

3384

2009-2010 Regular Sessions

I N S E N A T E

March 18, 2009

Introduced by Sen. NOZZOLIO -- read twice and ordered printed, and when printed to be committed to the Committee on Cultural Affairs, Tourism, Parks and Recreation

AN ACT to amend the parks, recreation and historic preservation law, the canal law, the public authorities law, the transportation law, the public officers law and the state finance law, in relation to transferring powers to the office of parks, recreation and historic preservation; and to repeal certain provisions of the public authorities law and the canal law relating thereto

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

1 Section 1. The parks, recreation and historic preservation law is
2 amended by adding a new article 4 to read as follows:

3 ARTICLE 4

4 CANAL CORPORATION

5 SECTION 4.01 CANAL CORPORATION.

6 4.02 BONDING OF CANAL CORPORATION.

7 S 4.01 CANAL CORPORATION. 1. THERE IS HEREBY CREATED A PUBLIC BENEFIT
8 CORPORATION KNOWN AS THE "NEW YORK STATE CANAL CORPORATION" (HEREINAFT-
9 ER, REFERRED TO AS THE "CANAL CORPORATION"). FOR THE PURPOSES OF THIS
10 ARTICLE, THE TERM "CANAL CORPORATION" SHALL MEAN THE NEW YORK STATE
11 CANAL CORPORATION CREATED PURSUANT TO THIS SECTION. THE CANAL CORPO-
12 RATION IS SOLELY CREATED TO, AND SHALL HAVE ONLY THE POWER TO, OPERATE,
13 MAINTAIN, CONSTRUCT, RECONSTRUCT, IMPROVE, DEVELOP, FINANCE, AND PROMOTE
14 THE NEW YORK STATE CANAL SYSTEM.

15 2. THE CANAL CORPORATION AND ANY OF ITS PROPERTY, FUNCTIONS, AND
16 ACTIVITIES SHALL HAVE ALL OF THE PRIVILEGES, IMMUNITIES, TAX EXEMPTIONS
17 AND OTHER EXEMPTIONS OF THE OFFICE AND OF THE OFFICE'S PROPERTY, FUNC-
18 TIONS, AND ACTIVITIES. THE CANAL CORPORATION MAY DELEGATE TO ONE OR MORE
19 OF ITS MEMBERS, OR ITS OFFICERS, AGENTS AND EMPLOYEES, SUCH DUTIES AND
20 POWERS AS IT MAY DEEM PROPER.

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

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1 3. NO OFFICER OR MEMBER OF THE CANAL CORPORATION SHALL RECEIVE ANY
2 ADDITIONAL COMPENSATION, EITHER DIRECT OR INDIRECT, OTHER THAN
3 REIMBURSEMENT FOR ACTUAL AND NECESSARY EXPENSES INCURRED IN THE PERFORM-
4 ANCE OF HIS OR HER DUTIES, BY REASON OF HIS OR HER SERVING AS A MEMBER,
5 DIRECTOR, OR TRUSTEE OF THE CANAL CORPORATION.

6 4. ALL OFFICERS, AGENTS AND EMPLOYEES OF THE CANAL CORPORATION SHALL
7 BE SUBJECT TO THE PROVISIONS OF THE CIVIL SERVICE LAW WHICH SHALL APPLY
8 TO THE CANAL CORPORATION AS A MUNICIPAL CORPORATION OTHER THAN A CITY.
9 THE CANAL CORPORATION SHALL PARTICIPATE IN THE NEW YORK STATE AND LOCAL
10 EMPLOYEES' RETIREMENT SYSTEM.

11 5. THE FISCAL YEAR OF THE CANAL CORPORATION SHALL BE THE SAME AS THE
12 FISCAL YEAR FOR THE OFFICE.

13 6. THE CANAL CORPORATION SHALL HAVE THE POWER TO: (A) OPERATE, MAIN-
14 TAIN, CONSTRUCT, RECONSTRUCT, IMPROVE, DEVELOP, FINANCE, AND PROMOTE THE
15 NEW YORK STATE CANAL SYSTEM AS DEFINED IN THE CANAL LAW;

16 (B) SUE AND BE SUED;

17 (C) HAVE A SEAL AND ALTER THE SAME AT PLEASURE;

18 (D) MAKE AND ALTER BY-LAWS FOR ITS ORGANIZATION AND INTERNAL MANAGE-
19 MENT AND MAKE RULES AND REGULATIONS GOVERNING THE USE OF ITS PROPERTY
20 AND FACILITIES;

21 (E) APPOINT OFFICERS, AGENTS AND EMPLOYEES, WHO SHALL BE SUBJECT TO
22 SECTION ONE HUNDRED THIRTY-EIGHT-A OF THE CANAL LAW, AND FIX THEIR
23 COMPENSATION;

24 (F) MAKE AND EXECUTE CONTRACTS AND ALL OTHER INSTRUMENTS NECESSARY OR
25 CONVENIENT FOR THE EXERCISE OF ITS POWERS AND FUNCTIONS UNDER THIS CHAP-
26 TER;

27 (G) ACQUIRE, HOLD, AND DISPOSE OF REAL OR PERSONAL PROPERTY FOR ITS
28 CORPORATE PURPOSES;

29 (H) ENGAGE THE SERVICES OF PRIVATE CONSULTANTS ON A CONTRACT BASIS FOR
30 RENDERING PROFESSIONAL AND TECHNICAL ASSISTANCE AND ADVICE;

31 (I) PROCURE INSURANCE AGAINST ANY LOSS IN CONNECTION WITH ITS ACTIV-
32 ITIES, PROPERTIES, AND OTHER ASSETS, IN SUCH AMOUNT AND FROM SUCH INSUR-
33 ERS AS IT DEEMS DESIRABLE;

34 (J) INVEST ANY FUNDS OF THE CANAL CORPORATION, OR ANY OTHER MONIES
35 UNDER ITS CUSTODY AND CONTROL NOT REQUIRED FOR IMMEDIATE USE OR
36 DISBURSEMENT, AT THE DISCRETION OF THE CANAL CORPORATION, IN OBLIGATIONS
37 OF THE STATE OR THE UNITED STATES GOVERNMENT OR OBLIGATIONS THE PRINCI-
38 PAL AND INTEREST OF WHICH ARE GUARANTEED BY THE STATE OR THE UNITED
39 STATES GOVERNMENT, OR IN ANY OTHER OBLIGATIONS IN WHICH THE COMPTROLLER
40 OF THE STATE IS AUTHORIZED TO INVEST PURSUANT TO SECTION NINETY-EIGHT-A
41 OF THE STATE FINANCE LAW;

42 (K) PREPARE AND SUBMIT A CAPITAL PROGRAM PLAN PURSUANT TO SECTION TEN
43 OF THE CANAL LAW;

44 (L) APPROVE AND IMPLEMENT THE NEW YORK STATE CANAL RECREATIONWAY PLAN
45 SUBMITTED PURSUANT TO SECTION ONE HUNDRED THIRTY-EIGHT-C OF THE CANAL
46 LAW. THE CANAL CORPORATION'S REVIEW AND APPROVAL OF THE CANAL RECREA-
47 TIONWAY PLAN SHALL BE BASED UPON ITS CONSIDERATION OF A GENERIC ENVIRON-
48 MENTAL IMPACT STATEMENT PREPARED BY THE CANAL CORPORATION IN ACCORDANCE
49 WITH ARTICLE EIGHT OF THE ENVIRONMENTAL CONSERVATION LAW AND THE REGU-
50 LATIONS THEREUNDER. PRIOR TO THE IMPLEMENTATION OF ANY SUBSTANTIAL
51 IMPROVEMENT BY THE CANAL CORPORATION ON CANAL LANDS, CANAL TERMINALS, OR
52 CANAL TERMINAL LANDS, OR THE LEASE OF CANAL LANDS, CANAL TERMINALS, OR
53 CANAL TERMINAL LANDS FOR SUBSTANTIAL COMMERCIAL IMPROVEMENT, THE CANAL
54 CORPORATION, IN ADDITION TO ANY REVIEW TAKEN PURSUANT TO SECTION 14.09
55 OF THIS CHAPTER, SHALL CONDUCT A RECONNAISSANCE LEVEL SURVEY WITHIN
56 THREE THOUSAND FEET OF SUCH LANDS TO BE IMPROVED OF THE TYPE, LOCATION,

1 AND SIGNIFICANCE OF HISTORIC BUILDINGS, SITES, AND DISTRICTS LISTED ON,
2 OR WHICH MAY BE ELIGIBLE, FOR THE STATE OR NATIONAL REGISTERS OF HISTOR-
3 IC PLACES. THE FINDINGS OF SUCH SURVEY SHALL BE USED TO IDENTIFY SIGNIF-
4 ICANT HISTORICAL RESOURCES AND TO DETERMINE WHETHER THE PROPOSED
5 IMPROVEMENTS ARE COMPATIBLE WITH SUCH HISTORIC BUILDINGS, SITES, AND
6 DISTRICTS;

7 (M) ENTER ON ANY LANDS, WATERS, OR PREMISES FOR THE PURPOSE OF MAKING
8 BORINGS, SOUNDINGS, AND SURVEYS; AND

9 (N) ACCEPT ANY GIFTS OR ANY GRANT OF FUNDS OR PROPERTY FROM THE FEDER-
10 AL GOVERNMENT OR FROM THE STATE OR ANY OTHER FEDERAL OR STATE PUBLIC
11 BODY OR POLITICAL SUBDIVISION OR ANY OTHER PERSON AND TO COMPLY WITH THE
12 TERMS AND CONDITIONS THEREOF.

13 7. (A) THE CANAL CORPORATION SHALL REVIEW THE BUDGET REQUEST SUBMITTED
14 BY THE CANAL RECREATIONWAY COMMISSION PURSUANT TO SECTION ONE HUNDRED
15 THIRTY-EIGHT-C OF THE CANAL LAW.

16 (B) THE CANAL CORPORATION, ON OR BEFORE THE FIRST DAY OF NOVEMBER, TWO
17 THOUSAND NINE AND ON OR BEFORE THE FIFTEENTH DAY OF SEPTEMBER OF EACH
18 YEAR THEREAFTER, SHALL SUBMIT TO THE DIRECTOR OF THE BUDGET A REQUEST
19 FOR THE EXPENDITURE OF FUNDS AVAILABLE FROM THE NEW YORK STATE CANAL
20 SYSTEM DEVELOPMENT FUND PURSUANT TO SECTION NINETY-TWO-U OF THE STATE
21 FINANCE LAW OR AVAILABLE FROM ANY OTHER NON-FEDERAL SOURCES APPROPRIATED
22 FROM THE STATE TREASURY.

23 (C) IN THE EVENT THAT THE REQUEST SUBMITTED BY THE CANAL CORPORATION
24 TO THE DIRECTOR OF THE BUDGET DIFFERS FROM THE REQUEST SUBMITTED BY THE
25 CANAL RECREATIONWAY COMMISSION TO THE CANAL CORPORATION, THEN THE
26 REQUEST SUBMITTED BY THE CANAL CORPORATION TO THE DIRECTOR OF THE BUDGET
27 SHALL SPECIFY THE DIFFERENCES AND SHALL SET FORTH THE REASONS FOR SUCH
28 DIFFERENCES.

29 8. THE CANAL CORPORATION SHALL REVIEW THE RECOMMENDATIONS OF THE CANAL
30 RECREATIONWAY COMMISSION CONCERNING THE FUTURE USE OF CANAL LANDS IN THE
31 ADIRONDACK PARK ISSUED PURSUANT TO SECTION ONE HUNDRED THIRTY-EIGHT-B OF
32 THE CANAL LAW, AND SHALL REPORT TO THE GOVERNOR AND THE LEGISLATURE NOT
33 LATER THAN THE FIRST DAY OF OCTOBER, TWO THOUSAND ELEVEN, IDENTIFYING
34 ANY PROPERTY NOT NEEDED FOR CANAL PURPOSES THAT MAY BE TRANSFERRED TO
35 THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION.

36 9. THE CANAL CORPORATION SHALL HAVE THE POWER TO ISSUE BONDS, NOTES,
37 OR OTHER OBLIGATIONS.

38 S 4.02 BONDING OF CANAL CORPORATION. 1. THE CANAL CORPORATION IS HERE-
39 BY AUTHORIZED, AS AN ADDITIONAL CORPORATE PURPOSE THEREOF, TO ISSUE ITS
40 BONDS, NOTES AND OTHER OBLIGATIONS IN CONFORMITY WITH APPLICABLE
41 PROVISIONS OF THE UNIFORM COMMERCIAL CODE FOR PURPOSES OF FINANCING THE
42 CONSTRUCTION, RECONSTRUCTION, DEVELOPMENT AND IMPROVEMENT OF THE NEW
43 YORK STATE CANAL SYSTEM.

44 2. THE CANAL CORPORATION MAY ISSUE BONDS, NOTES OR OTHER OBLIGATIONS
45 PURSUANT TO SUBDIVISION ONE OF THIS SECTION IN AN AGGREGATE PRINCIPAL
46 AMOUNT NOT EXCEEDING SIXTY MILLION DOLLARS PLUS A PRINCIPAL AMOUNT OF
47 BONDS, NOTES OR OTHER OBLIGATIONS ISSUED (A) TO FUND ANY RELATED DEBT
48 SERVICE RESERVE FUND, (B) TO PROVIDE CAPITALIZED INTEREST FOR A PERIOD
49 NOT EXCEEDING SIX MONTHS, EXCEPT THAT WHERE THE PROCEEDS OF SUCH BONDS,
50 NOTES OR OTHER OBLIGATIONS ARE EXPENDED ON A REVENUE-PRODUCING PROJECT,
51 SUCH PERIOD SHALL BE THAT ALLOWABLE UNDER THE UNITED STATES INTERNAL
52 REVENUE CODE OF NINETEEN HUNDRED EIGHTY-SIX, AS AMENDED, IN ORDER TO
53 PRESERVE THE EXCLUSION OF INTEREST ON SUCH BONDS, NOTES OR OTHER OBLI-
54 GATIONS FROM FEDERAL INCOME TAXATION, AND (C) TO PROVIDE FEES AND OTHER
55 CHARGES AND EXPENSES, INCLUDING UNDERWRITERS' DISCOUNTS, RELATED TO THE
56 ISSUANCE OF SUCH BONDS, NOTES AND OTHER OBLIGATIONS AND THE MAINTENANCE

1 OF SUCH RESERVES, ALL AS DETERMINED BY THE OFFICE, EXCLUDING BONDS,
2 NOTES AND OTHER OBLIGATIONS ISSUED TO REFUND OUTSTANDING BONDS, NOTES
3 AND OTHER OBLIGATIONS ISSUED PURSUANT TO THIS SECTION.

4 3. THE CANAL CORPORATION, IN ADDITION TO THE BONDS, NOTES AND OTHER
5 OBLIGATIONS AUTHORIZED PURSUANT TO SUBDIVISION TWO OF THIS SECTION, MAY
6 ISSUE BONDS, NOTES OR OTHER OBLIGATIONS PURSUANT TO SUBDIVISION ONE OF
7 THIS SECTION IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING TEN MILLION
8 DOLLARS FOR THE PURPOSE OF FUNDING CAPITAL CONSTRUCTION AND RECON-
9 STRUCTION PROJECTS ON THE NEW YORK STATE CANAL SYSTEM WHICH ARE DEEMED
10 BY THE AUTHORITY AS NECESSARY DUE TO THE EXISTENCE OF AN EMERGENCY
11 INVOLVING DANGER TO LIFE, SAFETY OR PROPERTY WHICH REQUIRES IMMEDIATE
12 ACTION. PROVIDED, HOWEVER, THAT NO SUCH BONDS, NOTES OR OTHER OBLI-
13 GATIONS SHALL BE ISSUED PURSUANT TO THIS SUBDIVISION UNTIL THE AUTHORITY
14 HAS EXHAUSTED ITS AUTHORIZATION PURSUANT TO SUBDIVISION TWO OF THIS
15 SECTION.

16 4. IN COMPUTING THE TOTAL PRINCIPAL AMOUNT OF BONDS, NOTES AND OTHER
17 OBLIGATIONS THAT MAY AT ANY TIME BE ISSUED FOR ANY PURPOSE UNDER THIS
18 SECTION, THE AMOUNT OF THE BONDS, NOTES OR OTHER OBLIGATIONS THAT
19 CONSTITUTES INTEREST UNDER THE UNITED STATES INTERNAL REVENUE CODE OF
20 NINETEEN HUNDRED EIGHTY-SIX, AS AMENDED, SHALL BE EXCLUDED.

21 5. ALL OF THE PROVISIONS OF THIS TITLE RELATING TO BONDS, NOTES AND
22 OTHER OBLIGATIONS, WHICH ARE NOT INCONSISTENT WITH THIS SECTION, SHALL
23 APPLY TO OBLIGATIONS AUTHORIZED BY THIS SECTION, INCLUDING BUT NOT
24 LIMITED TO THE POWER TO ISSUE RENEWAL NOTES OR REFUNDING BONDS THEREOF.

25 S 2. Section 2 of the canal law is amended by adding a new subdivision
26 24 to read as follows:

27 24. "OFFICE" SHALL MEAN THE OFFICE OF PARKS, RECREATION AND HISTORIC
28 PRESERVATION.

29 S 3. Section 5 of the canal law, as amended by chapter 335 of the laws
30 of 2001, is amended to read as follows:

31 S 5. Transfer of powers and duties relating to canals and canal lands
32 to the [New York state thruway authority] OFFICE. The powers and duties
33 of the commissioner of transportation relating to the New York state
34 canal system as set forth in articles one through and including four-
35 teen, except article seven, of this chapter, and except properties in
36 use on the effective date of this article in support of highway mainte-
37 nance, equipment management and traffic signal operations of the depart-
38 ment of transportation, are hereby transferred to and merged with the
39 [authority] OFFICE, to be exercised by the [authority] OFFICE on behalf
40 of the people of the state of New York. In addition, the commissioner of
41 transportation and the [chairman of the authority] COMMISSIONER OF THE
42 OFFICE may, in their discretion, enter into an agreement or agreements
43 transferring the powers and duties of the commissioner of transportation
44 relating to any or all of the bridges and highways as set forth in arti-
45 cle seven of this chapter, to be exercised by the [authority] OFFICE on
46 behalf of the people of the state of New York, and shall enter into an
47 agreement or agreements for the financing, construction, reconstruction
48 or improvement of lift and movable bridges on the canal system. [Such
49 powers shall be in addition to other powers enumerated in title nine of
50 article two of the public authorities law. All of the provisions of
51 title nine of article two of such law which are not inconsistent with
52 this chapter shall apply to the actions and duties of the authority
53 pursuant to this chapter.] The [authority] OFFICE shall be deemed to be
54 the state in exercising the powers and duties transferred pursuant to
55 this section but for no other purposes.

1 S 4. Section 6 of the canal law, as added by chapter 766 of the laws
2 of 1992, subdivisions 1, 3 and 4 and paragraph (b) of subdivision 6 as
3 amended by chapter 335 of the laws of 2001, is amended to read as
4 follows:

5 S 6. Transfer of canal lands and other assets. 1. The jurisdiction of
6 the commissioner of transportation over the New York state canal system
7 and over all state assets, equipment and property, both tangible and
8 intangible, owned or used in connection with the planning, development,
9 construction, reconstruction, maintenance and operation of the New York
10 state canal system, as set forth in articles one through and including
11 fourteen, except article seven, of this chapter, and except properties
12 in use on the effective date of this article in support of highway main-
13 tenance, equipment management and traffic signal operations of the
14 department of transportation are hereby transferred without consider-
15 ation to the [authority] OFFICE, to be held by the [authority] OFFICE in
16 the name of the people of the state of New York. In addition the commis-
17 sioner of transportation and the [chairman of the authority] COMMISSION-
18 ER OF THE OFFICE may, in their discretion, enter into an agreement or
19 agreements transferring jurisdiction over any or all of the bridges and
20 highways set forth in article seven of this chapter, and any or all
21 state assets, equipment and property, both tangible and intangible,
22 owned or used in connection with the planning, development,
23 construction, reconstruction, maintenance and operation of such bridges
24 and highways, which shall be transferred without consideration to the
25 [authority] OFFICE, to be held by [the authority] SUCH OFFICE through
26 the corporation in the name of the people of the state of New York. Any
27 other rights and obligations resulting from or arising out of the plan-
28 ning, development, construction, reconstruction, operation or mainte-
29 nance of the New York state canal system shall be deemed assigned to and
30 shall be exercised by the [authority] OFFICE through the corporation,
31 except that the [authority] OFFICE may designate the commissioner of
32 transportation to be its agent for the operation and maintenance of the
33 New York state canal system, provided that such designation shall have
34 no force or effect after March thirty-first, nineteen hundred ninety-
35 three. Such canal system shall remain the property of the state and
36 under its management and control as exercised by and through the
37 [authority,] OFFICE through the corporation which shall be deemed to be
38 the state for the purposes of such management and control of the canals
39 but for no other purposes.

40 2. The department of transportation shall deliver to the [authority]
41 OFFICE all books, policies, procedures, papers, plans, maps, records,
42 equipment and property of such department pertaining to the functions
43 transferred pursuant to this article.

44 3. All rules, regulations, acts, determinations, orders and decisions
45 of the commissioner of transportation and of the department of transpor-
46 tation pertaining to the functions transferred pursuant to this article
47 in force at the time of such transfer shall continue in force and effect
48 as rules, regulations, acts, determinations, orders and decisions of the
49 [authority] OFFICE and corporation until duly modified or abrogated by
50 such [authority] OFFICE and corporation.

51 4. Any business or other matters undertaken or commenced by the
52 commissioner of transportation or the department of transportation,
53 including executed contracts, permits and other agreements, pertaining
54 to or connected with the functions, powers, obligations and duties
55 transferred pursuant to this article, and in effect on the effective
56 date hereof, shall be conducted and completed by the [authority] OFFICE

1 through the corporation in the same manner and under the same terms and
2 conditions and with the same effect as if conducted and completed by the
3 commissioner of transportation or the department of transportation.

4 5. No existing rights or remedies of the state, including the [author-
5 ity] OFFICE, shall be lost, impaired or affected by reason of this arti-
6 cle.

7 6. (a) No action or proceeding pending on the effective date of this
8 article, brought by or against the commissioner of transportation or the
9 department of transportation shall be affected by this article. Any
10 liability arising out of any act or omission occurring prior to the
11 effective date of the transfer of powers and duties authorized herein of
12 the officers, employees or agents of the department of transportation,
13 or any other agency of the state, other than the [authority] OFFICE, in
14 the performance of their obligations or duties under [the canal law]
15 THIS CHAPTER, any other law of the state or any federal law, or pursuant
16 to a contract entered into prior to the effective date of such transfer
17 shall remain a liability of the department of transportation or such
18 other agency of the state and not of the [authority] OFFICE.

19 (b) Notwithstanding any provision to the contrary contained in para-
20 graph (a) of this subdivision, the state shall indemnify and hold harm-
21 less the [authority] OFFICE and corporation for any and all claims,
22 damages, or liabilities, whether or not caused by negligence, including
23 civil and criminal fines, arising out of or relating to any generation,
24 processing, handling, transportation, storage, treatment, or disposal of
25 solid or hazardous wastes in the canal system by any person or entity
26 other than the [authority] OFFICE occurring prior to the effective date
27 of the transfer of powers and duties authorized [herein] IN THIS PARA-
28 GRAPH. Such indemnification shall extend to, without limitation, any
29 releases into land, water or air, including but not limited to releases
30 as defined under the federal comprehensive environmental response
31 compensation and liability act of nineteen hundred eighty, occurring or
32 existing prior to the effective date of this section; provided that the
33 [authority] OFFICE shall cooperate in the investigation and remediation
34 of hazardous waste and other environmental problems.

35 S 5. Subdivisions 1 and 3 of section 55 of the canal law, as amended
36 by chapter 335 of the laws of 2001, are amended to read as follows:

37 1. The corporation is hereby authorized, after review and comment by
38 the commission as to consistency with the canal recreationway plan
39 approved pursuant to section one hundred thirty-eight-c of this chapter
40 and section [three hundred eighty-two of the public authorities law]
41 4.01 OF THE PARKS, RECREATION AND HISTORIC PRESERVATION LAW, to enter
42 into leases of canal lands, canal terminals, and canal terminal lands
43 which are consistent with the canal recreationway plan. Such review and
44 comment shall be provided within the time period set forth in the proce-
45 dures of the commission established pursuant to section one hundred
46 thirty-eight-b of this chapter which shall be no more than sixty days.

47 3. Leases of canal lands, canal terminals and canal terminal lands
48 shall be for purposes which are consistent with the New York state canal
49 recreationway plan approved pursuant to section one hundred thirty-
50 eight-c of this chapter and section [three hundred eighty-two of the
51 public authorities law] 4.01 OF THE PARKS, RECREATION AND HISTORIC PRES-
52 ERVATION LAW.

53 S 6. Paragraph a of subdivision 1 and subdivision 2 of section 138-a
54 of the canal law, paragraph a of subdivision 1 as amended by chapter 243
55 of the laws of 1993 and subdivision 2 as added by chapter 766 of the
56 laws of 1992, are amended to read as follows:

1 a. [the chairman of the authority,] the commissioner of transporta-
2 tion, the commissioner of the office of parks, recreation and historic
3 preservation and the commissioner of environmental conservation, or
4 their representatives;

5 2. The chairperson of the commission shall be the [chairman of the
6 authority] COMMISSIONER OF THE OFFICE OF PARKS, RECREATION AND HISTORIC
7 PRESERVATION. The members of the commission may elect a secretary and
8 other necessary officers to serve for such a period as the members shall
9 decide.

10 S 7. Paragraph g of subdivision 1 and clause (v) of paragraph a of
11 subdivision 3 of section 138-c of the canal law, as amended by chapter
12 335 of the laws of 2001, are amended to read as follows:

13 g. provisions which give guidance to the [authority] OFFICE with
14 respect to managing water levels in reservoirs to provide water to the
15 canal system and retain water for recreational purposes;

16 (v) is inconsistent with the findings of the generic environmental
17 impact statement undertaken pursuant to section [three hundred eighty-
18 two of the public authorities law] 4.01 OF THE PARKS, RECREATION AND
19 HISTORIC PRESERVATION LAW.

20 S 8. Subdivisions 10, 11, 12 and 13 of section 351 of the public
21 authorities law, subdivision 10 as added by chapter 766 of the laws of
22 1992, subdivision 11 as added and subdivision 12 as amended by chapter
23 583 of the laws of 1993, subdivision 13 as added by chapter 138 of the
24 laws of 1997, are amended to read as follows:

25 10. [The term "New York state canal system" shall mean all of the
26 canals, canal lands, feeder canals, reservoirs, canal terminals, canal
27 terminal lands and other property under the jurisdiction of the authori-
28 ty pursuant to article one-A of the canal law.

29 11.] The term "Tappan Zee ferry service" shall mean a high speed ferry
30 service for use by commuters and others between Rockland county, West-
31 chester county and the city of New York. It shall include all real prop-
32 erty, buildings, terminals, vessels, structures and other facilities
33 related thereto as the authority may determine.

34 12. The term "thruway system" shall mean: (a) the thruway; AND (b)
35 [the New York state canal system; and (c)] the Tappan Zee ferry service.

36 [13. The term "canal corporation" shall mean the New York state canal
37 corporation created pursuant to section three hundred eighty-two of this
38 title.]

39 S 9. Section 355 of the public authorities law, as amended by chapter
40 138 of the laws of 1997, is amended to read as follows:

41 S 355. Officers and employees; transfer, promotion and seniority. 1.
42 Officers and employees of state departments[,] OR agencies[, or the
43 canal corporation] may be transferred to the authority and officers,
44 agents and employees of the authority may be transferred to state
45 departments, agencies[, or the canal corporation, without examination
46 and without loss of any civil service status or rights. No such transfer
47 from the authority or canal corporation] to any state department, agen-
48 cy, or division may, however, be made except with the approval of the
49 head of the state department, agency, or division involved and the
50 director of the budget and in compliance with the rules and regulations
51 of the state civil service commission.

52 2. Promotions from positions in state departments and agencies to
53 positions in the authority [or canal corporation], and vice versa, may
54 be made from interdepartmental promotion lists resulting from promotion
55 examinations in which employees of the authority, [employees of the

1 canal corporation,] and employees of the state are eligible to partic-
2 ipate.

3 3. In computing seniority for purposes of promotion or for purposes of
4 suspension or demotion upon the abolition of positions in the service of
5 the authority or in the service of the state, in the case of an employee
6 of the authority a period of prior employment in the service of the
7 state shall be counted in the same manner as though such period of
8 employment had been in the service of the authority, and in the case of
9 an employee of the state a period of prior employment in the service of
10 the authority shall be counted in the same manner as though such period
11 of employment had been in the service of the state. For the purposes of
12 the establishment and certification of preferred lists, employees
13 suspended from the authority shall be eligible for reinstatement in the
14 service of the state, and employees suspended from the service of the
15 state shall be eligible for reinstatement in the service of the authori-
16 ty, in the same manner as though the authority were a department of the
17 state. [All provisions contained within this subdivision shall apply to
18 the canal corporation in the same manner that they apply to the authori-
19 ty.]

20 S 10. Paragraph (a) of subdivision 1 of section 384 of the public
21 authorities law, as amended by chapter 634 of the laws of 1996, is
22 amended to read as follows:

23 (a) The authority is hereby authorized and directed, as an additional
24 corporate purpose thereof, to enter into contracts or agreements with
25 any private person or corporation or with the state or local governments
26 or with other public corporations to finance, construct, reconstruct,
27 improve or develop the following transportation projects subject to the
28 limitations prescribed by this section: (i) the projects, or portions
29 thereof, known as the inner harbor project and the intermodal transpor-
30 tation project located in Onondaga county, including but not limited to,
31 the consolidation of the Syracuse canal terminal and the planning,
32 design and construction of an intermodal transportation facility,
33 provided, however, that prior to proceeding with the inner harbor
34 project, the authority and the city of Syracuse shall enter into a memo-
35 randum of understanding regarding the undertaking of such project; (ii)
36 the project, or portions thereof, known as the horizons waterfront
37 development project generally located in and around Erie county, and the
38 New York state canal system generally located along the Erie canal in
39 Erie and Niagara counties; and (iii) the project, or portions thereof,
40 known as the Stewart airport access project located in Orange county to
41 provide direct access to Stewart international airport from interstate
42 eighty-four in the vicinity of the airport. [Notwithstanding the
43 provisions of article VI-A and section one hundred thirty-eight-c of the
44 canal law and paragraph (m) of subdivision seven of section three
45 hundred eighty-two of this chapter, the New York state thruway authori-
46 ty, or the subsidiary corporation thereof, is authorized to enter into
47 an agreement with the city of Syracuse for the leasing of the land
48 comprising the inner harbor project in Onondaga county.] Any projects
49 for the construction, reconstruction or improvement of property or
50 structures undertaken pursuant to this section shall be in full compli-
51 ance with title thirteen of article twenty-seven of the environmental
52 conservation law and shall be deemed public works for the purposes of
53 section two hundred twenty of the labor law and section one hundred
54 three of the general municipal law, except that any contracts let by the
55 authority for the construction, reconstruction or improvement of such
56 projects shall be subject to section three hundred fifty-nine of this

1 title. For the purposes of article fifteen-A of the executive law only,
2 the authority shall be deemed a state agency as that term is used in
3 such article and its contracts for such projects as provided in this
4 article shall be deemed state contracts within the meaning set forth in
5 such article.

6 S 11. Subdivisions 9 and 10 of section 481 of the transportation law,
7 as added by section 1 of part A of chapter 60 of the laws of 2005, are
8 amended to read as follows:

9 9. "Canal corporation" shall mean the New York state canal corporation
10 created pursuant to section [three hundred eighty-two of the public
11 authorities law] 4.01 OF THE PARKS, RECREATION AND HISTORIC PRESERVATION
12 LAW.

13 10. "Canal system" shall mean the "New York state canal system", as
14 such term is defined by subdivision [ten] ONE of section [three hundred
15 fifty-one of the public authorities] TWO OF THE CANAL law.

16 S 12. Sections 382 and 383 of the public authorities law are REPEALED.

17 S 13. Subdivision 21 of section 2 of the canal law, as added by chap-
18 ter 442 of the laws of 1996, and as renumbered by chapter 335 of the
19 laws of 2001, is amended to read as follows:

20 21. "Corporation" shall mean the New York state canal corporation[, a
21 subsidiary of the New York state thruway authority, created pursuant to
22 section three hundred eighty-two of the public authorities law].

23 S 14. Section 359-a of the public authorities law, as added by chapter
24 140 of the laws of 2002, is amended to read as follows:

25 S 359-a. Procurement contracts. For the purposes of section twenty-
26 eight hundred seventy-nine of this chapter as applied to the authority
27 [or the canal corporation], the term "procurement contract" shall mean
28 any written agreement for the acquisition of goods or services of any
29 kind by the authority [or the canal corporation] in the actual or esti-
30 mated amount of fifteen thousand dollars or more.

31 S 15. Paragraph (i) of subdivision 1 of section 19 of the public offi-
32 cers law, as added by chapter 115 of the laws of 2000, is amended to
33 read as follows:

34 (i) For purposes of this section, the term "employee" shall include
35 directors, officers and employees of the thruway authority [and its
36 subsidiary, the canal corporation]. In those cases where the definition
37 of the term "employee" provided in this paragraph is applicable, the
38 term "state", as utilized in subdivisions two, three, and four of this
39 section, shall mean the thruway authority when the employee is a direc-
40 tor, officer, or employee of the thruway authority[, or its subsidiary,
41 the canal corporation, when the employee is a director, officer, or
42 employee of the canal corporation].

43 S 16. Subdivision 1 of section 19 of the public officers law is
44 amended by adding a new paragraph (j) to read as follows:

45 (J) FOR THE PURPOSES OF THIS SECTION, THE TERM "EMPLOYEE" SHALL
46 INCLUDE DIRECTORS, OFFICERS, AND EMPLOYEES OF THE CANAL CORPORATION
47 PURSUANT TO SECTION 4.01 OF THE PARKS, RECREATION AND HISTORIC PRESERVA-
48 TION LAW.

49 S 17. Subdivision 18 of section 2 of the canal law is REPEALED.

50 S 18. Subdivisions 2 and 5 of section 92-u of the state finance law,
51 subdivision 2 as added by chapter 766 of the laws of 1992 and subdivi-
52 sion 5 as amended by chapter 483 of the laws of 1996, are amended to
53 read as follows:

54 2. Such fund shall consist of all revenues received from the operation
55 of the New York state canal system as defined in section [three hundred
56 fifty-one of the public authorities law and section] two of the canal

1 law, including payments on leases for use of canal lands, terminals and
2 terminal lands, tolls received for lock and lift bridge passage,
3 payments for hydroelectric easements and sales, for purchase of other
4 abandoned canal lands, payments for any permits and leases for use of
5 the water and lands of the system and payments for use of dry docks and
6 other moneys made available to the fund from any other source other than
7 a grant, loan or other inter-corporate transfer of funds of the [New
8 York state thruway authority] OFFICE OF PARKS, RECREATION AND HISTORIC
9 PRESERVATION, and any income earned by, or incremental to, the fund due
10 to investment thereof, or any repayment of any moneys advanced by the
11 fund.

12 5. Moneys of the fund, following appropriation by the legislature,
13 shall be available to the [New York state thruway authority and shall be
14 expended by such authority or subsidiary corporation thereof] OFFICE OF
15 PARKS, RECREATION AND HISTORIC PRESERVATION only for the maintenance,
16 construction, reconstruction, development or promotion of the canal
17 system; provided, however, that in the initial years, expenditures of
18 moneys of the fund for the development and/or promotion of the canal
19 system shall be accorded a priority by [the authority or subsidiary
20 corporation thereof] SUCH OFFICE. In addition, moneys of the fund may
21 be used for the purposes of interpretive signage and promotion for
22 appropriate historically significant Erie canal lands and related sites.
23 Moneys shall be paid out of the fund by the state comptroller on certifi-
24 cates issued by the director of the budget.

25 S 19. Paragraph (a) of subdivision 1 of section 365 of the public
26 authorities law, as amended by chapter 766 of the laws of 1992, is
27 amended to read as follows:

28 (a) Subject to the provisions of section three hundred sixty-six of
29 this title, the authority shall have the power and is hereby authorized
30 from time to time to issue its negotiable notes and bonds in conformity
31 with applicable provisions of the uniform commercial code in such prin-
32 cipal amount as, in the opinion of the authority, shall be necessary to
33 provide sufficient moneys for achieving the corporate purposes thereof,
34 including construction, reconstruction and improvement of the thruway
35 sections and connections, and highway connections herein described, [the
36 New York state canal system subject to the provisions of section three
37 hundred eighty-three of this title,] together with suitable facilities
38 and appurtenances, the payment of all indebtedness to the state, the
39 cost of acquisition of all real property, the expense of maintenance and
40 operation, interest on notes and bonds during construction and for a
41 reasonable period thereafter, establishment of reserves to secure notes
42 or bonds, and all other expenditures of the authority incident to and
43 necessary or convenient to carry out its corporate purposes and powers.

44 S 20. This act shall take effect on the one hundred eightieth day
45 after it shall have become a law; provided, however, that effective
46 immediately, the addition, amendment and/or repeal of any rule or regu-
47 lation necessary for the implementation of this act on its effective
48 date are authorized and directed to be made and completed on or before
49 such effective date.