STATE OF NEW YORK

S. 12 A. 12

Twentieth Extraordinary Session

SENATE - ASSEMBLY

November 18, 2009

IN SENATE -- Introduced by Sens. PERKINS, SAMPSON, SMITH, BRESLIN, FLANAGAN, FOLEY, HASSELL-THOMPSON, HUNTLEY, KRUEGER, KRUGER, MONSERRATE, SCHNEIDERMAN, SERRANO, SQUADRON, STEWART-COUSINS, THOMPSON -- (at request of the Governor) -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

IN ASSEMBLY -- Introduced by COMMITTEE ON RULES -- (at request of M. of A. Brodsky, Silver, Farrell, Titone, Scarborough, Gibson, Abbate, Alessi, Arroyo, Barron, Benedetto, Benjamin, Bradley, Brook-Krasny, Cahill, Camara, Carrozza, Christensen, Clark, Colton, Cook, Crespo, Cymbrowitz, DelMonte, DenDekker, Destito, Dinowitz, Eddington, Englebright, Espaillat, Gabryszak, Galef, Gianaris, Glick, Gordon, Gottfried, Gunther, Heastie, Hevesi, Hooper, Hoyt, Jaffee, Jeffries, John, Kavanagh, Kellner, Lancman, Latimer, Lavine, Lentol, Lifton, Lupardo, Magee, Magnarelli, Maisel, Mayersohn, McEneny, Meng, M. Miller, Millman, O'Donnell, Ortiz, Peoples-Stokes, Peralta, Perry, Pheffer, Powell, Pretlow, Reilly, P. Rivera, Rosenthal, Schimel, Schroeder, Skartados, Spano, Stirpe, Sweeney, Thiele, Towns, Weinstein, Zebrowski) -- (at request of the Governor) -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law and the executive law, in relation to creating the authorities budget office, to repeal certain provisions of the public authorities law relating thereto; to repeal section 27 of chapter 766 of the laws of 2005 constituting the public authorities accountability act relating thereto; to repeal a chapter of the laws of 2009, amending the public authorities law and the executive law, relating to the creation of an authorities budget office, as proposed in legislative bills numbers S.1537-C and A.2209-C; and providing for the repeal of certain provisions upon expiration thereof

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

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

LBD12150-06-9

Section 1. Legislative findings. The legislature finds that chapter 766 of the laws of 2005 was the beginning of the process to reform the way public authorities conduct business in New York state. However, the fundamental problems of transparency, accountability, the responsibilities and functions of board members and oversight have not been addressed, leading to a lack of public trust in these institutions. The creation of an independent authorities budget office is necessary to provide oversight of the operations and finances of public authorities in real time and to inform the legislature and executive on issues relating to debt, compensation of board members, the role minority- and women-owned businesses play in the procurement process, the disposition of property and the governance of authorities. Public authorities should be required to publish, in real time, their finances, policies, plans and decisions. Real-time review by the public, the legislature, the executive and the authorities budget office will facilitate the prevention of problems, not just their explanation after they have arisen.

S 2. Section 2 of the public authorities law is amended by adding a new subdivision 6 to read as follows:

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

S 3. 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] AUTHORITIES 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 4. Sections 1 and 2 of article 1 of the public authorities law are designated title 1 and a new title heading is added to read as follows:

SHORT TITLE; DEFINITIONS

S 5. Article 1 of the public authorities law is amended by adding a new title 2 to read as follows:

TITLE 2

AUTHORITIES BUDGET OFFICE

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

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

S 5. DIRECTOR OF THE AUTHORITIES BUDGET OFFICE. THE DIRECTOR OF THE AUTHORITIES BUDGET OFFICE SHALL BE APPOINTED BY THE GOVERNOR, UPON THE ADVICE AND CONSENT OF THE SENATE. THE DIRECTOR SHALL HOLD OFFICE FOR A TERM OF FOUR YEARS BEGINNING ON THE DATE OF CONFIRMATION. THE SALARY OF THE DIRECTOR SHALL BE ESTABLISHED BY THE GOVERNOR WITHIN THE LIMIT OF FUNDS AVAILABLE THEREFOR; PROVIDED, HOWEVER, SUCH SALARY SHALL BE NO LESS THAN THE SALARIES OF CERTAIN STATE OFFICERS HOLDING THE POSITIONS INDICATED IN PARAGRAPH (D) OF SUBDIVISION ONE OF SECTION ONE HUNDRED

SIXTY-NINE OF THE EXECUTIVE LAW. THE DIRECTOR MAY BE REMOVED BY THE GOVERNOR ONLY AFTER NOTICE AND OPPORTUNITY TO BE HEARD, AND ONLY FOR:

1. PERMANENT DISABILITY;

2. INEFFICIENCY;

3. NEGLECT OF DUTY;

4. MALFEASANCE;

5. A FELONY OR CONDUCT INVOLVING MORAL TURPITUDE; OR

6. BREACH OF FIDUCIARY DUTY.

S 6. POWERS AND DUTIES OF THE AUTHORITIES BUDGET OFFICE. 1. THE AUTHORITIES 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) VERIFY THE EXISTENCE OF ALL AUTHORITIES LISTED IN STATE LAW;

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

(E) 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;

(F) 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;

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

(H) PROMULGATE REGULATIONS TO EFFECTUATE THE PURPOSES OF THIS TITLE AND TITLE ONE OF THIS ARTICLE, AND ARTICLE NINE OF THIS CHAPTER, RELATING TO THE STATUTORY RESPONSIBILITIES OF THE AUTHORITIES BUDGET OFFICE;

(I) DEVELOP AND ISSUE, AFTER CONSULTATION WITH THE OFFICE OF THE ATTORNEY GENERAL, A WRITTEN ACKNOWLEDGEMENT THAT A BOARD MEMBER MUST EXECUTE AT THE TIME THAT THE MEMBER TAKES AND SUBSCRIBES THEIR OATH OF OFFICE, OR WITHIN SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH IF THE MEMBER HAS ALREADY TAKEN AND SUBSCRIBED HIS OR HER OATH OF OFFICE, IN ACCORDANCE WITH SUBDIVISION ONE OF SECTION TWENTY-EIGHT HUNDRED TWENTY-FOUR OF THIS CHAPTER;

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

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

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

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

(N) MAKE RECOMMENDATIONS TO THE LEGISLATURE AND GOVERNOR WITH RESPECT TO OPTIONS FOR, AND WHETHER THERE SHOULD BE, COMPENSATION FOR BOARDS OF DIRECTORS; AND

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

2. THE AUTHORITIES 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 PERTAINING TO INVESTIGATIONS WHICH SUCH OFFICE IS AUTHORIZED TO CONDUCT UNDER THIS TITLE, FOR THE PURPOSES OF EFFECTUATING THE POWERS AND DUTIES OF THIS TITLE;

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

(G) RECOMMEND TO THE ENTITY THAT APPOINTED THE OFFICER OR DIRECTOR SUSPENSION OR DISMISSAL OF OFFICERS OR DIRECTORS, BASED ON INFORMATION THAT IS, OR IS MADE, AVAILABLE TO THE PUBLIC UNDER LAW;

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

(I) COMPEL ANY AUTHORITY WHICH IS DEEMED TO BE IN NON-COMPLIANCE WITH THIS TITLE AND TITLE ONE OF THIS ARTICLE OR ARTICLE NINE OF THIS CHAPTER TO SUBMIT TO THE AUTHORITIES BUDGET OFFICE A DETAILED EXPLANATION OF SUCH FAILURE TO COMPLY; AND

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

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

S 7. REPORTS OF THE AUTHORITIES BUDGET OFFICE. ON JULY FIRST, TWO THOUSAND TEN AND ANNUALLY THEREAFTER THE AUTHORITIES 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 5-a. Section 27 of chapter 766 of the laws of 2005, constituting the public authorities accountability act of 2005, is REPEALED.

S 6. 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 AUTHORITIES 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, SERVICES OR BOTH ASSETS AND 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 FOR ASSETS PURCHASED EXCEEDS FAIR MARKET VALUE, OR WHERE THE CONTRACT PRICE FOR ASSETS SOLD IS LESS THAN FAIR MARKET VALUE, A DETAILED EXPLANATION OF THE JUSTIFICATION FOR MAKING THE PURCHASE OR SALE WITHOUT COMPETITIVE BIDDING, AND A CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE PUBLIC AUTHORITY THAT THEY HAVE REVIEWED THE TERMS OF SUCH PURCHASE OR SALE AND DETERMINED THAT IT COMPLIES WITH APPLICABLE LAW AND PROCUREMENT GUIDELINES; AND (17) A DESCRIPTION OF ANY MATERIAL PENDING LITIGATION IN WHICH THE AUTHORITY IS INVOLVED AS A PARTY DURING THE REPORTING YEAR, EXCEPT THAT NO HOSPITAL NEED DISCLOSE INFORMATION ABOUT PENDING MALPRACTICE CLAIMS BEYOND THE EXISTENCE OF SUCH CLAIMS.

(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.

(C) THE AUTHORITIES BUDGET OFFICE SHALL MAKE ACCESSIBLE TO THE PUBLIC, VIA ITS OFFICIAL OR SHARED INTERNET WEB SITE, DOCUMENTATION PERTAINING TO EACH AUTHORITY'S 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] AUTHORITIES 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) GRANTS AND SUBSIDY PROGRAMS, (III) OPERATING AND FINANCIAL RISKS, (IV) CURRENT RATINGS IF ANY, OF ITS BONDS ISSUED BY RECOGNIZED MUNICIPAL BOND RATING AGENCIES AND NOTICE OF CHANGES IN SUCH RATINGS, AND (V) LONG-TERM LIABILITIES, INCLUDING LEASES AND EMPLOYEE BENEFIT PLANS; (3) [its assets and liabilities at the end of its fiscal year

including the status of reserve, depreciation, special or other funds and including the receipts and payments of these funds] ITS MISSION STATEMENT AND MEASUREMENTS INCLUDING ITS MOST RECENT MEASUREMENT REPORT; (4) a schedule of its bonds and notes outstanding at the end of its fiscal year, together with a statement of the amounts redeemed and incurred during such fiscal year as part of a schedule of debt issuance that includes the date of issuance, term, amount, interest rate and means of repayment. Additionally, the debt schedule shall also include all refinancings, calls, refundings, defeasements and interest rate exchange or other such agreements, and for any debt issued during the reporting year, the schedule shall also include a detailed list of costs of issuance for such debt; (5) a compensation schedule IN ADDITION TO THE REPORT DESCRIBED IN SECTION TWENTY-EIGHT HUNDRED SIX OF THIS TITLE that shall include, by position, title and name of the person holding such position or title, the salary, compensation, allowance and/or benefits provided to any officer, director or employee in a decision making or managerial position of such authority whose salary is in excess of one hundred thousand dollars; (5-A) BIOGRAPHICAL INFORMATION, NOT INCLUDING CONFIDENTIAL PERSONAL INFORMATION, FOR ALL DIRECTORS AND OFFICERS AND EMPLOYEES FOR WHOM SALARY REPORTING IS REQUIRED UNDER SUBPARAGRAPH FIVE OF THIS PARAGRAPH; (6) the projects undertaken by such authority during the past year; (7) a listing AND DESCRIPTION, IN ADDITION TO THE REPORT REQUIRED BY PARAGRAPH A OF SUBDIVISION THREE OF SECTION TWENTY-EIGHT HUNDRED NINETY-SIX OF THIS ARTICLE of [(i)] all real property of such authority having an estimated fair market value in excess of fifteen thousand dollars that the authority [intends to dispose of; (ii) all such property held by the authority at the end of the period covered by the report; and (iii) all such property disposed] ACQUIRES OR DISPOSES of during such period. The report shall contain [an estimate of fair market value for all such property held by the authority at the end of the period and] the price received OR PAID by the authority and the name of the purchaser OR SELLER for all such property sold OR BOUGHT by the authority during such period; (8) such authority's code of ethics; [and] (9) an assessment of the effectiveness of its internal control structure and procedures; (10) A COPY OF THE LEGISLATION THAT FORMS THE STATUTORY BASIS OF THE AUTHORITY; (11) A DESCRIPTION OF THE AUTHORITY AND ITS BOARD STRUCTURE, INCLUDING (I) NAMES OF COMMITTEES AND COMMITTEE MEMBERS, (II) LISTS OF BOARD MEETINGS AND ATTENDANCE, (III) DESCRIPTIONS OF MAJOR AUTHORITY UNITS, SUBSIDIARIES, (IV) NUMBER OF EMPLOYEES, AND (V) ORGANIZATIONAL CHART; (12) ITS CHARTER, IF ANY, AND BY-LAWS; (13) A LISTING OF MATERIAL CHANGES IN OPERATIONS AND PROGRAMS DURING THE REPORTING YEAR; (14) AT A MINIMUM A FOUR-YEAR FINANCIAL PLAN, INCLUDING (I) A CURRENT AND PROJECTED CAPITAL BUDGET, AND (II) AN OPERATING BUDGET REPORT, INCLUDING AN ACTUAL VERSUS ESTIMATED BUDGET, WITH AN ANALYSIS AND MEASUREMENT OF FINANCIAL AND OPERATING PERFORMANCE; (15) ITS BOARD PERFORMANCE EVALUATIONS PROVIDED, HOWEVER, THAT SUCH EVALUATIONS SHALL NOT BE SUBJECT TO DISCLOSURE UNDER ARTICLE SIX OF THE PUBLIC OFFICERS LAW; (16) A DESCRIPTION OF THE TOTAL AMOUNTS OF ASSETS, SERVICES OR BOTH ASSETS AND 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 FOR ASSETS PURCHASED EXCEEDS FAIR MARKET VALUE, OR WHERE THE CONTRACT PRICE FOR ASSETS SOLD IS LESS THAN FAIR MARKET VALUE, A DETAILED EXPLANATION OF THE JUSTIFICATION FOR MAKING THE PURCHASE OR SALE WITHOUT COMPETITIVE BIDDING, AND A CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE PUBLIC AUTHORITY THAT

THEY HAVE REVIEWED THE TERMS OF SUCH PURCHASE OR SALE AND DETERMINED THAT IT COMPLIES WITH APPLICABLE LAW AND PROCUREMENT GUIDELINES; AND (17) A DESCRIPTION OF ANY MATERIAL PENDING LITIGATION IN WHICH THE AUTHORITY IS INVOLVED AS A PARTY DURING THE REPORTING YEAR, EXCEPT THAT NO PROVIDER OF MEDICAL SERVICES NEED DISCLOSE INFORMATION ABOUT PENDING MALPRACTICE CLAIMS BEYOND THE EXISTENCE OF SUCH CLAIMS.

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

S 6-a. Section 2800 of the public authorities law is amended by adding a new subdivision 4 to read as follows:

4. THE AUTHORITIES BUDGET OFFICE MAY, UPON APPLICATION OF ANY AUTHORITY, WAIVE ANY REQUIREMENTS OF THIS SECTION UPON A SHOWING THAT THE AUTHORITY MEETS THE CRITERIA FOR SUCH A WAIVER ESTABLISHED BY REGULATIONS OF THE AUTHORITIES BUDGET OFFICE. SUCH REGULATIONS SHALL PROVIDE FOR CONSIDERATION OF: (A) THE NUMBER OF EMPLOYEES OF THE AUTHORITY; (B) THE ANNUAL BUDGET OF THE AUTHORITY; (C) THE ABILITY OF THE AUTHORITY TO PREPARE THE REQUIRED REPORTS USING EXISTING STAFF; AND (D) SUCH OTHER FACTORS AS THE AUTHORITIES BUDGET OFFICE DEEMS TO REFLECT THE RELEVANCE OF THE REQUIRED DISCLOSURES TO EVALUATION OF AN AUTHORITY'S EFFECTIVE OPERATION, AND THE BURDEN SUCH DISCLOSURES PLACE ON AN AUTHORITY. EACH WAIVER GRANTED PURSUANT TO THIS SUBDIVISION SHALL BE DISCLOSED IN THE REPORTS OF SUCH OFFICE ISSUED PURSUANT TO SECTION SEVEN OF THIS CHAPTER.

S 7. 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 AUTHORITIES 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,] AUTHORITIES 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 8. 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], EACH CHAIR AND RANKING MEMBER OF THE SENATE AND ASSEMBLY COMMITTEES ON CORPORATIONS, AUTHORITIES AND COMMISSIONS, the state comptroller, [within thirty days after receipt thereof by such authority,] AND THE AUTHORITIES 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 AUTHORITIES 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 9. 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 AUTHORITIES 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 10. 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) PERFORM EACH OF THEIR DUTIES AS BOARD MEMBERS, INCLUDING BUT NOT LIMITED TO THOSE IMPOSED BY THIS SECTION, IN GOOD FAITH AND WITH THAT DEGREE OF DILIGENCE, CARE AND SKILL WHICH AN ORDINARILY PRUDENT PERSON IN LIKE POSITION WOULD USE UNDER SIMILAR CIRCUMSTANCES, AND MAY TAKE INTO CONSIDERATION THE VIEWS AND POLICIES OF ANY ELECTED OFFICIAL OR BODY, OR OTHER PERSON AND ULTIMATELY APPLY INDEPENDENT JUDGMENT IN THE BEST INTEREST OF THE AUTHORITY, ITS MISSION AND THE PUBLIC; (H) AT THE TIME THAT EACH MEMBER TAKES AND SUBSCRIBES HIS OR HER OATH OF OFFICE, OR WITHIN SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH IF THE MEMBER HAS ALREADY TAKEN AND SUBSCRIBED HIS OR HER OATH OF OFFICE, EXECUTE AN ACKNOWLEDGMENT, IN THE FORM PRESCRIBED BY THE AUTHORITIES BUDGET OFFICE AFTER CONSULTATION WITH THE ATTORNEY GENERAL, IN WHICH THE BOARD MEMBER ACKNOWLEDGES THAT HE OR SHE UNDERSTANDS HIS OR HER ROLE, AND FIDUCIARY RESPONSIBILITIES AS SET FORTH IN PARAGRAPH (G) OF THIS SUBDIVISION, AND ACKNOWLEDGES THAT HE OR SHE UNDERSTANDS HIS OR HER DUTY OF LOYALTY AND CARE TO THE ORGANIZATION AND COMMITMENT TO THE AUTHORITY'S MISSION AND THE PUBLIC INTEREST.

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

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

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

S 11. 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 11-a. Section 2827 of the public authorities law, as added by chapter 613 of the laws of 1961 and as renumbered by chapter 838 of the laws of 1983, is amended to read as follows:

S 2827. Removal of authority members. Except as otherwise provided in this chapter, every member of every authority or commission heretofore or hereafter continued or created by this chapter, except ex-officio members, that is, members whose membership results by virtue of their incumbency of a public office, shall be removable by the public officer or public body which is empowered by this chapter to appoint such authority or commission member, for inefficiency, BREACH OF FIDUCIARY DUTY, neglect of duty or misconduct in office, provided, however, that such member shall be given a copy of the charges against him and an opportunity of being heard in person, or by counsel, in his OR HER defense upon not less than ten days' notice.

S 11-b. Subdivision 5 of section 1678 of the public authorities law, as added by chapter 524 of the laws of 1944 and such section as renumbered by chapter 914 of the laws of 1957, is amended to read as follows:

5. To appoint officers, agents and employees and fix their compensation, PROVIDED, HOWEVER, THAT THE APPOINTMENT OF THE EXECUTIVE DIRECTOR SHALL BE SUBJECT TO CONFIRMATION BY THE SENATE IN ACCORDANCE WITH SECTION TWENTY-EIGHT HUNDRED FIFTY-TWO OF THIS CHAPTER;

S 11-c. Subdivision 6 of section 354 of the public authorities law, as amended by chapter 766 of the laws of 1992, is amended to read as follows:

6. To appoint officers, agents and employees and fix their compensation, PROVIDED, HOWEVER, THAT THE APPOINTMENT OF THE EXECUTIVE DIRECTOR SHALL BE SUBJECT TO CONFIRMATION BY THE SENATE IN ACCORDANCE WITH SECTION TWENTY-EIGHT HUNDRED FIFTY-TWO OF THIS CHAPTER; subject however to the provisions of the civil service law, which shall apply to the authority and to the subsidiary corporation thereof as a municipal corporation other than a city;

S 11-d. Section 1004 of the public authorities law, as amended by chapter 766 of the laws of 2005, is amended to read as follows:

S 1004. Officers and employees; expenses. The trustees shall choose from among their own number a chairman and vice-chairman. They shall [from time to time] select such officers and employees, including a chief executive officer WHOSE APPOINTMENT SHALL BE SUBJECT TO CONFIRMATION BY THE SENATE IN ACCORDANCE WITH SECTION TWENTY-EIGHT HUNDRED FIFTY-TWO OF THIS CHAPTER, and such engineering, marketing and legal officers and employees, as they may require for the performance of their duties and shall prescribe the duties and compensation of each officer and employee. They shall adopt by-laws and rules and regulations suitable to the purposes of this title. As long as and to the extent that the authority is dependent upon appropriations for the payment of its expenses, it shall incur no obligations for salary, office or other expenses prior to the making of appropriations adequate to meet the same.

S 11-e. Subdivision 3 of section 2824 of the public authorities law is REPEALED and a new subdivision 3 is added to read as follows:

3. NO CHAIR WHO IS ALSO THE CHIEF EXECUTIVE OFFICER SHALL PARTICIPATE IN DETERMINING THE LEVEL OF COMPENSATION OR REIMBURSEMENT, OR TIME AND ATTENDANCE RULES FOR THE POSITION OF CHIEF EXECUTIVE OFFICER.

S 11-f. Subdivision (c) of section 1020-f of the public authorities law, as added by chapter 517 of the laws of 1986, is amended to read as follows:

(c) To appoint officers, agents and employees, without regard to any personnel or civil service law, rule or regulation of the state and in accordance with guidelines adopted by the authority, prescribe their duties and qualifications and fix and pay their compensation, PROVIDED, HOWEVER, THAT THE APPOINTMENT OF THE CHIEF EXECUTIVE OFFICER SHALL BE SUBJECT TO CONFIRMATION BY THE SENATE IN ACCORDANCE WITH SECTION TWENTY-EIGHT HUNDRED FIFTY-TWO OF THIS CHAPTER;

S 11-g. The public authorities law is amended by adding a new section 2852 to read as follows:

S 2852. SENATE CONFIRMATION OF CERTAIN CHIEF EXECUTIVE OFFICERS. WHERE THE APPOINTMENT OF ANY CHIEF EXECUTIVE OFFICER IS SUBJECT TO CONFIRMATION BY THE SENATE PURSUANT TO SUBDIVISION FIVE OF SECTION SIXTEEN HUNDRED SEVENTY-EIGHT OF THIS CHAPTER, SUBDIVISION SIX OF SECTION THREE HUNDRED FIFTY-FOUR OF THIS CHAPTER, SECTION ONE THOUSAND FOUR OF THIS CHAPTER, OR SUBDIVISION (C) OF SECTION ONE THOUSAND TWENTY-F OF THIS CHAPTER THE SENATE SHALL VOTE TO CONFIRM ANY SUCH APPOINTMENT WITHIN SIXTY DAYS OF ITS SUBMISSION TO THE SENATE DURING SESSION, OR IF SUCH SUBMISSION IS MADE WHEN THE SENATE IS NOT IN SESSION, WITHIN SEVEN DAYS OF THE CONVENING FOR SESSION. IF THE SENATE FAILS TO VOTE TO CONFIRM ANY SUCH APPOINTMENT WITHIN THE TIME PRESCRIBED IN THIS SECTION, SUCH APPOINTMENT SHALL BE DEEMED CONFIRMED WITHOUT ANY FURTHER ACTION BY THE SENATE.

S 12. 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 TEN, AND EACH LOCAL AUTHORITY SHALL SUBMIT TO THE AUTHORITIES BUDGET OFFICE ON OR BEFORE MARCH THIRTY-FIRST, TWO THOUSAND ELEVEN, A PROPOSED AUTHORITY MISSION STATEMENT AND PROPOSED MEASUREMENTS WHICH THE AUTHORITIES BUDGET OFFICE SHALL POST ON ITS WEBSITE. THE PROPOSED AUTHORITY MISSION STATEMENT AND PROPOSED MEASUREMENTS SHALL HAVE THE FOLLOWING COMPONENTS: A BRIEF MISSION STATEMENT EXPRESSING THE PURPOSE AND GOALS OF THE AUTHORITY, A DESCRIPTION OF THE STAKEHOLDERS OF THE AUTHORITY AND THEIR REASONABLE EXPECTATIONS FROM THE AUTHORITY, 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; PROVIDED, 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 13. The opening paragraph of subdivision 2 of section 2825 of the public authorities law, as added by chapter 766 of the laws of 2005, is amended to read as follows:

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:

S 14. 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. EXCEPT AS SET FORTH IN SUBDIVISION THREE OF THIS SECTION, WHERE THE COMPTROLLER DETERMINES PURSUANT TO HIS OR HER AUTHORITY TO SUPERVISE THE ACCOUNTS OF PUBLIC CORPORATIONS, THAT CONTRACTS OR CATEGORIES OF CONTRACTS IN EXCESS OF ONE MILLION DOLLARS (A) TO BE AWARDED BY A STATE AUTHORITY TO A SINGLE SOURCE, A SOLE SOURCE OR PURSUANT TO ANY OTHER METHOD OF PROCUREMENT THAT IS NOT COMPETITIVE, OR (B) WHICH ARE TO BE PAID IN WHOLE OR IN PART FROM MONIES APPROPRIATED BY THE STATE TO A STATE AUTHORITY FOR SUCH CONTRACTUAL EXPENDITURE, REQUIRE SUPERVISION IN THE FORM OF PRIOR REVIEW AND APPROVAL OF SUCH CONTRACTS, AND THE COMPTROLLER SO NOTIFIES SUCH AUTHORITY OF SUCH DETERMINATION, THEN ANY SUCH CONTRACT ENTERED INTO SUBSEQUENT TO SUCH NOTIFICATION SHALL BE SUBMITTED TO THE COMPTROLLER FOR HIS OR HER APPROVAL AND SHALL NOT BE A VALID ENFORCEABLE CONTRACT UNLESS IT SHALL FIRST HAVE BEEN APPROVED BY THE COMPTROLLER. SUCH NOTIFICATION SHALL IDENTIFY THE PROCESS FOR SUBMISSION, THE CATEGORIES OF CONTRACTS AT ISSUE AND THE TIME PERIOD FOR WHICH SUCH SUBMISSION IS TO TAKE PLACE. THE COMPTROLLER SHALL PROMULGATE SUCH RULES AND REGULATIONS AS MAY BE NECESSARY TO CARRY OUT HIS OR HER RESPONSIBILITIES UNDER THIS SECTION, INCLUDING BUT NOT LIMITED TO THE STANDARDS FOR DETERMINING WHICH CONTRACTS WILL BE SUBJECT TO HIS OR HER REVIEW AND FOR APPROVING SUCH CONTRACTS.

2. WHERE THE COMPTROLLER, PURSUANT TO SUBDIVISION ONE OF THIS SECTION, HAS NOTIFIED A STATE AUTHORITY THAT ANY CONTRACT OR CATEGORY OF CONTRACTS SHALL BE SUBJECT TO HIS OR HER APPROVAL, SUCH AUTHORITY SHALL

INCLUDE OR CAUSE TO BE INCLUDED IN EACH SUCH CONTRACT A PROVISION INFORMING THE OTHER PARTY THAT SUCH CONTRACT IS SUBJECT TO THE COMPTROLLER'S APPROVAL PURSUANT TO THE COMPTROLLER'S AUTHORITY TO SUPERVISE THE ACCOUNTS OF PUBLIC CORPORATIONS. IF THE COMPTROLLER HAS NOT APPROVED OR DISAPPROVED ANY CONTRACT SUBJECT TO HIS OR HER APPROVAL WITHIN NINETY DAYS OF SUBMISSION TO HIS OR HER OFFICE, SUCH CONTRACT SHALL BECOME VALID AND ENFORCEABLE WITHOUT SUCH APPROVAL.

3. THIS SECTION SHALL NOT APPLY TO: (A) CONTRACTS ENTERED INTO FOR THE ISSUANCE OF COMMERCIAL PAPER OR BONDED INDEBTEDNESS, OTHER THAN CONTRACTS WITH THE STATE PROVIDING FOR THE PAYMENT OF DEBT SERVICE SUBJECT TO AN APPROPRIATION; (B) CONTRACTS ENTERED INTO BY AN ENTITY ESTABLISHED UNDER ARTICLE TEN-C OF THE PUBLIC AUTHORITIES LAW THAT ARE FOR: (I) PROJECTS APPROVED BY THE DEPARTMENT OF HEALTH OR THE PUBLIC HEALTH COUNCIL IN ACCORDANCE WITH ARTICLES TWENTY-EIGHT, THIRTY-SIX OR FORTY OF THE PUBLIC HEALTH LAW OR ARTICLE SEVEN OF THE SOCIAL SERVICES LAW; (II) PROJECTS APPROVED BY THE OFFICE OF MENTAL HEALTH, THE OFFICE OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES, OR THE OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES IN ACCORDANCE WITH ARTICLES SIXTEEN, THIRTY-ONE, OR THIRTY-TWO OF THE MENTAL HYGIENE LAW; (III) SERVICES, AFFILIATIONS OR JOINT VENTURES FOR THE PROVISION OR ADMINISTRATION OF HEALTH CARE SERVICES OR SCIENTIFIC RESEARCH; (IV) PAYMENT FOR DIRECT HEALTH CARE SERVICES OR GOODS USED IN THE PROVISION OF HEALTH CARE SERVICES; OR (V) PARTICIPATION IN GROUP PURCHASING ARRANGEMENTS; (C) CONTRACTS ENTERED INTO FOR THE PROCUREMENT OF GOODS, SERVICES OR BOTH GOODS AND SERVICES MADE TO MEET EMERGENCIES ARISING FROM UNFORESEEN CAUSES OR TO EFFECT REPAIRS TO CRITICAL INFRASTRUCTURE THAT ARE NECESSARY TO AVOID A DELAY IN THE DELIVERY OF CRITICAL SERVICES THAT COULD COMPROMISE THE PUBLIC WELFARE; (D) CONTRACTS OF PURCHASE OR SALE OF ENERGY, ELECTRICITY OR ANCILLARY SERVICES MADE BY AN AUTHORITY ON A RECOGNIZED MARKET FOR GOODS, SERVICES, OR COMMODITIES IN QUESTION IN ACCORDANCE WITH STANDARD TERMS AND CONDITIONS OF PURCHASE OR SALE AT A MARKET PRICE; (E) CONTRACTS FOR THE PURCHASE, SALE OR DELIVERY OF POWER OR ENERGY, FUEL, COSTS AND SERVICES ANCILLARY THERETO, OR FINANCIAL PRODUCTS RELATED THERETO, WITH A TERM OF LESS THAN FIVE YEARS; AND (F) CONTRACTS FOR THE SALE OR DELIVERY OF POWER OR ENERGY AND COSTS AND SERVICES ANCILLARY THERETO FOR ECONOMIC DEVELOPMENT PURPOSES PURSUANT TO TITLE ONE OF ARTICLE FIVE OF THIS CHAPTER OR ARTICLE SIX OF THE ECONOMIC DEVELOPMENT LAW, PROVIDED, HOWEVER, THAT THE AUTHORITY SHALL FILE COPIES OF ANY SUCH CONTRACT WITH THE COMPTROLLER WITHIN SIXTY DAYS AFTER THE EXECUTION OF SUCH CONTRACT.

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

S 14-a. The public authorities law is amended by adding a new section 2879-b to read as follows:

S 2879-B. LABOR PEACE. 1. AS USED IN THIS SECTION:

(A) "CONTRACTOR" MEANS A COMPANY UNDERTAKING A COVERED PROJECT, OR THE OPERATOR OF A HOTEL OR CONVENTION CENTER THAT IS PART OF A COVERED PROJECT.

(B) "SUBSTANTIAL PROPRIETARY INTEREST" MEANS THE AUTHORITY: (I) OWNS FEE TITLE OR A LEASEHOLD INTEREST IN THE PROJECT OF AT LEAST FORTY YEARS; OR (II) PROVIDES FINANCING FOR THE PROJECT, WHETHER BY DIRECT

LOAN OR INDIRECTLY BY A GUARANTEE, SUBSIDY, DEPOSIT, CREDIT ENHANCEMENT OR SIMILAR METHOD.

(C) "COVERED PROJECT" MEANS ANY PROJECT IN WHICH AN AUTHORITY ENTERS INTO AN AGREEMENT FOR A DEVELOPMENT AFTER THE EFFECTIVE DATE OF THIS SECTION, WHERE: (I) A HOTEL IS ONE OF THE PRINCIPAL FUNCTIONS OF THE PROJECT; (II) THE RECIPIENT OF AUTHORITY FINANCING OR ITS CONTRACTOR OR SUBCONTRACTOR CONTRACTS FOR THE DEVELOPMENT OF SUCH HOTEL OR CONVENTION CENTER; (III) THE AUTHORITY HAS A SUBSTANTIAL PROPRIETARY INTEREST IN THE PROJECT, OR IN THE HOTEL OR CONVENTION CENTER; AND (IV) THE HOTEL OR CONVENTION CENTER WILL HAVE MORE THAN FIFTEEN EMPLOYEES.

(D) "LABOR PEACE AGREEMENT" MEANS AN AGREEMENT BETWEEN THE CONTRACTOR AND A LABOR ORGANIZATION THAT REPRESENTS A SUBSTANTIAL NUMBER OF HOTEL OR CONVENTION CENTER EMPLOYEES IN THE STATE, WHICH REQUIRES THAT THE LABOR ORGANIZATION AND ITS MEMBERS REFRAIN FROM ENGAGING IN LABOR ACTIVITY THAT WILL DISRUPT THE HOTEL'S OPERATIONS, INCLUDING STRIKES, BOYCOTTS, WORK STOPPAGES, CORPORATE CAMPAIGNS, PICKETING OR OTHER ECONOMIC ACTION AGAINST THE COVERED PROJECT.

(E) "PUBLIC AUTHORITY" SHALL MEAN A STATE PUBLIC AUTHORITY.

2. NO PUBLIC AUTHORITY SHALL ENTER INTO ANY AGREEMENT OR CONTRACT UNDER WHICH THE PUBLIC AUTHORITY HAS A SUBSTANTIAL PROPRIETARY INTEREST IN A COVERED PROJECT UNLESS THE AGREEMENT OR CONTRACT REQUIRES AS A MATERIAL CONDITION THAT THE CONTRACTOR OR A SUBCONTRACTOR THEREOF ENTER INTO A LABOR PEACE AGREEMENT WITH A LABOR ORGANIZATION THAT REPRESENTS HOTEL EMPLOYEES IN THE STATE, FOR A PERIOD OF AT LEAST FIVE YEARS.

3. ANY CONTRACTOR OR SUBCONTRACTOR COVERED BY SUBDIVISION TWO OF THIS SECTION SHALL INCORPORATE THE TERMS OF THE LABOR PEACE AGREEMENT IN ANY CONTRACT, SUBCONTRACT, LEASE, SUBLEASE, OPERATING AGREEMENT, CONCESSIONAIRE AGREEMENT, FRANCHISE AGREEMENT OR OTHER AGREEMENT OR INSTRUMENT GIVING A RIGHT TO ANY PERSON OR ENTITY TO OWN OR OPERATE A HOTEL OR CONVENTION CENTER.

4. NOTWITHSTANDING ANY PROVISION OF THIS SECTION, A PUBLIC AUTHORITY MAY ENTER INTO AN AGREEMENT OR CONTRACT WHEREIN THE PUBLIC AUTHORITY HAS A SUBSTANTIAL PROPRIETARY INTEREST IN A COVERED PROJECT WITHOUT A CONTRACTOR ENTERING INTO A LABOR PEACE AGREEMENT, IF THE AUTHORITY DETERMINES THAT THE PROJECT WOULD NOT BE ABLE TO GO FORWARD IF A LABOR PEACE AGREEMENT WAS REQUIRED, OR THE COSTS OF THE PROJECT TO THE PUBLIC AUTHORITY WOULD BE SUBSTANTIALLY INCREASED BY SUCH REQUIREMENT. SUCH A DETERMINATION SHALL BE SUPPORTED BY A WRITTEN FINDING BY THE PUBLIC AUTHORITY SETTING FORTH THE SPECIFIC BASIS FOR SUCH DETERMINATION, WHICH MAY INCLUDE EXPERIENCE WITH SIMILAR PROJECTS, EARLIER REQUESTS FOR PROPOSAL FOR THE SAME PROJECT, OR A DETAILED EVALUATION OF POTENTIAL BIDDERS. SUCH WRITTEN DETERMINATION SHALL BE INCLUDED IN ANY PUBLIC MATERIALS PROVIDED TO ANY BOARD OR AGENCY OFFICIAL IN CONNECTION WITH THE PROJECT AND SHALL BE MAINTAINED BY THE AUTHORITY.

S 15. 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 AUTHORITIES BUDGET OFFICE.

S 16. 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 AUTHORITIES BUDGET OFFICE ESTABLISHED BY SECTION FOUR OF THIS CHAPTER.

S 17. The public authorities law is amended by adding a new section 2827-a to read as follows:

S 2827-A. SUBSIDIARIES OF PUBLIC AUTHORITIES. 1. NOTWITHSTANDING ANY LAW TO THE CONTRARY, NO STATE AUTHORITY SHALL HEREAFTER HAVE THE POWER TO ORGANIZE ANY SUBSIDIARY CORPORATION UNLESS THE LEGISLATURE SHALL HAVE ENACTED A LAW GRANTING SUCH STATE AUTHORITY SUCH POWER FOR THE ORGANIZATION OF A SPECIFIC CORPORATION, PROVIDED, HOWEVER, THAT A STATE AUTHORITY MAY ORGANIZE A SUBSIDIARY CORPORATION PURSUANT TO THE FOLLOWING REQUIREMENTS:

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

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

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

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

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

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

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

6. ON OR BEFORE THE FIRST DAY OF JANUARY, TWO THOUSAND ELEVEN, AND ANNUALLY ON SUCH DAY THEREAFTER, ANY SUBSIDIARY PUBLIC BENEFIT CORPORATION, IN COOPERATION WITH ITS PARENT PUBLIC BENEFIT CORPORATION, SHALL PROVIDE TO THE CHAIR AND RANKING MINORITY MEMBER OF THE SENATE FINANCE COMMITTEE, THE CHAIR AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, AND EACH CHAIR AND RANKING MEMBER OF THE ASSEMBLY AND SENATE COMMITTEES ON CORPORATIONS, AUTHORITIES AND COMMISSIONS 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.

7. NOTWITHSTANDING ANY INCONSISTENT PROVISION OF THIS SECTION, PARAGRAPH B OF SUBDIVISION ONE AND SUBDIVISION THREE OF THIS SECTION SHALL NOT APPLY TO AN ENTITY ESTABLISHED IN ARTICLE TEN-C OF THIS CHAPTER; PROVIDED, HOWEVER, THAT NO SUCH PUBLIC BENEFIT CORPORATION SHALL HAVE THE POWER TO ORGANIZE A SUBSIDIARY FOR THE PURPOSE OF:

A. EVADING THE REQUIREMENTS OF AN EXISTING COLLECTIVE BARGAINING AGREEMENT; OR

B. REPLACING OR REMOVING A CERTIFIED EMPLOYEE ORGANIZATION.

S 18. The public authorities law is amended by adding a new section 2856 to read as follows:

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

S 19. 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 20. 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 PROPER-

TY, 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;] UNDER THOSE CIRCUMSTANCES PERMITTED BY SUBDIVISION SEVEN OF THIS SECTION; or

(vi) such action is otherwise authorized by law.

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

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

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

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

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

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

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

S 20-a. Section 2897 of the public authorities law is amended by adding a new subdivision 7 to read as follows:

7. DISPOSAL OF PROPERTY FOR LESS THAN FAIR MARKET VALUE. A. NO ASSET OWNED, LEASED OR OTHERWISE IN THE CONTROL OF A PUBLIC AUTHORITY MAY BE

SOLD, LEASED, OR OTHERWISE ALIENATED FOR LESS THAN ITS FAIR MARKET VALUE EXCEPT IF:

(I) THE TRANSFEREE IS A GOVERNMENT OR OTHER PUBLIC ENTITY, AND THE TERMS AND CONDITIONS OF THE TRANSFER REQUIRE THAT THE OWNERSHIP AND USE OF THE ASSET WILL REMAIN WITH THE GOVERNMENT OR ANY OTHER PUBLIC ENTITY;

(II) THE PURPOSE OF THE TRANSFER IS WITHIN THE PURPOSE, MISSION OR GOVERNING STATUTE OF THE PUBLIC AUTHORITY; OR

(III) IN THE EVENT A PUBLIC AUTHORITY SEEKS TO TRANSFER AN ASSET FOR LESS THAN ITS FAIR MARKET VALUE TO OTHER THAN A GOVERNMENTAL ENTITY, WHICH DISPOSAL WOULD NOT BE CONSISTENT WITH THE AUTHORITY'S MISSION, PURPOSE OR GOVERNING STATUTES, SUCH AUTHORITY SHALL PROVIDE WRITTEN NOTIFICATION THEREOF TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY, AND THE TEMPORARY PRESIDENT OF THE SENATE, AND SUCH PROPOSED TRANSFER SHALL BE SUBJECT TO DENIAL BY THE GOVERNOR, THE SENATE, OR THE ASSEMBLY. DENIAL BY THE GOVERNOR SHALL TAKE THE FORM OF A SIGNED CERTIFICATION BY THE GOVERNOR. DENIAL BY EITHER HOUSE OF THE LEGISLATURE SHALL TAKE THE FORM OF A RESOLUTION BY SUCH HOUSE. THE GOVERNOR AND EACH HOUSE OF THE LEGISLATURE SHALL TAKE ANY SUCH ACTION WITHIN SIXTY DAYS OF RECEIVING NOTIFICATION OF SUCH PROPOSED TRANSFER DURING THE MONTHS OF JANUARY THROUGH JUNE, PROVIDED THAT IF THE LEGISLATURE RECEIVES NOTIFICATION OF A PROPOSED TRANSFER DURING THE MONTHS OF JULY THROUGH DECEMBER, THE LEGISLATURE MAY TAKE ANY SUCH ACTION WITHIN SIXTY DAYS OF JANUARY FIRST OF THE FOLLOWING YEAR. IF NO SUCH RESOLUTION OR CERTIFICATION IS PERFORMED WITHIN SIXTY DAYS OF SUCH NOTIFICATION OF THE PROPOSED TRANSFER TO THE GOVERNOR, SENATE, AND ASSEMBLY, THE PUBLIC AUTHORITY MAY EFFECTUATE SUCH TRANSFER. PROVIDED, HOWEVER, THAT WITH RESPECT TO A BELOW MARKET TRANSFER BY A LOCAL AUTHORITY THAT IS NOT WITHIN THE PURPOSE, MISSION OR GOVERNING STATUTE OF THE LOCAL AUTHORITY, IF THE GOVERNING STATUTE PROVIDES FOR THE APPROVAL OF SUCH TRANSFER BY THE EXECUTIVE AND LEGISLATIVE BRANCHES OF THE POLITICAL SUBDIVISION IN WHICH SUCH LOCAL AUTHORITY RESIDES, AND THE TRANSFER IS OF PROPERTY OBTAINED BY THE AUTHORITY FROM THAT POLITICAL SUBDIVISION, THEN SUCH APPROVAL SHALL BE SUFFICIENT TO PERMIT THE TRANSFER.

B. IN THE EVENT A BELOW FAIR MARKET VALUE ASSET TRANSFER IS PROPOSED, THE FOLLOWING INFORMATION MUST BE PROVIDED TO THE AUTHORITY BOARD AND THE PUBLIC:

(I) A FULL DESCRIPTION OF THE ASSET;

(II) AN APPRAISAL OF THE FAIR MARKET VALUE OF THE ASSET AND ANY OTHER INFORMATION ESTABLISHING THE FAIR MARKET VALUE SOUGHT BY THE BOARD;

(III) A DESCRIPTION OF THE PURPOSE OF THE TRANSFER, AND A REASONABLE STATEMENT OF THE KIND AND AMOUNT OF THE BENEFIT TO THE PUBLIC RESULTING FROM THE TRANSFER, INCLUDING BUT NOT LIMITED TO THE KIND, NUMBER, LOCATION, WAGES OR SALARIES OF JOBS CREATED OR PRESERVED AS REQUIRED BY THE TRANSFER, THE BENEFITS, IF ANY, TO THE COMMUNITIES IN WHICH THE ASSET IS SITUATED AS ARE REQUIRED BY THE TRANSFER;

(IV) A STATEMENT OF THE VALUE TO BE RECEIVED COMPARED TO THE FAIR MARKET VALUE;

(V) THE NAMES OF ANY PRIVATE PARTIES PARTICIPATING IN THE TRANSFER, AND IF DIFFERENT THAN THE STATEMENT REQUIRED BY SUBPARAGRAPH (IV) OF THIS PARAGRAPH, A STATEMENT OF THE VALUE TO THE PRIVATE PARTY; AND

(VI) THE NAMES OF OTHER PRIVATE PARTIES WHO HAVE MADE AN OFFER FOR SUCH ASSET, THE VALUE OFFERED, AND THE PURPOSE FOR WHICH THE ASSET WAS SOUGHT TO BE USED.

C. BEFORE APPROVING THE DISPOSAL OF ANY PROPERTY FOR LESS THAN FAIR MARKET VALUE, THE BOARD OF AN AUTHORITY SHALL CONSIDER THE INFORMATION DESCRIBED IN PARAGRAPH B OF THIS SUBDIVISION AND MAKE A WRITTEN DETERMI-

NATION THAT THERE IS NO REASONABLE ALTERNATIVE TO THE PROPOSED BELOW-MARKET TRANSFER THAT WOULD ACHIEVE THE SAME PURPOSE OF SUCH TRANSFER.

S 21. Paragraph (b) of subdivision 11 of section 310 of the executive law, as amended by chapter 628 of the laws of 2003, is amended to read as follows:

(b) A "STATE AUTHORITY," AS DEFINED IN SUBDIVISION ONE OF SECTION TWO OF THE PUBLIC AUTHORITIES LAW, AND the following:

Albany County Airport Authority;
Albany Port District Commission;
Alfred, Almond, Hornellsville Sewer Authority;
Battery Park City Authority;
Cayuga County Water and Sewer Authority;
(Nelson A. Rockefeller) Empire State Plaza Performing Arts Center Corporation;
Industrial Exhibit Authority;
Livingston County Water and Sewer Authority;
Long Island Power Authority;
Long Island Rail Road;
Long Island Market Authority;
Manhattan and Bronx Surface Transit Operating Authority;
Metro-North Commuter Railroad;
Metropolitan Suburban Bus Authority;
Metropolitan Transportation Authority;
Natural Heritage Trust;
New York City Transit Authority;
New York Convention Center Operating Corporation;
New York State Bridge Authority;
New York State Olympic Regional Development Authority;
New York State Thruway Authority;
Niagara Falls Public Water Authority;
Niagara Falls Water Board;
Port of Oswego Authority;
Power Authority of the State of New York;
Roosevelt Island Operating Corporation;
Schenectady Metroplex Development Authority;
State Insurance Fund;
Staten Island Rapid Transit Operating Authority;
State University Construction Fund;
Triborough Bridge and Tunnel Authority.
Upper Mohawk valley regional water board.
Upper Mohawk valley regional water finance authority.
Upper Mohawk valley memorial auditorium authority.
Urban Development Corporation and its subsidiary corporations.

S 21-a. Subdivision 13 of section 310 of the executive law, as added by chapter 261 of the laws of 1988, is amended to read as follows:

13. "State contract" shall mean: (a) a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars, whereby a contracting agency is committed to expend or does expend funds in return for labor, services INCLUDING BUT NOT LIMITED TO LEGAL, FINANCIAL AND OTHER PROFESSIONAL SERVICES, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; (b) a written agreement in excess of one hundred thousand dollars whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or

renovation of real property and improvements thereon; and (c) a written agreement in excess of one hundred thousand dollars whereby the owner of a state assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project. [For the purposes of this article the term "services" shall not include banking relationships, the issuance of insurance policies or contracts, or contracts with a contracting agency for the sale of bonds, notes or other securities.]

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

TITLE 12

WHISTLEBLOWER ACCESS AND ASSISTANCE PROGRAM

SECTION 2986. WHISTLEBLOWER ACCESS AND ASSISTANCE PROGRAM.

S 2986. WHISTLEBLOWER ACCESS AND ASSISTANCE PROGRAM. 1. DEFINITIONS. A. "EMPLOYEES OF STATE AND LOCAL AUTHORITIES" MEANS THOSE PERSONS EMPLOYED AT STATE AND LOCAL AUTHORITIES, INCLUDING BUT NOT LIMITED TO: FULL-TIME AND PART-TIME EMPLOYEES, 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, CONCERNING THE AUTHORITY'S INVESTMENTS, TRAVEL, ACQUISITION OF REAL OR PERSONAL PROPERTY, THE DISPOSITION OF REAL OR PERSONAL PROPERTY AND THE PROCUREMENT OF GOODS AND SERVICES.

2. THE DIRECTOR OF THE AUTHORITIES 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 ARTICLE;

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

C. OFFERING ADVICE REGARDING EMPLOYEE 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 AUTHORITIES BUDGET OFFICE PURSUANT TO THIS SECTION SHALL BE HELD STRICTLY CONFIDENTIAL BY THE AUTHORITIES BUDGET OFFICE, UNLESS THE EMPLOYEE SPECIFICALLY WAIVES IN WRITING THE RIGHT TO CONFIDENTIALITY, EXCEPT THAT SUCH CONFIDENTIALITY SHALL NOT EXEMPT THE AUTHORITIES BUDGET OFFICE FROM DISCLOSING SUCH INFORMATION, WHERE APPROPRIATE, TO THE STATE INSPECTOR GENERAL IN ACCORDANCE WITH SECTION FIFTY-FIVE OF THE EXECUTIVE LAW, OR PREVENT DISCLOSURE TO ANY LAW ENFORCEMENT AUTHORITY.

S 23. The public authorities law is amended by adding a new section 2857 to read as follows:

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

S 24. Article 9 of the public authorities law is amended by adding a new title 12-A to read as follows:

TITLE 12-A

PUBLIC AUTHORITIES LOBBYING CONTACTS

SECTION 2987. LOBBYING CONTACTS.

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

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

B. "LOBBYING" SHALL MEAN AND INCLUDE ANY ATTEMPT TO INFLUENCE:

(I) THE ADOPTION OR REJECTION OF ANY RULE OR REGULATION HAVING THE FORCE AND EFFECT OF LAW BY A PUBLIC AUTHORITY, AND

(II) THE OUTCOME OF ANY RATE MAKING PROCEEDING BY A PUBLIC AUTHORITY.

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

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

3. EVERY MEMBER, OFFICER OR EMPLOYEE OF A STATE AUTHORITY WHO IS CONTACTED BY A LOBBYIST SHALL MAKE A CONTEMPORANEOUS RECORD OF SUCH CONTACT CONTAINING THE DAY AND TIME OF THE CONTACT, THE IDENTITY OF THE LOBBYIST AND A GENERAL SUMMARY OF THE SUBSTANCE OF THE CONTACT.

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

S 25. Subdivision 1 of section 552 of the public authorities law, as amended by section 7 of part H of chapter 25 of the laws of 2009, is amended to read as follows:

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

actual and necessary expenses incurred in the performance of their official duties.

S 26. Subdivision 2 of section 1201 of the public authorities law, as amended by section 6 of part H of chapter 25 of the laws of 2009, is amended to read as follows:

2. The chairman of such board shall be the chairman of metropolitan transportation authority, serving ex officio, and, provided that there is an executive director of the metropolitan transportation authority, the executive director of the authority shall be the executive director of the metropolitan transportation authority, serving ex officio. Notwithstanding [subdivision three of section twenty-eight hundred twenty-four of this chapter or] any [other] provision of law to the contrary, the chairman shall be the chief executive officer of the authority and shall be responsible for the discharge of the executive and administrative functions and powers of the authority. The chairman and executive director, if any, each shall be empowered to delegate his or her functions and powers to one or more officers or employees designated by him or her.

S 27. Paragraph (a) of subdivision 4 of section 1263 of the public authorities law, as amended by section 5 of part H of chapter 25 of the laws of 2009, is amended to read as follows:

(a) Notwithstanding [subdivision three of section twenty-eight hundred twenty-four of this chapter or] any [other] provision of law to the contrary, the chairman shall be the chief executive officer of the authority and shall be responsible for the discharge of the executive and administrative functions and powers of the authority. The chairman may appoint an executive director and such other officials and employees as shall in his or her [judgement] JUDGMENT be needed to discharge the executive and administrative functions and powers of the authority.

S 28. The opening paragraph of subdivision 5 of section 1266 of the public authorities law, as amended by section 8 of part H of chapter 25 of the laws of 2009, is amended to read as follows:

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

S 28-a. Transfer of powers, duties and functions. All powers, duties and functions conferred upon the former authority budget office created by section 27 of chapter 766 of the laws of 2005, as repealed by section five-b of this act, shall be transferred to and assumed by the authorities budget office established by section 4 of title 2 of the public authorities law, as added by section five of this act.

S 28-b. Transfer of appropriation authority. Upon transfer of the powers, duties and functions conferred upon the former authority budget office created by section 27 of chapter 766 of the laws of 2005, as repealed by section five-b of this act, to the authorities budget office established pursuant to a chapter of the laws of 2009, the authorities budget office shall have the authority to use any funding appropriated to the authority budget office pursuant to chapter 50 of the laws of 2009 for services, and expenses including but not limited to the responsibilities, obligations, functions, operations, and prior year liabilities of the authority budget office.

S 28-c. Transfer of records. The former authority budget office created by section 27 of chapter 766 of the laws of 2005, as repealed by section five-b of this act, shall deliver to the authorities budget office established by section 4 of title 2 of the public authorities law, as added by section five of this act, all books, papers, records, and property as requested by the independent office of public authority accountability.

S 28-d. Transfer of employees. Upon the transfer of the functions of the former authority budget office created by section 27 of chapter 766 of the laws of 2005, as repealed by section five-b of this act, to the authorities budget office established by section 4 of title 2 of the public authorities law, as added by section five of this act, and as provided for in this act, any affected employees may be transferred to the authorities budget office in accordance with section 70 of the civil service law.

S 28-e. Continuity of authority. For the purpose of succession to all functions, powers, duties and obligations transferred and assigned to, devolved upon and assumed by it pursuant to this act, the authorities budget office established by section 4 of title 2 of the public authorities law, as added by section five of this act, shall be deemed and held to constitute the continuation of the former authority budget office created by section 27 of chapter 766 of the laws of 2005, as repealed by section five-b of this act, pertaining to the powers and functions herein transferred.

S 28-f. Completion of unfinished business. Any business or other matter undertaken or commenced by the former authority budget office created by section 27 of chapter 766 of the laws of 2005, as repealed by section five-b of this act, pertaining to or connected with the functions, powers, obligations and duties hereby transferred and assigned to the authorities budget office established by section 4 of title 2 of the public authorities law, as added by section five of this act, and pending on the effective date of this act may be conducted and completed by the authorities budget office established pursuant to section 4 of title 2 of the public authorities law, as added by section five of this act, in the same manner and under the same terms and conditions and with the same effect as if conducted and completed by the former authority budget office.

S 28-g. Terms occurring in laws, contracts and other documents. Whenever the former authority budget office created by section 27 of chapter 766 of the laws of 2005, as repealed by section five-b of this act, is referred to or designated in any law, contract or documents pertaining to the functions, powers, obligations and duties hereby transferred and assigned to the authorities budget office established pursuant to section 4 of title 2 of the public authorities law, as added by section five of this act, such reference or designation shall be deemed to refer to the authorities budget office established pursuant to section 4 of title 2 of the public authorities law, as added by section five of this act.

S 28-h. Existing rights and remedies preserved. No existing right or remedy of any character shall be lost, impaired or affected by reason of this act.

S 28-i. Pending actions and proceedings. No action or proceeding pending on the effective date of this act, brought by or against the former authority budget office created by section 27 of chapter 766 of the laws of 2005, as repealed by section five-b of this act, relating to the function, power or duty transferred to or devolved upon the authorities budget office established pursuant to section 4 of title 2 of the public authorities law, as added by section five of this act, shall be affected by this act, but the same may be prosecuted or defended in the name of the authorities budget office established pursuant to section 4 of title 2 of the public authorities law, as added by section five of this act, and upon application to the court, such office established pursuant to section 4 of title 2 of the public authorities law, as added by section five of this act, shall be substituted as a party.

S 29. A chapter of the laws of 2009 amending the public authorities law and the executive law, relating to the creation of an authorities budget office, as proposed in legislative bills numbers S.1537-C and A.2209-C, is REPEALED.

S 30. 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 31. This act shall take effect March 1, 2010; provided, however that the amendments to paragraph (b) of subdivision 11 and subdivision 13 of section 310 of the executive law made by sections twenty-one and twenty-one-a of this act shall not affect the expiration of such section and shall be deemed to expire therewith; provided further, that the provisions of sections eleven-b, eleven-c, eleven-d, eleven-f and eleven-g of this act shall not apply to any executive director or chief executive officer appointed prior to the effective date of this act; provided further, that section fourteen-a of this act shall expire and be deemed repealed June 30, 2012; and provided further, that section twenty-a of this act shall apply only to the disposal of property authorized by the board of a public authority after such effective date.