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

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2009-2010 Regular Sessions

I N S E N A T E

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Introduced by Sens. FLANAGAN, ALESI, DeFRANCISCO, HANNON, LARKIN, LAVALLE, LITTLE, MORAHAN, PADAVAN, WINNER -- 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, the general municipal law and the racing, pari-mutuel wagering and breeding law, in relation to points of clarification; to amend the public authorities law, in relation to prohibiting the formation of a subsidiary of a public authority without prior permission of the legislature and repealing certain provisions of the public authorities law and the public authorities accountability act of 2005 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 Subdivision 4 of section 2 of the public authorities law is REPEALED and a new subdivision 4 is added to read as follows: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. "AUTHORITY BUDGET OFFICE" 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] AUTHORITY BUDGET OFFICE 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. The public authorities law is amended by adding a new section 3 to read as follows:

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

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S 3. FISCAL YEAR. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, EFFECTIVE JULY FIRST, TWO THOUSAND ELEVEN, AND EACH YEAR THEREAFTER, THE FISCAL YEAR OF ALL STATE AUTHORITIES AND LOCAL AUTHORITIES SHALL COMMENCE ON THE FIRST DAY OF JULY, PROVIDED, HOWEVER, THAT ANY STATE OR LOCAL AUTHORITY THAT SHALL NOTIFY THE AUTHORITY BUDGET OFFICE PRIOR TO JULY FIRST, TWO THOUSAND ELEVEN, THAT THERE EXIST GOOD REASONS WHY SUCH AUTHORITY SHOULD NOT CHANGE ITS FISCAL YEAR, SHALL NOT BE REQUIRED TO COMPLY WITH THIS SECTION. ON OR BEFORE DECEMBER THIRTY-FIRST, TWO THOUSAND ELEVEN, THE AUTHORITY BUDGET OFFICE SHALL SUBMIT TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE AND THE SPEAKER OF THE ASSEMBLY A REPORT LISTING EACH STATE AND LOCAL AUTHORITY THAT HAS SO NOTIFIED THE AUTHORITY BUDGET OFFICE TOGETHER WITH AN EVALUATION OF THE REASONS STATED IN SUCH NOTIFICATION AND A RECOMMENDATION AS TO WHETHER EACH SUCH AUTHORITY SHOULD BE ALLOWED TO CONTINUE WITH ITS CURRENT FISCAL YEAR OR BE REQUIRED BY FURTHER ACT OF THE LEGISLATURE TO CHANGE THE COMMENCEMENT OF ITS FISCAL YEAR TO JULY FIRST. SUCH REPORT SHALL ALSO LIST EACH SECTION OF LAW THAT ESTABLISHES A FISCAL YEAR FOR ANY STATE OR LOCAL AUTHORITY THAT DOES NOT COMMENCE ON JULY FIRST.

S 4. Section 1299-uu of the public authorities law, as added by chapter 1124 of the laws of 1969, is amended to read as follows:

S 1299-uu. Fiscal year. The fiscal year of the authority shall begin on the first day of April. FOR ANY FISCAL YEAR BEGINNING AFTER APRIL FIRST, TWO THOUSAND TWELVE, THE FISCAL YEAR SHALL BE DETERMINED BY SECTION THREE OF THIS CHAPTER.

S 5. Section 1320 of the public authorities law, as added by chapter 460 of the laws of 1970, is amended to read as follows:

S 1320. Fiscal year. The fiscal year of the authority shall begin on the first day of April. FOR ANY FISCAL YEAR BEGINNING AFTER APRIL FIRST, TWO THOUSAND TWELVE, THE FISCAL YEAR SHALL BE DETERMINED BY SECTION THREE OF THIS CHAPTER.

S 6. Section 1345 of the public authorities law, as added by chapter 714 of the laws of 1970, is amended to read as follows:

S 1345. Fiscal year. The fiscal year of the authority shall begin on the first day of April. FOR ANY FISCAL YEAR BEGINNING AFTER APRIL FIRST, TWO THOUSAND TWELVE, THE FISCAL YEAR SHALL BE DETERMINED BY SECTION THREE OF THIS CHAPTER.

S 7. Section 27 of chapter 766 of the laws of 2005, constituting the public authorities accountability act of 2005, is REPEALED.

S 8. Sections 1, 2 and 3 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; FISCAL YEAR

S 9. Article 1 of the public authorities law is amended by adding a new title 2 to read as follows:

TITLE 2

AUTHORITY BUDGET OFFICE

SECTION 4. ESTABLISHMENT OF THE AUTHORITY BUDGET OFFICE.
5. DIRECTOR OF THE AUTHORITY BUDGET OFFICE.
6. POWERS AND DUTIES OF THE AUTHORITY BUDGET OFFICE.
7. REPORTS OF THE AUTHORITY BUDGET OFFICE.

S 4. ESTABLISHMENT OF THE AUTHORITY BUDGET OFFICE. THERE SHALL BE AN AUTHORITIES BUDGET OFFICE WHICH SHALL HAVE AND EXERCISE THE POWERS AND DUTIES PROVIDED BY THIS TITLE. THE AUTHORITY BUDGET OFFICE SHALL NOT BE A UNIT OF THE EXECUTIVE DEPARTMENT OR ANY OF ITS COMPONENTS, INCLUDING BUT NOT LIMITED TO THE DIVISION OF THE BUDGET. THE HEAD OF THE AUTHORITY BUDGET OFFICE SHALL BE THE DIRECTOR OF THE AUTHORITY BUDGET OFFICE,

WHO SHALL BE CHOSEN IN ACCORDANCE WITH THE PROCEDURE SET FORTH IN SECTION FIVE OF THIS TITLE.

S 5. DIRECTOR OF THE AUTHORITY BUDGET OFFICE. THE DIRECTOR OF THE AUTHORITY BUDGET OFFICE SHALL BE APPOINTED FOR A TERM THAT SHALL BEGIN ON THE DATE OF APPOINTMENT, AND SHALL END ON THE THIRTY-FIRST OF MARCH OF THE FIFTH CALENDAR YEAR BEGINNING AFTER THE EFFECTIVE DATE OF THIS TITLE. ALL SUBSEQUENT DIRECTORS SHALL BE APPOINTED FOR A FIVE YEAR TERM. THE DIRECTOR OF THE AUTHORITY BUDGET OFFICE SHALL BE APPOINTED BY A SPECIAL COMMITTEE CONVENED FOR THIS PURPOSE. SUCH COMMITTEE SHALL CONSIST OF THE GOVERNOR, THE COMPTROLLER, THE ATTORNEY GENERAL, THE TEMPORARY PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE ASSEMBLY AND SHALL ACT BY UNANIMOUS VOTE WITHIN FORTY-FIVE DAYS AFTER THE OFFICE BECOMES VACANT. IN THE EVENT THAT A VACANCY SHALL OCCUR FOR ANY REASON DURING ANY FIVE YEAR TERM, THE VACANCY SHALL BE FILLED AS PRESCRIBED IN THIS SECTION FOR THE REMAINDER OF THE UNCOMPLETED TERM, PROVIDED, HOWEVER, THAT IF THE UNCOMPLETED TERM IS LESS THAN TWO YEARS, THE COMMITTEE MAY RECOMMEND THAT THE NEW DIRECTOR SERVE A FULL FIVE YEAR TERM. THE SALARY OF THE DIRECTOR SHALL BE ESTABLISHED BY THE COMMITTEE 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 (A) OF SUBDIVISION ONE OF SECTION ONE HUNDRED SIXTY-NINE OF THE EXECUTIVE LAW. THE OFFICE OF GENERAL SERVICES SHALL ARRANGE FOR SUITABLE OFFICE SPACE, EQUIPMENT AND RESOURCES. EACH PUBLIC AUTHORITY SUBJECT TO THE DIRECTOR SHALL PROVIDE SUITABLE OFFICE SPACE, EQUIPMENT AND RESOURCES FOR EMPLOYEES OF THE DIRECTOR ASSIGNED TO SUCH PUBLIC AUTHORITY ON A FULL-TIME OR PART-TIME BASIS. THE DIRECTOR MAY BE REMOVED BY THE COMMITTEE BUT ONLY AFTER NOTICE AND OPPORTUNITY FOR HEARING, AND ONLY FOR: (A) PERMANENT DISABILITY; (B) INEFFICIENCY; (C) NEGLECT OF DUTY; (D) MALFEASANCE; OR (E) A FELONY OR CONDUCT INVOLVING MORAL TURPITUDE.

S 6. POWERS AND DUTIES OF THE AUTHORITY BUDGET OFFICE. 1. THE AUTHORITY BUDGET OFFICE 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 BEST PRACTICES FOR THE SCREENING OF PROPOSED DIRECTORS, (H) 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 PROVISION 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, (I) DEVELOP MEANS OF ENFORCING THOSE FIDUCIARY DUTIES, (J) DEVELOP A COMPREHENSIVE DEFINITION OF PUBLIC AUTHORITIES INCLUDING A CONSOLIDATED LISTING BY CLASS AND NAME, (K) VERIFY THE EXISTENCE OF ALL AUTHORITIES LISTED IN STATE LAW, (L) REVIEW THE POTENTIAL FOR CONSOLIDATION OR NAME CHANGE OF CERTAIN AUTHORITIES, (M) STANDARDIZE CONTENT AND FORMAT OF STATE AND LOCAL AUTHORITY ANNUAL REPORTS, (N) ASSESS INDIVIDUAL AUTHORITIES AND BASED UPON THEIR ABILITY AND RESOURCES, SET A DATE BY WHICH CHANGES MADE PURSUANT TO THIS TITLE SHALL BE IMPLEMENTED, (O) ISSUE RECOMMENDATIONS TO THE LEGISLATURE AND GOVERNOR ON SETTING DEBT LIMITATIONS FOR AUTHORITIES WITHOUT STATUTORILY REQUIRED DEBT LIMITS, AND (P) RECOMMEND TO THE LEGISLATURE AND GOVERNOR A COMPENSATION PLAN FOR BOARDS OF DIRECTORS.

2. THE AUTHORITY BUDGET OFFICE 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 SECTION, (F) PUBLICLY WARN AND CENSURE AUTHORITIES FOR NON-COMPLIANCE WITH THIS TITLE, AND TO ESTABLISH GUIDELINES FOR SUCH ACTIONS, (G) RECOMMEND TO THE GOVERNOR AND THE LEGISLATURE SUSPENSION OR DISMISSAL OF OFFICERS OR DIRECTORS, (H) REPORT CRIMINAL ACTIVITIES TO THE ATTORNEY GENERAL AND OTHER PROSECUTORIAL AGENCIES, AND (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 AUTHORITY BUDGET OFFICE 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 AUTHORITY BUDGET OFFICE.

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

S 7. REPORTS OF THE AUTHORITY BUDGET OFFICE. ON JULY FIRST, TWO THOUSAND ELEVEN AND ANNUALLY THEREAFTER THE AUTHORITY BUDGET OFFICE 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 10. 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 AUTHORITY BUDGET OFFICE, 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 AUTHORITY BUDGET OFFICE, 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 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] AUTHORITY BUDGET OFFICE, 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, 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 AUTHORITY BUDGET OFFICE, OR WHERE THE CONTRACT PRICE FOR GOODS SOLD IS LESS THAN A FAIR MARKET VALUE, AN ATTESTATION OF THE FAIR MARKET VALUE 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 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 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 11. 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 AUTHORITY BUDGET OFFICE, 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,] AUTHORITY BUDGET OFFICE 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 12. 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 AUTHORITY BUDGET OFFICE, 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 AUTHORITY BUDGET OFFICE, 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 13. 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 AUTHORITY BUDGET OFFICE, 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 14. Title 2 of article 9 of the public authorities law is amended by adding a new section 2823 to read as follows:

S 2823. BOARD SIZE. ALL STATE AND LOCAL AUTHORITIES NOT SPECIFICALLY IDENTIFIED IN CHAPTER SEVEN HUNDRED SIXTY-SIX OF THE LAWS OF TWO THOUSAND FIVE WHICH HAVE A BOARD OF LESS THAN SEVEN MEMBERS, SHALL BE IDENTIFIED BY THE AUTHORITY BUDGET OFFICE, AND SUCH OFFICE SHALL BY JULY FIRST, TWO THOUSAND ELEVEN, REPORT TO THE GOVERNOR AND THE TEMPORARY PRESIDENT OF THE SENATE AND THE SPEAKER OF THE ASSEMBLY RECOMMENDATIONS AS TO LEGISLATION TO INCREASE SUCH BOARD MEMBERSHIP TO AT LEAST SEVEN MEMBERS.

S 15. 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) RECOMMEND TO THE AUTHORITY BUDGET OFFICE A COMPENSATION PLAN FOR BOARD MEMBERS; AND (H) 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 ACKNOWLEDGEMENT, ISSUED BY THE AUTHORITY BUDGET OFFICE 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-EVALUA-

TIONS; AND TO RECOMMEND BY-LAWS WHICH INCLUDE RULES AND PROCEDURES FOR CONDUCT OF BOARD BUSINESS.

S 16. Section 2824 of the public authorities law is amended by adding a new subdivision 8 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.

S 17. 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 AUTHORITIES BUDGET OFFICE ON OR BEFORE MARCH THIRTY-FIRST, TWO THOUSAND ELEVEN, AND EACH LOCAL AUTHORITY SHALL SUBMIT TO THE AUTHORITIES BUDGET OFFICE ON OR BEFORE MARCH THIRTY-FIRST, TWO THOUSAND TWELVE, 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 A SELF EVALUATION BASED ON THE STATED MEASUREMENTS HOWEVER, SUCH REEXAMINATION MAY BE WAIVED PURSUANT TO A DETERMINATION BY THE DIRECTOR OF THE AUTHORITIES' BUDGET OFFICE THAT SUCH UNDERTAKING IS UNNECESSARY FOR AN INDIVIDUAL AUTHORITY.

S 18. Section 2825 of the public authorities law, as amended by chapter 766 of the laws of 2005, is amended to read as follows:

S 2825. Membership on authorities and commissions; independence; and financial disclosure. Notwithstanding the provisions of any general, special or local law, municipal charter or ordinance: 1. No public officer or employee shall be ineligible for appointment as a trustee or member of the governing body of a state or local authority, as defined in section two of this chapter, and any public officer or employee may accept such appointment and serve as such trustee or member without forfeiture of any other public office or position of public employment by reason thereof.

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 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 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 CORPORATION.

3. Notwithstanding any other provision of any general, special or local law, municipal charter or ordinance to the contrary, board members, officers, and employees of a state authority shall file annual financial disclosure statements as required by section seventy-three-a of the public officers law. Board members, officers, and employees of a local public authority shall file annual financial disclosure statements with the county board of ethics for the county in which the local public authority has its primary office pursuant to article eighteen of the general municipal law.

S 19. Section 2826 of the public authorities law, as added by chapter 429 of the laws of 1958 and as renumbered by chapter 838 of the laws of 1983, is amended to read as follows:

S 2826. Quorums and majorities. [Notwithstanding any other provision of this chapter and notwithstanding any provision of any general, special or local law] EXCEPT AS OTHERWISE PROVIDED BY LAW APPLICABLE TO A SPECIFIC AUTHORITY, whenever the whole number of the board of any STATE OR LOCAL authority or commission heretofore or hereafter continued or created by this chapter is [three] FIVE or more persons, a majority of the whole number of the members of such board, at a meeting duly held at a time fixed by law, or by any by-law duly adopted by such board, or at any duly adjourned meeting of such meeting or at any meeting duly held upon reasonable notice to all of the members of such board, shall constitute a quorum and not less than a majority of the whole number of such board may perform and exercise the powers authorized and provided in this chapter. For the purpose of this section the words "whole number" shall be construed to mean the total number which such board would have were there no vacancies and were none of the members of such board disqualified from acting.

S 20. The public authorities law is amended by adding a new section 2879-a to read as follows:

S 2879-A. COMPTROLLER APPROVAL OF CONTRACTS. 1. EACH STATE AUTHORITY SHALL SUBMIT TO REVIEW, BY THE STATE COMPTROLLER, OF PROCUREMENT, PUBLIC WORK, CONSTRUCTION, AND REVENUE CONTRACTS THAT INCLUDE THE PAYMENT OF MONEY, THE EXCHANGE OF PERSONAL OR REAL PROPERTY, OR THE EXCHANGE OF SERVICES, OR ANY COMBINATION THEREOF, WHICH IN AGGREGATE MAY REASONABLY

BE VALUED IN EXCESS OF ONE MILLION DOLLARS, PRIOR TO ACCEPTANCE OF SUCH CONTRACTS BY SUCH STATE AUTHORITIES.

2. ANY CONTRACT SUBJECT TO SUBDIVISION ONE OF THIS SECTION SHALL BE DEEMED APPROVED (A) UNLESS THE COMPTROLLER HAS DISAPPROVED THE CONTRACT WITHIN FORTY-FIVE DAYS OF THE SUBMISSION OF SUCH CONTRACT TO HIS OR HER OFFICE, (B) UNLESS THE STATE AUTHORITY SHALL AGREE WITH THE COMPTROLLER ON AN EXTENSION FOR A REASONABLE PERIOD OF TIME, OR (C) UNLESS THE AUTHORITY BUDGET OFFICE SHALL GRANT THE COMPTROLLER ADDITIONAL TIME FOR GOOD CAUSE SHOWN.

3. PROCUREMENT, PUBLIC WORK, CONSTRUCTION, AND REVENUE CONTRACTS THAT INVOLVE THE PAYMENT OF MONEY, THE EXCHANGE OF PERSONAL OR REAL PROPERTY, OR THE EXCHANGE OF SERVICES, OR ANY COMBINATION THEREOF, WHICH EACH MAY REASONABLY BE VALUED LESS THAN THE AMOUNTS STATED IN SUBDIVISION ONE OF THIS SECTION SHALL BE SUBJECT TO PRIOR REVIEW AND APPROVAL BY THE COMPTROLLER, IF THE COMPTROLLER, IN HIS OR HER DISCRETION, DETERMINES THAT SUCH REVIEW AND APPROVAL SHALL BE REQUIRED. IF THE COMPTROLLER DETERMINES THAT ANY CONTRACT OR CATEGORY OF CONTRACTS OF A STATE AUTHORITY WHICH ARE SUBJECT TO THIS SUBDIVISION, 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, SIMILAR NOTICE INFORMING THE OTHER PARTIES TO SUCH CONTRACTS THAT THE SAME ARE NOT VALID AND ENFORCEABLE WITHOUT THE COMPTROLLER'S APPROVAL.

4. ANY CONTRACT SELECTED BY THE COMPTROLLER FOR REVIEW AND APPROVAL PURSUANT TO SUBDIVISION THREE OF THIS SECTION SHALL BE DEEMED APPROVED ONLY IF THE COMPTROLLER (A) APPROVES THE CONTRACT, OR (B) HAS NOT DISAPPROVED THE CONTRACT WITHIN FORTY-FIVE DAYS OF THE SUBMISSION OF SUCH CONTRACT TO HIS OR HER OFFICE, UNLESS THE STATE AUTHORITY SHALL AGREE WITH THE COMPTROLLER ON AN EXTENSION FOR A REASONABLE PERIOD OF TIME, OR UNLESS THE AUTHORITY BUDGET OFFICE SHALL GRANT THE COMPTROLLER ADDITIONAL TIME FOR GOOD CAUSE SHOWN. THE NUMBER OF CONTRACTS OF A STATE AUTHORITY THAT ARE NOT DEEMED APPROVED IN A STATE AUTHORITY'S FISCAL YEAR AS A RESULT OF THE COMPTROLLER'S DETERMINATION NOT TO APPROVE SUCH CONTRACTS AS SET FORTH IN SUBDIVISION THREE OF THIS SECTION SHALL NOT EXCEED FIFTEEN PERCENT OF THE TOTAL NUMBER OF CONTRACTS EXECUTED BY THE STATE AUTHORITY DURING ITS PRIOR FISCAL YEAR.

5. NOTHING IN THIS SECTION SHALL BE DEEMED TO LIMIT THE COMPTROLLER'S EXISTING AUTHORITY TO SUPERVISE THE ACCOUNTS OF PUBLIC AUTHORITIES.

S 21. 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 AUTHORITY BUDGET OFFICE.

S 22. 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 AUTHORITY BUDGET OFFICE AS CREATED BY SECTION FOUR OF THIS CHAPTER.

S 23. Subdivision 4 of section 3670 of the public authorities law, as added by chapter 84 of the laws of 2000, is amended to read as follows:

4. The authority's fiscal year shall be January first through December thirty-first. FOR ANY FISCAL YEAR BEGINNING AFTER APRIL FIRST, TWO THOUSAND TWELVE, THE FISCAL YEAR SHALL BE DETERMINED BY SECTION THREE OF THIS CHAPTER.

S 24. Subdivision 4 of section 3960 of the public authorities law, as added by chapter 182 of the laws of 2005, is amended to read as follows:

4. The authority's fiscal year shall be January first through December thirty-first. FOR ANY FISCAL YEAR BEGINNING AFTER APRIL FIRST, TWO THOUSAND TWELVE, THE FISCAL YEAR SHALL BE DETERMINED BY SECTION THREE OF THIS CHAPTER.

S 25. Section 561-b of the general municipal law, as added by chapter 180 of the laws of 1966, is amended to read as follows:

S 561-b. Fiscal year. The fiscal year of an agency shall begin on the same day and end on the same day of the calendar month on which the fiscal year of the municipality wherein such agency is established shall begin and end. FOR ANY FISCAL YEAR BEGINNING AFTER APRIL FIRST, TWO THOUSAND TWELVE, THE FISCAL YEAR SHALL BE DETERMINED BY SECTION THREE OF THE PUBLIC AUTHORITIES LAW.

S 26. Subdivision 13 of section 502 of the racing, pari-mutuel wagering and breeding law is amended to read as follows:

13. The fiscal year of the corporation shall be the calendar year. FOR ANY FISCAL YEAR BEGINNING AFTER APRIL FIRST, TWO THOUSAND TWELVE, THE FISCAL YEAR SHALL BE DETERMINED BY SECTION THREE OF THE PUBLIC AUTHORITIES LAW.

S 27. Subdivision 11 of section 603 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 115 of the laws of 2008, is amended to read as follows:

11. The fiscal year of the corporation shall be the same as that of the city, provided, however, that the corporation shall have a nine month fiscal year from July first, two thousand eight through March thirty-first, two thousand nine, and then the fiscal year of the corporation shall be the same as the state. FOR ANY FISCAL YEAR BEGINNING AFTER APRIL FIRST, TWO THOUSAND TWELVE, THE FISCAL YEAR SHALL BE DETERMINED BY SECTION THREE OF THE PUBLIC AUTHORITIES LAW.

S 28. 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 OTHER PROVISION OF LAW TO THE CONTRARY, NO PUBLIC BENEFIT CORPORATION SHALL ESTABLISH A SUBSIDIARY CORPORATION WITHOUT STATUTORY CODIFICATION.

2. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION ONE OF THIS SECTION, ANY SUBSIDIARY OF A PUBLIC AUTHORITY DULY AND LAWFULLY FORMED PRIOR TO THE FIRST DAY OF JULY, TWO THOUSAND EIGHT, SHALL BE DEEMED TO BE A PUBLIC AUTHORITY UNDER THE TERMS OF THIS CHAPTER, AND NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, SHALL BE SUBJECT TO ALL THE REQUIREMENTS, DUTIES AND RESPONSIBILITIES PROVIDED IN THIS CHAPTER.

3. ON OR BEFORE THE THIRTY-FIRST DAY OF MAY, TWO THOUSAND ELEVEN, 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 29. The public authorities law is amended by adding a new section 2856 to read as follows:

S 2856. LIMITATIONS ON TERMS AND CONDITIONS OF PUBLIC AUTHORITY DEBT. 1. EVERY AUTHORITY NOT SUBJECT TO A STATUTORY LIMIT ON BONDS, NOTES, OR OTHER DEBT OBLIGATIONS IT MAY ISSUE, SHALL SUBMIT TO THE AUTHORITY BUDGET OFFICE, A PLAN RECOMMENDING A LIMIT ON THE AMOUNT OF BONDS, NOTES, OR OTHER DEBT OBLIGATIONS IT MAY ISSUE.

2. NOTHING IN THIS SECTION SHALL BE DEEMED TO PROHIBIT A STATE AUTHORITY FROM REFUNDING OR REFINANCING ANY DEBT OBLIGATION FOR A TERM NO LONGER THAN THE TERM OF SUCH DEBT OBLIGATION IN EFFECT ON THE EFFECTIVE DATE OF THIS SECTION IF SUCH REFUNDING OR REFINANCING WILL ACHIEVE AN ACTUAL DEBT SERVICE SAVINGS IN EVERY YEAR TO MATURITY AND WILL RESULT IN A SUBSTANTIAL OVERALL DEBT SERVICE SAVINGS GREATER THAN TWICE THE COST OF INSURANCE.

3. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, BONDS OR NOTES MAY NOT BE SOLD IN A PRIVATE SALE BY ANY PUBLIC AUTHORITY, AS DEFINED IN SECTION TWO OF THIS CHAPTER, UNLESS SUCH SALE AND THE TERMS AND CONDITIONS THEREOF HAVE BEEN APPROVED IN WRITING BY THE COMPTROLLER.

S 30. 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 31. 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 32. Section 2824 of the public authorities law is amended by adding a new subdivision 9 to read as follows:

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

S 33. 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. (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 AUTHORITY BUDGET OFFICE, 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 AUTHORITY BUDGET OFFICE PURSUANT TO THIS SECTION SHALL BE HELD STRICTLY CONFIDENTIAL BY THE AUTHORITY BUDGET OFFICE, UNLESS THE EMPLOYEE SPECIFICALLY WAIVES IN WRITING THE RIGHT TO CONFIDENTIALITY.

S 34. 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, IN SO FAR AS THE ACTIONS TAKEN BY THE EMPLOYEE ARE LEGAL.

S 35. 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 36. This act shall take effect on the sixtieth day after it shall have become a law.