S T A T E   O F   N E W   Y O R K

1537

2009-2010 Regular Sessions

I N S E N A T E

February 2, 2009

Introduced by Sen. PERKINS -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to the creation of an office of authorities oversight; and to repeal certain provisions of such law relating thereto

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subdivision 4 of section 2 of the public authorities law is REPEALED and a new subdivision 4 is added to read as follows:

4. "OFFICE OF AUTHORITIES OVERSIGHT" SHALL MEAN THE ENTITY ESTABLISHED PURSUANT TO SECTION FOUR OF THIS ARTICLE.

S 2. Subdivision 5 of section 2 of the public authorities law, as added by chapter 766 of the laws of 2005, is amended to read as follows:

5. "subsidiary" shall not include, for the purposes of this chapter, corporations that have been certified by the parent corporation to the [entity created pursuant to section twenty-seven of the chapter of the laws of two thousand five which added this section] OFFICE OF AUTHORITIES OVERSIGHT as being inactive for the past twelve months, having an identical board of its parent corporation, or not having separate and independent operational control. Provided, however, the parent corporation, in response to any request, shall address any provision or provisions of this chapter.

S 3. Sections 1 and 2 of article 1 of the public authorities law are designated title 1 and a new title heading is added to read as follows:

SHORT TITLE; DEFINITIONS

S 4. Article 1 of the public authorities law is amended by adding a new title 2 to read as follows:

TITLE 2

OFFICE OF AUTHORITIES OVERSIGHT

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

LBD05625-01-9

SECTION 4. ESTABLISHMENT OF THE INDEPENDENT OFFICE OF AUTHORITIES OVERSIGHT.
5. DIRECTOR OF THE OFFICE OF AUTHORITIES OVERSIGHT.
6. POWERS AND DUTIES OF THE OFFICE OF AUTHORITIES OVERSIGHT.
7. REPORTS OF THE OFFICE OF AUTHORITIES OVERSIGHT.

S 4. ESTABLISHMENT OF THE INDEPENDENT OFFICE OF AUTHORITIES OVERSIGHT. THERE IS HEREBY ESTABLISHED THE INDEPENDENT OFFICE OF AUTHORITIES OVERSIGHT AS AN INDEPENDENT ENTITY WITHIN THE DEPARTMENT OF STATE, WHICH SHALL HAVE AND EXERCISE THE POWERS AND DUTIES PROVIDED BY THIS TITLE.

S 5. DIRECTOR OF THE OFFICE OF AUTHORITIES OVERSIGHT. THE DIRECTOR OF THE OFFICE OF AUTHORITIES OVERSIGHT SHALL BE APPOINTED BY THE GOVERNOR, UPON THE ADVICE AND CONSENT OF THE SENATE. THE DIRECTOR SHALL HOLD OFFICE FOR A TERM OF FOUR YEARS BEGINNING ON THE DATE OF CONFIRMATION. THE SALARY OF THE DIRECTOR SHALL BE ESTABLISHED BY THE GOVERNOR WITHIN THE LIMIT OF FUNDS AVAILABLE THEREFOR; PROVIDED, HOWEVER, SUCH SALARY SHALL BE NO LESS THAN THE SALARIES OF CERTAIN STATE OFFICERS HOLDING THE POSITIONS INDICATED IN PARAGRAPH (D) OF SUBDIVISION ONE OF SECTION ONE HUNDRED SIXTY-NINE OF THE EXECUTIVE LAW. THE DIRECTOR MAY BE REMOVED BY THE GOVERNOR ONLY AFTER NOTICE AND OPPORTUNITY TO BE HEARD, AND ONLY FOR:

1. PERMANENT DISABILITY;
2. INEFFICIENCY;
3. NEGLECT OF DUTY;
4. MALFEASANCE; OR
5. A FELONY OR CONDUCT INVOLVING MORAL TURPITUDE.

S 6. POWERS AND DUTIES OF THE OFFICE OF AUTHORITIES OVERSIGHT. 1. THE OFFICE OF AUTHORITIES OVERSIGHT SHALL:

(A) CONDUCT REVIEWS AND ANALYSIS OF THE OPERATIONS, PRACTICES AND REPORTS OF STATE AND LOCAL AUTHORITIES TO ASSESS COMPLIANCE WITH THE PROVISIONS OF THIS CHAPTER AND OTHER APPLICABLE PROVISIONS OF LAW;

(B) MAINTAIN A COMPREHENSIVE INVENTORY OF STATE AND LOCAL AUTHORITIES AND SUBSIDIARIES AND THE ANNUAL REPORTS OF SUCH STATE AND LOCAL AUTHORITIES AS DEFINED IN SECTION TWENTY-EIGHT HUNDRED OF THIS CHAPTER;

(C) ASSIST STATE AND LOCAL AUTHORITIES IN IMPROVING MANAGEMENT PRACTICES AND THE PROCEDURES BY WHICH THE ACTIVITIES AND FINANCIAL PRACTICES OF STATE AND LOCAL AUTHORITIES ARE DISCLOSED TO THE PUBLIC;

(D) MAKE RECOMMENDATIONS TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY AND THE CHAIRS AND RANKING MINORITY MEMBERS OF THE FOLLOWING COMMITTEES: THE SENATE FINANCE COMMITTEE, THE ASSEMBLY WAYS AND MEANS COMMITTEE, THE SENATE COMMITTEE ON CORPORATIONS, AUTHORITIES AND COMMISSIONS AND THE ASSEMBLY COMMITTEE ON CORPORATIONS, AUTHORITIES AND COMMISSIONS AND AUTHORITY BOARD MEMBERS CONCERNING OPPORTUNITIES TO IMPROVE THE PERFORMANCE, REPORTING, REFORMATION, STRUCTURE AND OVERSIGHT OF STATE AND LOCAL AUTHORITIES;

(E) PROVIDE SUCH ADDITIONAL INFORMATION AND ANALYSIS AS MAY BE REASONABLY REQUESTED BY THE LEGISLATURE AND STATE COMPTROLLER;

(F) PROMULGATE REGULATIONS TO EFFECTUATE THE PURPOSES OF THIS TITLE AND TITLE ONE OF THIS ARTICLE, AND ARTICLE NINE OF THIS CHAPTER;

(G) DEVELOP AND ISSUE, AFTER CONSULTATION WITH THE OFFICE OF THE ATTORNEY GENERAL, A WRITTEN ACKNOWLEDGEMENT THAT A BOARD MEMBER MUST EXECUTE AT THE TIME THAT THE MEMBER TAKES AND SUBSCRIBES THEIR OATH OF OFFICE, OR WITHIN SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH IF THE MEMBER HAS ALREADY TAKEN AND SUBSCRIBED THEIR OATH OF OFFICE, IN WHICH THE BOARD MEMBER ACKNOWLEDGES THAT THEY UNDERSTAND THEIR INDEPENDENCE AND FIDUCIARY DUTIES, INCLUDING THEIR DUTY OF LOYALTY AND CARE TO THE ORGANIZATION AND COMMITMENT TO THE AUTHORITY'S MISSION;

(H) DEVELOP MEANS OF ENFORCING THOSE FIDUCIARY DUTIES;

(I) DEVELOP A COMPREHENSIVE DEFINITION OF PUBLIC AUTHORITIES INCLUDING A CONSOLIDATED LISTING BY CLASS AND NAME;

(J) VERIFY THE EXISTENCE OF ALL AUTHORITIES LISTED IN STATE LAW;

(K) REVIEW THE POTENTIAL FOR CONSOLIDATION OR NAME CHANGE OF CERTAIN AUTHORITIES;

(L) STANDARDIZE CONTENT AND FORMAT OF STATE AND LOCAL AUTHORITY ANNUAL REPORTS;

(M) ASSESS INDIVIDUAL AUTHORITIES AND BASED UPON THEIR ABILITY AND RESOURCES, SET A DATE BY WHICH CHANGES MADE PURSUANT TO THIS TITLE SHALL BE IMPLEMENTED;

(N) ISSUE RECOMMENDATIONS TO THE LEGISLATURE AND GOVERNOR ON SETTING DEBT LIMITATIONS FOR AUTHORITIES WITHOUT STATUTORILY REQUIRED DEBT LIMITS;

(O) RECOMMEND TO THE LEGISLATURE AND GOVERNOR A COMPENSATION PLAN FOR BOARDS OF DIRECTORS; AND

(P) REVIEW THE POTENTIAL FOR AND MAKE RECOMMENDATIONS TO THE LEGISLATURE AND GOVERNOR REGARDING CHANGE IN THE TERMS OF OFFICE OF PUBLIC AUTHORITIES BOARD MEMBERS.

2. THE OFFICE OF AUTHORITIES OVERSIGHT SHALL HAVE THE AUTHORITY TO:

(A) REQUEST AND RECEIVE FROM ANY STATE OR LOCAL AUTHORITY, AGENCY, DEPARTMENT OR DIVISION OF THE STATE OR POLITICAL SUBDIVISION SUCH ASSISTANCE, PERSONNEL, INFORMATION, BOOKS, RECORDS, OTHER DOCUMENTATION AND COOPERATION AS MAY BE NECESSARY TO PERFORM ITS DUTIES;

(B) ENTER INTO COOPERATIVE AGREEMENTS WITH OTHER GOVERNMENT OFFICES TO EFFICIENTLY CARRY OUT ITS WORK AND NOT DUPLICATE RESOURCES;

(C) RECEIVE AND ACT UPON COMPLAINTS OR RECOMMENDATIONS FROM THE PUBLIC OR OTHER PERSONS OR ENTITIES REGARDING ANY AUTHORITY COVERED BY THIS TITLE;

(D) INITIATE FORMAL INVESTIGATIONS IN RESPONSE TO COMPLAINTS OR APPEARANCES OF NON-COMPLIANCE BY AN AUTHORITY;

(E) ISSUE SUBPOENAS FOR THE PURPOSES OF EFFECTUATING THE POWERS AND DUTIES OF THIS ARTICLE;

(F) PUBLICLY WARN AND CENSURE AUTHORITIES FOR NON-COMPLIANCE WITH THIS TITLE, AND TO ESTABLISH GUIDELINES FOR SUCH ACTIONS;

(G) RECOMMEND TO THE ENTITY THAT APPOINTED THE OFFICER OR DIRECTOR SUSPENSION OR DISMISSAL OF OFFICERS OR DIRECTORS;

(H) REPORT CRIMINAL ACTIVITIES TO THE ATTORNEY GENERAL AND OTHER PROSECUTORIAL AGENCIES;

(I) COMPEL ANY AUTHORITY WHICH IS DEEMED TO BE IN NON-COMPLIANCE WITH THIS TITLE AND TITLE ONE OF THIS ARTICLE OR ARTICLE NINE OF THIS CHAPTER TO SUBMIT TO THE OFFICE OF AUTHORITIES OVERSIGHT A DETAILED EXPLANATION OF SUCH FAILURE TO COMPLY, PROVIDED THAT WITH SUBMISSION OF SUCH DETAILED EXPLANATION, THE AUTHORITY SHALL BE CONSIDERED IN COMPLIANCE WITH THIS TITLE UNLESS AND UNTIL NOTIFIED OTHERWISE BY THE OFFICE OF AUTHORITIES OVERSIGHT; AND

(J) COMMENCE A SPECIAL PROCEEDING IN SUPREME COURT, WHEN IT DOES NOT RECEIVE FROM A STATE OR LOCAL AUTHORITY UPON REQUEST INFORMATION, BOOKS, RECORDS OR OTHER DOCUMENTATION NECESSARY TO PERFORM ITS DUTIES, SEEKING AN ORDER DIRECTING THE PRODUCTION OF THE SAME.

3. THE REPORTS AND NON-PROPRIETARY INFORMATION RECEIVED BY AND PREPARED BY THE OFFICE OF AUTHORITIES OVERSIGHT SHALL BE MADE AVAILABLE TO THE PUBLIC, TO THE EXTENT PRACTICABLE, THROUGH THE INTERNET.

S 7. REPORTS OF THE OFFICE OF AUTHORITIES OVERSIGHT. ON JULY FIRST, TWO THOUSAND TEN AND ANNUALLY THEREAFTER THE OFFICE OF AUTHORITIES OVERSIGHT SHALL ISSUE REPORTS ON ITS FINDINGS AND ANALYSES TO THE GOVERNOR,

THE CHAIR AND RANKING MINORITY MEMBER OF THE SENATE FINANCE COMMITTEE, THE CHAIR AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, THE CHAIR AND RANKING MINORITY MEMBER OF THE SENATE STANDING COMMITTEE ON CORPORATIONS, AUTHORITIES AND COMMISSIONS, THE CHAIR AND RANKING MINORITY MEMBER OF THE ASSEMBLY STANDING COMMITTEE ON CORPORATIONS, AUTHORITIES AND COMMISSIONS, THE STATE COMPTROLLER AND THE ATTORNEY GENERAL, WITH CONCLUSIONS AND OPINIONS CONCERNING THE PERFORMANCE OF PUBLIC AUTHORITIES AND TO STUDY, REVIEW AND REPORT ON THE OPERATIONS, PRACTICES AND FINANCES OF STATE AND LOCAL AUTHORITIES AS DEFINED BY SECTION TWO OF THIS ARTICLE.

S 5. Subdivisions 1 and 2 of section 2800 of the public authorities law, subdivision 1 as amended and subdivision 2 as added by chapter 766 of the laws of 2005, are amended to read as follows:

1. State authorities. (a) For the purpose of furnishing the state with systematic information regarding the status and the activities of public authorities, every state authority continued or created by this chapter or any other chapter of the laws of the state of New York shall submit to the governor, the chairman and ranking minority member of the senate finance committee, the chairman and ranking minority member of the assembly ways and means committee [and], the state comptroller, AND THE OFFICE OF AUTHORITIES OVERSIGHT, within ninety days after the end of its fiscal year, a complete and detailed report or reports setting forth: (1) its operations and accomplishments; (2) its [receipts and disbursements, or revenues and expenses, during such fiscal year in accordance with the categories or classifications established by such authority for its own operating and capital outlay purposes] FINANCIAL REPORTS, INCLUDING (I) AUDITED FINANCIALS IN ACCORDANCE WITH ALL APPLICABLE REGULATIONS AND FOLLOWING GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS DEFINED IN SUBDIVISION TEN OF SECTION TWO OF THE STATE FINANCE LAW, (II) GRANT AND SUBSIDY PROGRAMS, (III) OPERATING AND FINANCIAL RISKS, (IV) CURRENT RATINGS, IF ANY, OF ITS BONDS ISSUED BY RECOGNIZED MUNICIPAL BOND RATING AGENCIES AND NOTICE OF CHANGES IN SUCH RATINGS, AND (V) LONG-TERM LIABILITIES, INCLUDING LEASES AND EMPLOYEE BENEFIT PLANS; (3) [its assets and liabilities at the end of its fiscal year including the status of reserve, depreciation, special or other funds and including the receipts and payments of these funds] ITS MISSION STATEMENT AND MEASUREMENTS INCLUDING ITS MOST RECENT MEASUREMENT REPORT; (4) a schedule of its bonds and notes outstanding at the end of its fiscal year, together with a statement of the amounts redeemed and incurred during such fiscal year as part of a schedule of debt issuance that includes the date of issuance, term, amount, interest rate and means of repayment. Additionally, the debt schedule shall also include all refinancings, calls, refundings, defeasements and interest rate exchange or other such agreements, and for any debt issued during the reporting year, the schedule shall also include a detailed list of costs of issuance for such debt; (5) a compensation schedule, IN ADDITION TO THE REPORT DESCRIBED IN SECTION TWENTY-EIGHT HUNDRED SIX OF THIS TITLE, that shall include, by position, title and name of the person holding such position or title, the salary, compensation, allowance and/or benefits provided to any officer, director or employee in a decision making or managerial position of such authority whose salary is in excess of one hundred thousand dollars; (5-A) BIOGRAPHICAL INFORMATION, NOT INCLUDING CONFIDENTIAL PERSONAL INFORMATION, FOR ALL DIRECTORS AND OFFICERS AND EMPLOYEES FOR WHOM SALARY REPORTING IS REQUIRED UNDER SUBPARAGRAPH FIVE OF THIS PARAGRAPH; (6) the projects undertaken by such authority during the past year; (7) a listing AND DESCRIPTION, IN ADDITION TO THE REPORT

REQUIRED BY PARAGRAPH A OF SUBDIVISION THREE OF SECTION TWENTY-EIGHT HUNDRED NINETY-SIX OF THIS ARTICLE of [(i)] all real property of such authority having an estimated fair market value in excess of fifteen thousand dollars that the authority [intends to dispose of; (ii) all such property held by the authority at the end of the period covered by the report; and (iii) all such property disposed] ACQUIRES OR DISPOSES of during such period. The report shall contain [an estimate of fair market value for all such property held by the authority at the end of the period and] the price received OR PAID by the authority and the name of the purchaser OR SELLER for all such property sold OR BOUGHT by the authority during such period; (8) such authority's code of ethics; [and] (9) an assessment of the effectiveness of its internal control structure and procedures; (10) A COPY OF THE LEGISLATION THAT FORMS THE STATUTORY BASIS OF THE AUTHORITY; (11) A DESCRIPTION OF THE AUTHORITY AND ITS BOARD STRUCTURE, INCLUDING (I) NAMES OF COMMITTEES AND COMMITTEE MEMBERS, (II) LISTS OF BOARD MEETINGS AND ATTENDANCE, (III) DESCRIPTIONS OF MAJOR AUTHORITY UNITS, SUBSIDIARIES, AND (IV) NUMBER OF EMPLOYEES; (12) ITS CHARTER, IF ANY, AND BY-LAWS; (13) A LISTING OF MATERIAL CHANGES IN OPERATIONS AND PROGRAMS DURING THE REPORTING YEAR; (14) AT A MINIMUM A FOUR-YEAR FINANCIAL PLAN, INCLUDING (I) A CURRENT AND PROJECTED CAPITAL BUDGET, AND (II) AN OPERATING BUDGET REPORT, INCLUDING AN ACTUAL VERSUS ESTIMATED BUDGET, WITH AN ANALYSIS AND MEASUREMENT OF FINANCIAL AND OPERATING PERFORMANCE; (15) ITS BOARD PERFORMANCE EVALUATIONS; PROVIDED, HOWEVER, THAT SUCH EVALUATIONS SHALL NOT BE SUBJECT TO DISCLOSURE UNDER ARTICLE SIX OF THE PUBLIC OFFICERS LAW; (16) A DESCRIPTION OF THE TOTAL AMOUNTS OF ASSETS AND/OR SERVICES BOUGHT OR SOLD WITHOUT COMPETITIVE BIDDING, INCLUDING (I) THE NATURE OF THOSE ASSETS AND SERVICES, (II) THE NAMES OF THE COUNTERPARTIES, AND (III) WHERE THE CONTRACT PRICE OR FAIR MARKET VALUE FOR GOODS PURCHASED EXCEEDS A FAIR MARKET VALUE DETERMINED BY THE OFFICE OF AUTHORITIES OVERSIGHT, OR WHERE THE CONTRACT PRICE FOR GOODS SOLD IS LESS THAN A FAIR MARKET VALUE, AN ATTESTATION OF THE FAIR MARKET VALUE AND A DETAILED EXPLANATION EXECUTED UNDER PENALTIES OF PERJURY BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE REASONS FOR THE HIGH PRICE PURCHASE OR THE LOAN PRICE SALE INCLUDING THE RELATIONSHIP, IF ANY, OF PERSONS ASSOCIATED WITH THE BUYER/PURCHASER AND PERSONS ASSOCIATED WITH THE AUTHORITY AND/OR THE OFFICIALS WHO APPOINTED MEMBERS TO THE AUTHORITY BOARD; AND (17) A DESCRIPTION OF ANY MATERIAL PENDING LITIGATION IN WHICH THE AUTHORITY IS INVOLVED AS A PARTY DURING THE REPORTING YEAR.

(b) [To the extent practicable, each] EACH state authority shall make accessible to the public, via its official OR SHARED internet web site, documentation pertaining to its mission, current activities, most recent annual financial reports, current year budget and its most recent independent audit report unless such information is covered by subdivision two of section eighty-seven of the public officers law.

2. Local authorities. (a) Every local authority, continued or created by this chapter or any other chapter of the laws of the state of New York shall submit to the chief executive officer, the chief fiscal officer, the chairperson of the legislative body of the local government or local governments and the [entity established pursuant to section twenty-seven of the chapter of the laws of two thousand five which added this subdivision] OFFICE OF AUTHORITIES OVERSIGHT, within ninety days after the end of its fiscal year, a complete and detailed report or reports setting forth: (1) its operations and accomplishments; (2) [its receipts and disbursements, or revenues and expenses, during such fiscal year in accordance with the categories or classifications established by

such authority for its own operating and capital outlay purposes] ITS FINANCIAL REPORTS, INCLUDING (I) AUDITED FINANCIALS IN ACCORDANCE WITH ALL APPLICABLE REGULATIONS AND FOLLOWING GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS DEFINED IN SUBDIVISION TEN OF SECTION TWO OF THE STATE FINANCE LAW, (II) GRANT AND SUBSIDY PROGRAMS, (III) OPERATING AND FINANCIAL RISKS, (IV) CURRENT RATINGS IF ANY, OF ITS BONDS ISSUED BY RECOGNIZED MUNICIPAL BOND RATING AGENCIES AND NOTICE OF CHANGES IN SUCH RATINGS, AND (V) LONG-TERM LIABILITIES, INCLUDING LEASES AND EMPLOYEE BENEFIT PLANS; (3) [its assets and liabilities at the end of its fiscal year including the status of reserve, depreciation, special or other funds and including the receipts and payments of these funds] ITS MISSION STATEMENT AND MEASUREMENTS INCLUDING ITS MOST RECENT MEASUREMENT REPORT; (4) a schedule of its bonds and notes outstanding at the end of its fiscal year, together with a statement of the amounts redeemed and incurred during such fiscal year as part of a schedule of debt issuance that includes the date of issuance, term, amount, interest rate and means of repayment. Additionally, the debt schedule shall also include all refinancings, calls, refundings, defeasements and interest rate exchange or other such agreements, and for any debt issued during the reporting year, the schedule shall also include a detailed list of costs of issuance for such debt; (5) a compensation schedule IN ADDITION TO THE REPORT DESCRIBED IN SECTION TWENTY-EIGHT HUNDRED SIX OF THIS TITLE that shall include, by position, title and name of the person holding such position or title, the salary, compensation, allowance and/or benefits provided to any officer, director or employee in a decision making or managerial position of such authority whose salary is in excess of one hundred thousand dollars; (5-A) BIOGRAPHICAL INFORMATION, NOT INCLUDING CONFIDENTIAL PERSONAL INFORMATION, FOR ALL DIRECTORS AND OFFICERS AND EMPLOYEES FOR WHOM SALARY REPORTING IS REQUIRED UNDER SUBPARAGRAPH FIVE OF THIS PARAGRAPH; (6) the projects undertaken by such authority during the past year; (7) a listing AND DESCRIPTION, IN ADDITION TO THE REPORT REQUIRED BY PARAGRAPH A OF SUBDIVISION THREE OF SECTION TWENTY-EIGHT HUNDRED NINETY-SIX OF THIS ARTICLE of [(i)] all real property of such authority having an estimated fair market value in excess of fifteen thousand dollars that the authority [intends to dispose of; (ii) all such property held by the authority at the end of the period covered by the report; and (iii) all such property disposed] ACQUIRES OR DISPOSES of during such period. The report shall contain [an estimate of fair market value for all such property held by the authority at the end of the period and] the price received OR PAID by the authority and the name of the purchaser OR SELLER for all such property sold OR BOUGHT by the authority during such period; (8) such authority's code of ethics; [and] (9) an assessment of the effectiveness of its internal control structure and procedures; (10) A COPY OF THE LEGISLATION THAT FORMS THE STATUTORY BASIS OF THE AUTHORITY; (11) A DESCRIPTION OF THE AUTHORITY AND ITS BOARD STRUCTURE, INCLUDING (I) NAMES OF COMMITTEES AND COMMITTEE MEMBERS, (II) LISTS OF BOARD MEETINGS AND ATTENDANCE, (III) DESCRIPTIONS OF MAJOR AUTHORITY UNITS, SUBSIDIARIES, (IV) NUMBER OF EMPLOYEES; AND (V) ORGANIZATIONAL CHART; (12) ITS CHARTER, IF ANY, AND BY-LAWS; (13) A LISTING OF MATERIAL CHANGES IN OPERATIONS AND PROGRAMS DURING THE REPORTING YEAR; (14) AT A MINIMUM A FOUR-YEAR FINANCIAL PLAN, INCLUDING (I) A CURRENT AND PROJECTED CAPITAL BUDGET, AND (II) AN OPERATING BUDGET REPORT, INCLUDING AN ACTUAL VERSUS ESTIMATED BUDGET, WITH AN ANALYSIS AND MEASUREMENT OF FINANCIAL AND OPERATING PERFORMANCE; (15) ITS BOARD PERFORMANCE EVALUATIONS PROVIDED, HOWEVER, THAT SUCH EVALUATIONS SHALL NOT BE SUBJECT TO DISCLOSURE UNDER

ARTICLE SIX OF THE PUBLIC OFFICERS LAW; (16) A DESCRIPTION OF THE TOTAL AMOUNTS OF ASSETS AND/OR SERVICES BOUGHT OR SOLD WITHOUT COMPETITIVE BIDDING, INCLUDING (I) THE NATURE OF THOSE ASSETS AND SERVICES, (II) THE NAMES OF THE COUNTERPARTIES, AND (III) WHERE THE CONTRACT PRICE OR FAIR MARKET VALUE FOR GOODS PURCHASED EXCEEDS A FAIR MARKET VALUE DETERMINED BY THE OFFICE OF AUTHORITIES OVERSIGHT, OR WHERE THE CONTRACT PRICE FOR GOODS SOLD IS LESS THAN A FAIR MARKET VALUE, AN ATTESTATION OF THE FAIR MARKET VALUE AND A DETAILED EXPLANATION EXECUTED UNDER PENALTIES OF PERJURY BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE REASONS FOR THE HIGH PRICE PURCHASE OR THE LOW PRICE SALE INCLUDING THE RELATIONSHIP, IF ANY, OF PERSONS ASSOCIATED WITH THE BUYER/PURCHASER AND PERSON ASSOCIATED WITH THE AUTHORITY AND/OR THE OFFICIALS WHO APPOINTED MEMBERS TO THE AUTHORITY BOARD; AND (17) A DESCRIPTION OF ANY MATERIAL PENDING LITIGATION IN WHICH THE AUTHORITY IS INVOLVED AS A PARTY DURING THE REPORTING YEAR.

(b) [To the extent practicable, each] EACH local authority shall make accessible to the public, via its official OR SHARED internet web site, documentation pertaining to its mission, current activities, most recent annual financial reports, current year budget and its most recent independent audit report unless such information is covered by subdivision two of section eighty-seven of the public officers law.

S 6. Section 2801 of the public authorities law, as amended by chapter 766 of the laws of 2005, is amended to read as follows:

S 2801. Budget reports by authorities. 1. State authorities. Every state authority or commission heretofore or hereafter continued or created by this chapter or any other chapter of the laws of the state of New York shall submit to the governor, [chairman] THE CHAIR and ranking minority member of the senate finance committee, [and chairman] THE CHAIR and ranking minority member of the assembly ways and means committee AND THE OFFICE OF AUTHORITIES OVERSIGHT, for their information, annually NOT MORE THAN ONE HUNDRED TWENTY DAYS AND not less than ninety days before the commencement of its fiscal year, in the form submitted to its members or trustees, budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year.

2. Local authorities. For the local authority fiscal year ending on or after December thirty-first, two thousand seven and annually thereafter, every local authority heretofore or hereafter continued or created by this chapter or any other chapter of the laws of the state of New York shall submit to the chief executive officer, the chief fiscal officer, the chairperson of the legislative body of the local government or governments and the [entity established pursuant to section twenty-seven of the chapter of the laws of two thousand five which added this subdivision,] OFFICE OF AUTHORITIES OVERSIGHT for their information, annually NOT MORE THAN NINETY DAYS AND not less than sixty days before the commencement of its fiscal year, in the form submitted to its members or trustees, budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year.

3. IF ANY STATE OR LOCAL AUTHORITY HAS PROVIDED THE INFORMATION REQUIRED BY THIS SECTION AS PART OF THE ANNUAL REPORT REQUIRED BY SECTION TWENTY-EIGHT HUNDRED OF THIS TITLE, SUCH AUTHORITY MAY COMPLY WITH THE PROVISIONS OF THIS SECTION BY REFERENCE TO SUCH INFORMATION WITH ANY NECESSARY UPDATES.

S 7. Subdivisions 1 and 2 of section 2802 of the public authorities law, subdivision 1 as amended and subdivision 2 as added by chapter 766 of the laws of 2005, are amended to read as follows:

1. State authorities. Every state authority or commission heretofore or hereafter continued or created by this chapter or any other chapter of the laws of the state of New York shall submit to the governor, chairman and ranking minority member of the senate finance committee, chairman and ranking minority member of the assembly ways and means committee [and], the state comptroller, [within thirty days after receipt thereof by such authority,] AND THE OFFICE OF AUTHORITIES OVERSIGHT, TOGETHER WITH THE REPORT DESCRIBED IN SECTION TWENTY-EIGHT HUNDRED OF THIS TITLE, a copy of the annual independent audit report, performed by a certified public accounting firm in accordance with generally accepted [government] auditing standards AS DEFINED IN SUBDIVISION ELEVEN OF SECTION TWO OF THE STATE FINANCE LAW, and management letter and any other external examination of the books and accounts of such authority other than copies of the reports of any examinations made by the state comptroller.

2. Local authorities. For the local authority fiscal year ending on or after December thirty-first, two thousand seven and annually thereafter, every local authority heretofore or hereafter continued or created by this chapter or any other chapter of the laws of the state of New York shall submit to the chief executive officer, the chief fiscal officer, the chairperson of the legislative body of the local government or local governments [and to the entity established pursuant to section twenty-seven of the chapter of the laws of two thousand five which added this subdivision, within thirty days after receipt thereof by such authority,] AND THE OFFICE OF AUTHORITIES OVERSIGHT, TOGETHER WITH THE REPORT DESCRIBED IN SECTION TWENTY-EIGHT HUNDRED OF THIS TITLE, a copy of the annual independent audit report, performed by a certified public accounting firm in accordance with generally accepted [government] auditing standards AS DEFINED IN SUBDIVISION ELEVEN OF SECTION TWO OF THE STATE FINANCE LAW, and management letter and any other external examination of the books and accounts of such authority other than copies of the reports of ANY examinations made by the state comptroller.

S 8. Section 2806 of the public authorities law, as added by chapter 149 of the laws of 1993, is amended to read as follows:

S 2806. Personnel reports by [public] STATE AND LOCAL authorities and public benefit corporations. 1. Every [public] STATE AND LOCAL authority and public benefit corporation shall submit to the comptroller, the director of the budget [and], the chairpersons of the legislative fiscal committees AND THE OFFICE OF AUTHORITIES OVERSIGHT, for their information, annually, on or before the fifteenth day of January of each calendar year, personnel information setting forth personal service schedules by subsidiary, division and unit which indicate position, grade, salary and title for each employee and in summary form.

2. IF ANY STATE OR LOCAL AUTHORITY HAS PROVIDED THE INFORMATION REQUIRED BY THIS SECTION IN THE ANNUAL REPORT REQUIRED UNDER SECTION TWENTY-EIGHT HUNDRED OF THIS TITLE, SUCH AUTHORITY MAY COMPLY WITH THE PROVISIONS OF THIS SECTION BY REFERENCES TO SUCH INFORMATION WITH ANY NECESSARY UPDATES.

S 9. Subdivisions 1, 4, 6 and 7 of section 2824 of the public authorities law, as added by chapter 766 of the laws of 2005, are amended to read as follows:

1. Board members of state and local authorities shall (a) execute direct oversight of the authority's chief executive and other [senior]

management in the effective and ethical management of the authority; (b) understand, review and monitor the implementation of fundamental financial and management controls and operational decisions of the authority; (c) establish policies regarding the payment of salary, compensation and reimbursements to, and establish rules for the time and attendance of, the chief executive and [senior] management; (d) adopt a code of ethics applicable to each officer, director and employee that, at a minimum, includes the standards established in section seventy-four of the public officers law; (e) establish written policies and procedures on personnel including policies protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, malfeasance, or other inappropriate behavior by an employee or board member of the authority, investments, travel, the acquisition of real property and the disposition of real and personal property and the procurement of goods and services; [and] (f) adopt a defense and indemnification policy and disclose such plan to any and all prospective board members; (G) DISCHARGE EACH OF THEIR DUTIES AS BOARD MEMBERS, INCLUDING BUT NOT LIMITED TO THOSE IMPOSED BY THIS SECTION, IN GOOD FAITH AND WITH THAT DEGREE OF INDEPENDENCE, DILIGENCE, CARE AND SKILL WHICH AN ORDINARILY PRUDENT PERSON WOULD EXERCISE UNDER SIMILAR CIRCUMSTANCES IN LIKE POSITIONS, AND IN ALL WAYS CONSISTENT WITH THEIR FIDUCIARY DUTIES OF LOYALTY AND DUE CARE TO THE ORGANIZATION AND OBEDIENCE TO THE AUTHORITY'S CORPORATE PURPOSES, PROVIDED, HOWEVER, THAT ANY ACTION TAKEN BY A BOARD MEMBER SERVING EX OFFICIO AFTER DISCLOSURE OF SUCH MEMBER'S CONFLICT OF INTEREST BASED ON HIS OR HER PUBLIC OFFICE SHALL NOT BE EVIDENCE OF ANY FAILURE TO FULFILL HIS OR HER FIDUCIARY DUTIES; (H) AT THE TIME THAT THE MEMBER TAKES AND SUBSCRIBES HIS OR HER OATH OF OFFICE, OR WITHIN SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH IF THE MEMBER HAS ALREADY TAKEN AND SUBSCRIBED HIS OR HER OATH OF OFFICE, EXECUTE AN ACKNOWLEDGMENT, IN THE FORM PRESCRIBED BY THE OFFICE OF AUTHORITIES OVERSIGHT, IN WHICH THE BOARD MEMBER ACKNOWLEDGES THAT HE OR SHE UNDERSTANDS HIS OR HER ROLE, RESPONSIBILITIES, INDEPENDENCE AND FIDUCIARY DUTIES IMPOSED PURSUANT TO THIS SECTION; AND (I) AT THE TIME THAT THE MEMBER TAKES AND SUBSCRIBES THEIR OATH OF OFFICE, OR WITHIN SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH IF THE MEMBER HAS ALREADY TAKEN AND SUBSCRIBED THEIR OATH OF OFFICE, EXECUTE AN ACKNOWLEDGMENT, ISSUED BY THE OFFICE OF AUTHORITIES OVERSIGHT AFTER CONSULTATION WITH THE OFFICE OF THE ATTORNEY GENERAL, IN WHICH THE BOARD MEMBER ACKNOWLEDGES THAT THEY UNDERSTAND THEIR INDEPENDENCE AND FIDUCIARY DUTIES, INCLUDING THEIR DUTY OF LOYALTY AND CARE TO THE ORGANIZATION AND COMMITMENT TO THE AUTHORITY'S MISSION.

4. Board members of each state and local authority, or subsidiary thereof, shall establish an audit committee to be comprised of NOT LESS THAN THREE independent members, WHO SHALL CONSTITUTE A MAJORITY ON THE COMMITTEE, AND WHO SHALL POSSESS THE NECESSARY SKILLS TO UNDERSTAND THE DUTIES AND FUNCTIONS OF THE AUDIT COMMITTEE; PROVIDED, HOWEVER, THAT IN THE EVENT THAT A BOARD HAS LESS THAN THREE INDEPENDENT MEMBERS, THE BOARD MAY APPOINT NON-INDEPENDENT MEMBERS TO THE AUDIT COMMITTEE, PROVIDED THAT THE INDEPENDENT MEMBERS MUST CONSTITUTE A MAJORITY OF THE MEMBERS OF THE AUDIT COMMITTEE. The committee shall recommend to the board the hiring of a certified independent accounting firm for such authority, establish the compensation to be paid to the accounting firm and provide direct oversight of the performance of the independent audit performed by the accounting firm hired for such purposes.

6. [To the extent practicable, members] MEMBERS of the audit committee [should] SHALL be familiar with corporate financial and accounting practices.

7. Board members of each state and local authority, or subsidiary thereof, shall establish a governance committee to be comprised of NOT LESS THAN THREE independent members, WHO SHALL CONSTITUTE A MAJORITY ON THE COMMITTEE, AND WHO SHALL POSSESS THE NECESSARY SKILLS TO UNDERSTAND THE DUTIES AND FUNCTIONS OF THE GOVERNANCE COMMITTEE; PROVIDED, HOWEVER, THAT IN THE EVENT THAT A BOARD HAS LESS THAN THREE INDEPENDENT MEMBERS, THE BOARD MAY APPOINT NON-INDEPENDENT MEMBERS TO THE GOVERNANCE COMMITTEE, PROVIDED THAT THE INDEPENDENT MEMBERS MUST CONSTITUTE A MAJORITY OF THE MEMBERS OF THE GOVERNANCE COMMITTEE. It shall be the responsibility of the members of the governance committee to keep the board informed of current best governance practices; to review corporate governance trends; to [update] RECOMMEND UPDATES TO the authority's corporate governance principles; [and] to advise appointing authorities on the skills and experiences required of potential board members; TO EXAMINE ETHICAL AND CONFLICT OF INTEREST ISSUES; TO PERFORM BOARD SELF-EVALUATIONS; AND TO RECOMMEND BY-LAWS WHICH INCLUDE RULES AND PROCEDURES FOR CONDUCT OF BOARD BUSINESS.

S 10. Section 2824 of the public authorities law is amended by adding two new subdivisions 8 and 9 to read as follows:

8. BOARD MEMBERS OF EACH STATE AND LOCAL AUTHORITY, OR SUBSIDIARY THEREOF WHICH ISSUES DEBT, SHALL ESTABLISH A FINANCE COMMITTEE TO BE COMPRISED OF NOT LESS THAN THREE INDEPENDENT MEMBERS, WHO SHALL CONSTITUTE A MAJORITY ON THE COMMITTEE, AND WHO SHALL POSSESS THE NECESSARY SKILLS TO UNDERSTAND THE DUTIES AND FUNCTIONS OF THE COMMITTEE; PROVIDED, HOWEVER, THAT IN THE EVENT THAT A BOARD HAS LESS THAN THREE INDEPENDENT MEMBERS, THE BOARD MAY APPOINT NON-INDEPENDENT MEMBERS TO THE FINANCE COMMITTEE, PROVIDED THAT THE INDEPENDENT MEMBERS MUST CONSTITUTE A MAJORITY OF THE MEMBERS OF THE FINANCE COMMITTEE. IT SHALL BE THE RESPONSIBILITY OF THE MEMBERS OF THE FINANCE COMMITTEE TO REVIEW PROPOSALS FOR THE ISSUANCE OF DEBT BY THE AUTHORITY AND ITS SUBSIDIARIES AND MAKE RECOMMENDATIONS.

9. ALL CHIEF EXECUTIVE OFFICERS OF STATE AUTHORITIES SHALL BE SUBJECT TO THE ADVICE AND CONSENT OF THE SENATE.

S 11. The public authorities law is amended by adding a new section 2824-a to read as follows:

S 2824-A. MISSION STATEMENT AND MEASUREMENT REPORT. EACH STATE AUTHORITY SHALL SUBMIT TO THE OFFICE OF AUTHORITIES OVERSIGHT ON OR BEFORE MARCH THIRTY-FIRST, TWO THOUSAND TEN, AND EACH LOCAL AUTHORITY SHALL SUBMIT TO THE OFFICE OF AUTHORITIES OVERSIGHT ON OR BEFORE MARCH THIRTY-FIRST, TWO THOUSAND ELEVEN, A PROPOSED AUTHORITY MISSION STATEMENT AND PROPOSED MEASUREMENTS. THE PROPOSED AUTHORITY MISSION STATEMENT AND PROPOSED MEASUREMENTS SHALL HAVE THE FOLLOWING COMPONENTS: A BRIEF MISSION STATEMENT EXPRESSING THE PURPOSE GOALS OF THE AUTHORITY; A DESCRIPTION OF THE STAKEHOLDERS OF THE AUTHORITY AND THEIR REASONABLE EXPECTATIONS FROM THE AUTHORITY, WHICH STAKEHOLDERS SHALL INCLUDE AT A MINIMUM THE RESIDENTS AND TAXPAYERS OF THE AREA OF THE STATE SERVED BY THE AUTHORITY, THE PERSONS THAT USE THE SERVICES PROVIDED BY THE AUTHORITY, AND THE EMPLOYEES OF THE AUTHORITY AND ANY EMPLOYEE ORGANIZATION; THE GOALS OF THE AUTHORITY IN RESPONSE TO THE NEEDS OF EACH GROUP OF STAKEHOLDERS; AND A LIST OF MEASUREMENTS BY WHICH PERFORMANCE OF THE AUTHORITY AND THE ACHIEVEMENT OF ITS GOALS MAY BE EVALUATED. EACH AUTHORITY SHALL REEXAMINE ITS MISSION STATEMENT AND MEASUREMENTS ON AN ANNUAL BASIS, AND PUBLISH SELF EVALUATION BASED ON THE STATE MEASURE-

MENTS HOWEVER, SUCH REEXAMINATION MAY BE WAIVED PURSUANT TO A DETERMINATION BY THE DIRECTOR OF THE OFFICE OF AUTHORITIES OVERSIGHT THAT SUCH UNDERTAKING IS UNNECESSARY FOR AN INDIVIDUAL AUTHORITY.

S 12. Subdivision 2 of section 2825 of the public authorities law, as added by chapter 766 of the laws of 2005, is amended to read as follows:

2. Except for members who serve as members by virtue of holding a civil office of the state, the majority of the remaining members of the governing body of every state or local authority shall be independent members; provided, however, that this provision shall apply to appointments made on or after the effective date of [the] chapter SEVEN HUNDRED SIXTY-SIX of the laws of two thousand five which added this subdivision. The official or officials having the authority to appoint or remove such remaining members shall take such actions as may be necessary to satisfy this requirement. For the purposes of this section, an independent member is one who:

(a) is not, and in the past two years has not been, employed by the public authority or [an affiliate] A RELATED AUTHORITY OR PUBLIC BENEFIT CORPORATION in an executive capacity;

(b) is not, and in the past two years has not been, employed by an entity that received remuneration valued at more than fifteen thousand dollars for goods and services provided to the public authority or received any other form of financial assistance valued at more than fifteen thousand dollars from the public authority;

(c) is not a relative of an executive officer or employee in an executive position of the public authority or [an affiliate] A RELATED AUTHORITY OR PUBLIC BENEFIT CORPORATION; and

(d) is not, and in the past two years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or any other similar actions of the public authority or [an affiliate] A RELATED AUTHORITY OR PUBLIC BENEFIT CORPORATION.

S 13. The public authorities law is amended by adding a new section 2879-a to read as follows:

S 2879-A. PUBLIC AUTHORITIES CONTRACTS; LIMITATIONS. 1. PRIOR TO THEIR PUBLICATION FOR BIDS OR PROPOSALS, EACH STATE AUTHORITY SHALL SUBMIT TO THE STATE COMPTROLLER, PROPOSALS FOR CONTRACTS FOR PROCUREMENT, PUBLIC WORK, CONSTRUCTION, OR REVENUE THAT INCLUDE THE PAYMENT OF MONEY, THE EXCHANGE OF PERSONAL OR REAL PROPERTY, THE EXCHANGE OF SERVICES, OR ANY COMBINATION THEREOF, WHICH IN THE AGGREGATE MAY REASONABLY BE VALUED IN EXCESS OF ONE MILLION DOLLARS. IF THE COMPTROLLER WITHIN FORTY-FIVE DAYS OF SUCH SUBMISSION NOTIFIES THE AUTHORITY THAT, PURSUANT TO HIS OR HER AUTHORITY TO SUPERVISE THE ACCOUNTS OF PUBLIC AUTHORITIES, HE OR SHE WILL REVIEW AND APPROVE SUCH CONTRACT, SUCH CONTRACT OR AGREEMENT SHALL NOT BE A VALID ENFORCEABLE CONTRACT UNLESS SUCH CONTRACT SHALL FIRST BE APPROVED BY THE COMPTROLLER. IN THE EVENT THAT THE COMPTROLLER NOTIFIES ANY STATE AUTHORITY THAT FINAL APPROVAL SHALL BE REQUIRED AS PROVIDED BY THIS SUBDIVISION, THEN THE STATE AUTHORITY SHALL INCLUDE A PROVISION IN ALL SUCH INVITATIONS TO BID OR SOLICITATIONS FOR PROPOSALS, INFORMING THE OTHER PARTIES TO SUCH CONTRACTS THAT THE SAME ARE NOT VALID AND ENFORCEABLE WITHOUT THE COMPTROLLER'S APPROVAL.

2. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION ONE OF THIS SECTION, IF THE COMPTROLLER HAS NOT APPROVED OR DISAPPROVED ANY CONTRACT SUBJECT TO THE PROVISIONS OF SUCH SUBDIVISION WITHIN NINETY DAYS OF SUBMISSION OF SUCH CONTRACT TO HIS OR HER OFFICE, SUCH CONTRACT SHALL BE VALID AND ENFORCEABLE.

3. IF THE COMPTROLLER DETERMINES THAT ANY CONTRACT OR CATEGORY OF CONTRACTS OF A STATE AUTHORITY, WHICH ARE NOT SUBJECT TO THE PROVISIONS OF SUBDIVISION ONE OF THIS SECTION, REQUIRE DIRECT SUPERVISION IN THE FORM OF PRE-APPROVAL OF SUCH CONTRACTS, AND THE COMPTROLLER SO NOTIFIES SUCH STATE AUTHORITY OF SUCH DETERMINATION, THEN NO SUCH CONTRACT OR AGREEMENT BY SUCH STATE AUTHORITY SELECTED FOR REVIEW BY THE COMPTROLLER SHALL BE A VALID ENFORCEABLE CONTRACT UNLESS SUCH CONTRACT SHALL FIRST BE APPROVED BY THE COMPTROLLER. IN THE EVENT THAT THE COMPTROLLER NOTIFIES ANY STATE AUTHORITY THAT APPROVAL SHALL BE REQUIRED AS PROVIDED BY THIS SUBDIVISION, THEN THE STATE AUTHORITY SHALL INCLUDE A PROVISION IN ALL SUCH CONTRACTS SELECTED FOR REVIEW, INFORMING THE OTHER PARTIES TO SUCH CONTRACTS THAT THE SAME ARE NOT VALID AND ENFORCEABLE WITHOUT THE COMPTROLLER'S APPROVAL.

4. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION THREE OF THIS SECTION, IF THE COMPTROLLER HAS NOT APPROVED OR DISAPPROVED ANY CONTRACT SUBJECT TO THE PROVISIONS OF SUCH SUBDIVISION WITHIN NINETY DAYS OF SUBMISSION OF SUCH CONTRACT TO HIS OR HER OFFICE, SUCH CONTRACT SHALL BE VALID AND ENFORCEABLE.

5. THIS SECTION SHALL NOT APPLY TO: (A) CONTRACTS ENTERED INTO FOR THE ISSUANCE OF BONDED INDEBTEDNESS, EXCEPT CONTRACTS FOR PERSONAL SERVICES; OR (B) CONTRACTS ENTERED INTO FOR THE PROCUREMENT OF GOODS AND/OR SERVICES MADE TO MEET EMERGENCIES ARISING FROM UNFORESEEN CAUSES.

FOR THE PURPOSE OF THIS PARAGRAPH "EMERGENCY" SHALL MEAN AN URGENT AND UNEXPECTED REQUIREMENT WHERE HEALTH AND PUBLIC SAFETY OR THE CONSERVATION OF PUBLIC RESOURCES IS AT RISK. THE PUBLIC AUTHORITY SHALL DOCUMENT IN THE PROCUREMENT RECORD, SUBJECT TO REVIEW BY THE STATE COMPTROLLER, THE NATURE OF THE EMERGENCY GIVING RISE TO THE PROCUREMENT; OR (C) CONTRACTS OF PURCHASE OR SALE MADE ON A RECOGNIZED MARKET FOR THE GOODS, SERVICES, OR COMMODITIES IN QUESTION IN ACCORDANCE WITH STANDARD TERMS AND CONDITIONS OF SALE AT A MARKET PRICE. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO REQUIRE ADDITIONAL OR FURTHER APPROVAL IN RELATION TO COMMITMENTS, CONTRACTS, AGREEMENTS OR INDEBTEDNESS ENTERED INTO OR INCURRED PRIOR TO THE EFFECTIVE DATE HEREOF.

6. THE PROVISIONS OF THIS SECTION DO NOT GRANT OR DIMINISH ANY POWER OR RIGHT TO REVIEW CONTRACTS BEYOND OR FROM THAT WHICH THE COMPTROLLER MAY HAVE PURSUANT TO HIS OR HER AUTHORITY TO SUPERVISE THE ACCOUNTS OF PUBLIC AUTHORITIES. IF ANY PROVISIONS OF THIS SECTION OR ITS APPLICATION TO ANY PERSON OR CIRCUMSTANCE IS HELD INVALID BY A COURT OF LAST RESORT, THEN THIS SECTION SHALL BE DEEMED TO BE INVALID IN ITS ENTIRETY AND SHALL BE DEEMED REPEALED.

S 14. Subdivision 3 of section 2896 of the public authorities law, as added by chapter 766 of the laws of 2005, is amended to read as follows:

3. a. Each public authority shall publish, not less frequently than annually, a report listing all real property of the public authority. Such report shall [consist of] INCLUDE a list and full description of all real and personal property disposed of during such period. The report shall contain the price received by the public authority and the name of the purchaser for all such property sold by the public authority during such period.

b. The public authority shall deliver copies of such report to the comptroller, the director of the budget, the commissioner of general services, [and] the legislature AND THE OFFICE OF AUTHORITIES OVERSIGHT.

S 15. Section 2975 of the public authorities law is amended by adding a new subdivision 3-a to read as follows:

3-A. A DIRECT PORTION OF THESE FUNDS SHALL BE ALLOCATED TO FUND THE OFFICE OF AUTHORITIES OVERSIGHT AS CREATED BY SECTION FOUR OF THIS CHAPTER.

S 16. The public authorities law is amended by adding a new section 2829 to read as follows:

S 2829. SUBSIDIARIES OF PUBLIC AUTHORITIES. 1. NOTWITHSTANDING ANY LAW TO THE CONTRARY, NO STATE AUTHORITY SHALL HEREAFTER HAVE THE POWER TO ORGANIZE ANY SUBSIDIARY CORPORATION UNLESS THE LEGISLATURE SHALL HAVE ENACTED A LAW GRANTING SUCH STATE AUTHORITY SUCH POWER FOR THE ORGANIZATION OF A SPECIFIC CORPORATION, PROVIDED, HOWEVER, THAT A STATE AUTHORITY MAY ORGANIZE A SUBSIDIARY CORPORATION PURSUANT TO THE FOLLOWING REQUIREMENTS:

(A) THE PURPOSE FOR WHICH THE SUBSIDIARY CORPORATION SHALL BE ORGANIZED SHALL BE FOR A PROJECT OR PROJECTS WHICH THE STATE AUTHORITY HAS THE POWER TO PURSUE PURSUANT TO ITS CORPORATE PURPOSES;

(B) THE PRIMARY REASON FOR WHICH THE SUBSIDIARY CORPORATION SHALL BE ORGANIZED SHALL BE TO LIMIT THE POTENTIAL LIABILITY IMPACT OF THE SUBSIDIARY'S PROJECT OR PROJECTS ON THE AUTHORITY OR BECAUSE STATE OR FEDERAL LAW REQUIRES THAT THE PURPOSE OF A SUBSIDIARY BE UNDERTAKEN THROUGH A SPECIFIC CORPORATE STRUCTURE; AND

(C) THE SUBSIDIARY CORPORATION SHALL MAKE THE REPORTS AND OTHER DISCLOSURES AS ARE REQUIRED OF STATE AUTHORITIES, UNLESS THE SUBSIDIARY CORPORATION'S OPERATIONS AND FINANCES ARE CONSOLIDATED WITH THOSE OF THE AUTHORITY OF WHICH IT IS A SUBSIDIARY.

2. IN SUCH CASES WHERE A STATE AUTHORITY HAS THE POWER TO ORGANIZE A SUBSIDIARY CORPORATION PURSUANT TO SUBDIVISION ONE OF THIS SECTION, THE STATE AUTHORITY SHALL FILE, NO LESS THAN SIXTY DAYS PRIOR TO THE FORMATION OF SUCH SUBSIDIARY, NOTICE TO THE OFFICE OF AUTHORITIES OVERSIGHT, THE GOVERNOR, THE COMPTROLLER, AND THE LEGISLATURE THAT IT WILL BE CREATING A SUBSIDIARY.

3. SUBSIDIARY CORPORATIONS FORMED UNDER SUBDIVISION ONE OF THIS SECTION SHALL NOT HAVE THE AUTHORITY TO ISSUE BONDS, NOTES OR OTHER DEBTS, PROVIDED, HOWEVER, THAT SUCH SUBSIDIARY CORPORATIONS MAY ISSUE NOTES OR OTHER DEBT TO THE PUBLIC AUTHORITY OF WHICH IT IS A SUBSIDIARY. NO SUCH DEBT ISSUED BY THE SUBSIDIARY TO ITS PARENT AUTHORITY SHALL IN TOTAL EXCEED, AT ANY TIME, A PRINCIPAL AMOUNT OF FIVE HUNDRED THOUSAND DOLLARS OR, DURING THE NINE MONTHS AFTER THE FORMATION OF THE SUBSIDIARY, ONE MILLION DOLLARS.

4. THE CERTIFICATE OF INCORPORATION OR OTHER DOCUMENT FILED TO ORGANIZE A SUBSIDIARY CORPORATION UNDER THIS SECTION SHALL STATE THAT THE STATE AUTHORITY IS THE PERSON ORGANIZING THE CORPORATION.

5. PROVIDED, HOWEVER, THAT NOTHING IN THIS SECTION SHALL BE CONSTRUED TO GRANT AN AUTHORITY THE POWER TO CREATE A SUBSIDIARY WHERE THE AUTHORITY DOES NOT OTHERWISE HAVE THE POWER TO DO SO.

6. ON OR BEFORE THE FIRST DAY OF JANUARY, TWO THOUSAND TEN, AND ANNUALLY ON SUCH DAY THEREAFTER, ANY SUBSIDIARY PUBLIC BENEFIT CORPORATION, IN COOPERATION WITH ITS PARENT PUBLIC BENEFIT CORPORATION, SHALL PROVIDE TO THE CHAIR AND RANKING MINORITY MEMBER OF THE SENATE FINANCE COMMITTEE AND THE CHAIR AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, A REPORT ON THE SUBSIDIARY PUBLIC BENEFIT CORPORATION. SUCH REPORT SHALL INCLUDE FOR EACH SUBSIDIARY:

(A) THE COMPLETE LEGAL NAME, ADDRESS AND CONTACT INFORMATION OF THE SUBSIDIARY;

(B) THE STRUCTURE OF THE ORGANIZATION OF THE SUBSIDIARY, INCLUDING THE NAMES AND TITLES OF EACH OF ITS MEMBERS, DIRECTORS AND OFFICERS, AS WELL AS A CHART OF ITS ORGANIZATIONAL STRUCTURE;

(C) THE COMPLETE BYLAWS AND LEGAL ORGANIZATION PAPERS OF THE SUBSIDIARY;

(D) A COMPLETE REPORT OF THE PURPOSE, OPERATIONS, MISSION AND PROJECTS OF THE SUBSIDIARY, INCLUDING A STATEMENT OF JUSTIFICATION AS TO WHY THE SUBSIDIARY IS NECESSARY TO CONTINUE ITS OPERATIONS FOR THE PUBLIC BENEFIT FOR THE PEOPLE OF THE STATE OF NEW YORK; AND

(E) ANY OTHER INFORMATION THE SUBSIDIARY PUBLIC BENEFIT CORPORATION DEEMS IMPORTANT TO INCLUDE IN SUCH REPORT.

S 17. The public authorities law is amended by adding a new section 2856 to read as follows:

S 2856. CONSIDERATION OF PUBLIC AUTHORITY DEBT. ON OR BEFORE A DATE FIXED BY THE OFFICE OF AUTHORITIES OVERSIGHT, EVERY AUTHORITY NOT SUBJECT TO A STATUTORY LIMIT ON BONDS, NOTES, OR OTHER DEBT OBLIGATIONS IT MAY ISSUE, SHALL SUBMIT TO THE OFFICE OF AUTHORITIES OVERSIGHT A STATEMENT OF INTENT TO GUIDE THE AUTHORITY'S ISSUANCE AND OVERALL AMOUNT OF BONDS, NOTES, OR OTHER DEBT OBLIGATIONS IT MAY ISSUE.

S 18. Subdivision 3 of section 2897 of the public authorities law, as added by chapter 766 of the laws of 2005, is amended to read as follows:

3. Method of disposition. Subject to section twenty-eight hundred ninety-six of this title, any public authority may dispose of property for not less than the fair market value of such property by sale, exchange, or transfer, for cash, credit, or other property, with or without warranty, and upon such other terms and conditions as the contracting officer deems proper, and it may execute such documents for the transfer of title or other interest in property and take such other action as it deems necessary or proper to dispose of such property under the provisions of this section. Provided, however, that no disposition of real property, OR any interest in real property, [or any other property which because of its unique nature is not subject to fair market pricing] shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction, AND, PROVIDED FURTHER, THAT NO DISPOSITION OF ANY OTHER PROPERTY, WHICH BECAUSE OF ITS UNIQUE NATURE OR THE UNIQUE CIRCUMSTANCES OF THE PROPOSED TRANSACTION IS NOT READILY VALUED BY REFERENCE TO AN ACTIVE MARKET FOR SIMILAR PROPERTY, SHALL BE MADE WITHOUT A SIMILAR APPRAISAL.

S 19. Paragraphs c and d of subdivision 6 of section 2897 of the public authorities law, as added by chapter 766 of the laws of 2005, are amended to read as follows:

c. Disposals and contracts for disposal of property may be negotiated or made by public auction without regard to paragraphs a and b of this subdivision but subject to obtaining such competition as is feasible under the circumstances, if:

(i) the personal property involved [is of a nature and quantity which, if] HAS QUALITIES SEPARATE FROM THE UTILITARIAN PURPOSE OF SUCH PROPERTY, SUCH AS ARTISTIC QUALITY, ANTIQUITY, HISTORICAL SIGNIFICANCE, RARITY, OR OTHER QUALITY OF SIMILAR EFFECT, THAT WOULD TEND TO INCREASE ITS VALUE, OR IF THE PERSONAL PROPERTY IS TO BE SOLD IN SUCH QUANTITY THAT, IF IT WERE disposed of under paragraphs a and b of this subdivision, would [aversely] ADVERSELY affect the state or local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation;

(ii) the fair market value of the property does not exceed fifteen thousand dollars;

(iii) bid prices after advertising therefor are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition;

(iv) the disposal will be to the state or any political subdivision, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation; OR

(v) [the disposal is for an amount less than the estimated fair market value of the property, the terms of such disposal are obtained by public auction or negotiation, the disposal of the property is intended to further the public health, safety or welfare or an economic development interest of the state or a political subdivision (to include but not limited to, the prevention or remediation of a substantial threat to public health or safety, the creation or retention of a substantial number of job opportunities, or the creation or retention of a substantial source of revenues, or where the authority's enabling legislation permits), the purpose and the terms of such disposal are documented in writing and approved by resolution of the board of the public authority; or

(vi)] such action is otherwise authorized by law.

d. (i) An explanatory statement shall be prepared of the circumstances of each disposal by negotiation of:

(A) any personal property which has an estimated fair market value in excess of fifteen thousand dollars;

(B) any real property that has an estimated fair market value in excess of one hundred thousand dollars, except that any real property disposed of by lease or exchange shall only be subject to clauses (C) [through (E)] AND (D) of this subparagraph;

(C) any real property disposed of by lease [for a term of five years or less], if the estimated [fair] annual rent OVER THE TERM OF THE LEASE is in excess of [one hundred thousand dollars for any of such years] FIFTEEN THOUSAND DOLLARS;

(D) [any real property disposed of by lease for a term of more than five years, if the total estimated rent over the term of the lease is in excess of one hundred thousand dollars; or

(E)] any real property or real and related personal property disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property.

(ii) Each such statement shall be transmitted to the persons entitled to receive copies of the report required under section twenty-eight hundred ninety-six of this title not less than ninety days in advance of such disposal, and a copy thereof shall be preserved in the files of the public authority making such disposal.

S 20. Article 9 of the public authorities law is amended by adding a new title 12 to read as follows:

TITLE 12

WHISTLEBLOWER ACCESS AND ASSISTANCE PROGRAM

SECTION 2986. WHISTLEBLOWER ACCESS AND ASSISTANCE PROGRAM.

S 2986. WHISTLEBLOWER ACCESS AND ASSISTANCE PROGRAM. 1. DEFINITIONS. (A) "EMPLOYEES OF STATE AND LOCAL AUTHORITIES" MEANS THOSE PERSONS EMPLOYED AT STATE AND LOCAL AUTHORITIES, INCLUDING BUT NOT LIMITED TO: FULL-TIME AND PART-TIME EMPLOYEES, CONTRACTORS, THOSE EMPLOYEES ON PROBATION, AND TEMPORARY EMPLOYEES.

(B) "ATTORNEY GENERAL" SHALL MEAN THE ATTORNEY GENERAL OF THE STATE OF NEW YORK.

(C) "WHISTLEBLOWER" SHALL MEAN ANY EMPLOYEE OF A STATE OR LOCAL AUTHORITY WHO DISCLOSES INFORMATION CONCERNING ACTS OF WRONGDOING,

MISCONDUCT, MALFEASANCE, OR OTHER INAPPROPRIATE BEHAVIOR BY AN EMPLOYEE OR BOARD MEMBER OF THE AUTHORITY, INVESTMENTS, TRAVEL, THE ACQUISITION OF REAL OR PERSONAL PROPERTY AND THE DISPOSITION OF REAL OR PERSONAL PROPERTY AND THE PROCUREMENT OF GOODS AND SERVICES.

2. THE DIRECTOR OF THE OFFICE OF AUTHORITIES OVERSIGHT, AFTER CONSULTATION WITH THE ATTORNEY GENERAL, SHALL DEVELOP AND RECOMMEND TO THE LEGISLATURE A WHISTLEBLOWER ACCESS AND ASSISTANCE PROGRAM WHICH SHALL INCLUDE, BUT NOT BE LIMITED TO (A) EVALUATING AND COMMENTING ON WHISTLEBLOWER PROGRAMS AND POLICIES BY STATE AND LOCAL AUTHORITIES PURSUANT TO PARAGRAPH (E) OF SUBDIVISION ONE OF SECTION TWENTY-EIGHT HUNDRED TWENTY-FOUR OF THIS CHAPTER;

(B) ESTABLISHING TOLL-FREE TELEPHONE AND FACSIMILE LINES AVAILABLE TO EMPLOYEES AT STATE AND LOCAL AUTHORITIES;

(C) OFFERING ADVICE REGARDING THE EMPLOYEE'S RIGHTS UNDER APPLICABLE STATE AND FEDERAL LAWS AND ADVICE AND OPTIONS AVAILABLE TO ALL PERSONS; AND

(D) OFFERING AN OPPORTUNITY FOR EMPLOYEES OF STATE AND LOCAL AUTHORITIES TO IDENTIFY CONCERNS REGARDING ANY ISSUE AT A STATE OR LOCAL AUTHORITY.

3. ANY COMMUNICATIONS BETWEEN AN EMPLOYEE AND THE OFFICE OF AUTHORITIES OVERSIGHT PURSUANT TO THIS SECTION SHALL BE HELD STRICTLY CONFIDENTIAL BY THE OFFICE OF AUTHORITIES OVERSIGHT, UNLESS THE EMPLOYEE SPECIFICALLY WAIVES IN WRITING THE RIGHT TO CONFIDENTIALITY.

S 21. The public authorities law is amended by adding a new section 2857 to read as follows:

S 2857. ACTIONS BY AN AUTHORITY. NO STATE OR LOCAL AUTHORITY SHALL FIRE, DISCHARGE, DEMOTE, SUSPEND, THREATEN, HARASS OR DISCRIMINATE AGAINST AN EMPLOYEE BECAUSE OF THE EMPLOYEE'S ROLE AS A WHISTLEBLOWER, INSOFAR AS THE ACTIONS TAKEN BY THE EMPLOYEE ARE LEGAL.

S 22. Article 9 of the public authorities law is amended by adding a new title 12-A to read as follows:

TITLE 12-A

PUBLIC AUTHORITIES LOBBYING CONTACTS

SECTION 2987. LOBBYING CONTACTS.

S 2987. LOBBYING CONTACTS. 1. DEFINITIONS. AS USED IN THIS SECTION:

(A) "LOBBYING" SHALL HAVE THE SAME MEANING AS DEFINED IN SECTION ONE-C OF THE LEGISLATIVE LAW.

(B) "LOBBYING CONTACT" SHALL MEAN ANY CONVERSATION, IN PERSON OR BY TELEPHONIC OR OTHER REMOTE MEANS, OR CORRESPONDENCE BETWEEN ANY LOBBYIST AND ANY PERSON WITHIN A STATE AUTHORITY WHO CAN MAKE OR INFLUENCE A DECISION ON ANY MATTER ON BEHALF OF THE STATE AUTHORITY, AND SHALL INCLUDE, AT A MINIMUM, ALL MEMBERS OF THE GOVERNING BOARD AND ALL OFFICERS OF THE STATE AUTHORITY.

(C) "LOBBYIST" SHALL MEAN ANY PERSON WHO CONTACTS A STATE AUTHORITY IN AN EFFORT TO OBTAIN FAVORABLE ACTION BY THE AUTHORITY ON ANY MATTER ON BEHALF OF ANOTHER PERSON.

2. EVERY STATE AUTHORITY SHALL MAINTAIN A RECORD OF ALL LOBBYING CONTACTS MADE WITH SUCH AUTHORITY.

3. EVERY MEMBER, OFFICER OR EMPLOYEE OF A STATE AUTHORITY WHO IS THE PERSON CONTACTED BY A LOBBYIST SHALL MAKE A CONTEMPORANEOUS RECORD OF SUCH CONTACT CONTAINING THE DAY AND TIME OF THE CONTACT, THE IDENTITY OF THE LOBBYIST, AND A GENERAL SUMMARY OF THE SUBSTANCE OF THE CONTACT. SUCH PERSON SHALL NOT BE REQUIRED TO MAKE A RECORD OF THE RECEIPT OF DOCUMENTARY LOBBYING CONTACTS IF THE DOCUMENT OR A COPY THEREOF IS KEPT IN A FILE RELATING TO LOBBYING CONTACTS.

4. EACH STATE AUTHORITY SHALL ADOPT A POLICY IMPLEMENTING THE REQUIREMENTS OF THIS SECTION. SUCH POLICY SHALL APPOINT AN OFFICER TO WHOM ALL SUCH RECORDS SHALL BE DELIVERED. SUCH OFFICER SHALL MAINTAIN SUCH RECORDS FOR NOT LESS THAN SEVEN YEARS IN A FILING SYSTEM DESIGNED TO ORGANIZE SUCH RECORDS IN A MANNER SO AS TO MAKE SUCH RECORDS USEFUL TO DETERMINE WHETHER THE DECISIONS OF THE AUTHORITY WERE INFLUENCED BY LOBBYING CONTACTS.

S 23. Severability. If any provision of this act or its application to any person or circumstance is held invalid, this invalidity does not affect other provisions or applications of this act that can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

S 24. This act shall take effect on the sixtieth day after it shall have become a law.