undertake work, including but not limited to whether it
6 participates in state approved apprenticeship programs and whether it
7 utilizes employees who are represented by labor organizations; (C) the
8 financial capability and responsibility of the prospective bidder; and
9 (D) the records of the prospective bidder in complying with existing
10 labor standards. The authority may also consider such other factors as
11 it deems appropriate.

12 3. (a) Advertisement for bids, when required by this section, shall be
13 published at least once in a newspaper of general circulation in the
14 area served by the authority and in the procurement opportunities news-
15 letter published pursuant to article four-C of the economic development
16 law provided that, notwithstanding the provisions of article four-C of
17 the economic development law, an advertisement shall only be required
18 for a purchase contract for supplies, materials or equipment when
19 required by this section. Publication in a newspaper of general circu-
20 lation in the area served or in the procurement opportunities newsletter
21 shall not be required if bids for contracts for supplies, materials or
22 equipment are of a type regularly purchased by the authority and are to
23 be solicited from a list of potential suppliers, if such list is or has
24 been developed consistent with the provisions of subdivision six of this
25 section. Any such advertisement shall contain a statement of: (i) the
26 time and place where bids received pursuant to any notice requesting
27 sealed bids will be publicly opened and read; (ii) the name of the
28 contracting agency; (iii) the contract identification number; (iv) a
29 brief description of the public work, supplies, materials, or equipment
30 sought, the location where work is to be performed, goods are to be
31 delivered or services provided and the contract term; (v) the address
32 where bids or proposals are to be submitted; (vi) the date when bids or
33 proposals are due; (vii) a description of any eligibility or qualifica-
34 tion requirement or preference; (viii) a statement as to whether the
35 contract requirements may be fulfilled by a subcontracting, joint
36 venture, or co-production arrangement; (ix) any other information deemed
37 useful to potential contractors; and (x) the name, address, and tele-
38 phone number of the person to be contacted for additional information.
39 At least fifteen business days shall elapse between the first publica-
40 tion of such advertisement or the solicitation of bids, as the case may
41 be, and the date of opening and reading of bids.

42 (b) The authority may designate any officer or employee to open the
43 bids at the time and place bids are to be opened and may designate an
44 officer to award the contract to the lowest responsible bidder. Such
45 designee shall make a record of all bids in such form and detail as the
46 authority shall prescribe. All bids received shall be publicly opened
47 and read at the time and place specified in the advertisement or at the
48 time of solicitation, or to which the opening and reading have been
49 adjourned by the authority. All bidders shall be notified of the time
50 and place of any such adjournment.

51 4. Notwithstanding the foregoing, the authority may, by resolution
52 approved by a two-thirds vote of its members then in office, or by a
53 majority vote of its members with respect to contracts proposed to be
54 let pursuant to paragraph (a) of this subdivision declare that compet-
55 itive bidding is impractical or inappropriate because of the existence
56 of any of the circumstances hereinafter set forth and thereafter the

1 authority may proceed to award contracts without complying with the
2 requirements of subdivision two or three of this section. In each case
3 where the authority declares competitive bidding impractical or inappro-
4 priate, it shall state the reason therefor in writing and summarize any
5 negotiations that have been conducted. Except for contracts awarded
6 pursuant to paragraphs (a), (b), (c) and (e) of this subdivision, the
7 authority shall not award any contract pursuant to this subdivision
8 earlier than thirty days from the date on which the authority declares
9 that competitive bidding is impractical or inappropriate. Competitive
10 bidding may only be declared impractical or inappropriate where:

11 (a) the existence of an emergency involving danger to life, safety or
12 property requires immediate action and cannot await competitive bidding
13 or the item to be purchased is essential to efficient operation or the
14 adequate provision of service and as a consequence of an unforeseen
15 circumstance such purchase cannot await competitive bidding;

16 (b) the item to be purchased is available only from a single responsi-
17 ble source, provided that if bids have not been solicited for such item
18 pursuant to subdivision two of this section within the preceding twelve
19 months, public notice shall first be given pursuant to subdivision three
20 of this section;

21 (c) the authority receives no responsive bids or only a single respon-
22 sive bid in response to an invitation for competitive bids;

23 (d) the authority wishes to experiment with or test a product or tech-
24 nology or new source for such product or technology or evaluate the
25 service or reliability of such product or technology;

26 (e) the item is available through an existing contract between a
27 vendor and: (i) another public authority provided that such other
28 authority utilized a process of competitive bidding or a process of
29 competitive requests for proposals to award such contracts; (ii) Nassau
30 county; (iii) the state of New York; or (iv) the city of New York,
31 provided that in any case when under this paragraph the authority deter-
32 mines that obtaining such item thereby would be in the public interest
33 and sets forth the reasons for such determination. The authority shall
34 accept sole responsibility for any payment due the vendor as a result of
35 the authority's order; or

36 (f) the authority determines that it is in the public interest to
37 award contracts pursuant to a process for competitive requests for
38 proposals as hereinafter set forth. For purposes of this section, a
39 process for competitive requests for proposals shall mean a method of
40 soliciting proposals and awarding a contract on the basis of a formal
41 evaluation of the characteristics, such as quality, cost, delivery sche-
42 dule and financing of such proposals against stated selection criteria.
43 Public notice of the requests for proposals shall be given in the same
44 manner as provided in subdivision three of this section and shall
45 include the selection criteria. In the event the authority makes a mate-
46 rial change in the selection criteria from those previously stated in
47 the notice, it will inform all proposers of such change and permit
48 proposers to modify their proposals;

49 (i) The authority may award a contract pursuant to this paragraph only
50 after a resolution approved by a two-thirds vote of its members then in
51 office at a public meeting of the authority with such resolution: (A)
52 disclosing the other proposers and the substance of their proposals; (B)
53 summarizing the negotiation process including the opportunities, if any,
54 available to proposers to present and modify their proposals; and (C)
55 setting forth the criteria upon which the selection was made.

1 (ii) Nothing in this paragraph shall require or preclude: (A) negoti-
2 ations with any proposers following the receipt of responses to the
3 request for proposals; or (B) the rejection of any or all proposals at
4 any time. Upon the rejection of all proposals, the authority may solicit
5 new proposals or bids in any manner prescribed in this section.

6 (g) The authority issues a competitive request for proposals pursuant
7 to the procedures of paragraph (f) of this subdivision for the purchase
8 or rehabilitation of rail cars and omnibuses. Any such request may
9 include among the stated selection criteria the performance of all or a
10 portion of the contract at sites within the state of New York or the use
11 of goods produced or services provided within the state of New York,
12 provided however that in no event shall the authority award a contract
13 to a manufacturer whose final offer, as expressed in unit cost is more
14 than ten percent higher than the unit cost of any qualified competing
15 final offer, if the sole basis for such award is that the higher priced
16 offer includes more favorable provision for the performance of the
17 contract within the state of New York or the use of goods produced or
18 services provided within the state of New York, and further provided
19 that the authority's discretion to award a contract to any manufacturer
20 shall not be so limited if a basis for such award, as determined by the
21 authority, is superior financing, delivery schedule, life cycle, reli-
22 ability, or any other factor the authority deems relevant to its oper-
23 ations;

24 (i) The authority may award a contract pursuant to this paragraph only
25 after a resolution approved by a vote of not less than a two-thirds vote
26 of its members then in office at a public meeting of the authority with
27 such resolution; (A) disclosing the other proposers and the substance of
28 their proposals; (B) summarizing the negotiation process including the
29 opportunities, if any, available to proposers to present and modify
30 their proposals; and (C) setting forth the criteria upon which the
31 selection was made.

32 (ii) Nothing in this paragraph shall require or preclude: (A) negoti-
33 ations with any proposers following the receipt of responses to the
34 request for proposals; or (B) the rejection of any or all proposals at
35 any time. Upon the rejection of all proposals, the authority may solicit
36 new proposals or bids in any manner prescribed in this section.

37 5. Upon the adoption of a resolution by the authority stating, for
38 reasons of efficiency, economy, compatibility or maintenance reliabil-
39 ity, that there is a need for standardization, the authority may estab-
40 lish procedures whereby particular supplies, materials or equipment are
41 identified on a qualified products list. Such procedures shall provide
42 for products or vendors to be added to or deleted from such list and
43 shall include provisions for public advertisement of the manner in which
44 such lists are compiled. The authority shall review such list no less
45 than twice a year for the purpose of making such modifications.
46 Contracts for particular supplies, materials or equipment identified on
47 a qualified products list may be awarded by the authority to the lowest
48 responsible bidder after obtaining sealed bids in accordance with this
49 section or without competitive sealed bids in instances when the item is
50 available from only a single source, except that the authority may
51 dispense with advertising provided that it mails copies of the invita-
52 tion to bid to all vendors of the particular item on the qualified
53 products list.

54 6. The authority shall compile a list of potential sources of
55 supplies, materials or equipment regularly purchased. The authority
56 shall, by resolution, set forth the procedures it has established to

1 identify new sources and to notify such new sources of the opportunity
2 to bid for contracts for the purchase of supplies, materials or equip-
3 ment. Such procedures shall include, but not be limited to: (a) adver-
4 tising in trade journals; (b) cooperation with federal, state and local
5 agencies within its area of operations; (c) publication in the state
6 register quarterly; and (d) procedures established pursuant to subdivi-
7 sion thirteen of section thirteen hundred forty-nine-j of this article.

8 7. The provisions of this section shall not supersede any other
9 provisions of law relative to purchases of products or devices manufac-
10 tured or provided by the blind or other severely handicapped persons, to
11 the invitation and acceptance of bids from small or minority business
12 enterprises or to the purchases of supplies, materials or equipment
13 through the office of general services. Except as may otherwise be
14 provided by law or as more restrictively defined in the official policy
15 or bid specifications of the authority, the term "small business" means
16 a small business or similar term, under federal regulations applicable
17 to projects of the authority which are federally assisted.

18 8. Notwithstanding any other provisions in this section, the authority
19 shall be allowed to use an electronic bidding system for the purchase of
20 goods, materials, and commodities that may inform bidders whether their
21 bid is the current low bid and allow bidders to submit new bids before
22 the date and time assigned for the opening of bids. Such procedure shall
23 not constitute disclosure of bids in violation of section twenty-eight
24 hundred seventy-eight of this chapter.

25 9. The provisions of this section shall not apply to any procurement
26 made by any other public entity not otherwise required by law to award
27 contracts for such purchases to the lowest responsible bidder if such
28 purchases are made at the sole cost and expense of such entity.

29 10. (a) Whenever the comptroller pursuant to section twenty-eight
30 hundred seventy-nine-a of this chapter intends to require supervision in
31 the form of prior review and approval of a contract or contract amend-
32 ment to be awarded by the authority pursuant to this section, then such
33 contract or contract amendment shall be submitted to the comptroller by
34 the authority for approval and shall not be a valid enforceable contract
35 unless it shall first have been approved by the comptroller but only if
36 the comptroller has notified the authority of such determination within
37 thirty days of having received written notice of such contract or
38 contract amendment either in the authority's annual report or any
39 revised report.

40 (b) If the comptroller has timely notified the authority as provided
41 in paragraph (a) of this subdivision that any contract or contract
42 amendment shall be subject to comptroller prior review and approval, and
43 such contract or contract amendment has been submitted to the comp-
44 troller, it shall become valid and enforceable without such approval if
45 the comptroller has not approved or disapproved it within thirty days of
46 submission to the comptroller.

47 11. The award of construction contracts by the authority shall not be
48 subject to the provisions of section one hundred one of the general
49 municipal law.

50 § 1349-hhhh. Commuter transportation authority small business mentor-
51 ing program. 1. As used in this section, unless the context requires
52 otherwise:

53 (a) "authority" means commuter transportation authority and its
54 subsidiaries;

55 (b) "chairperson" means the chairperson of the authority and its
56 subsidiaries and affiliates;

1 (c) "small business" means a business in the construction trades
2 which: (i) is independently owned and operated; (ii) has annual revenues
3 not exceeding a fiscal limitation of five million dollars or such lesser
4 amount as established by the authority pursuant to these provisions; and
5 (iii) meets additional criteria as otherwise established by the chair-
6 person in consultation with the members of the commuter transportation
7 small business mentoring program advisory committee. The chair of the
8 committee shall be the chief diversity officer of the authority. The
9 authority shall establish a detailed definition in general and specific
10 to different segments of the construction industry to the extent neces-
11 sary to reflect differing characteristics of such segments based on the
12 criteria used by the United States small business administration for
13 loans to small businesses as set forth in Sections 121.301 through
14 121.305, or for awarding government procurements as set forth in
15 Sections 121.401 through 121.413, of Subpart A of Part 121 of Chapter I
16 of Title 13 of the Code of Federal Regulations as amended, and such
17 other criteria as determined by the authority;

18 (d) "small business mentoring program" is a program established by the
19 authority pursuant to these provisions to provide small businesses
20 accepted into the program with the opportunity:

21 (i) for up to four years, to compete for and, where awarded, to
22 perform certain authority public work contracts to be designated by the
23 authority for inclusion in this program under this subparagraph, with
24 the assistance of an authority-provided mentor, which shall be a firm
25 competitively selected by the authority that has extensive construction
26 management and mentoring experience, with the mentor to provide the
27 small business with advice and assistance in competing for and managing
28 authority public work contracts; and

29 (ii) for a small business mentoring program participant which the
30 authority has determined has successfully completed the program under
31 subparagraph (i) of this paragraph, for up to four additional years: (A)
32 additional opportunities to compete with other designated small busi-
33 nesses in the program for certain public work contracts to be designated
34 for inclusion under this subparagraph and, where awarded, to perform
35 such authority public work contracts, with the further assistance of an
36 authority-provided mentor, which shall be a firm competitively selected
37 by the authority that has extensive construction management and mentor-
38 ing experience, with the mentor to provide the small business with
39 advice and technical assistance in competing for and managing authority
40 public work contracts; and (B) authority-provided assistance, as deter-
41 mined by the authority, for such a small business to obtain bonding for
42 public work contracts that are competitively awarded pursuant to
43 provisions of law other than this section;

44 (e) "small business mentoring program contract" means a non-federally
45 funded authority public work contract designated by the authority, in an
46 estimated amount of not more than one million dollars for contracts
47 under subparagraph (i) of paragraph (d) of this subdivision and three
48 million dollars for contracts under subparagraph (ii) of paragraph (d)
49 of this subdivision, for which bids or proposals are to be invited and
50 accepted only from businesses that are enrolled in the small business
51 mentoring program and have been selected by the authority to compete for
52 the contract.

53 2. (a) Pursuant to these provisions, the authority may establish a
54 small business mentoring program. In connection therewith, the authority
55 may determine the criteria pursuant to which a small business shall be
56 eligible for and selected to participate in the program under subpara-

1 graphs (i) and (ii) of paragraph (d) of subdivision one of this section,
2 the number of participants to participate in each such components of the
3 program, the criteria for the competitive selection of the firms that
4 will provide small businesses with mentoring services, the assignment of
5 a mentor to a specific small business in the small business mentoring
6 program, and the funding for the program.

7 (b) Under the small business mentoring program, the chairperson or the
8 chairperson's designee is authorized, notwithstanding any other
9 provision of law:

10 (i) to designate which eligible public work contracts shall be small
11 business mentoring program contracts under subparagraphs (i) and (ii) of
12 paragraph (d) of subdivision one of this section, respectively;

13 (ii) to establish standards for qualifying small business mentoring
14 program participants to compete for a small business mentoring program
15 contract, provided that no less than three qualified small businesses in
16 the program submit responsive offers to perform the contract;

17 (iii) to determine when bids or proposals for a small business mentor-
18 ing program contract should be restricted to small business mentoring
19 program participants which, prior to the receipt of bids or proposals,
20 have been qualified by the authority for such competition;

21 (iv) to competitively select, designate and contract with one or more
22 experienced construction management firms that, under the general super-
23 vision of the authority, will provide mentoring services to the small
24 businesses participating in the small business mentoring program, and to
25 assign such mentors one or more designated small businesses participat-
26 ing in the program;

27 (v) for small business mentoring program contracts, except as set
28 forth herein, to waive requirements for the solicitation and award of a
29 public work contract pursuant to sections thirteen hundred forty-nine-
30 gggg and twenty-eight hundred seventy-nine of this chapter and any other
31 provision of law;

32 (vi) to assist only small business mentoring program participants that
33 have been awarded small business mentoring program contracts to obtain
34 any surety bond or contract of insurance required of them in connection
35 with such contract only notwithstanding any provision of section two
36 thousand five hundred four of the insurance law to the contrary; and

37 (vii) for small businesses that have been accepted into the small
38 business mentoring program under subparagraph (ii) of paragraph (d) of
39 subdivision one of this section, in addition to the benefits of such
40 program and notwithstanding any other provision of law, to provide tech-
41 nical assistance in obtaining bids, payment and performance bonding for
42 authority public work contracts that are not small business mentoring
43 program contracts, for which the small business is otherwise qualified.

44 3. (a) If the total number of qualified small business mentoring
45 program participants that respond to a competition and are considered
46 capable of meeting the specifications and terms of the invitation to
47 compete is less than three, or if the chairperson or the chairperson's
48 designee determines that acceptance of the best offer will result in the
49 payment of an unreasonable price, the authority may reject all offers
50 and withdraw the designation of the contract as a small business mentor-
51 ing program contract.

52 (b) If the authority withdraws the designation of contract as a small
53 business mentoring program contract, the firms, if any, that made offers
54 shall be notified. Invitations to compete containing the same or rewrit-
55 ten specifications and terms shall then be re-issued as a small business
56 mentoring program contract for one or more additional contract period.

1 4. A mentor shall provide services and assistance to a small business
2 as designated by the authority, which may include the following:

3 (a) provide business training in the skills necessary to operate a
4 successful construction business and to compete for and perform a public
5 work contract;

6 (b) provide technical assistance to the small business to assess the
7 outcome if the small business competes for but is not awarded a
8 contract;

9 (c) if the small business mentoring program contract is awarded to the
10 small business, provide guidance, advice and technical assistance to the
11 small business in the performance of the contract; and

12 (d) provide other technical assistance to the small business to facil-
13 itate learning, training and other issues which may arise.

14 5. The authority may delegate to the chairperson or the chairperson's
15 designee the authority's responsibilities set forth herein.

16 6. The small business mentoring program contracts authorized by this
17 legislation shall, for the initial year of the program, be in an aggre-
18 gate amount of not less than ten million dollars, and shall not exceed
19 one hundred million dollars, with the maximum amount in future years to
20 be set by the chairperson.

21 § 1349-iiii. Special powers of the authority. In order to effectuate
22 the purposes of this title:

23 1. The authority may acquire, by purchase, gift, grant, transfer,
24 contract or lease, any transportation facility other than a transit
25 facility wholly or partially within the metropolitan commuter transpor-
26 tation district, or any part thereof, or the use thereof, and may enter
27 into any joint service arrangements as hereinafter provided. Any such
28 acquisition or joint service arrangement shall be authorized only by
29 resolution of the authority approved by not less than a majority vote of
30 the whole number of members of the authority then in office, except that
31 in the event of a tie vote the chairperson shall cast one additional
32 vote.

33 2. The authority may on such terms and conditions as the authority may
34 determine necessary, convenient or desirable itself plan, design,
35 acquire, establish, construct, effectuate, operate, maintain, renovate,
36 improve, extend, rehabilitate or repair any transportation facility
37 other than a transit project, or may provide for such planning, design,
38 acquisition, establishment, construction, effectuation, operation, main-
39 tenance, renovation, improvement, extension, rehabilitation or repair by
40 contract, lease or other arrangement on such terms as the authority may
41 deem necessary, convenient or desirable with any person, including but
42 not limited to any common carrier or freight forwarder, the state, any
43 state agency, the federal government, any other state or agency or
44 instrumentality thereof, any public authority of this or any other
45 state, the port of New York authority or any political subdivision or
46 municipality of the state. In connection with the operation of any
47 transportation facility, the authority may plan, design, acquire, estab-
48 lish, construct, effectuate, operate, maintain, renovate, improve,
49 extend or repair or may provide by contract, lease or other arrangement
50 for the planning, design, acquisition, establishment, construction,
51 effectuation, operation, maintenance, renovation, improvement, extension
52 or repair of any related services and activities it deems necessary,
53 convenient or desirable, including but not limited to the transportation
54 and storage of freight and the United States mail, feeder and connecting
55 transportation, parking areas, transportation centers, stations and
56 related facilities.

1 3. (a) Except as directed in paragraph (c) of this subdivision, the
2 authority may establish, levy and collect or cause to be established,
3 levied and collected and, in the case of a joint service arrangement,
4 join with others in the establishment, levy and collection of such
5 fares, tolls, rentals, rates, charges and other fees as it may deem
6 necessary, convenient or desirable for the use and operation of any
7 transportation facility and related services operated by the authority
8 or by a subsidiary corporation of the authority or under contract, lease
9 or other arrangement, including joint service arrangements, with the
10 authority. Any such fares, tolls, rentals, rates, charges or other fees
11 for the transportation of passengers shall be established and changed
12 only if approved by resolution of the authority adopted by not less than
13 a majority vote of the whole number of members of the authority then in
14 office, with the chairperson having one additional vote in the event of
15 a tie vote, and only after a public hearing, provided however, that
16 fares, tolls, rentals, rates, charges or other fees for the transporta-
17 tion of passengers on any transportation facility which are in effect at
18 the time that the then owner of such transportation facility becomes a
19 subsidiary corporation of the authority or at the time that operation of
20 such transportation facility is commenced by the authority or is
21 commenced under contract, lease or other arrangement, including joint
22 service arrangements, with the authority may be continued in effect
23 without such a hearing. Such fares, tolls, rentals, rates, charges and
24 other fees shall be established as may in the judgment of the authority
25 be necessary to maintain the combined operations of the authority and
26 its subsidiary corporations on a self-sustaining basis. The said oper-
27 ations shall be deemed to be on a self-sustaining basis as required by
28 this title, when the authority is able to pay or cause to be paid from
29 revenue and any other funds or property actually available to the
30 authority and its subsidiary corporations: (i) as the same shall become
31 due, the principal of and interest on the bonds and notes and other
32 obligations of the authority and its subsidiaries and the metropolitan
33 transportation authority, together with the maintenance of proper
34 reserves therefor; (ii) the cost and expense of keeping the properties
35 and assets of the authority and its subsidiary corporations in good
36 condition and repair; and (iii) the capital and operating expenses of
37 the authority and its subsidiary corporations. The authority may
38 contract with the holders of bonds and notes with respect to the exer-
39 cise of the powers authorized by this section. No acts or activities
40 taken or proposed to be taken by the authority or any subsidiary of the
41 authority pursuant to the provisions of this subdivision shall be deemed
42 to be "actions" for the purposes or within the meaning of article eight
43 of the environmental conservation law.

44 (b) All fares, tolls, rentals, rates, charges, and other fees estab-
45 lished, levied, and collected or caused to be established, levied, and
46 collected, shall first be transferred to the metropolitan transportation
47 authority in order to maintain the metropolitan transportation authority
48 on a self-sustaining basis unless already pledged to secure, and neces-
49 sary to satisfy the debt service or reserve requirements of, bonds,
50 notes or other obligations of the authority prior to January first, two
51 thousand twenty-two.

52 (c) In the event that the monthly revenues of the metropolitan trans-
53 portation authority fall below one hundred twenty-five percent of the
54 amount necessary to maintain the operations of the metropolitan trans-
55 portation authority on a self-sustaining basis, as defined by section
56 twelve hundred sixty-six of this article, the authority shall, at the

1 direction of the metropolitan transportation authority, establish, levy
2 and collect or cause to be established, levied and collected, in the
3 case of a joint service arrangement, and join with others in the estab-
4 lishment, levy and collection of such fares, tolls, rentals, rates,
5 charges and other fees as the metropolitan transportation authority may
6 deem necessary, convenient or desirable for the use and operation of any
7 transportation facility and related services operated by the authority
8 or by a subsidiary corporation of the authority or under contract, lease
9 or other arrangement, including joint service arrangements, with the
10 authority, until such time that monthly revenues of the metropolitan
11 transportation authority has exceeded, for three consecutive months, two
12 hundred percent of the amount necessary to maintain the operations of
13 the metropolitan transportation authority on a self-sustaining basis.

14 4. The authority may establish and, in the case of joint service
15 arrangements, join with others in the establishment of such schedules
16 and standards of operations and such other rules and regulations includ-
17 ing but not limited to rules and regulations governing the conduct and
18 safety of the public as it may deem necessary, convenient or desirable
19 for the use and operation of any transportation facility and related
20 services operated by the authority or under contract, lease or other
21 arrangement, including joint service arrangements, with the authority.
22 Such rules and regulations governing the conduct and safety of the
23 public shall be filed with the department of state in the manner
24 provided by section one hundred two of the executive law. In the case of
25 any conflict between any such rule or regulation of the authority
26 governing the conduct or the safety of the public and any local law,
27 ordinance, rule or regulation, such rule or regulation of the authority
28 shall prevail. Violation of any such rule or regulation of the authority
29 governing the conduct or the safety of the public in or upon any facili-
30 ty of the authority shall constitute an offense and shall be punishable
31 by a fine not exceeding fifty dollars or imprisonment for not more than
32 thirty days or both or may be punishable by the imposition of a civil
33 penalty by the transit adjudication bureau established pursuant to the
34 provisions of title nine of this article.

35 5. (a) The authority may acquire, hold, own, lease, establish,
36 construct, effectuate, operate, maintain, renovate, improve, extend or
37 repair any transportation facilities through, and cause any one or more
38 of its powers, duties, functions or activities to be exercised or
39 performed by, one or more wholly owned subsidiary corporations of the
40 authority, and may transfer to or from any such corporations any moneys,
41 real property or other property for any of the purposes of this title
42 upon such terms and conditions as shall be agreed to and subject to such
43 payment or repayment obligations as are required by law or by any agree-
44 ment to which any of the affected entities is subject. The directors or
45 members of each such subsidiary corporation of the authority corporation
46 shall be the same persons holding the offices of members of the authori-
47 ty. The chairperson of the board of each such subsidiary shall be the
48 chairperson of the authority, serving ex officio and, provided that
49 there is an executive director of the commuter transportation authority,
50 the executive director of such subsidiary shall be the executive direc-
51 tor of the commuter transportation authority, serving ex officio.
52 Notwithstanding any provision of law to the contrary, the chairperson
53 shall be the chief executive officer of each such subsidiary and shall
54 be responsible for the discharge of the executive and administrative
55 functions and powers of each such subsidiary. The chairperson and execu-
56 tive director, if any, shall be empowered to delegate his or her func-

1 tions and powers to one or more officers or employees of each such
2 subsidiary designated by him or her. Each such subsidiary corporation of
3 the authority and any of its property, functions and activities shall
4 have all of the privileges, immunities, tax exemptions and other
5 exemptions of the authority and of the authority's property, functions
6 and activities. Each such subsidiary corporation shall be subject to the
7 restrictions and limitations to which the authority may be subject. Each
8 such subsidiary corporation of the authority shall be subject to suit in
9 accordance with section thirteen hundred forty-nine-11111 of this title.
10 The employees of any such subsidiary corporation, except those who are
11 also employees of the authority, shall not be deemed employees of the
12 authority.

13 (b) If the authority shall determine that one or more of its subsid-
14 iary corporations should be in the form of a public benefit corporation,
15 it shall create each such public benefit corporation by executing and
16 filing with the secretary of state a certificate of incorporation, which
17 may be amended from time to time by filing, which shall set forth the
18 name of such public benefit subsidiary corporation, its duration, the
19 location of its principal office, and any or all of the purposes of
20 acquiring, owning, leasing, establishing, constructing, effectuating,
21 operating, maintaining, renovating, improving, extending or repairing
22 one or more facilities of the authority. Each such public benefit
23 subsidiary corporation shall be a body politic and corporate and shall
24 have all those powers vested in the authority by the provisions of this
25 title which the authority shall determine to include in its certificate
26 of incorporation except the power to contract indebtedness.

27 (c) Whenever any state, political subdivision, municipality, commis-
28 sion, agency, officer, department, board, division or person is author-
29 ized and empowered for any of the purposes of this title to co-operate
30 and enter into agreements with the authority such state, political
31 subdivision, municipality, commission, agency, officer, department,
32 board, division or person shall have the same authorization and power
33 for any of such purposes to co-operate and enter into agreements with a
34 subsidiary corporation of the authority.

35 6. Each of the authority and its subsidiaries, in its own name or in
36 the name of the state, may apply for and receive and accept grants of
37 property, money and services and other assistance offered or made avail-
38 able to it by any person, government or agency, which it may use to meet
39 capital or operating expenses and for any other use within the scope of
40 its powers, and to negotiate for the same upon such terms and conditions
41 as the respective authority may determine to be necessary, convenient or
42 desirable.

43 7. The authority may lease railroad cars for use in its passenger
44 service pursuant to the provisions of chapter six hundred thirty-eight
45 of the laws of nineteen hundred fifty-nine.

46 8. (a) The authority may do all things it deems necessary, convenient
47 or desirable to manage, control and direct the maintenance and operation
48 of transportation facilities, equipment or real property operated by or
49 under contract, lease or other arrangement with the authority and its
50 subsidiaries. Except as hereinafter specially provided, no municipality
51 or political subdivision, including but not limited to a county, city,
52 village, town or school or other district shall have jurisdiction over
53 any facilities of the authority and its subsidiaries, or any of their
54 activities or operations. The local laws, resolutions, ordinances, rules
55 and regulations of a municipality or political subdivision, heretofore
56 or hereafter adopted, conflicting with this title or any rule or regu-

1 lation of the authority or its subsidiaries, shall not be applicable to
2 the activities or operations of the authority and its subsidiaries, or
3 the facilities of the authority and its subsidiaries, except such facil-
4 ities that are devoted to purposes other than transportation or transit
5 purposes. Each municipality or political subdivision, including but not
6 limited to a county, city, village, town or district in which any facil-
7 ities of the authority or its subsidiaries are located shall provide for
8 such facilities police, fire and health protection services of the same
9 character and to the same extent as those provided for residents of such
10 municipality or political subdivision.

11 (b) The jurisdiction, supervision, powers and duties of the department
12 of transportation of the state under the transportation law shall not
13 extend to the authority in the exercise of any of its powers under this
14 title. The authority may agree with such department for the execution by
15 such department of any grade crossing elimination project or any grade
16 crossing separation reconstruction project along any railroad facility
17 operated by the authority or by one of its subsidiary corporations or
18 under contract, lease or other arrangement with the authority. Any such
19 project shall be executed as provided in article ten of the transporta-
20 tion law and the railroad law, and the costs of any such project shall
21 be borne as provided in such laws, except that the authority's share of
22 such costs shall be borne by the state.

23 9. Upon approval by the commissioner of transportation of the state of
24 New York of detailed plans and specifications, which approval may be
25 based upon considerations of relative need and the timing of
26 construction, the authority is authorized to design, construct, main-
27 tain, operate, improve and reconstruct a highway bridge crossing Long
28 Island sound, as follows:

29 (a) Upon: (i) the enactment by the state of Connecticut of legislation
30 having like effect as the provisions of this paragraph and the granting
31 of the consent of the congress of the United States of America to the
32 interstate compact thereby created; and (ii) in conformity with recom-
33 mendations of the New York-Connecticut bi-state bridge study commission,
34 the authority is authorized, in cooperation with any duly designated
35 agency or agencies of the state of Connecticut, to design, construct,
36 maintain, operate, improve and reconstruct a highway bridge crossing
37 Long Island sound from a point in the vicinity of the city of Bridgeport
38 in the state of Connecticut to a point in the vicinity of the village of
39 Port Jefferson in the state of New York, together with approaches to
40 such bridge; and to contract from time to time with such agency or agen-
41 cies of the state of Connecticut with respect to all matters affecting
42 these authorizations, including, without limitation, the sharing of all
43 capital, operational and maintenance expense, except that the capital
44 expense of the original construction of such bridge, other than the
45 expense of acquiring the needed real property, shall be in the ratio of
46 fifty per centum for the authority and fifty per centum for such agency
47 or agencies of the state of Connecticut, the manner and by whom the work
48 of design, construction, reconstruction, improvement, maintenance and
49 operation is to be performed or contracted to others for performance,
50 the tolls, fees and other charges to be imposed from time to time for
51 the use of such bridge, and the sharing of revenues derived from the
52 imposition of such tolls, fees and charges, except that net revenues
53 remaining after deduction of operational and maintenance expense of such
54 bridge shall be in the ratio of fifty per centum for the authority and
55 fifty per centum for the state of Connecticut or for such agency or
56 agencies of the state of Connecticut. Subject to the limitations imposed

1 upon the authority by the provisions of the said contracts, that portion
2 of the said bridge and its approaches situate and lying within the
3 territorial boundaries of the state of New York shall be deemed a
4 "transportation facility" of the authority for all the purposes of this
5 title, but tolls, fees and other charges imposed for the use of such
6 bridge shall not be deemed to have been imposed "for the transportation
7 of passengers" within the intendment of subdivision three of this
8 section.

9 (b) If funds are made available by the authority for the payment of
10 the cost and expense of the acquisition thereof, the commissioner of
11 transportation of the state of New York, when requested by the authori-
12 ty, may acquire in the name of the state such real property lying within
13 the territorial boundaries of the state as may be determined from time
14 to time by the authority to be necessary, convenient or desirable to
15 carry out the authorizations set forth in paragraph (a) of this subdivi-
16 sion and this paragraph, may remove the owner or occupant thereof where
17 necessary and obtain possession and, when requested by the authority,
18 may dispose of any real property so acquired, all according to the
19 procedures provided in section thirty of the highway law. The authority
20 shall have the right to possess and use for its corporate purposes all
21 such real property so acquired, all according to the procedures provided
22 in section thirty of the highway law. The authority shall have the right
23 to possess and use for its corporate purposes all such real property so
24 acquired. Claims for the value of the property appropriated and for
25 legal damages caused by any such appropriation shall be adjusted and
26 determined by the commissioner of transportation with the approval of
27 the authority or by the court of claims as provided in section thirty of
28 the highway law. When a claim has been filed with the court of claims,
29 the claimant shall cause a copy of such claim to be served upon the
30 authority and the authority shall have the right to be represented and
31 heard before such court. All awards and judgments arising from such
32 claims shall be paid out of moneys of the authority.

33 (c) The authority, acting independently or jointly or in cooperation
34 with such agency or agencies of the state of Connecticut, may also apply
35 for and accept, upon condition or otherwise, from the duly authorized
36 agencies of the federal government, and of the governments of the states
37 of Connecticut and New York, such underwater and overwater grants of
38 real property, licenses or permits as shall be necessary, convenient or
39 desirable to carry out the authorizations set forth in paragraphs (a)
40 and (b) of this subdivision.

41 (d) The provisions of chapter four hundred forty-two of the laws of
42 nineteen hundred sixty-five, and of any agreement entered into in
43 pursuance thereof, relating to the repayment of a loan made by the state
44 to the authority for the purchase of the Long Island Rail Road shall be
45 inapplicable to: (i) the construction of such bridges and their
46 approaches; (ii) bonds, notes or other obligations of the authority
47 issued for or in connection with the financing of the cost of design,
48 construction and reconstruction of such bridges and their approaches, or
49 the proceeds realized upon such issuance; and (iii) revenues derived
50 from the investment of such proceeds or of any part thereof, and from
51 the imposition of tolls, fees or other charges for the use of such
52 bridges.

53 10. Notwithstanding the provisions of any other law, general, special
54 or local, or of any agreement entered into in pursuance thereof, relat-
55 ing to the repayment of any loan or advance made by the state to the
56 authority, the authority shall not be required to repay any such loan or

1 advance heretofore made from or by reason of the issuance of bonds or
2 notes or from the proceeds realized upon such issuance or from any other
3 funds received from any source whatever in aid or assistance of the
4 project or projects for the financing of which such bonds or notes are
5 issued.

6 11. No project to be constructed upon real property theretofore used
7 for a transportation purpose, or on an insubstantial addition to such
8 property contiguous thereto, which will not change in a material respect
9 the general character of such prior transportation use, nor any acts or
10 activities in connection with such project, shall be subject to the
11 provisions of article eight, nineteen, twenty-four or twenty-five of the
12 environmental conservation law, or to any local law or ordinance adopted
13 pursuant to any such article. Nor shall any acts or activities taken or
14 proposed to be taken by the authority or by any other person or entity,
15 public or private, in connection with the planning, design, acquisition,
16 improvement, construction, reconstruction or rehabilitation of a trans-
17 portation facility, other than a marine or aviation facility, be subject
18 to the provisions of article eight of the environmental conservation
19 law, or to any local law or ordinance adopted pursuant to any such arti-
20 cle if such acts or activities require the preparation of a statement
21 under or pursuant to any federal law or regulation as to the environ-
22 mental impact thereof.

23 12. The authority and each of its subsidiary corporations shall place
24 on each transformer and substation which contains polychlorinated biphe-
25 nyls (PCBs) a symbol so indicating the presence of PCBs. Use of a PCB
26 mark illustrated in the rules and regulations promulgated pursuant to
27 the federal Toxic Substances Control Act shall constitute compliance
28 with the provisions of this subdivision.

29 13. Notwithstanding any other provisions of law or the terms of any
30 contract, the authority, in consultation with the Long Island Rail Road,
31 shall establish and implement a no fare program for transportation on
32 the Long Island Rail Road for police officers employed by the city of
33 New York, county of Nassau, Nassau county villages and cities, county of
34 Suffolk, Suffolk county villages and towns, the division of state
35 police, the port authority of New York and New Jersey, the Metro-North
36 Commuter Railroad Company, the New York city housing authority and the
37 New York city transit authority. In establishing such program, which has
38 as its goal increased protection and improved safety for its commuters,
39 the authority and the Long Island Rail Road shall, among other things,
40 consider: (a) requiring police officers who ride without cost to regis-
41 ter with the Long Island Rail Road as a condition of riding without
42 cost; (b) requiring such officers to indicate during such registration
43 process their regular working hours and the Long Island Rail Road trains
44 that such officers expect to ride; and (c) periodically re-registering
45 and re-validating such officers. The authority and the Long Island Rail
46 Road shall also have the power to consider other matters necessary to
47 carry out the goals and objectives of this section.

48 14. (a) Notwithstanding any other provisions of law or the terms of
49 any contract, the authority, in consultation with the Long Island Rail
50 Road and the Metro-North Commuter Railroad Company, shall establish and
51 implement a no fare program for transportation on the Long Island Rail
52 Road and the Metro-North Commuter Railroad Company for individuals serv-
53 ing as personal care attendants accompanying an Americans with Disabili-
54 ties Act paratransit eligible individual.

1 (b) In order to be eligible for such no fare program the personal care
2 attendant shall show his or her community based personal care attendant
3 agency issued identification card.

4 (c) In order to be considered accompanying an Americans with Disabili-
5 ties Act paratransit eligible individual the personal care attendant
6 shall have the same origin and destination as such paratransit eligible
7 individual.

8 15. Notwithstanding any other provision of law, the authority and any
9 of its subsidiary corporations shall establish and implement a half fare
10 rate program for persons with serious mental illness who are eligible to
11 receive supplemental security income benefits as defined pursuant to
12 title sixteen of the federal social security act and section two hundred
13 nine of the social services law.

14 16. The authority shall conduct a campaign of public outreach to
15 inform the public of the provisions pertaining to assault on employees
16 described in subdivision eleven of section 120.05 of the penal law.

17 § 1349-jjjj. Medical emergency services. The authority is hereby
18 authorized and directed to prepare and develop a medical emergency
19 services program to be implemented at a time to be specified in such
20 program for the benefit of persons utilizing transportation and other
21 related services of the authority. Such program may include but not be
22 limited to provisions for the following:

- 23 1. the training of designated employees in first aid;
- 24 2. emergency techniques and procedures;
- 25 3. handling and positioning of stricken commuters; and
- 26 4. knowledge of procedures and equipment used for respiratory and
27 cardiac emergencies.

28 Such program shall be submitted to the legislature not later than one
29 hundred eighty days after the effective date of this section.

30 § 1349-kkkk. Medical emergency services plan; implementation on Long
31 Island Rail Road. 1. (a) The authority in consultation with the Long
32 Island Rail Road is hereby authorized and directed to implement a
33 comprehensive medical emergency services program, including an emergency
34 response protocol, not later than the first of September next succeeding
35 the effective date of this section, for the benefit of persons utilizing
36 transportation and other related services of the Long Island Rail Road.
37 Such program shall include but not be limited to provisions for the
38 following:

- 39 (i) the training of designated employees in first aid;
- 40 (ii) emergency techniques and procedures;
- 41 (iii) handling and positioning of stricken commuters;
- 42 (iv) knowledge of procedures and equipment used for respiratory and
43 cardiac emergencies and an emergency response protocol for all employ-
44 ees.

45 (b) Such program and plan shall be submitted to the temporary presi-
46 dent of the senate, the speaker of the assembly and the governor on or
47 before the first of September next succeeding the effective date of this
48 section and shall be updated as necessary. The authority will issue an
49 annual report on or before April first of each year, which will include
50 current updates, descriptions of medical emergencies, responses and
51 outcomes since the most recent report, information regarding training of
52 personnel, analysis of the current plan and any recommendations for
53 improving the program.

54 2. Notwithstanding any inconsistent provision of any general, special
55 or local law, a designated employee employed upon facilities of the Long
56 Island Rail Road who has been trained in first aid, emergency techniques

1 and procedures, handling and positioning of stricken commuters, and the
2 applicable procedures and equipment used for respiratory and cardiac
3 emergencies who voluntarily and without the expectation of monetary
4 compensation renders any of the foregoing treatment in an emergency to a
5 commuter upon facilities of the Long Island Rail Road who is uncon-
6 scious, ill or injured shall not be liable for damages for injuries
7 alleged to have been sustained by such commuter or for damages for the
8 death of such commuter alleged to have occurred by reason of an act or
9 omission in the rendering of such treatment in an emergency unless it is
10 established that such injuries were or such death was caused by gross
11 negligence on the part of such designated employee.

12 § 1349-llll. Long Island Rail Road commuter council. 1. There is
13 hereby created the Long Island Rail Road commuter council, to study,
14 investigate, monitor and make recommendations with respect to the main-
15 tenance and operation of the Long Island Rail Road. Such council shall
16 study and investigate all aspects of the day to day operations of such
17 railroad, monitor its performance and recommend changes to improve the
18 efficiency of the operation thereof.

19 2. Such council shall consist of twelve members who shall be commuters
20 who regularly use the transportation services of such railroad, and who
21 shall be residents of Nassau, Suffolk, Queens or Brooklyn county.
22 Members shall be appointed by the governor upon the recommendation of
23 the county executive of each such county, provided, however, that such
24 members shall be chosen from a list of ten names submitted by each such
25 county executive and provided further however that no more than six
26 members of such council shall be residents of either such county.
27 Provided, however, that one member shall be appointed on the recommenda-
28 tion of the borough president of Queens and one member shall be
29 appointed on the recommendation of the borough president of Brooklyn.
30 Vacancies occurring in the membership of the council shall be filled in
31 the same manner as original appointments, provided, however, that such
32 vacancy shall be filled from a list of three names submitted by each
33 such county executive.

34 3. The members of the council shall receive no compensation for their
35 services but shall be reimbursed for their expenses actually and neces-
36 sarily incurred in the performance of their duties hereunder.

37 4. The council may request and shall receive from any department,
38 division, board, bureau, commission, agency, public authority of the
39 state or any political subdivision thereof such assistance and data as
40 will enable it properly to carry out its activities hereunder and effec-
41 tuate the purposes set forth herein.

42 § 1349-mmmm. Metro-North rail commuter council. 1. There is hereby
43 created the Metro-North rail commuter council to study, investigate,
44 monitor and make recommendations with respect to the maintenance and
45 operation of those portions of, if any, the Hudson, Harlem, New Haven,
46 Pascack Valley and Port Jervis commuter railroad lines remaining within
47 the metropolitan commuter transportation district. Such council shall
48 study and investigate all aspects of the day to day operation of such
49 railroad lines, monitor their performance and recommend changes to
50 improve the efficiency of the operation thereof.

51 2. Such council shall consist of eleven members and shall be commuters
52 who regularly use the transportation services of such railroad lines. At
53 least five of such members shall be residents of the county of Westches-
54 ter. Of the other six members, at least one of such members shall be a
55 resident of each of the counties of Rockland, Putnam, Dutchess, Orange
56 and Bronx, provided that such county has not withdrawn from the metro-

1 politan commuter transportation district pursuant to section thirteen
2 hundred forty-nine-wwwww of this article; provided further, should only
3 the county of Putnam remain in the metropolitan commuter transportation
4 district then membership on such council shall consist of seven members,
5 five of whom reside in the county of Westchester and two of whom reside
6 in the county of Putnam. Members shall be appointed by the governor. In
7 making such appointments the governor shall consult with and solicit
8 recommendations from local officials and to the extent possible appoint
9 members who represent the ridership of the several commuter railroad
10 lines. Vacancies occurring in the membership of the council shall be
11 filled in the same manner as original appointments.

12 3. The members of the council shall receive no compensation for their
13 services but shall be reimbursed for their expenses actually and neces-
14 sarily incurred by them in the performance of their duties hereunder
15 from funds appropriated to the commissioner of transportation.

16 4. The council may request and shall receive from any department,
17 division, board, bureau, commission, agency, public authority of the
18 state or any political subdivision thereof such assistance and data as
19 it requests and will enable it to properly carry out its activities for
20 the purposes set forth herein.

21 § 1349-nnnn. Medical emergency services plan; implementation on
22 Metro-North Commuter Railroad Company. 1. The authority is hereby
23 authorized and directed to implement a medical emergency services
24 program for the benefit of persons utilizing transportation and other
25 related services of the Metro-North Commuter Railroad Company. Such
26 program shall include but not be limited to provisions for the follow-
27 ing:

28 (a) the training of conductors, trainmen and other designated employ-
29 ees in first aid;

30 (b) emergency techniques and procedures;

31 (c) handling and positioning of stricken commuters; and

32 (d) knowledge of procedures and equipment used for respiratory and
33 cardiac emergencies.

34 2. Notwithstanding any inconsistent provision of any general, special
35 or local law, a designated employee employed upon facilities of the
36 Metro-North Commuter Railroad Company who has successfully completed a
37 course in first aid, including instruction and training in cardiopulmo-
38 nary resuscitation and who voluntarily and without expectation of mone-
39 tary compensation renders first aid, emergency treatment or cardiopulmo-
40 nary resuscitation at the scene of an accident or other emergency, in
41 the course of his or her duties as an employee of the Metro-North Commu-
42 ter Railroad Company to a person who is unconscious, ill or injured,
43 shall not be liable for damages and injuries alleged to have been
44 sustained by such person or for damages for death of such person alleged
45 to have occurred by reason of an act or omission in the rendering of
46 such first aid, emergency treatment or cardiopulmonary resuscitation
47 unless it is established that such injuries were or such death was
48 caused by gross negligence on the part of such designated employee.

49 § 1349-oooo. Excess loss fund. 1. Subject to the provisions of this
50 section, the authority is authorized to issue bonds and notes, in
51 accordance with section thirteen hundred forty-nine-xxxx of this title,
52 in such principal amounts not in excess of the seventy-five million
53 dollar limitation established in subdivision four of this section as, in
54 the opinion of the authority, shall be necessary to provide sufficient
55 funds to meet the capital and reserve requirements of a trust, pooling
56 arrangement or other entity established for the purpose of providing

1 reimbursement and funding to the authority and its subsidiaries for
2 excess or extraordinary losses for damages to real or personal property
3 or for the destruction thereof or for personal injuries or death and for
4 certain property damage losses which may be incurred or sustained by any
5 of them in connection with the use and operation of their respective
6 facilities and in the conduct of their respective activities, the trust,
7 pooling arrangement or other entity established in order to provide such
8 benefits to such participants being referred to in this section as the
9 "excess loss fund". Prior to the issuance of any bonds or notes, other
10 than refunding bonds or notes, authorized by this section, the authority
11 shall make a finding that such issue is expected to result, on a present
12 value basis, in a lower effective cost to the participating authorities
13 than funding the requirements of the excess loss fund solely through the
14 payment of premiums and assessments by such participating authorities.

15 2. In order to effectuate the purposes of the excess loss fund, the
16 authority shall, subject to the provisions of this section, have all the
17 powers provided elsewhere in this title and may:

18 (a) accept the notes, bonds and other contractual obligations of the
19 excess loss fund for funds provided to it by the authority;

20 (b) obtain security for the payment by the excess loss fund of its
21 notes, bonds and other contractual obligations issued to the authority,
22 including a pledge of all or any part of the assets and revenues of the
23 excess loss fund, including its receipts and rights to receive premiums,
24 assessments, reimbursements and other payments from the participants in
25 the excess loss fund, which pledge may contain covenants with respect to
26 the charging and fixing by actuarial estimates, where appropriate, of
27 premiums, assessments, reimbursements and other payments and the use and
28 disposition thereof; and

29 (c) enter into contracts with the excess loss fund and with the
30 participants therein, on such terms and conditions as the parties may
31 agree, with respect to the payment of premiums, assessments, reimburse-
32 ments and other payments to the excess loss fund and the nature and
33 extent of the benefits to be paid by the excess loss fund to such
34 participants.

35 3. The bonds and notes of the authority authorized by this section
36 shall not constitute general obligations of the authority, but shall be
37 special obligations of the authority payable as to principal, redemption
38 premium, if any, and interest solely from the security, sources of
39 payment and funds obtained from or on behalf of the excess loss fund,
40 all in the manner more particularly provided by the authority in the
41 resolution under which such bonds and notes shall be authorized to be
42 issued.

43 4. The aggregate principal amount of bonds and notes issued for the
44 purposes enumerated in subdivision one of this section shall not exceed
45 seventy-five million dollars, excluding: (a) bonds and notes issued to
46 fund costs of issuance and any reasonably required debt service reserve
47 fund for such bonds or notes; (b) an amount equal to any original issue
48 discount from the principal amount of any bonds or notes issued; and (c)
49 bonds and notes issued to refund or otherwise repay bonds or notes ther-
50 etofore issued for such purposes, provided, however, that upon any such
51 refunding or repayment of the total aggregate principal amount of
52 outstanding bonds and notes, including for purpose of such calculation
53 the principal amount of the refunding bonds or notes then to be issued
54 and excluding the principal amount of the bonds or notes so to be
55 refunded or repaid and any amounts excluded under paragraph (a) or (b)
56 of this subdivision, may be greater than seventy-five million dollars,

1 only if the present value of the aggregate debt service of the refunding
2 or repayment bonds or notes to be issued shall not exceed the present
3 value of the aggregate debt service of the bonds or notes so to be
4 refunded or repaid. For purposes of paragraph (c) of this subdivision,
5 the present values of the aggregate debt service of the refunding or
6 repayment bonds or notes and of the aggregate debt service of the bonds
7 or notes so to be refunded or repaid, shall be calculated by utilizing
8 the effective interest rate of the refunding or repayment bonds or
9 notes, which shall be that rate arrived at by doubling the semi-annual
10 interest rate, compounded semi-annually, necessary to discount the debt
11 service payments on the refunding or repayment bonds or notes from the
12 payment dates thereof to the date of issue of the refunding or repayment
13 bonds or notes and to the price bid including estimated accrued interest
14 or proceeds received by the authority including estimated accrued inter-
15 est from the sale thereof.

16 5. The term "excess loss fund" as used in this section shall not
17 include any trust, pooling arrangements or other entity: (a) which
18 provides or offers to provide reimbursement or funding for losses or
19 liabilities to any entity other than the authority and its subsidiaries;
20 or (b) in which any entity other than the authority and its subsidiaries
21 holds an equity interest.

22 § 1349-pppp. Authority police force. 1. The authority is hereby
23 authorized and empowered, to provide and maintain an authority police
24 department and a uniformed authority police force. Each member of such
25 uniformed police force shall be a "police officer" for the purposes of
26 the criminal procedure law, with all of the powers of such police offi-
27 cers thereunder and subject to the same jurisdictional provisions on the
28 exercise of that power as set forth in such law. The geographical area
29 of employment of such police officers for the purposes of the criminal
30 procedure law shall embrace the metropolitan commuter transportation
31 district as defined in section twelve hundred sixty-two of this article.
32 Such department and force shall have the power, in and about any or all
33 of the facilities owned, occupied and/or operated by the authority and
34 its subsidiary corporations, as determined in the discretion of the
35 authority, to enforce and prevent violation of all laws and ordinances.
36 Nothing herein shall confer upon the authority police force or upon
37 their collective negotiations representatives exclusive jurisdiction or
38 claim over the exercise of police power or security work on behalf of
39 the authority and its subsidiary corporations. Nothing herein shall
40 limit the authority and its subsidiary corporations from continuing to
41 rely on local police for police services. However, traditional police
42 functions previously performed by the Long Island Rail Road Company
43 and/or the Metro-North Commuter Railroad Company police force shall
44 continue to be performed by the authority police forces.

45 2. Initial appointments to such authority police force shall be all
46 incumbent police officers from the Long Island Rail Road Company and/or
47 the Metro-North Commuter Railroad Company at the time of such appoint-
48 ment. The executive director of the authority, through the chief of
49 police, shall have the power and authority to appoint and employ such
50 number of police officers as he or she deems necessary to act as police
51 officers of the authority and to administer to the officers an oath or
52 affirmation faithfully to perform the duties of their respective posi-
53 tions or offices. Unless, at the time of appointment, the person is a
54 police officer of the Long Island Rail Road Company or the Metro-North
55 Commuter Railroad Company, only persons who have never been convicted of
56 a felony and are citizens of the United States shall be appointed police

1 officers on the authority police force. After the initial appointments
2 are made, selection of police officer candidates shall be made pursuant
3 to an examination process to be determined at the discretion of the
4 authority and candidates shall receive a certificate attesting to satis-
5 factory completion of an approved municipal police basic training
6 program, as described in section two hundred nine-q of the general
7 municipal law. No person shall be eligible for appointment unless such
8 person is not less than twenty years of age as of the date of appoint-
9 ment nor more than thirty-five years of age as of the date when the
10 applicant takes the written examination, provided, however, that time
11 spent on military duty or on terminal leave, not exceeding a total of
12 six years, shall be subtracted from the age of any applicant who has
13 passed his or her thirty-fifth birthday as provided in subdivision ten-a
14 of section two hundred forty-three of the military law. Upon appoint-
15 ments made by transferring an entire group of police officers into the
16 authority police force, thereby eliminating such other group of police
17 officers, the authority shall recognize any representative previously
18 chosen by the police officers for the purposes of collective negoti-
19 ations consistent with the bargaining units already established and
20 shall also assume and continue to observe any existing labor contracts
21 covering these police officers including such provisions which relate to
22 the grievance and disciplinary procedures and interest arbitration.
23 Subsequent to the establishment of the consolidated police force the
24 authority and the collective bargaining representatives shall be author-
25 ized to negotiate a merger of the separate bargaining units.

26 3. The authority may appoint a chief and one or more deputy chiefs of
27 the authority police department who, in the discretion of the authority,
28 may be selected from the ranks of the authority police force, and assign
29 powers and duties to them and fix their compensation. The chief shall be
30 the head of such department. The deputy chief designated by the chief
31 shall possess all the powers and perform all the duties of the chief
32 during his or her absence or disability. The authority police force
33 shall consist of such divisions, supervisors and officers, including but
34 not limited to police officers, detectives, sergeants, lieutenants and
35 captains as designated by the authority. Notwithstanding any law or
36 provision to the contrary, the members of the uniformed authority police
37 force shall not acquire civil service status or become members of the
38 New York state and local employees' retirement system, except as set
39 forth in this section.

40 4. The authority shall provide for a twenty year retirement plan under
41 the same terms and conditions as provided by section three hundred
42 eighty-nine of the retirement and social security law as enacted by
43 chapter six hundred twenty-eight of the laws of nineteen hundred nine-
44 ty-one; except that:

45 (a) any benefit provided pursuant to such plan shall be subject to an
46 offset, as defined in this paragraph, for any tier II benefit payable
47 pursuant to the federal Railroad Retirement Act to or in the respect of
48 a member. The offset provided for by this paragraph shall be the amount
49 of the tier II benefit which would be payable to or in respect to such
50 member pursuant to the federal Railroad Retirement Act multiplied by a
51 fraction, the numerator of which is the member's years of credited
52 service covered by the federal Railroad Retirement Act rendered to, or
53 credited by, the authority or any subsidiary corporation of the authori-
54 ty, and the denominator of which is the member's total years of service
55 covered by the federal Railroad Retirement Act;

56 (b) references to the Long Island Rail Road shall be to the authority;

1 (c) the transfer of funds described in subdivision f of section three
2 hundred eighty-nine of the retirement and social security law as enacted
3 by chapter six hundred twenty-eight of the laws of nineteen hundred
4 ninety-one shall include the Metro-North Commuter Railroad Company
5 Defined Contribution Pension Plan for Agreement Employees;

6 (d) the provisions of subdivision g of section three hundred eighty-
7 nine of the retirement and social security law as enacted by chapter six
8 hundred twenty-eight of the laws of nineteen hundred ninety-one to the
9 extent of requiring contributions for past service liability shall not
10 be applicable; and

11 (e) when a police officer transferred from the Long Island Rail Road
12 Company police force to the authority police force reaches age sixty-two
13 the authority will offset the amount payable under this plan by the
14 amount of tier II benefit payable from the Railroad Retirement Board for
15 a service age annuity or disability payable at the participants age
16 sixty-two.

17 5. The authority may, in its sole discretion, establish within the
18 authority's defined benefit program, a retirement program consistent
19 with the foregoing. If the authority has not so established such program
20 in its defined benefit program within one hundred eighty days after
21 enactment, then the authority shall elect to participate in article
22 fourteen-B of the retirement and social security law.

23 6. If the authority elects to participate in the New York state and
24 local employees' retirement system, such election to participate shall
25 be made by resolution filed with the comptroller and accepted by him or
26 her pursuant to section thirty-one of the retirement and social security
27 law.

28 7. Nothing herein contained shall be deemed to diminish, suspend or
29 abolish an existing benefit inured to a police officer, transferred from
30 the Long Island Rail Road Company and/or Metro-North Commuter Railroad
31 Company police force and subject to the provisions of this section in
32 and to the rights, privileges or status previously earned within a
33 pension or retirement system of which they were a member immediately
34 prior to the enactment of this section; and any such existing right,
35 privilege or status shall survive the effect of any decisions or deter-
36 minations lawfully made in accordance with the provisions hereof so long
37 as such right, privilege or status is greater in benefit to that which
38 would be imposed or imputed to any subject officer as a result of
39 actions of the authority authorized herein.

40 § 1349-gqqq. The permanent citizens advisory committee. There is
41 hereby established a permanent citizens advisory committee. The members
42 of the committee shall consist of the following members: the Long Island
43 Rail Road commuter council and the Metro-North commuter council.

44 § 1349-rrrr. Commuter transportation authority pledge to customers. 1.
45 A commuter transportation authority pledge to customers shall be created
46 and adopted by the commuter transportation authority. A copy of such
47 pledge shall be posted on the website of the authority and shall be
48 posted in stations where the authority makes regular postings. The
49 authority shall post the pledge in the language or languages it deems
50 necessary and appropriate.

51 2. The commuter transportation authority pledge to customers shall be
52 in the form and manner as prescribed by the authority, include the
53 contact information of the authority, and include, but not be limited
54 to, the following:

55 (a) a description of the authority's commitment to provide safe and
56 reliable services;

1 (b) a description of the authority's commitment to provide timely and
2 accurate information on its services;

3 (c) a commitment that employees will provide service in a courteous
4 manner;

5 (d) a description of the authority's commitment to maintain clean
6 stations, facilities, and buses;

7 (e) a description of the authority's policies when it comes to arrang-
8 ing alternative transportation when service is interrupted;

9 (f) when service is interrupted, a description of the authority's
10 policies when it comes to considering the comfort of inconvenienced
11 customers;

12 (g) when service is interrupted due to weather conditions, a
13 description of the authority's policies on notifying customers;

14 (h) when service is severely interrupted, a description of the author-
15 ity's policies on service restoration.

16 3. The authority from time to time may, update and amend the commuter
17 transportation authority pledge to customers as it deems necessary and
18 proper and may adopt rules and regulations for the proper administration
19 of this section.

20 § 1349-ssss. Expired fare transfer policy. Notwithstanding any other
21 provision of law to the contrary, the authority shall, within ninety
22 days of the effective date of this section, establish an expired fare
23 transfer policy that may be amended from time to time. Such policy shall
24 provide any person who purchases a fare the ability to transfer any
25 remaining balance for two years after such fare is deemed expired.

26 § 1349-tttt. Acquisition and disposition of real property. 1. In
27 addition to the powers provided in section thirteen hundred forty-nine-
28 iiii of this title to acquire transportation facilities, equipment and
29 real property, the authority may acquire, by condemnation pursuant to
30 the condemnation law, any real property it may deem necessary, conven-
31 ient or desirable to effectuate the purposes of this title, provided
32 however, that any such condemnation proceedings shall be brought only in
33 the supreme court and the compensation to be paid shall be ascertained
34 and determined by the court without a jury. Notwithstanding the forego-
35 ing provisions of this subdivision, no real property may be acquired by
36 the authority by condemnation for purposes other than a transportation
37 facility unless the governing body of the city, village or town in which
38 such real property is located shall first consent to such condemnation.

39 2. Nothing herein contained shall be construed to prevent the authori-
40 ty from bringing any proceedings to remove a cloud on title or such
41 other proceedings as it may, in its discretion, deem proper and neces-
42 sary or from acquiring any such property by negotiation or purchase.

43 3. Where a person entitled to an award in the proceedings to condemn
44 any real property for any of the purposes of this title remains in
45 possession of such property after the time of the vesting of title in
46 the condemnor, the reasonable value of his or her use and occupancy of
47 such property subsequent to such time as fixed by agreement or by the
48 court in such proceedings or by any court of competent jurisdiction
49 shall be a lien against such award subject only to the liens of record
50 at the time of vesting of title in the condemnor.

51 4. Subject to the provisions of sections thirteen hundred forty-nine-
52 iiii of this title, title to all property acquired under this title
53 shall vest in the authority or one of its subsidiary corporations as the
54 authority directs.

55 5. The authority may, whenever it determines that it is in the inter-
56 est of the authority, dispose of any real property or property other

1 than real property, which it determines is not necessary, convenient or
2 desirable for its purposes.

3 6. The authority may, whenever it shall determine that it is in the
4 interest of the authority, rent, lease, or grant easements or other
5 rights in, any land or property of the authority.

6 § 1349-uuuu. Acquisition and disposition of real property by depart-
7 ment of transportation. If funds are made available by the authority for
8 the payment of the cost and expense of the acquisition thereof, the
9 commissioner of transportation of the state of New York, when requested
10 by the authority, may acquire such real property in the name of the
11 state as may be determined from time to time by the authority as being
12 necessary, convenient or desirable to effectuate the purposes of this
13 title, may remove the owner or occupant thereof where necessary and
14 obtain possession and, when requested by the authority, may dispose of
15 any real property so acquired, all according to the procedures provided
16 in section thirty of the highway law. The authority shall have the right
17 to possess and use for its corporate purposes all such real property so
18 acquired. Claims for the value of the property appropriated and for
19 legal damages caused by any such appropriation shall be adjusted and
20 determined by such commissioner with the approval of the authority or by
21 the court of claims as provided in section thirty of the highway law.
22 When a claim has been filed with the court of claims, the claimant shall
23 cause a copy of such claim to be served upon the authority and the
24 authority shall have the right to be represented and heard before such
25 court. All awards and judgments arising from such claims shall be paid
26 out of moneys of the authority. No real property may be acquired pursu-
27 ant to the provisions of this section for purposes other than a trans-
28 portation facility unless the governing body of the city, village or
29 town in which such real property is located shall first consent to such
30 acquisition. The provisions of this section shall not be applicable to
31 the acquisition or disposition of real property required for the
32 construction of the two highway bridges crossing Long Island sound
33 referred to in section thirteen hundred forty-nine-iiii of this title.
34 The authority shall be empowered to lease for such other purposes as the
35 authority may determine any part or parts of Republic airport not needed
36 for transportation purposes.

37 § 1349-vvvv. Cooperation and assistance of other agencies. 1. To
38 avoid duplication of effort and in the interests of economy, the author-
39 ity may make use of existing studies, surveys, plans, data and other
40 materials in the possession of any state agency or any municipality or
41 political subdivision of the state. Each such agency, municipality or
42 subdivision is hereby authorized to make the same available to the
43 authority and otherwise to assist it in the performance of its func-
44 tions. At the request of the authority, each such agency, municipality
45 or subdivision which is engaged in highway or other transportation
46 activities or in land use or development planning, or which is charged
47 with the duty of providing or regulating any transportation facility or
48 any other public facility, is further authorized to provide the authori-
49 ty with information regarding its plans and programs affecting the
50 transportation district so that the authority may have available to it
51 current information with respect thereto. The officers and personnel of
52 such agencies, municipalities or subdivisions, and of any other govern-
53 ment or agency whatever, may serve at the request of the authority upon
54 such advisory committees as the authority shall determine to create and
55 such officers and personnel may serve upon such committees without

1 forfeiture of office or employment and with no loss or diminution in the
2 compensation, status, rights and privileges which they otherwise enjoy.

3 2. The authority shall, at the request of any state agency, municipi-
4 pality or political subdivision of the state, engaged in highway or
5 other transportation activities or in land use or development planning,
6 provide said state agency, municipality or political subdivision with
7 all current and relevant information regarding its plans or programs, so
8 as to enable said agency, municipality or subdivision to properly effec-
9 tuate said activities or planning.

10 3. To the extent that the provisions of this title authorize the
11 authority to enter into any agreement or arrangement with, or undertake
12 any other activity requiring the participation of, the Big Apple Trans-
13 it, the New York city transit authority or any of their subsidiary
14 corporations in furtherance of their respective purposes and powers or
15 the Triborough bridge and tunnel authority in furtherance of its
16 purposes and powers, such entities are hereby authorized and empowered
17 to enter into and perform such contract or other arrangement and to
18 undertake such activities.

19 § 1349-www. Promotion of qualified transportation fringes. The
20 authority shall promote the broad use of qualified transportation fring-
21 es, under section 132(f) of the internal revenue code, in order to
22 increase the number of participating companies and employees in such
23 programs. The authority may also study and report on ways in which
24 programs may be improved so as to increase public participation.

25 § 1349-xxxx. Notes, bonds and other obligations of the authority. 1.
26 (a) The authority shall have power and is hereby authorized from time to
27 time to issue its bonds, notes and other obligations in such principal
28 amount as, in the opinion of the authority, shall be necessary, conven-
29 ient or desirable to effectuate any of its powers and purposes, includ-
30 ing to provide sufficient funds for achieving its purposes, including
31 the acquisition, establishment, construction, effectuation, operation,
32 maintenance, renovation, improvement, extension, rehabilitation or
33 repair of any transportation facility, the payment of principal, redemp-
34 tion premium and interest on bonds, notes and other obligations of the
35 authority, establishment of reserves to secure such bonds, notes and
36 other obligations, the provision of working capital and all other
37 expenditures of the authority and its subsidiary corporations incident
38 to and necessary or convenient to carry out their purposes and powers.
39 Such bonds, notes or other obligations may be issued for an individual
40 transportation facility or issued on a consolidated basis for such
41 groups or classes of facilities and projects as the authority in its
42 discretion deems appropriate and be payable from and secured separately
43 or on a consolidated basis by, among other things, all or any portion of
44 such revenues and other monies and assets of the authority and its
45 subsidiary corporations as the authority determines in accordance with
46 the provisions of section thirteen hundred forty-nine-ddddd of this
47 title;

48 (b) The authority shall have power, from time to time, to issue
49 renewal notes, to issue bonds to refund, redeem or otherwise pay,
50 including by purchase or tender, notes of the authority and its subsid-
51 iary corporations and whenever it deems refunding, redemption or payment
52 expedient, to refund, redeem or otherwise pay, including by purchase or
53 tender, any bonds of the authority and its subsidiary corporations, by
54 the issuance of new bonds, whether the bonds to be refunded, redeemed or
55 otherwise paid have or have not matured, and to issue bonds partly for
56 such purpose and partly for any other purpose and to otherwise refund,

1 redeem, acquire by purchase or tender, or in any other way repay any
2 outstanding notes, bonds or other obligations of the authority, and any
3 of its subsidiary corporations;

4 (c) Every issue of its notes, bonds or other obligations shall be
5 general obligations or special obligations. Every issue of general obli-
6 gations of the authority shall be payable out of any revenues or monies
7 of the authority, subject only to any agreements with the holders of
8 particular notes or bonds pledging any particular receipts or revenues.
9 Every issue of special obligations shall be payable out of any revenues,
10 receipts, monies or other assets of the authority and its subsidiary
11 corporations, identified for such purposes in accordance with agreements
12 with the holders of particular notes, bonds or other obligations. The
13 authority may issue transportation revenue special obligation bonds,
14 notes or other obligations as provided in section thirteen hundred
15 forty-nine-eeeeee of this title;

16 2. The authority may from time to time issue its bonds and notes in
17 such principal amounts as, in the opinion of the authority, shall be
18 necessary to finance the unfunded pension fund liabilities of the
19 authority, its affiliates and subsidiaries, provided, however, that in
20 no event shall the cumulative amounts of bonds and notes issued pursuant
21 to the authority of this subdivision exceed one billion two hundred
22 million dollars or sixty percent of such unfunded pension fund liabil-
23 ities, whichever is less, and provided, further, that no bonds shall be
24 issued under this subdivision for a term longer than twenty years. The
25 authority shall not issue bonds or notes in any twelve-month period in a
26 cumulative principal amount in excess of forty percent of the total
27 amount permitted to be issued under this subdivision. Prior to the issu-
28 ance of any bonds or notes, the authority shall make a finding that such
29 issue is expected to result, on a present value basis, in a lower effec-
30 tive cost to the authority than funding the unfunded pension fund
31 liability solely through the payment of annual amounts to the pension
32 fund, assuming that the principal component of the unfunded liability
33 will be amortized over the same number of years as the term of the bonds
34 or notes and that the interest payable thereon is the actuarial rate of
35 interest determined by the actuary for the pension fund at the time of
36 the issuance of such bonds or notes. The aggregate principal amount of
37 bonds and notes issued for such purposes may be increased to fund costs
38 of issuance and may reasonably require debt service of other reserve
39 funds. Bonds and notes may be issued to refund or otherwise repay bonds
40 or notes theretofore issued for such purposes; provided, however, that
41 upon any such refunding or repayment, including for the purpose of such
42 calculation the principal amount of the refunding bonds or notes then to
43 be issued and excluding the principal amount of the bonds or notes so to
44 be refunded or repaid and also excluding any amounts used to pay costs
45 of issuance and reasonably required debt service or other reserve funds,
46 the present value of the aggregate debt service of the refunding or
47 repayment bonds or notes to be issued shall not exceed the present value
48 of the aggregate debt service of the bonds or notes so to be refunded or
49 repaid. For purposes of the preceding sentence, the present values of
50 the aggregate debt service of the refunding or repayment bonds or notes
51 and of the aggregate debt service of the bonds or notes so to be
52 refunded or repaid shall be calculated by utilizing the effective inter-
53 est rate of the refunding or repayment bonds or notes, which shall be
54 that rate arrived at by doubling the semi-annual interest rate,
55 compounded semi-annually, necessary to discount the debt service
56 payments on the refunding or repayment bonds or notes from the payment

1 dates thereof to the date of issue of the refunding or repayment bonds
2 or notes and to the price bid including estimated accrued interest or
3 proceeds received by the authority including estimated accrued interest
4 from the sale thereof. Debt service on the bonds or notes shall be
5 structured so that the economic benefits thereof shall be relatively
6 uniform for each full year throughout the term of the bonds or notes.
7 Beginning with the date of first issuance of bonds under this section,
8 the authority and its subsidiaries shall make annual payments into the
9 pension fund in amounts at least equal to the current pension contrib-
10 ution liability applicable to such year. The net proceeds of the bonds
11 or notes intended to be invested in non-debt securities may be invested
12 by the recipient pension fund in a fiscally prudent manner in securities
13 consistent with any trust indentures and all applicable state and feder-
14 al law over a reasonable period of time not less than thirty days
15 following the issuance of the bonds or notes. The operating budget
16 savings associated with the issuance of pension obligation bonds pursu-
17 ant to this subdivision shall be dedicated to reducing service elimi-
18 nations projected to occur within that period.

19 3. The notes, bonds and other obligations shall be authorized by
20 resolution approved by not less than a majority vote of the whole number
21 of members of the authority then in office, except that in the event of
22 a tie vote the chairperson shall cast one additional vote. Such notes,
23 bonds and other obligations shall bear such date or dates, and shall
24 mature at such time or times, in the case of any such note or any
25 renewals thereof not exceeding five years from the date of issue of such
26 original note, and in the case of any such bond not exceeding fifty
27 years from the date of issue, as such resolution or resolutions may
28 provide. The notes, bonds and other obligations shall bear interest at
29 such rate or rates, be in such denominations, be in such form, either
30 coupon or registered, carry such registration privileges, be executed in
31 such manner, be payable in such medium of payment, at such place or
32 places and be subject to such terms of redemption as such resolution or
33 resolutions may provide. The notes, bonds and other obligations of the
34 authority may be sold by the authority, at public or private sale, at
35 such price or prices as the authority shall determine. No notes or bonds
36 of the authority may be sold by the authority at private sale, however,
37 unless such sale and the terms thereof have been approved in writing by
38 (a) the comptroller, where such sale is not to the comptroller, or (b)
39 the director of the budget, where such sale is to the comptroller.

40 4. Any resolution or resolutions authorizing any notes, bonds or any
41 issue thereof, or any other obligations of the authority, may contain
42 provisions, which shall be a part of the contract with the holders ther-
43 eof, as to:

44 (a) pledging all or any part of the revenues of the authority or of
45 any of its subsidiary corporations to secure the payment of the notes or
46 bonds or of any issue thereof, or any other obligations of the authori-
47 ty, subject to such applicable agreements with bondholders, noteholders,
48 or holders of other obligations of the authority and the metropolitan
49 transportation authority, as may then exist;

50 (b) pledging all or any part of the assets of the authority or of any
51 of its subsidiary corporations to secure the payment of the notes or
52 bonds or of any issue of notes or bonds, or any other obligations of the
53 authority, subject to such agreements with noteholders, bondholders, or
54 holders of other obligations of the authority as may then exist;

1 (c) the use and disposition of revenues, including fares, tolls,
2 rentals, rates, charges and other fees, made or received by the authori-
3 ty, or any of its subsidiary corporations;

4 (d) the setting aside of reserves or sinking funds and the regulation
5 and disposition thereof;

6 (e) limitations on the purpose to which the proceeds of sale of notes,
7 bonds or other obligations of the authority may be applied and pledging
8 such proceeds to secure the payment of the notes or bonds or of any
9 issue thereof or of other obligations;

10 (f) limitations on the issuance of additional notes, bonds or other
11 obligations of the authority; the terms upon which additional notes,
12 bonds or other obligations of the authority may be issued and secured;
13 the refunding of outstanding or other notes, bonds or other obligations
14 of the authority;

15 (g) the procedure, if any, by which the terms of any contract with
16 noteholders, bondholders, or holders of other obligations of the author-
17 ity, may be amended or abrogated, the amount of notes, bonds or other
18 obligations of the authority the holders of which shall consent thereto,
19 and the manner in which such consent may be given;

20 (h) limitations on the amount of monies to be expended by the authori-
21 ty or any of its subsidiary corporations for operating, administrative
22 or other expenses of the authority or any of its subsidiary corpo-
23 rations;

24 (i) vesting in a trustee or trustees such property, rights, powers and
25 duties in trust as the authority may determine, which may include any or
26 all of the rights, powers and duties of the trustee appointed by the
27 bondholders, noteholders or holders of other obligations of the authori-
28 ty pursuant to this title, and limiting or abrogating the right of the
29 bondholders, noteholders or holders of other obligations of the authori-
30 ty to appoint a trustee under this article or limiting the rights,
31 powers and duties of such trustee;

32 (j) any other matters, of like or different character, which in any
33 way affect the security or protection of the notes, bonds or other obli-
34 gations of the authority.

35 5. In addition to the powers herein conferred upon the authority to
36 secure its notes, bonds and other obligations, the authority shall have
37 power in connection with the issuance of notes, bonds and other obli-
38 gations to enter into such agreements as the authority may deem neces-
39 sary, convenient or desirable concerning the use or disposition of the
40 monies or property of any of the authority, its subsidiary corporations,
41 including the mortgaging of any such property and the entrusting, pledg-
42 ing or creation of any other security interest in any such monies or
43 property and the doing of any act, including refraining from doing any
44 act, which the authority would have the right to do in the absence of
45 such agreements. The authority shall have power to enter into amendments
46 of any such agreements within the powers granted to the authority by
47 this title and to perform such agreements. The provisions of any such
48 agreements may be made a part of the contract with the holders of the
49 notes, bonds and other obligations of the authority.

50 6. It is the intention hereof that any pledge, mortgage or security
51 instrument made by the authority shall be valid and binding from the
52 time when the pledge, mortgage or security instrument is made; that the
53 monies or property so pledged, mortgaged and entrusted and thereafter
54 received by the authority, or any of its subsidiary corporations shall
55 immediately be subject to the lien of such pledge, mortgage or security
56 instrument without any physical delivery thereof or further act; and

1 that the lien of any such pledge, mortgage or security instrument shall
2 be valid and binding as against all parties having claims of any kind in
3 tort, contract or otherwise against the authority, or any of its subsid-
4 iary corporations, irrespective of whether such parties have notice
5 thereof. Neither the resolution nor any mortgage, security instrument
6 or other instrument by which a pledge, mortgage lien or other security
7 is created need be recorded or filed and neither the authority nor, any
8 of its subsidiary corporations shall be required to comply with any of
9 the provisions of the uniform commercial code.

10 7. Neither the members of the authority nor any person executing the
11 notes, bonds or other obligations shall be liable personally on the
12 notes, bonds or other obligations or be subject to any personal liabil-
13 ity or accountability by reason of the issuance thereof.

14 8. The authority, subject to such agreements with the holders of
15 notes, bonds or other obligations as may then exist, shall have power
16 out of any funds available therefor to purchase notes, bonds or other
17 obligations of the authority. The authority may hold, cancel or sell
18 such bonds, notes and other obligations, subject to and in accordance
19 with agreements with such holders.

20 9. Neither the state nor the city of New York shall be liable on
21 notes, bonds or other obligations of the authority and such notes, bonds
22 and other obligations shall not be a debt of the state or the city of
23 New York, and such notes, bonds and other obligations shall contain on
24 the face thereof, or in an equally prominent place, a statement to such
25 effect.

26 10. So long as the authority has any outstanding bonds, notes or other
27 obligations issued pursuant to this section, none of the authority or
28 any of its subsidiary corporations shall have the authority to file a
29 voluntary petition under chapter nine of the federal bankruptcy code or
30 such corresponding chapter, chapters or sections as may, from time to
31 time, be in effect, and neither any public officer nor any organization,
32 entity or other person shall authorize the authority or any of its
33 subsidiary corporations to be or become a debtor under chapter nine or
34 said corresponding chapter, chapters or sections during any such period.

35 11. The term "monies" as used in this section shall include, but not
36 be limited to, all operating subsidies provided by: (i) any public bene-
37 fit corporation; or (ii) any governmental entity, federal, state or
38 local and shall exclude all funds required to be transferred to the
39 metropolitan transportation authority pursuant to section thirteen
40 hundred forty-nine-iiii of this title.

41 12. Any resolution or agreement authorizing the issuance of bonds,
42 notes or other obligations pursuant to this section may, in addition,
43 authorize and provide for the issuance of lease obligations of the
44 authority which may be issued for the purposes and on the terms and
45 conditions under which the bonds, notes and other obligations authorized
46 under this section may be issued, and may be secured in the same manner
47 as such bonds, notes and other obligations, and which resolution with
48 respect to such lease obligations, may contain such other provisions
49 applicable to bonds, notes and other obligations not inconsistent with
50 the provisions of this section, as the authority may determine.

51 13. The aggregate principal amount of bonds, notes or other obli-
52 gations issued after the effective date of this title by the authority
53 to fund projects contained in capital program plans approved pursuant to
54 section thirteen hundred forty-nine-yyyy of this title for the new capi-
55 tal program period shall not exceed the new capital program debt limit.
56 Such aggregate principal amount of bonds, notes or other obligations or

1 the expenditure thereof shall not be subject to any limitation contained
2 in any other provision of law on the principal amount of bonds, notes or
3 other obligations or the expenditure thereof applicable to the authori-
4 ty. The aggregate limitation established by this subdivision shall not
5 include:

6 (a) obligations issued to refund, redeem or otherwise repay, including
7 by purchase or tender, obligations theretofore issued either by the
8 issuer of such refunding obligations or by the authority;

9 (b) obligations issued to fund any debt service or other reserve funds
10 for such obligations;

11 (c) obligations issued or incurred to fund the costs of issuance, the
12 payment of amounts required under bond and note facilities, federal or
13 other governmental loans, security or credit arrangements or other
14 agreements related thereto and the payment of other financing, original
15 issue premiums and related costs associated with such obligations;

16 (d) an amount equal to any original issue discount from the principal
17 amount of such obligations or to fund capitalized interest;

18 (e) obligations incurred in connection with the leasing, selling or
19 transferring of equipment; and

20 (f) bond anticipation notes or other obligations payable solely from
21 the proceeds of other bonds, notes or other obligations which would be
22 included in the aggregate principal amount specified in the opening
23 paragraph of this subdivision, whether or not additionally secured by
24 revenues of the authority, or any of its subsidiary corporations.

25 § 1349-yyy. Capital program plans; approvals; effect of disapproval.
26 1. (a) On or before the first of October next succeeding the effective
27 date of this section and every fifth year thereafter, the authority
28 shall submit to the governor a capital program plan for the ten-year
29 period commencing January first of the following year.

30 (b) Each such plan shall contain the capital program for the railroad
31 facilities, not including the Staten Island rapid transit operating
32 authority, under the jurisdiction of the authority.

33 (c) The plan shall set system-wide goals and objectives for capital
34 spending, establish standards for service and operations, and describe
35 each capital element proposed to be initiated in each of the years
36 covered by the plan and explain how each proposed element supports the
37 achievement of the service and operational standards established in the
38 plan. The plan shall also set forth an estimate of the amount of capital
39 funding required each year and the expected sources of such funding.
40 Each plan subsequent to the first such plan and each proposed amendment
41 or modification thereof shall also describe the current status of each
42 capital element included in the previously approved plan, if any. The
43 plan shall be accompanied or supplemented by such supporting materials
44 as the governor shall require.

45 (d) A capital element shall mean either a category of expenditure
46 itemized in a plan, as hereinafter provided, for which a specified maxi-
47 mum dollar amount is proposed to be expended, or a particularly
48 described capital project within one or more categories for which no
49 maximum expenditure is proposed, but for which an estimate of expected
50 cost is provided. A capital element shall be deemed to have been initi-
51 ated for purposes of this section if in connection with such element the
52 authority shall certify that: (i) purchase or construction contracts
53 have been entered into, obligating in the aggregate an amount exceeding
54 ten percent of the maximum or estimated cost of the element as set forth
55 in a plan; (ii) financing specific to the project has been undertaken;

1 or (iii) in a case where such element is limited to design or engineer-
2 ing, a contract therefor has been entered into.

3 2. The plan shall itemize the capital elements included in each
4 section of the plan under the following categories of expenditure: (a)
5 rolling stock and buses; (b) passenger stations; (c) track; (d) line
6 equipment; (e) line structures; (f) signals and communications; (g)
7 power equipment, emergency power equipment and substations; (h) shops,
8 yards, maintenance facilities, depots and terminals; (i) service vehi-
9 cles; (j) security systems; (k) electrification extensions; and (l)
10 unspecified, miscellaneous and emergency.

11 3. A capital program plan shall be approved only by resolution of the
12 authority approved by not less than a majority vote of the whole number
13 of members of the authority then in office, except that in the event of
14 a tie vote the chairperson shall cast one additional vote. After
15 approval, the authority shall submit the plan to the governor, who has
16 ninety days to approve the plan.

17 4. A copy of any capital program plan that has been approved by the
18 authority and distributed to the governor shall be simultaneously
19 provided to the public by the metropolitan commuter authority, via its
20 official or shared internet website.

21 5. If the governor takes no action within ninety days after receiving
22 the plan, the plan shall be deemed to have been approved.

23 6. If the governor vetoes the plan, the authority may only override
24 the veto by unanimous vote.

25 7. If the governor vetoes the plan and the authority does not override
26 the veto, the authority may thereafter reformulate and resubmit such
27 plan at any time. Within thirty days of the submission of such reformu-
28 lated plan, the governor shall notify the authority of its approval, or,
29 if the reformulated plan is not approved and the governor has not noti-
30 fied the authority of his or her disapproval within such period, the
31 reformulated plan shall be deemed to have been approved.

32 8. No general obligation bonds or notes of the authority, no special
33 obligation bonds or notes of the authority to finance a transit project
34 shall be issued to finance the costs of a capital element unless such
35 capital element and such source of funding was set forth in a plan
36 approved as provided in this section.

37 9. The disapproval of a capital program plan shall not affect: (a) the
38 right of the authority or of its subsidiaries to initiate and complete
39 any capital element which will be financed otherwise than through the
40 issuance of the bonds or notes the issuance of which is prohibited under
41 subdivision four of this section; (b) the right of the authority to
42 issue bonds or notes to finance a capital element which was initiated
43 prior to such disapproval in conformity with a previously approved plan;
44 or (c) the right of the authority to issue bonds or notes to refund or
45 otherwise repay any of its outstanding bonds or notes or to fulfill any
46 of their obligations to the holders of any of their outstanding bonds or
47 notes.

48 10. Notwithstanding the provisions of subdivision eight of this
49 section, if a source of funding described in an approved plan shall be
50 unavailable or be available in a lesser amount than that set forth in
51 such plan, the authority may issue bonds or notes as necessary to
52 provide the requisite funding for the capital elements included in the
53 plan to the extent that the aggregate amount of such bonds or notes to
54 be issued in substitution for such unavailable amounts shall not exceed
55 the greater of fifty million dollars or twenty percent of the total

1 amount described in such plan for either the substitute funding source
2 or the funding source being substituted for.

3 11. (a) The authority may from time to time submit to the governor
4 amendments or modifications to any ten-year plan theretofore submitted,
5 and shall submit such an amendment or modification: (i) if the estimated
6 cost of any capital element for which a specified dollar amount was
7 proposed to be expended exceeds the amount set forth in the approved
8 plan for such element by more than ten percent; (ii) if with respect to
9 a particularly described capital element for which only an estimate of
10 projected cost has been provided in the plan there is a material change
11 in the description of such element from that contained in the approved
12 plan; (iii) if a capital element not previously included in the approved
13 plan is proposed to be undertaken and its cost, together with the cost
14 of other elements included in category (1) of the plan, exceeds by ten
15 percent the amount provided for such category (1) elements; (iv) if the
16 authority shall propose to change by more than one year the time when
17 any capital element is proposed to be initiated or the effect of such
18 change will be to increase the estimated amount of capital funding
19 required in any year covered by the plan by more than twenty percent; or
20 (v) if the availability of funding sources changes to the degree to
21 which the authority is precluded from exercising the authorization
22 provided in subdivision six of this section and the authority wishes to
23 do so.

24 (b) An amendment or modification may only be approved in two ways: (i)
25 an amendment or modification shall only be approved by the governor and
26 within thirty days of the submission of an amendment or modification the
27 governor shall notify the authority of its approval of the same; or (ii)
28 if the amendment or modification is not approved by the governor within
29 such thirty day period and the governor has not notified the authority
30 in writing of his or her disapproval within such period, the amendment
31 or modification shall be deemed to have been approved.

32 12. In formulating its capital program plans, the authority shall give
33 consideration to the physical condition and urgency of need of each of
34 the several transportation and transit systems involved, to the needs of
35 all of the communities and areas serviced by these systems, to the
36 extent to which other capital aid or assistance may be available to each
37 of these systems, and to the safety, comfort and convenience of its
38 passengers. In determining the source or method of funding which the
39 authority is to use to finance the cost of the capital elements included
40 in its capital program plans, the authority shall, insofar as practica-
41 ble, give consideration, among other things, to: (a) the potential
42 impact of each such source or method upon the level of passenger fares;
43 (b) the relative cost of the several funding alternatives; and (c) the
44 relative ability of each source or method to provide funding at times
45 and in amounts estimated to be required by the capital program plan. To
46 the extent funding is proposed to be obtained through the issuance and
47 sale of bonds or notes, the authority shall, insofar as practicable and
48 consistent with the matters set forth in paragraphs (a), (b) and (c) of
49 this subdivision, give preference to the use of funds appropriated or to
50 be appropriated to the authority by virtue of service contracts with the
51 director of the budget entered into pursuant to the provisions of the
52 transportation systems assistance and financing act of 1981 for purposes
53 of paying the annual cost of debt service for such bonds or notes.

54 13. On or before the fourth first of October succeeding the effective
55 date of this subdivision, and on or before October first of every fifth
56 year thereafter, the authority shall submit to the governor a twenty-

1 year capital needs assessment. Such assessment shall begin with the
2 period commencing on the second first of January after such submission,
3 and begin each assessment with every fifth year thereafter, and describe
4 capital investments over the succeeding twenty years. Such assessment
5 shall: (a) set forth broad long-term capital investments to be made
6 throughout the district; and (b) establish a non-binding basis to be
7 used by the authority in the planning of strategic investments involving
8 capital elements in its five-year capital plans. Such assessment shall
9 not require the approval of the governor and shall be for informational
10 purposes only. For purposes of this section, "broad long-term capital
11 investments" shall include but not be limited to: system rebuilding,
12 enhancement, and expansion needs; agency needs broken down by capital
13 element or investment category; and projected future trends and network
14 implications. Such assessment shall be certified by the chairperson of
15 the authority and shall be entered into the permanent record of the
16 minutes of the review board.

17 § 1349-zzzz. Submission of strategic operation plan. 1. On or before
18 the first of July next succeeding the effective date of this section,
19 the authority shall submit to the governor a strategic operation plan
20 for the commuter railroad services under the jurisdiction of the author-
21 ity for the five-year period commencing January first of the following
22 year. The plan may be amended as required but shall be updated at least
23 annually. The plan shall include, but need not be limited to, the
24 following:

25 (a) Long-range goals and objectives for the operation of services and
26 facilities;

27 (b) Planned service and performance standards for each year of the
28 period covered by the plan; including, in such plan submitted after the
29 first of July next succeeding the effective date of this section: (i)
30 standards for determining frequency of service at peak hours and off-
31 peak hours; (ii) frequency of service at peak and off-peak hours based
32 on the application of such standards to the current period for bus route
33 or group of bus routes, and commuter rail lines, divisions or branches
34 as appropriate; (iii) projected performance for each bus route or group
35 of bus routes, and commuter rail lines, divisions or branches as appro-
36 priate as measured by reliability indicators commonly utilized within
37 the transit industry, including such measures as planned number of vehi-
38 cles with air conditioning and projected reliability of such equipment,
39 planned standards for cleanliness of the interior and exterior of commu-
40 ter rail cars, buses, and passenger stations, and other appropriate
41 measures of planned performance influencing the quality of services;

42 (c) Level and structure of fares projected for each year of the period
43 covered by the plan;

44 (d) Estimated operating and capital resources anticipated to be avail-
45 able from internal sources as well as from federal, state, regional and
46 local sources;

47 (e) Estimated operating and capital costs to satisfy planned standards
48 of performance and service;

49 (f) Strategies to improve productivity; control cost growth; integrate
50 and coordinate the delivery of services provided by the authority as
51 well as other public and private transportation providers in the service
52 area;

53 (g) Specific allocation of operating and capital resources by mode and
54 operation, including funds, personnel, and equipment;

1 (h) Configuration by mode, operation and route of the services to be
2 provided and the facilities to be operated, identifying major planned
3 changes in services and routes; and

4 (i) Identification of the operating and capital costs as compared to
5 the revenues anticipated from system users for the commuter transporta-
6 tion authority.

7 An analysis of the relationship between specific planned capital
8 elements contained in approved capital program plans and the achievement
9 of planned service and performance standards. Such analysis shall
10 include the relationship of specific planned capital elements to the
11 achievement of such service and performance standards for each bus route
12 or group of bus routes, or commuter rail lines, divisions or branches as
13 appropriate.

14 2. Each annual update of the plan shall include a status report summa-
15 rizing the extent to which planned service and performance standards
16 developed for the previous year were achieved, the causes of any failure
17 to achieve projected standards of service, and corrective measures the
18 authority intends to take to avoid non-achievement of projected stand-
19 ards in the next upcoming year.

20 3. The commuter transportation authority shall take into consideration
21 any petitions from local officials for improved services, including how
22 these service improvements relate to the service and performance stand-
23 ards described in this section, and shall consult with appropriate local
24 officials in its preparation and periodic updates to the operation plan.

25 § 1349-aaaaa. Financial and operational reports. The authority shall
26 submit to the governor, the temporary president of the senate and the
27 speaker of the assembly, no later than thirty days following the
28 submission of the annual independent audit report pursuant to section
29 twenty-eight hundred two of this chapter, a complete detailed report or
30 reports setting forth, to the extent such matters are not fully
31 addressed in the annual independent audit report, the following:

32 1. its financial reports, including, but not limited to:

33 (a) audited financials in accordance with all applicable regulations
34 and following generally accepted accounting principles as defined in
35 subdivision ten of section two of the state finance law;

36 (b) grant and subsidy programs;

37 (c) operating and financial risks;

38 (d) current ratings of its bonds issued by recognized municipal bond
39 rating agencies and notice changes in such ratings; and

40 (e) long-term liabilities, including leases and employee benefit
41 plans; and

42 2. an assessment of the effectiveness of its internal control struc-
43 ture and procedures, including, but not limited to:

44 (a) descriptions of the authority and its major units and subsid-
45 iaries;

46 (b) the number of employees, and minority and women employees, for
47 each;

48 (c) an organizational chart;

49 (d) its charter, if any and by-laws;

50 (e) the extent of participation by minority and women-owned enter-
51 prises in authority contracts and services in accordance with article
52 fifteen-A of the executive law; and

53 (f) a listing of material changes in internal operations and programs
54 during the reporting year.

55 § 1349-bbbbb. Mission statement and measurement report. 1. The
56 authority shall submit to the governor, the temporary president of the

1 senate and the speaker of the assembly, on or before the thirty-first of
2 October next succeeding the effective date of this section, a proposed
3 authority mission statement and proposed measurements. The proposed
4 mission statement and proposed measurements shall have the following
5 components: (a) a brief mission statement expressing the purpose and
6 goals of the authority; (b) a description of the stakeholders of the
7 authority and their reasonable expectations from the authority, which
8 stakeholders shall include at a minimum: (i) the residents and taxpayers
9 of the area of the state served by the authority; (ii) the persons that
10 use the services provided by the authority; and (iii) the employees of
11 the authority and any employee organization; (c) the goals of the
12 authority in response to the needs of each group of stakeholders; and
13 (d) a list of measures by which performance of the authority and the
14 achievement of its goals may be evaluated.

15 2. The authority shall thereafter reexamine its mission statement and
16 measurements on an annual basis, and publish on its website self evalu-
17 ations based on the stated measures.

18 § 1349-cccc. Requirements for certain authority contracts and related
19 subcontracts. 1. Any contractor or subcontractor subject to the posting
20 requirements of paragraph a of subdivision three-a of section two
21 hundred twenty of the labor law with respect to a public works contract
22 of the authority shall:

23 (a) post information conforming to the provisions of subdivision two
24 of this section in one or more conspicuous places at each major work-
25 place site where persons who perform work on the contract or subcon-
26 tract, including management, are most likely to see such postings;
27 provided that, this requirement may be satisfied by the displaying of
28 such information with other notices that inform persons of rights under
29 federal or state laws or rules, human resource policies, or collective
30 bargaining agreements;

31 (b) post information conforming to the provisions of subdivision two
32 of this section on an internet and intranet website, if any, of that
33 person or business organization; provided that, this requirement may be
34 satisfied by providing on such website a conspicuous hyperlink to the
35 authority website maintained pursuant to subdivision three of this
36 section, which hyperlink shall be labeled "Protections for Reporting
37 Fraud in New York";

38 (c) distribute information specified in subdivision two of this
39 section to those persons, including employees and managers, who perform
40 work on the contract; provided that, this requirement may be satisfied
41 by distributing such information in an employee handbook or through a
42 specific electronic communication containing the information to a known
43 electronic mail address maintained by the person; and

44 (d) comply with the provisions of this subdivision, and provide to the
45 authority satisfactory evidence of such compliance, within ninety days.

46 2. The disclosures required by subdivision one of this section shall:

47 (a) provide the telephone numbers and addresses to report information
48 of fraud or other illegal activity to the appropriate officers of the
49 inspector general of the authority and the attorney general of the
50 state;

51 (b) describe in detail conduct prohibited by section one hundred
52 eighty-nine of the state finance law, and the role of that act in
53 preventing and detecting fraud and abuse in work paid for by the author-
54 ity or with funds originating from the authority;

55 (c) notify prospective qui tam plaintiffs on how to file a qui tam
56 action, including the necessity to contact private counsel skilled in

1 filing such actions and of the potential for cash rewards in such
2 actions based on the percentage of the funds recovered by the govern-
3 ment; and

4 (d) describe prohibitions on employer retaliation against persons who
5 file or assist actions under article thirteen of the state finance law,
6 the New York false claims act, pursuant to section one hundred ninety-
7 one of the state finance law, or who report illegal conduct that threat-
8 ens the health or safety of the public pursuant to section seven hundred
9 forty of the labor law.

10 3. No later than forty-five days after the effective date of this
11 section, the authority shall establish and continuously maintain on its
12 public website and its intranet site a page that shall provide the
13 information specified in subdivision two of this section, and that shall
14 also provide sample statements, displays and other materials suitable
15 for insertion in employee handbooks or posting at workplaces or on
16 websites that would satisfy the disclosure requirements of this section.

17 4. The authority shall not enter into any contract described in subdivi-
18 vision one of this section that does not incorporate the terms of this
19 section.

20 5. Material compliance by a covered person or business organization
21 that has contracted with the authority under a contract that incorpo-
22 rates the terms of this section shall be a material condition of payment
23 for the provision of goods or services.

24 6. The authority is authorized to adopt such rules and regulations as
25 are necessary to effect the purposes of this section.

26 § 1349-ddddd. Reserve funds and appropriations. The authority may
27 create and establish one or more reserve funds in accordance with agree-
28 ments with bondholders, noteholders or the holders of other obligations
29 of the authority and may pay into such reserve funds: (a) any monies
30 appropriated and made available by the state for the purposes of such
31 funds; (b) any proceeds of sale of notes, bonds or other obligations to
32 the extent provided in the resolution of the authority authorizing the
33 issuance thereof; and (c) any other monies which may be made available
34 to the authority for the purpose of such funds from any other source or
35 sources. In lieu thereof, the authority may provide for the deposit
36 therein of, or substitute for monies on deposit therein, a liquidity or
37 credit facility, surety bond or other similar agreement.

38 § 1349-eeee. Consolidated financings. 1. Notwithstanding any incon-
39 sistent provisions of this or any other law, general, special or local,
40 the authority may issue its notes, bonds and other obligations to
41 finance transportation facilities utilizing a consolidated pledge of all
42 or any portion of the revenues and other monies and assets of the
43 authority and its subsidiaries, together with those other sources of
44 payment described in this section. In connection therewith, at its
45 discretion, the authority, subject to the rights of the holders of
46 notes, bonds or other obligations of the authority, and the metropolitan
47 transportation authority, may deposit or cause to be deposited into one
48 or more funds and accounts: (a) all or any portion of the revenues,
49 other monies and assets received by the authority and its subsidiaries;
50 (b) all or any portion of the amounts from the operating and capital
51 costs account of the metropolitan transportation authority dedicated tax
52 fund required to be distributed to the authority under the provisions of
53 section twelve hundred seventy-c of this article; (c) all or any portion
54 of the available monies in the commuter railroad account of the metro-
55 politan transportation authority special assistance fund established
56 under the provisions of section twelve hundred seventy-a of this article

1 available for payment of operating and capital costs of the Long Island
2 Rail Road company and the Metro-North Commuter Railroad Company as
3 provided in subdivision three of section twelve hundred seventy-a of
4 this article; and (d) any other monies of the authority and its subsid-
5 aries from any source whatsoever.

6 2. Amounts so deposited in such funds or accounts may be: (a) pledged
7 by the authority to secure, and be applied to, the payment of its bonds,
8 notes or other obligations issued to finance transportation facilities
9 undertaken for the authority and its subsidiaries; and (b) used for
10 payment of operating costs, and capital costs, including debt service,
11 reserve requirements, if any, the payment of amounts required under
12 bonds, notes or other financing facilities or agreements, and the
13 payment of all costs related to such obligations, of or for the authori-
14 ty and its subsidiaries as the authority in its full discretion shall
15 determine. To the extent moneys so deposited have been pledged by the
16 authority to secure and pay its bonds, notes or other obligations as
17 herein provided, such moneys shall first be applied to satisfy the
18 requirements of any debt service or reserve requirements of the resol-
19 ution or resolutions or other contractual arrangements authorizing such
20 bonds, notes or other obligations. After satisfaction of such require-
21 ments of any such resolution, resolutions, or other contractual arrange-
22 ments or if the authority has not so pledged such moneys, such moneys so
23 deposited, subject to the provisions of any other resolutions or
24 contractual arrangements of the authority applicable provisions of law,
25 may be transferred to or for the benefit of the authority and its
26 subsidiaries. Revenues and other monies of the authority and its subsid-
27 aries which are deposited in the funds or accounts authorized by this
28 section, as reduced by any application of such revenues or monies to the
29 payment of debt service, reserve requirements, if any, and other costs
30 attributable to the funding of the capital costs of such entity, shall
31 be allocated, credited and distributed to such source entity. Any other
32 revenues or monies which are deposited in the funds or accounts author-
33 ized by this section which are required by law to be allocated or paid
34 to the authority or its subsidiaries shall be allocated or paid to the
35 entity to which it is required to be allocated or paid by law after
36 reduction by an amount equal to the portion thereof applied to the
37 payment of debt service, reserve requirements, if any, and other costs
38 attributable to the funding of the capital costs of such entity. In
39 determining the amount of debt service, reserve requirements, if any,
40 and other costs attributable to the authority and its subsidiaries the
41 authority shall make such calculation based upon the percentage of the
42 proceeds of the bonds, notes and other obligations expended for the
43 capital costs attributable to each such entity. The authority may
44 utilize any interim allocation of such distributions, provided that
45 within ninety days after the end of each calendar year, the authority
46 shall certify to the director of the budget, the chairperson of the
47 senate finance committee and the chairperson of the assembly ways and
48 means committee, that the aggregate amount of monies transferred to each
49 of the authority and its subsidiaries in respect of such calendar year,
50 taking into account any interagency repayments or reimbursements antic-
51 ipated to be made in the next succeeding calendar year, is not less than
52 the amounts required to be paid or transferred to such entities.

53 § 1349-fffff. Regulation of certain authority expenditures. The
54 authority shall implement policies as appropriate to minimize unwar-
55 ranted expenses and to protect against abuses in connection with: (a)
56 the granting of any privileges or benefits having financial value, other

1 than wage payments or expense reimbursements, to members or staff of the
2 authority, or any subsidiary or other authority created by the authori-
3 ty; and (b) the full-time and part-time assignment and use of automo-
4 biles owned or leased by the authority, or any subsidiary or other
5 authority created by the authority, and the use by authority employees
6 and board members of livery vehicles, as defined in section one hundred
7 twenty-one-e of the vehicle and traffic law.

8 § 1349-ggggg. Agreement of the state. The state does hereby pledge to
9 and agree with the authority and its subsidiaries, and the holders of
10 any notes, bonds or other obligations, including lease obligations,
11 issued or incurred under this title, that the state will not limit or
12 alter the denial of authority under subdivision nine of section thirteen
13 hundred forty-nine-xxxx of this title, or the rights and powers vested
14 in the authority and its subsidiaries, by this title to fulfill the
15 terms of any agreements made by any of them with the holders thereof, or
16 in any way impair the rights and remedies of such holders until such
17 notes, bonds or other obligations, including lease obligations, together
18 with the interest thereon, with interest on any unpaid installments of
19 interest, and all costs and expenses for which the authority or its
20 subsidiaries is liable in connection with any action or proceeding by or
21 on behalf of such holders, are fully met and discharged. The authority
22 and its subsidiaries are each authorized to include this pledge and
23 agreement of the state in any agreement with the holders of such notes,
24 bonds or other obligations, including lease obligations.

25 § 1349-hhhhh. Right of state to require redemption of bonds. Notwith-
26 standing and in addition to any provisions for the redemption of bonds
27 which may be contained in any contract with the holders of the bonds,
28 the state may, upon furnishing sufficient funds therefor, require the
29 authority to redeem, prior to maturity, as a whole, any issue of bonds
30 on any interest payment date not less than twenty years after the date
31 of the bonds of such issue at one hundred five per centum of their face
32 value and accrued interest or at such lower redemption price as may be
33 provided in the bonds in case of the redemption thereof as a whole on
34 the redemption date. Notice of such redemption shall be published in at
35 least two newspapers publishing and circulating respectively in the
36 cities of Albany and New York at least twice, the first publication to
37 be at least thirty days before the date of redemption.

38 § 1349-iiiii. Remedies of noteholders and bondholders. 1. In the
39 event that the authority shall default in the payment of principal of or
40 interest on any issue of notes or bonds after the same shall become due,
41 whether at maturity or upon call for redemption, and such default shall
42 continue for a period of thirty days, or in the event that the authority
43 shall fail or refuse to comply with the provisions of this title or
44 shall default in any agreement made with the holders of any issue of
45 notes or bonds, the holders of twenty-five per centum in aggregate prin-
46 cipal amount of the notes or bonds of such issue then outstanding, by
47 instrument or instruments filed in the office of the clerk of any county
48 in which the authority operates and has an office and proved or acknowl-
49 edged in the same manner as a deed to be recorded, may appoint a trustee
50 to represent the holders of such notes or bonds for the purposes herein
51 provided.

52 2. Such trustee may, and upon written request of the holders of twen-
53 ty-five per centum in principal amount of such notes or bonds then
54 outstanding shall, in his or her own name:

55 (a) by suit, action or proceeding in accordance with the civil prac-
56 tice law and rules, enforce all rights of the noteholders or bondhold-

ers, including the right to require the authority to collect fares, tolls, rentals, rates, charges and other fees adequate to carry out any agreement as to, or pledge of, such fares, tolls, rentals, rates, charges and other fees and to require the authority to carry out any other agreements with the holders of such notes or bonds and to perform its duties under this title;

(b) bring suit upon such notes or bonds;

(c) by action or suit, require the authority to account as if it were the trustee of an express trust for the holders of such notes or bonds;

(d) by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such notes or bonds; and/or

(e) declare all such notes or bonds due and payable, and if all defaults shall be made good, then, with the consent of the holders of twenty-five per centum of the principal amount of such notes or bonds then outstanding, to annul such declaration and its consequences.

3. Such trustee shall in addition to the foregoing have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of bondholders or noteholders in the enforcement and protection of their rights.

4. The supreme court shall have jurisdiction of any suit, action or proceeding by the trustee on behalf of such noteholders or bondholders. The venue of any such suit, action or proceeding shall be laid in the county in which the instrument or instruments are filed in accordance with subdivision one of this section.

5. Before declaring the principal of notes or bonds due and payable, the trustee shall first give thirty days' notice in writing to the governor, to the authority, to the comptroller and to the attorney general of the state.

§ 1349-jjjjj. Notes and bonds as legal investment. The notes and bonds of the authority are hereby made securities in which all public officers and bodies of the state and all municipalities and political subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or who may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds including capital in their control or belonging to them. Notwithstanding any other provisions of law, the bonds of the authority are also hereby made securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities and political subdivisions for any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter be authorized.

§ 1349-kkkkk. Exemption from taxation. It is hereby found, determined and declared that the creation of the authority and the carrying out of its purposes is in all respects for the benefit of the people of the state of New York and for the improvement of their health, welfare and prosperity and is a public purpose, and that the authority will be performing an essential governmental function in the exercise of the powers conferred upon it by this title. Without limiting the generality of the following provisions of this section, property owned by the

1 authority, property leased by the authority and used for transportation
2 purposes, and property used for transportation purposes by or for the
3 benefit of the authority exclusively pursuant to the provisions of a
4 joint service arrangement or of a joint facilities agreement or trackage
5 rights agreement shall all be exempt from taxation and special ad valo-
6 rem levies. The authority shall be required to pay no fees, taxes or
7 assessments, whether state or local, including but not limited to fees,
8 taxes or assessments on real estate, franchise taxes, sales taxes or
9 other excise taxes, upon any of its property, or upon the use thereof,
10 or upon its activities in the operation and maintenance of its facili-
11 ties or on any fares, tolls, rentals, rates, charges or other fees,
12 revenues or other income received by the authority and the bonds of the
13 authority and the income therefrom shall at all times be exempt from
14 taxation, except for gift and estate taxes and taxes on transfers. This
15 section shall constitute a covenant and agreement with the holders of
16 all bonds issued by the authority. The terms "taxation" and "special ad
17 valorem levy" shall have the same meanings as defined in section one
18 hundred two of the real property tax law and the term "transportation
19 purposes" shall have the same meaning as used in titles two-A and two-B
20 of article four of such law.

21 § 1349-11111. Actions against the authority. 1. As a condition to the
22 consent of the state to such suits against the authority, in every
23 action against the authority for damages, for injuries to real or
24 personal property or for the destruction thereof, or for personal inju-
25 ries or death, the complaint shall contain an allegation that at least
26 thirty days have elapsed since the demand, claim or claims upon which
27 such action is founded were presented to a member of the authority or
28 other officer designated for such purpose and that the authority has
29 neglected or refused to make an adjustment or payment thereof.

30 2. An action against the authority founded on tort, except an action
31 for wrongful death, shall not be commenced more than one year and ninety
32 days after the cause of action therefor shall have accrued, nor unless a
33 notice of claim shall have been served on the authority within the time
34 limited by and in compliance with all the requirements of section
35 fifty-e of the general municipal law. An action against the authority
36 for wrongful death shall be commenced in accordance with the notice of
37 claim and time limitation provisions of title eleven of article nine of
38 this chapter.

39 3. The authority shall be liable, and shall assume the liability to
40 the extent that it shall save harmless any duly appointed officer or
41 employee of the authority, for the negligence of such officer or employ-
42 ee, in the operation of a vehicle or other facility of transportation
43 owned or otherwise under the jurisdiction and control of the authority
44 in the discharge of a duty imposed upon such officer or employee at the
45 time of the accident, injury or damages complained of, while otherwise
46 acting in the performance of his or her duties and within the scope of
47 his employment.

48 4. The authority may require any person, presenting for settlement an
49 account or claim for any cause whatever against the authority, to be
50 sworn before a member, counsel or an attorney, officer or employee of
51 the authority designated for such purpose, concerning such account or
52 claim and when so sworn to answer orally as to any facts relative to
53 such account or claim. The authority shall have power to settle or
54 adjust all claims in favor of or against the authority.

55 5. The rate of interest to be paid by the authority upon any judgment
56 for which it is liable shall not exceed four per centum per annum.

6. The provisions of this section which relate to the requirement for service of a notice of claim shall not apply to a subsidiary corporation of the authority. In all other respects, each subsidiary corporation of the authority shall be subject to the provisions of this section as if such subsidiary corporation were separately named herein, provided, however, that a subsidiary corporation of the authority which is a stock corporation shall not be subject to the provisions of this section except with respect to those causes of action arising on and after the first day of the twelfth calendar month following that calendar month in which such stock corporation becomes a subsidiary corporation of the authority.

§ 1349-mmmmm. Annual audit of the authority. 1. The comptroller shall conduct an annual audit of the books and records of the authority and its subsidiary corporations. Such audit shall include a complete and thorough examination of such authority's receipts, disbursements, revenues and expenses during the prior fiscal year in accordance with the categories or classifications established by such authority for its own operating and capital outlay purposes; assets and liabilities at the end of its last fiscal year including the status of reserve, depreciation, special or other funds and including the receipts and payments of these funds; schedule of bonds and notes outstanding at the end of its fiscal year and their redemption dates, together with a statement of the amounts redeemed and incurred during such fiscal year; operations, debt service and capital construction during the prior fiscal year.

2. The comptroller, upon completion of such audit, shall within sixty days thereafter, report to the governor and the legislature his or her findings, conclusions and recommendations thereof.

§ 1349-nnnnn. Authority budget and financial plan. 1. In addition to the requirements of section twenty-eight hundred two of this chapter, each authority budget and plan shall be posted on its website and shall: (a) present information relating to the authority and each of its agencies in a clear and consistent manner and format; (b) be prepared in accordance with generally accepted accounting principles, except as otherwise consented to by the comptroller upon good cause shown; (c) be based on reasonable assumptions and methods of estimation; (d) include estimates of projected operating revenues and expenses; (e) identify any planned transaction that would shift resources, from any source, from one fiscal year to another, and the amount of any reserves; and (f) contain a summary in plain English of the principal information in the budget and conclusions to be drawn from it.

2. The authority shall prepare and make available for public inspection on its website information that details the sources of data and the assumptions and methods of estimation used to calculate all operating and capital budget projections, consistent with generally accepted budgetary practices.

3. The authority shall establish at least annually the quarterly revenue and expense targets for the authority, and for each subsidiary or other authority created by the authority itself and for which it reports financial data.

4. The authority shall prepare and make available for public inspection on its website: (a) within sixty days of the release of the adopted budget and any updates to the budget, except updates released within ninety days of the close of the fiscal year, monthly projections for the current fiscal year of all revenues and expenses, staffing for the authority and each of its agencies, and utilization for each of the authority's agencies that operate transportation systems, including

1 bridges and tunnels; (b) within sixty days after the close of each quar-
2 ter, a comparison of actual revenues and expenses, actual staffing and
3 actual utilization to planned or projected levels for each of the
4 authority's agencies that operate transportation systems, including
5 bridges and tunnels, with an explanation of each material variance and
6 its budgetary impact; and (c) within ninety days after the close of each
7 quarter, the status of each gap-closing initiative with a projected
8 value greater than one million dollars in any given fiscal year; the
9 status of capital projects by capital element, including but not limited
10 to commitments, expenditures and completions; and an explanation of
11 material variances from the plan, cost overruns and delays.

12 5. Financial information required to be submitted by the authority
13 pursuant to paragraphs (d) and (e) of subdivision one of section thir-
14 teen hundred forty-nine-aaaaa of this title shall be presented in a
15 format consistent with the budget and plan, in downloadable, searchable
16 format.

17 § 1349-ooooo. Independent audit of the authority. The independent
18 auditor retained by the authority shall not provide to the authority,
19 contemporaneously with the audit unless it shall have previously
20 received written approval by the audit committee any non-audit service,
21 including:

- 22 1. routine bookkeeping or other services;
- 23 2. financial information systems design and implementation;
- 24 3. appraisal or valuation services, fairness opinions, or contribu-
25 tion-in-kind reports;
- 26 4. actuarial services;
- 27 5. outsourcing services;
- 28 6. authority management functions or human resources;
- 29 7. broker or dealer, investment advisor or investment banking
30 services;
- 31 8. legal services and expert services unrelated to the audit.

32 § 1349-ppppp. Independent audit by the legislature. After the
33 submission of the annual independent audit report to the legislature
34 pursuant to section twenty-eight hundred two of this chapter, and after
35 review of such report, the temporary president of the senate and the
36 speaker of the assembly may commission an auditing firm, every two
37 years, to conduct an independent audit of the authority, including its
38 subsidiaries. The temporary president of the senate and the speaker of
39 the assembly shall set the scope of such audit, and determine the terms
40 of the request for proposal for such audit. Such audit shall be
41 performed for the second year after the effective date of this section.
42 The authority shall fully cooperate with and assist in such an audit.

43 § 1349-qqqqq. Reporting. The authority shall post on its website on or
44 before the first of May, the law firms retained by the authority which
45 in the past year received payment for services in such year.

46 § 1349-rrrrr. Station operation and maintenance. 1. (a) The operation,
47 maintenance and use of passenger stations shall be public purposes of
48 the city of New York and the counties within the district. The total
49 cost to the authority and each of its subsidiary corporations of opera-
50 tion, maintenance and use of each passenger station within the district
51 served by one or more railroad facilities of the authority or of such
52 subsidiary corporation, including the buildings, appurtenances, plat-
53 forms, lands and approaches incidental or adjacent thereto, shall be
54 borne by the city of New York if such station is located in such city
55 or, if not located in such city, by such county within the district in
56 which such station is located. On or before June first of each year, the

authority shall, in accordance with the method specified herein, determine and certify to the city of New York and to each county within the district the respective allocation of costs related to the operation, maintenance and use of passenger stations within such city and each such other county, for the twelve-month period ending the preceding March thirty-first.

(i) The total payment amount to be billed by the authority for the operation, maintenance and use of each passenger station within the city of New York and the counties of Nassau, Suffolk, Westchester, Dutchess, Putnam, Orange, and Rockland shall be calculated by summing the total amount listed in the base amount table plus an adjustment to such base year amount equal to the base amount times the increase or decrease in the Consumer Price Index for Wage Earners and Clerical Workers for the New York, Northeastern-New Jersey Standard Metropolitan Statistical Area for the twelve-month period being billed.

BASE AMOUNT TABLE

<u>County</u>	<u>Base Amount</u>
<u>Nassau</u>	<u>\$19,200,000</u>
<u>Suffolk</u>	<u>\$11,834,091</u>
<u>Westchester</u>	<u>\$13,269,310</u>
<u>Dutchess</u>	<u>\$1,581,880</u>
<u>Putnam</u>	<u>\$618,619</u>
<u>Orange</u>	<u>\$327,247</u>
<u>Rockland</u>	<u>\$34,791</u>
<u>City of New York</u>	<u>\$61,435,330</u>

(ii) For each year thereafter, such total payment for each such county shall be the same amount as the total payment during the immediately prior year, plus an adjustment equal to the prior year amount times the increase or decrease in the Consumer Price Index for Wage Earners and Clerical Workers for the New York, Northeastern-New Jersey Standard Metropolitan Statistical Area for the twelve-month period being billed.

(b) On or before the following September first, of each year, such city and each such county shall pay to the authority such cost or amount so certified to it on or before the preceding June first. Such city and each such county shall have power to finance such costs to it by the issuance of budget notes pursuant to section 29.00 of the local finance law. Each year, the authority, the city of New York and the counties of Nassau, Suffolk, Westchester, Dutchess, Putnam, Orange, and Rockland may, after having reached an agreement, recommend to the legislature modifications to the amounts set forth in this section based upon changes made to commuter services including but not limited to changes in the number of passenger stations within such counties or the level of commuter rail service provided to any such passenger stations. Failure between the authority and between the counties to reach agreement will be referred to the state comptroller for mediation. If the mediation is unsuccessful, each party and the state comptroller may submit a recommendation to the governor and the legislature for legislative action.

(c) In the event that a city or county shall fail to make payment to the authority for station maintenance as required pursuant to this section, or any part thereof, the chief executive officer of the authority or such other person as the chairperson shall designate shall certify to the state comptroller the amount due and owing the authority at

1 the end of the state fiscal year and the state comptroller shall with-
2 hold an equivalent amount from the next succeeding state aid allocated
3 to such county or city from the motor fuel tax and the motor vehicle
4 registration fee distributed pursuant to former section one hundred
5 twelve of the highway law, or amounts distributed pursuant to section
6 ten-c of the highway law, or per capita local assistance pursuant to
7 section fifty-four of the state finance law subject to the following
8 limitations: (i) prior to withholding amounts due the authority from
9 such county or city, the comptroller shall pay in full any amount due
10 the state of New York municipal bond bank agency, on account of any such
11 county's or city's obligation to such agency; the city university
12 construction fund pursuant to the provisions of the city university
13 construction fund act; the New York city housing development corpo-
14 ration, pursuant to the provisions of the New York city housing develop-
15 ment corporation act, article twelve of the private housing finance law;
16 and (ii) the transit construction fund pursuant to the provisions of
17 title nine-A of this article. The comptroller shall give the director of
18 the budget notification of any such payment. Such amount or amounts so
19 withheld by the comptroller shall be paid to the authority and the
20 authority shall use such amount for the repayment of the state advances
21 hereby authorized. When such amount or amounts are received by the
22 authority, it shall credit such amounts against any amounts due and
23 owing by the city or county on whose account such amount was withheld
24 and paid.

25 2. A public hearing or hearings shall be held at least thirty days
26 prior to the closure of any transportation facility due to construction,
27 improvement, reconstruction or rehabilitation where such facility will
28 be out-of-service for ninety days or longer. Public hearings required by
29 this subdivision shall be held at one or more locations conveniently
30 accessible to the persons who would be affected by such closure.

31 § 1349-sssss. Transfer and receipt of surplus funds. Notwithstanding
32 any provision of this title or any other provision of law, general,
33 special or local, the authority may from time to time transfer and pay
34 over to the New York city transit authority or the Triborough bridge and
35 tunnel authority all or any part of its surplus funds and may accept and
36 use any monies transferred and paid over to it by the New York city
37 transit authority or the Triborough bridge and tunnel authority.

38 § 1349-ttttt. Title not affected if in part unconstitutional or inef-
39 fective. If any provision of any section of this title or the applica-
40 tion thereof to any person or circumstance shall be adjudged invalid by
41 a court of competent jurisdiction, such order or judgment shall be
42 confined in its operation to the controversy in which it was rendered,
43 and shall not affect or invalidate the remainder of any provision of any
44 section of this title or the application of any part thereof to any
45 other person or circumstance and to this end the provisions of each
46 section of this title are hereby declared to be severable.

47 § 1349-uuuuu. Commuter transportation authority inspector general. 1.
48 There is hereby created in the commuter transportation authority an
49 office of commuter transportation authority inspector general. The
50 inspector general shall be appointed by the governor with the advice and
51 consent of the senate. The inspector general shall, prior to his or her
52 appointment, have had at least ten years experience in the management of
53 transportation services, in auditing and investigation of governmental
54 operations, or in services related to management and productivity
55 improvement. The term of office of the inspector general shall be five
56 years from the effective date of appointment, and he or she shall serve

1 at the pleasure of the governor. The salary of the inspector general
2 shall be determined by the authority board.

3 2. The inspector general shall annually submit to the board of the
4 commuter transportation authority a budget request for the operation of
5 the office. If the board disapproves any portion of such request and the
6 commissioner of transportation determines such disapproval to be unrea-
7 sonable, such commissioner shall withhold from payments due such author-
8 ity, the amount so determined to be unreasonable and transfer such
9 amount to the office of the commuter transportation authority inspector
10 general.

11 3. The inspector general shall have full and unrestricted access to
12 all records, information, data, reports, plans, projections, matters,
13 contracts, memoranda, correspondence and any other materials of the
14 authority and its subsidiaries, the Long Island Rail Road, Metro-North
15 Railroad, and metropolitan suburban bus authority, or any other agency
16 that may come under the control of the authority, or within their custo-
17 dy or control.

18 4. The inspector general, notwithstanding the provisions of title nine
19 of this article and this title, and of title three of article three of
20 this chapter, shall have the following functions, powers and duties:

21 (a) to receive and investigate complaints from any source or upon his
22 or her own initiative concerning alleged abuses, frauds and service
23 deficiencies, including deficiencies in the maintenance and operation of
24 facilities, relating to the authority and its subsidiaries;

25 (b) to initiate such reviews as he or she may deem appropriate of the
26 operations of the authority and its subsidiaries, in order to identify
27 areas in which performance might be improved and available funds used
28 more effectively;

29 (c) to recommend remedial actions to be taken by the authority and its
30 subsidiaries, to overcome or correct operating or maintenance deficien-
31 cies and inefficiencies that he or she determines to exist;

32 (d) to make available to appropriate law enforcement officials infor-
33 mation and evidence which relate to criminal acts that he or she may
34 obtain in carrying out his or her duties;

35 (e) to subpoena witnesses, administer oaths or affirmations, take
36 testimony and compel the production of such books, papers, records and
37 documents as he or she may deem to be relevant to any inquiry or inves-
38 tigation undertaken pursuant to this section and to delegate such powers
39 to a duly authorized deputy inspector general;

40 (f) to monitor the implementation by the authority and its subsid-
41 iaries of recommendations made by the inspector general or other audit
42 agencies; and

43 (g) to do all things necessary to carry out the functions, powers and
44 duties set forth in this section.

45 5. The inspector general shall cooperate, consult and coordinate with
46 the state public transportation safety board with regard to any activity
47 concerning the operations of the commuter transportation authority. With
48 respect to any accident on the facilities of the commuter transportation
49 authority, the primary responsibility for investigation shall be that of
50 the board which shall share its findings with the commuter transporta-
51 tion authority inspector general.

52 6. The inspector general shall make annual public reports on his or
53 her findings and recommendations. Such a report shall be filed in the
54 office of the governor and with the legislature on or before the first
55 of February for the preceding year. The commuter transportation authori-
56 ty and its applicable constituent agencies shall prepare a response to

1 the annual report and to any and all other final reports made by the
2 inspector general within thirty days of receipt, which time may be
3 extended by the inspector general in his or her discretion, indicating
4 whether such authority intends to implement the recommendations in such
5 reports, and, if not, why not. In addition, the commuter transportation
6 authority and its applicable constituent agencies shall give quarterly
7 reports to the inspector general outlining the status of each of the
8 recommendations made by the inspector general in his or her final
9 reports. Copies of all of these reports shall be sent to the governor,
10 the temporary president of the senate, the speaker of the assembly, the
11 chairperson of the senate transportation committee, the chairperson of
12 the senate finance committee, the chairperson of the assembly corpo-
13 rations, authorities and commissions committee and the chairperson of
14 the assembly ways and means committee.

15 7. To effectuate the purposes of this section, the inspector general
16 may request from any department, board, bureau, commission, office or
17 other agency of the state, or any of its political subdivisions, such
18 cooperation, assistance, services and data as will enable him or her to
19 carry out his or her functions, powers and duties hereunder, and they
20 are authorized and directed to provide said cooperation, assistance,
21 services and data.

22 § 1349-vvvvv. Management advisory board. 1. There is hereby created in
23 the office of the commuter transportation authority inspector general a
24 management advisory board, consisting of thirteen members appointed by
25 the governor, of whom two shall be appointed upon nomination by the
26 temporary president of the senate, two upon nomination by the speaker of
27 the assembly, one upon nomination by the minority leader of the senate
28 and one upon nomination by the minority leader of the assembly. All
29 members shall serve for a term of three years, except that, of the two
30 members first appointed upon nomination by the temporary president of
31 the senate, one shall serve for a term of two years and one shall serve
32 for a term of one year; of the two members first appointed upon nomi-
33 nation by the speaker of the assembly, one shall serve for a term of two
34 years and one shall serve for a term of one year; and, of two of the
35 members first appointed by the governor without nomination by any other
36 person, two shall each serve for a term of two years and two shall each
37 serve for a term of one year. One of the members appointed to the
38 management advisory board directly by the governor shall be designated
39 by the governor to serve as its chairperson.

40 2. All members of the management advisory board shall be residents of
41 the metropolitan transportation district, and shall be persons with
42 substantial experience in the management of private enterprise, in the
43 delivery of public services, or in labor or labor-management relations.

44 3. The management advisory board shall assist the commuter transporta-
45 tion authority inspector general in identifying ways to improve
46 services, reduce costs and increase the efficiency of the authority and
47 its subsidiaries.

48 4. No later than the first of April next succeeding the effective date
49 of this section, and annually thereafter, the management advisory board
50 shall submit to the governor and the legislature a report on its activ-
51 ities during the previous year.

52 5. The office of the commuter transportation authority inspector
53 general shall provide the management advisory board with such staff
54 support as may be required for the performance of its duties.

1 6. Members of the management advisory board shall serve without
2 compensation, but shall be reimbursed for expenses reasonably incurred
3 in the performance of their duties.

4 § 1349-wwwww. Transition-election to withdraw from the metropolitan
5 commuter transportation district. 1. The counties of Dutchess, Orange
6 and Rockland shall have an option to withdraw from the metropolitan
7 commuter transportation district and have such withdrawal take effect on
8 either: (a) The first of January next succeeding the effective date of
9 this section. If any such county plans to withdraw from the district on
10 the first of January next succeeding the effective date of this section,
11 it shall: (i) no later than seventy-five days after the effective date
12 of this section, furnish the commissioner of transportation, and chair-
13 person of the authority and the other counties which have an option to
14 withdraw, a resolution adopted by the county legislature providing
15 notice of intent to withdraw; (ii) on or before the first of October
16 next succeeding the effective date of this section, furnish to the
17 commissioner of transportation, the chairperson of the authority and
18 other counties which have an option to withdraw, a resolution adopted by
19 the county legislature providing for a public transportation plan. For
20 the purposes of this section, a "public transportation plan" shall mean
21 a plan that maintains adequate and continuous public transportation
22 services from the withdrawing county to the city of New York or any
23 terminus previously served, provides a reasonable level of rail passen-
24 ger service, provides a schedule for implementing such service, protects
25 the public investment in the rail transportation system and any other
26 criteria deemed necessary by the commissioner of transportation. Prior
27 to withdrawal pursuant to this paragraph or paragraph (b) of this subdi-
28 vision, a county shall receive approval of its public transportation
29 plan pursuant to paragraph (c) of this subdivision; and (iii) on or
30 before the first of December next succeeding the effective date of this
31 section, furnish the commissioner of transportation, a copy of an agree-
32 ment with the authority or an operator of rail passenger service for the
33 provision of rail passenger service to and from such county and the city
34 of New York or any terminus previously served.

35 If a county planning to withdraw on the first of January next succeed-
36 ing the effective date of this section is unable to withdraw because it
37 could not meet the requirements of this paragraph, it may elect to with-
38 draw pursuant to paragraph (b) of this subdivision.

39 (b) The second or third first of January succeeding the effective date
40 of this section. If any such county plans to withdraw on either the
41 second or third first of January next succeeding the effective date of
42 this section, it shall: (i) no later than ninety days after the first of
43 January of the year immediately preceding the year in which such county
44 plans to withdraw from the district, furnish the commissioner of trans-
45 portation, the chairperson of the authority and the other counties which
46 have an option to withdraw, a resolution adopted by the county legisla-
47 ture providing notice of intent to withdraw from the district; (ii) no
48 later than one hundred twenty days after the first of January of the
49 year immediately preceding the year in which such county plans to with-
50 draw from the district furnish to the commissioner of transportation,
51 the chairperson of the authority and the counties which have an option
52 to withdraw a resolution adopted by the county legislature providing a
53 public transportation plan as described in this section; and (iii) on or
54 before October first of the year immediately preceding the year in which
55 such county plans to withdraw from the district, furnish to the commis-
56 sioner a copy of an agreement with the authority or an operator of rail

1 passenger service for the provision of rail passenger service to and
2 from such county and the city of New York or any terminus previously
3 served.

4 (c) No later than thirty days after receipt of the public transpor-
5 tation plan the commissioner of transportation shall, in writing, either
6 approve such plan as conforming with the requirements heretofore
7 described or disapprove such plan as failing to meet such requirements
8 and the reasons therefor. Disapproval of a plan shall not prohibit a
9 county from resubmitting a public transportation plan and such resubmit-
10 ted plan shall be approved or disapproved no later than fifteen days
11 after receipt by the commissioner of transportation. The public trans-
12 portation plan shall be subject to any state or federal public hearing
13 requirements which the authority would be subject to if the authority
14 made the changes proposed by such plan.

15 (d) Any such county which plans to withdraw from the district shall
16 meet the requirements of this section prior to the effective date of
17 withdrawal, and no withdrawal for the purposes of this section shall
18 take effect unless such county furnishes the resolutions and agreement
19 prior to the effective date of withdrawal.

20 2. The authority and any subsidiary corporation of the authority shall
21 enter into an agreement or agreements with a county that plans to with-
22 draw from the district to transfer and assign to such county all author-
23 ity and subsidiary railroad facilities and operations, rights and obli-
24 gations, and contract rights and obligations, including operating
25 contract rights and obligations, which are owned, operated, maintained
26 or used directly or by contract or which are otherwise involved in the
27 provision of railroad services to such counties. Such agreement shall
28 provide, in the event a facility, operation, right or obligation is
29 necessary and material to the provision of rail passenger service in the
30 district or is not assignable under applicable bond covenants or
31 contracts or the parties agree that it should not be assigned, that the
32 authority or subsidiary thereof shall continue to hold and be responsi-
33 ble for such facility, operation, right or obligation and that such
34 county shall reimburse to the authority that portion of the cost to the
35 authority or subsidiary of its retention of such facility, operation,
36 right or obligation that is allocable to such county. If the parties
37 agree that the authority or subsidiary thereof shall operate the rail-
38 road facilities in a county after the effective date of such county's
39 withdrawal, the agreement also shall provide for the terms and condi-
40 tions of the operation of such service.

41 3. Within forty-five days of the effective date of this section, the
42 authority and any subsidiary corporation of the authority shall provide
43 to the counties of Dutchess, Orange and Rockland a written statement,
44 including cost estimates and the useful life, if any, of all of its
45 facilities, operations, rights and obligations relating to the provision
46 of rail service in such counties.

47 4. The authority and any subsidiary corporation of the authority is
48 authorized to enter into an agreement or agreements with a county that
49 plans to withdraw from the district, pursuant to which the authority or
50 subsidiary thereof will provide technical assistance to such county
51 prior to, during and after the withdrawal, with respect to the transfer
52 of ownership, operation, maintenance and use of railroad facilities
53 within such county. Such agreement may provide that the county reimburse
54 the authority or its subsidiary for the cost to the authority and its
55 subsidiary for the provision of such technical assistance.

1 5. The authority shall have no obligation to undertake or continue any
2 project or part thereof in a current or future capital program plan
3 which pertains to railroad facilities within or services to a county
4 that withdraws from the district on or after such date of withdrawal nor
5 shall the authority enter into any contract for a project or part there-
6 of which would increase liabilities pursuant to subdivision six of this
7 section in a county after such county notifies the authority of its
8 intent to withdraw as provided in subdivision one of this section,
9 provided, however, that if the authority has executed a contract for the
10 effectuation of a project or part thereof in a capital program plan in
11 such county, it shall be assigned to such county in accordance with
12 subdivision two of this section, unless the parties agree that it shall
13 not be assigned and that the authority or its subsidiary shall continue
14 to be responsible therefor, in which event the county shall reimburse
15 the authority or its subsidiary in accordance with the provisions of
16 subdivision two of this section.

17 6. Any county which withdraws from the district shall reimburse to the
18 authority or its subsidiary, within the time period agreed to by the
19 parties, any capital expenditures heretofore undertaken by the authori-
20 ty, the metropolitan transportation authority or its subsidiary for
21 railroad facilities only within such county which were financed by
22 commuter railroad revenue bonds issued by the metropolitan transporta-
23 tion authority pursuant to section twelve hundred sixty-nine of this
24 article or by the authority pursuant to section thirteen hundred forty-
25 nine-xxxx of this title and are assigned to such county in accordance
26 with the provisions of subdivision two of this section.

27 7. The obligations of a county that withdraws from the district to
28 reimburse the authority and any subsidiary corporation of the authority
29 for the costs of operation, maintenance and use of passenger stations
30 pursuant to section thirteen hundred forty-nine-rrrrr of this title,
31 shall continue for any such costs incurred up to the effective date of
32 the county's withdrawal from the district and for costs incurred there-
33 after that result from acts preceding such withdrawal, and the applica-
34 bility of the payment provisions and procedures of such section thirteen
35 hundred forty-nine-rrrrr to such county shall continue thereafter with
36 respect to the aforesaid costs.

37 8. In the event of a county's failure to make payment of any monies
38 determined by the authority to be owed and due it or any subsidiary
39 corporation of the authority pursuant to the terms of any agreement
40 entered into pursuant to this section, the authority is authorized to
41 recover such payments in the same manner as in section thirteen hundred
42 forty-nine-rrrrr of this title and the state comptroller shall withhold
43 and pay monies to the authority in accordance with the procedures set
44 forth in that section.

45 9. The term of office of any resident of a county that withdraws from
46 the district under this section, as a member of the board of the author-
47 ity, the Metro-North rail commuter council or the management advisory
48 board, which is based upon residence in such county, shall terminate
49 upon the county's withdrawal and the office shall be deemed vacant and
50 filled in the manner provided by law.

51 10. The provisions of this section and all agreements undertaken in
52 accordance herewith shall be subject to the rights of the holders of any
53 outstanding bonds or notes issued by the authority.

54 § 1349-xxxxx. The office of legislative and community input. 1. The
55 chairperson of the authority shall establish the office of legislative
56 and community input for the purpose of communicating information to, and

1 receiving comments, concerns and recommendations from, members of the
2 legislature, and members of the permanent citizens advisory committee to
3 the authority, as defined in section thirteen hundred forty-nine-qqqq of
4 this chapter, on the following:

5 (a) the operations of the rapid transit, omnibus and commuter rail
6 line facilities of the authority including, but not limited to:

7 (i) the quality of service provided on any rapid transit, omnibus, and
8 commuter rail line or route;

9 (ii) the frequency of operating service on the authority's mass trans-
10 it facilities;

11 (iii) the maintenance and condition of the authority's mass transit
12 facilities including, but not limited to, rapid transit and commuter
13 rail stations, railcars, buses, rail lines, fare collection systems and
14 sound systems; and

15 (iv) proposed service changes, including any reductions or expansion
16 of services, as it relates to the authority's mass transit facilities;
17 and

18 (b) any proposed, submitted and/or approved capital program plan, its
19 components, elements and projects, and associated expenditures. Any such
20 comments, concerns and recommendations relating to the capital program
21 plan, its components, elements and projects, and associated expenditures
22 shall be taken into consideration in the development of the current and
23 each successive capital program plan and/or any amendment to such plan.

24 2. The office shall establish a process to ensure timely notification
25 of the receipt of, and response to, comments, concerns, and recommenda-
26 tions by members of the legislature or members of the permanent citizens
27 advisory committee to the authority.

28 3. The chair and office shall prepare a report containing the follow-
29 ing information:

30 (a) a compilation of the comments, concerns, and recommendations
31 received by the office;

32 (b) how these comments, concerns or recommendations were or will be
33 addressed, such as the authority's response by the incorporation or
34 initiation of system and operational adjustments, improvements or expan-
35 sions if applicable; and

36 (c) how these comments, concerns or recommendations were or will be
37 addressed, such as the authority's response by changing or amending the
38 capital plan, as well as providing status updates on the progress of
39 such plan.

40 4. Such report shall on a biannual basis, commencing the first of
41 September next succeeding the effective date of this section, be submit-
42 ted to the governor, the temporary president of the senate and the
43 speaker of the assembly, be posted on the authority's website and also
44 be made readily available to the public.

45 § 1349-yyyyy. Debarment. The authority shall establish, pursuant to
46 regulation, a debarment process for contractors of the authority that
47 prohibits such contractors from bidding on future contracts, after a
48 debarment determination by such authority, for a period of five years
49 from such determination. Such regulations shall ensure notice and an
50 opportunity to be heard before such debarment determination and provide
51 as a defense acts such as force majeure. Such regulations shall only
52 provide for a debarment in situations involving a contractor's failure
53 to substantially complete the work within the time frame set forth in
54 the contract, or in any subsequent change order, by more than ten
55 percent of the contract term; or where a contractor's disputed work
56 exceeds ten percent or more of the total contract cost where claimed

1 costs are deemed to be invalid pursuant by the contractual dispute
2 resolution process.

3 § 1349-zzzzz. Right to share employees. 1. It is hereby found and
4 declared to be necessary and proper to authorize the authority, its
5 subsidiaries, affiliates, and subsidiaries of affiliates, powers to
6 effectuate and ensure such entities continued financial viability, which
7 is at issue given sizable operating deficits and significant capital
8 needs. Allowing wholesale internal management reforms will create
9 savings, combat entrenched bureaucracies, create streamlined, uniform,
10 and efficient services, ensure public accountability and reestablish
11 public trust. In order to facilitate these necessary goals it is both
12 reasonable and a legitimate public purpose to provide systematic author-
13 ity for the sharing of employees within and between the respective enti-
14 ties.

15 2. Notwithstanding any provision of law to the contrary, the authori-
16 ty, its subsidiaries, affiliates, and subsidiaries of affiliates shall
17 each have the right to share employees within and between such entities
18 and to assign such employees to perform any operation or function
19 subject only to a determination that they are substantially similar to
20 any operation or function currently performed. Substantially similar
21 operation or function shall be determined exclusively by the authority.

22 3. Nothing set forth in this subdivision shall be construed to impede,
23 infringe or diminish the rights and benefits that accrue to employees
24 and employers through collective bargaining agreements, or impact or
25 change an employee's membership in a bargaining unit.

26 § 2. This act shall take effect January 1, 2022.

27 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
28 sion, section or part of this act shall be adjudged by any court of
29 competent jurisdiction to be invalid, such judgment shall not affect,
30 impair, or invalidate the remainder thereof, but shall be confined in
31 its operation to the clause, sentence, paragraph, subdivision, section
32 or part thereof directly involved in the controversy in which such judg-
33 ment shall have been rendered. It is hereby declared to be the intent of
34 the legislature that this act would have been enacted even if such
35 invalid provisions had not been included herein.

36 § 3. This act shall take effect immediately provided, however, that
37 the applicable effective date of Parts A through E of this act shall be
38 as specifically set forth in the last section of such Parts.