11618

IN ASSEMBLY

July 6, 2010

- Introduced by COMMITTEE ON RULES -- (at request of M. of A. Brodsky) -- read once and referred to the Committee on Environmental Conservation
- AN ACT to amend the public authorities law and the environmental conservation law, in relation to establishing the state diesel emissions reduction revolving loan fund

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

- 1 Section 1. The public authorities law is amended by adding a new 2 section 1285-s to read as follows:
- 3 EMISSIONS REDUCTION PROGRAM. 1. THE CORPORATION IS 1285-S. DIESEL S 4 AUTHORIZED TO UNDERTAKE A PROGRAM TO PROVIDE FINANCIAL ASSISTANCE ΤO 5 STATE AGENCIES AND ELIGIBLE RECIPIENTS TO ENCOURAGE AND SUPPORT THE PURCHASE OF NEW AND RETROFITTING OF EXISTING HEAVY DUTY 6 VEHICLES IΝ 7 ACCORDANCE WITH THE PROVISIONS OF THIS SECTION.
- 8 2. AS USED IN THIS SECTION, THE FOLLOWING TERMS HAVE THE FOLLOWING 9 MEANINGS:
- 10 (A) "BEST AVAILABLE RETROFIT TECHNOLOGY" SHALL HAVE THE SAME MEANING 11 AS SUCH TERM IS DEFINED IN SECTION 19-0323 OF THE ENVIRONMENTAL CONSER-12 VATION LAW AND REGULATIONS PROMULGATED THEREUNDER.
- 13 (B) "COMMISSIONER" SHALL MEAN THE COMMISSIONER OF ENVIRONMENTAL 14 CONSERVATION.
- 15 (C) "ELIGIBLE PROJECT" SHALL MEAN A PROJECT FOR THE PURCHASE AND 16 INSTALLATION OF BEST AVAILABLE RETROFIT TECHNOLOGY FOR HEAVY DUTY VEHI-17 CLES, INCLUDING THE RETROFIT OF VEHICLES REQUIRED PURSUANT TO SECTION 18 19-0323 OF THE ENVIRONMENTAL CONSERVATION LAW, AND NONROAD VEHICLES AS 19 DEFINED BY 42 USC SECTION 7550.
- (D) "ELIGIBLE RECIPIENT" SHALL MEAN ANY PERSON, MUNICIPALITY OR STATE AGENCY SUBJECT TO SECTION 19-0323 OF THE ENVIRONMENTAL CONSERVATION LAW AND ANY PERSON, MUNICIPALITY OR STATE AGENCY THAT IS AN ELIGIBLE ENTITY PURSUANT TO THE ENERGY POLICY ACT OF 2005 DIESEL EMISSIONS REDUCTION PROGRAM.
- 25 (E) "HEAVY DUTY VEHICLE" OR "VEHICLE" SHALL HAVE THE SAME MEANING AS 26 SUCH TERM IS DEFINED IN SECTION 19-0323 OF THE ENVIRONMENTAL CONSERVA-27 TION LAW.

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

LBD11624-05-0

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1 (F) "RETROFIT" SHALL MEAN THE ADDITION OF NEW OR ENHANCED POLLUTION 2 CONTROL AFTER TREATMENT EQUIPMENT TO DIESEL ENGINES, UPGRADING A DIESEL 3 ENGINE TO A CLEANER CONFIGURATION, AND EARLY REPLACEMENT OF OLDER 4 ENGINES WITH NEWER CLEANER ENGINES.

5 3. (A) THERE IS HEREBY ESTABLISHED IN THE CUSTODY OF THE CORPORATION A TO BE KNOWN AS THE DIESEL EMISSIONS REDUCTION REVOLVING FUND. 6 FUND 7 MONEYS IN THE DIESEL EMISSIONS REDUCTION REVOLVING FUND SHALL BE SEGRE-GATED FROM ALL OTHER FUNDS OF OR IN THE CUSTODY OF THE CORPORATION 8 SUBJECT TO ANY RIGHTS OF HOLDERS OF CORPORATION BONDS OR NOTES ISSUED 9 10 THE PURPOSES OF THIS SECTION. MONEYS IN THE DIESEL EMISSIONS FOR REDUCTION REVOLVING FUND SHALL ONLY BE USED IN ACCORDANCE WITH THE 11 12 PROVISIONS OF THIS SECTION PROVIDED, HOWEVER, THAT AN AMOUNT OF UP TO FOUR PERCENT OF THE FUND MAY BE UTILIZED ANNUALLY BY THE CORPORATION 13 ΤO 14 PAY FOR COSTS OF ADMINISTERING THE FUND.

(B) THE FUND SHALL CONSIST OF THE FOLLOWING:

16 (I) NOTWITHSTANDING ANY LAW TO THE CONTRARY, UP TO FOUR MILLION STATE FISCAL YEAR NINETEEN 17 DOLLARS FROM HUNDRED NINETY-SEVEN--NINETY-EIGHT APPROPRIATIONS, OR SUBSEQUENT REAPPROPRIATION 18 19 SUCH PROJECT PURSUANT TO SECTION 56-0603 OF THE ENVIRONMENTAL FOR CONSERVATION LAW, UP TO FOUR MILLION DOLLARS FROM STATE FISCAL YEAR 20 21 NINETEEN HUNDRED NINETY-SEVEN--NINETY-EIGHT APPROPRIATIONS, OR SUBSE-22 QUENT REAPPROPRIATION FOR SUCH PROJECT PURSUANT TO SECTION 56-0605 OF THE ENVIRONMENTAL CONSERVATION LAW, UP TO TWO MILLION DOLLARS FROM THE 23 24 STATE FISCAL YEAR NINETEEN HUNDRED NINETY-SEVEN--NINETY-EIGHT APPROPRI-25 ATIONS, OR SUBSECUENT REAPPROPRIATION FOR SUCH PROJECT PURSUANT TO 26 SECTION 56-0607 OF THE ENVIRONMENTAL CONSERVATION LAW;

(II) ALL MONEYS APPROPRIATED FOR THE PAYMENT OF THE COSTS OF DIESEL
EMISSIONS REDUCTION ACTIVITIES AND EQUIPMENT PURSUANT TO SECTION ONE OF
CHAPTER FIFTY-FIVE OF THE LAWS OF TWO THOUSAND SEVEN, AS REAPPROPRIATED
BY CHAPTER FIFTY-FIVE OF THE LAWS OF TWO THOUSAND NINE, AND AS MAY BE
SUBSEQUENTLY REAPPROPRIATED;

(III) ALL MONEYS APPROPRIATED BY THE STATE LEGISLATURE FOR THE PURPOSE
 OF THE DIESEL EMISSIONS REDUCTION REVOLVING FUND OR OTHERWISE TRANS FERRED BY THE STATE FOR DEPOSIT THEREIN BY THE COMPTROLLER AS REQUIRED
 BY LAW;

(IV) PAYMENTS OF PRINCIPAL AND INTEREST MADE BY ELIGIBLE RECIPIENTS
PURSUANT TO LOAN OR OTHER AGREEMENTS ENTERED INTO PURSUANT TO SUBDIVISION SIX OF THIS SECTION; PROVIDED, HOWEVER, IF SUCH LOANS WERE FINANCED
BY THE ISSUANCE OF BONDS OR NOTES OF THE CORPORATION, DEPOSIT OF SUCH
PAYMENTS INTO THE FUND SHALL BE SUBJECT TO THE RIGHTS OF THE HOLDERS OF
SUCH BONDS OR NOTES TO RECEIVE SUCH MONIES;

(V) INVESTMENT EARNINGS ON AMOUNTS IN THE FUND;

43 (VI) ANY OTHER PAYMENTS RECEIVED FROM RECIPIENTS PURSUANT TO A LOAN OR 44 OTHER AGREEMENT MADE PURSUANT TO SUBDIVISION SIX OF THIS SECTION FOR 45 COSTS OF MANAGING AND ADMINISTERING THE PROGRAM; AND

46 (VII) THE PROCEEDS OF BONDS OR NOTES ISSUED BY THE CORPORATION FOR 47 PURPOSES OF PROVIDING FINANCIAL ASSISTANCE TO ELIGIBLE RECIPIENTS.

48 (C) ADDITIONALLY, THE FOLLOWING SOURCES MAY BE DEPOSITED INTO THE 49 FUND, SUBJECT TO APPROPRIATION OR TRANSFER:

50 (I) ALL OR A PORTION OF MONEYS PAID TO THE STATE PURSUANT TO ANY 51 FUTURE REAUTHORIZATION, REAPPROPRIATION, EXTENSION OR EXPANSION OF THE 52 FEDERAL DIESEL EMISSION REDUCTION ACT OR ADOPTION OF ANY FEDERAL ACT OF 53 SUBSTANTIALLY SIMILAR PURPOSE;

54 (II) ALL OR A PORTION OF MONEYS PAID TO THE STATE PURSUANT TO 55 SUBSECTION THREE OF STATE AND TRIBAL ASSISTANCE GRANTS INCLUDED IN TITLE 56 VII OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009; AND

(III) ANY OTHER MONEYS PAID TO THE STATE FOR DEPOSIT IN THE FUND. 1 2 MONEYS IN THE DIESEL EMISSIONS REDUCTION REVOLVING FUND MAY BE 4. 3 INVESTED AS PROVIDED IN SUBDIVISION FOUR OF SECTION TWELVE HUNDRED 4 EIGHTY-FOUR AND SUBDIVISION SIX OF SECTION TWELVE HUNDRED EIGHTY-FIVE-J 5 OF THIS TITLE. 6 5. MONEYS OF THE FUND SHALL BE AVAILABLE ONLY FOR DISTRIBUTION ΤO 7 ELIGIBLE PROJECTS PURSUANT TO THIS SECTION THAT ARE APPROVED IN CONSUL-8 TATION WITH THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION. THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION SHALL, IN CONSULTATION WITH THE CORPO-9 10 RATION, DEVELOP GUIDANCE FOR SELECTION OF ELIGIBLE PROJECTS, WHICH SHALL 11 ESTABLISH ELIGIBILITY CRITERIA FOR DISTRIBUTION OF MONEYS CONTAINED IN 12 THE FUND CONSISTENT WITH THE PROVISIONS OF THIS SECTION. SUBJECT TO ANY 13 APPLICABLE FEDERAL REOUIREMENTS, PRIORITY SHALL BE GIVEN TO THOSE 14 PROJECTS THAT WILL UTILIZE BEST AVAILABLE RETROFIT TECHNOLOGY AND: 15 (A) ARE SUBJECT TO THE REQUIREMENTS OF SECTION 19-0323 OF THE ENVIRON-16 MENTAL CONSERVATION LAW; 17 (B) MAXIMIZE PUBLIC HEALTH BENEFITS; (C) PROVIDE THE MOST COST-EFFECTIVE EXPENDITURE OF FUNDS, INCLUDING 18 19 REDUCTIONS IN DIESEL EMISSIONS PER DOLLAR EXPENDED; AND 20 (D) SERVE AREAS IN NEW YORK THAT ARE: 21 (I) IN NON ATTAINMENT OF THE NATIONAL AMBIENT AIR QUALITY PRIMARY 22 STANDARDS ESTABLISHED FOR PARTICULATE MATTER OR OZONE; 23 (II) ENVIRONMENTAL JUSTICE AREAS AS DESIGNATED BY THE DEPARTMENT OF 24 ENVIRONMENTAL CONSERVATION; OR 25 (III) IMPACTED BY HIGHER LEVELS OF VEHICLE TRAFFIC; OR INDUSTRIAL AND 26 COMMERCIAL AREAS INCLUDING BUT NOT LIMITED TO PORTS, AIRPORTS, TRUCK 27 STOPS, RAIL YARDS, TERMINALS AND DISTRIBUTION CENTERS. 28 MONEYS IN THE FUND SHALL BE APPLIED BY THE CORPORATION TO PROVIDE 6. FINANCIAL ASSISTANCE TO ELIGIBLE RECIPIENTS FOR ELIGIBLE PROJECTS AND TO 29 PROVIDE FOR THE ADMINISTRATIVE AND MANAGEMENT COSTS OF THE PROGRAM. AS 30 USED IN THIS SECTION "FINANCIAL ASSISTANCE TO ELIGIBLE RECIPIENTS" MEANS 31 32 ANY ONE OR MORE OF THE FOLLOWING: 33 TO ELIGIBLE RECIPIENTS FOR ELIGIBLE PROJECTS, (A) MAKING LOANS PROVIDED SUCH LOANS (I) ARE MADE AT MARKET OR BELOW MARKET RATES, (II) 34 DO NOT HAVE A FINAL MATURITY OF MORE THAN THE PERIOD OF PROBABLE USEFUL-35 NESS AS SET FORTH IN THE LOCAL FINANCE LAW, AND (III) HAVE PRINCIPAL AND 36 37 INTEREST PAYMENTS WHICH COMMENCE NOT LATER THAN ONE YEAR AFTER INSTALLA-38 TION OF THE ELIGIBLE PROJECT; 39 (B) BUYING OR REFINANCING DEBT OBLIGATIONS OF ELIGIBLE RECIPIENTS AT 40 MARKET OR BELOW MARKET RATES; (C) GUARANTYING, OR PURCHASING INSURANCE OR OTHER CREDIT ENHANCEMENT 41 FOR ELIGIBLE RECIPIENT OBLIGATIONS WHERE SUCH ACTION WOULD IMPROVE CRED-42 43 IT MARKET ACCESS FOR OR REDUCE INTEREST RATES ON SUCH ELIGIBLE RECIPIENT 44 OBLIGATIONS; 45 (D) PROVIDING A SOURCE OF REVENUE OR SECURITY FOR PAYMENT OF PRINCIPAL AND INTEREST ON BONDS OR NOTES ISSUED BY THE CORPORATION IF THE PROCEEDS 46 47 OF THE SALE OF SUCH BONDS OR NOTES WILL BE DEPOSITED IN THE FUND; (E) PROVIDING INTEREST RATE SUBSIDY ALLOCATIONS TO SUBSIDIZE LOANS TO 48 49 ELIGIBLE RECIPIENTS MADE FROM THE PROCEEDS OF THE CORPORATION'S BONDS OR 50 NOTES; 51 (F) PROVIDING GRANTS AND PRINCIPAL FORGIVENESS; 52 (G) USING INVESTMENT EARNINGS ON MONEYS IN THE FUND TO PAY, PURSUANT TO SUBDIVISION SEVEN OF THIS SECTION, THE COSTS OF THE CORPORATION AND 53 54 THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION OF ADMINISTERING AND MANAG-55 ING THE PROGRAM DESCRIBED IN THIS SECTION.

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7. (A) NOTWITHSTANDING ANY PROVISIONS OF LAW TO THE CONTRARY, 1 THE 2 CORPORATION SHALL DISTRIBUTE MONEYS CONTAINED IN THE FUND AS FOLLOWS: 3 (I) UNTIL MARCH THIRTY-FIRST, TWO THOUSAND ELEVEN, TWENTY PERCENT OF 4 THE FUND SHALL BE USED TO PROVIDE GRANTS TO STATE AGENCIES FOR THE 5 RETROFITTING OF VEHICLES SUBJECT TO SECTION 19-0323 OF THE ENVIRONMENTAL 6 CONSERVATION LAW; 7 (II) THE REMAINDER OF THE FUND SHALL BE USED TO PROVIDE FINANCIAL 8 ASSISTANCE TO ELIGIBLE RECIPIENTS FOR ELIGIBLE PROJECTS THAT MEET THE 9 GOAL OF EMISSIONS REDUCTION IN ACCORDANCE WITH THE PROVISIONS OF THIS 10 SECTION AND IN ACCORDANCE WITH ANY APPLICABLE FEDERAL REQUIREMENTS. 8. ELIGIBLE RECIPIENTS MAY SUBMIT APPLICATIONS TO THE CORPORATION 11 ΤN 12 SUCH MANNER AS THE CORPORATION DIRECTS. ALL APPLICATIONS SHALL INCLUDE, AT A MINIMUM, THE FOLLOWING INFORMATION: 13 14 (A) ANY INFORMATION REQUIRED TO DEMONSTRATE ELIGIBILITY TO RECEIVE FEDERAL ASSISTANCE UNDER ANY FEDERAL PROGRAM LISTED IN SUBDIVISION THREE 15 16 OF THIS SECTION; 17 CALCULATION OF THE EXTENT TO WHICH INSTALLATION OF THE PROPOSED (B) 18 PROJECT WILL REDUCE DIESEL EMISSIONS; 19 (C) THE AIR QUALITY DESIGNATION OF THE AREA IN WHICH VEHICLES PROPOSED 20 TO BE RETROFITTED OR REPLACED OPERATE; 21 (D) EXTENT TO WHICH THE PROPOSED PROJECT MEETS THE PRIORITY CRITERIA OF SUBDIVISIONS FOUR AND FIVE OF THIS SECTION; AND 22 (E) ANY OTHER INFORMATION THAT THE CORPORATION REOUIRES. 23 24 9. THE CORPORATION, IN CONSULTATION WITH THE DEPARTMENT OF ENVIRON-25 MENTAL CONSERVATION, IS AUTHORIZED TO: 26 (A) CONSULT WITH ANY OTHER STATE AGENCY OR PUBLIC AUTHORITY WHICH THE 27 CORPORATION DEEMS APPROPRIATE IN THE DEVELOPMENT OF THE DIESEL RETROFIT EMISSIONS REDUCTION PROGRAM DEVELOPED PURSUANT TO THIS SECTION; AND 28 (B) PREPARE, IN CONSULTATION WITH SUCH AGENCIES AND AUTHORITIES, 29 AND MAKE AVAILABLE TO THE PUBLIC, DIESEL EMISSIONS REDUCTION PROGRAM MANUALS 30 BROCHURES FOR THE PURPOSE OF ENSURING THAT THE STANDARDS AND CRITE-31 AND 32 RIA APPLICABLE TO THE PROGRAM ARE AVAILABLE TO PERSONS WHO MAY WISH ТΟ PARTICIPATE IN THE PROGRAM, TO FACILITATE THE GOALS OF THE PROGRAM. 33 10. IN ADDITION TO THE POWERS GRANTED TO THE CORPORATION ELSEWHERE IN 34 THIS CHAPTER, THE CORPORATION MAY MAKE LOANS TO ELIGIBLE RECIPIENTS FOR 35 PURPOSES OF FINANCING ELIGIBLE PROJECTS FOR WHICH THE FUND MAY BE USED, 36 SUBJECT TO THE LIMITATIONS OF SUBDIVISION SEVEN OF THIS SECTION, MAY 37 38 ACCEPT THE OBLIGATIONS OF ANY MUNICIPALITY AS SECURITY FOR THE REPAYMENT A LOAN TO AN ELIGIBLE RECIPIENT, AND MAY ASSIGN AND PLEDGE SUCH 39 OF 40 ELIGIBLE RECIPIENT OBLIGATIONS AND LOAN AGREEMENTS FOR THE BENEFIT OF HOLDER OF OBLIGATIONS OF THE CORPORATION FROM THE PROCEEDS OF WHICH 41 THE SUCH LOANS ARE MADE. LOAN PROCEEDS MAY BE DISBURSED TO AN ELIGIBLE 42 43 RECIPIENT IN ACCORDANCE WITH SUCH RESTRICTIONS AS MAY BE IMPOSED BY THE 44 CORPORATION IN CONNECTION WITH SUCH LOAN OR OBLIGATIONS OF THE CORPO-45 RATION FROM THE PROCEEDS OF WHICH SUCH LOAN IS MADE. IN THE EVENT A MUNICIPALITY SHALL FAIL TO MAKE ANY PAYMENT DUE THE CORPORATION PURSUANT 46 47 TO ANY LOAN AGREEMENT, FINANCING AGREEMENT, OR OTHER OBLIGATION OF THE 48 MUNICIPALITY SOLD TO THE CORPORATION OR ISSUED AS SECURITY FOR THE 49 UNDERTAKING OF THE MUNICIPALITY THEREUNDER, THE CORPORATION SHALL CERTI-50 FY TO THE COMPTROLLER, AND NOTIFY THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE, THE CHAIRMAN OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, THE 51 DIRECTOR OF THE DIVISION OF THE BUDGET AND THE GOVERNING BODY OF 52 THE MUNICIPALITY THAT SUCH MUNICIPALITY HAS FAILED TO MAKE SUCH PAYMENT. 53 SUCH CERTIFICATE SHALL BE IN SUCH FORM AS MAY BE DETERMINED BY 54 THE 55 CORPORATION PROVIDED SUCH CERTIFICATE SHALL SPECIFY THE EXACT AMOUNT OF 56 DEBT SERVICE AND SURCHARGE, IF APPLICABLE, REQUIRED TO SATISFY SUCH

MUNICIPALITY'S UNPAID OBLIGATION. THE COMPTROLLER, UPON RECEIPT OF SUCH 1 CERTIFICATE FROM THE CORPORATION, IS AUTHORIZED TO AND 2 SHALL, TO THE 3 OTHERWISE PROHIBITED BY EXTENT NOT LAW AND SUBJECT TO ANY OTHER 4 PROVISION OF LAW PROVIDING FOR WITHHOLDING OF PAYMENTS TO THE MUNICI-5 PALITY WHICH TAKE PRECEDENCE OVER THIS SUBDIVISION, WITHHOLD FROM SUCH 6 THE NEXT SUCCEEDING PAYMENTS OF STATE AID OR LOCAL ASSIST-MUNICIPALITY 7 ANCE OTHERWISE PAYABLE TO IT TO THE EXTENT NECESSARY TO MEET THE CERTI-8 FIED AMOUNT OF DEBT SERVICE AND SURCHARGE, IF APPLICABLE, DUE THE CORPO-SHALL IMMEDIATELY PAY OVER TO THE CORPORATION AS A DEBT 9 RATION AND 10 SERVICE PAYMENT ON BEHALF OF SUCH MUNICIPALITY THE AMOUNT SO WITHHELD. 11. NO LATER THAN JANUARY THIRTY-FIRST OF 11 EACH CALENDAR YEAR, THE 12 SHALL SUBMIT TO THE GOVERNOR, THE LEGISLATURE AND THE COMP-CORPORATION TROLLER A DETAILED REPORT OF EXPENDITURES OF THE 13 FUND. SUCH REPORT 14 SHALL INCLUDE AT A MINIMUM: 15 (A) AN ACCOUNTING OF MONEYS PAID INTO THE FUND FROM STATUTORY SOURCES; 16 (B) AN ACCOUNTING OF MONEYS EXPENDED FOR PURPOSES OF ADMINISTERING THE 17 FUND; OF ALL MONEYS PAID OUT OF THE FUND TO ELIGIBLE 18 (C) AN ACCOUNTING 19 PROJECTS, ARRANGED BY PROJECT, STATUTORY PRIORITY LEVEL AND AREA OF THE 20 STATE; 21 ESTIMATION OF THE AMOUNT OF DIESEL EMISSIONS REDUCED BY THE (D) AN 22 INSTALLATION OF ELIGIBLE PROJECTS FINANCED BY THE FUND; AND 23 (E) ANY DISCERNABLE OR ESTIMATED PUBLIC HEALTH BENEFIT BROUGHT ABOUT 24 BY THESE DIESEL EMISSIONS REDUCTIONS. 25 2. Section 56-0603 of the environmental conservation law, as added S 26 by chapter 413 of the laws of 1996, is amended to read as follows: S 56-0603. State clean-fueled vehicle projects. 27 28 The office of general services is authorized, consistent with the 1. 29 strategy developed pursuant to subdivision three of section two hundred one-a of the executive law, to conduct a project to acquire clean-fueled 30 31 vehicles [and to develop and acquire the associated infrastructure 32 including depot construction], AND THE NEW YORK STATE ENVIRONMENTAL 33 WITH FACILITIES CORPORATION IS AUTHORIZED, CONSISTENT SECTION TWELVE 34 HUNDRED EIGHTY-FIVE-S OF THE PUBLIC AUTHORITIES LAW, TO DISTRIBUTE MONIES FOR THE RETROFITTING OF HEAVY DUTY DIESEL ENGINE VEHICLES. 35 2. For the purposes of this section, the term "clean-fueled vehicle" 36 37 shall mean any motor vehicle as defined in section one hundred twenty-38 five of the vehicle and traffic law, that uses electricity, including 39 electricity generated from solar energy, either stored or generated 40 on-board, as its primary motive force, or that is fueled by compressed natural gas, propane, methanol, hydrogen or ethanol. 41 3. Subdivision 1 of section 56-0605 of the environmental conserva-42 S tion law, as added by chapter 413 of the laws of 1996, is amended to 43 44 read as follows: 45 The New York state energy research and development authority in 1. cooperation with the department of transportation OR THE NEW YORK STATE 46 ENVIRONMENTAL FACILITIES CORPORATION is authorized to make state assist-47 projects" AND IS AUTHORIZED, 48 ance payments to "clean-fueled buses 49 CONSISTENT WITH SECTION TWELVE HUNDRED EIGHTY-FIVE-S OF THE PUBLIC 50 AUTHORITIES LAW, TO DISTRIBUTE MONIES FOR THE RETROFITTING OF HEAVY DUTY 51 DIESEL ENGINE VEHICLES. 4. Section 56-0607 of the environmental conservation law, as added 52 S by chapter 413 of the laws of 1996, is amended to read as follows: 53 54 S 56-0607. Other air quality projects.

55 Of monies received by the state from the sale of bonds pursuant to the 56 Clean Water/Clean Air Bond Act of 1996, up to twenty million dollars

3 The commissioner is authorized in consultation with other state agen-4 cies as may be necessary, to make state assistance payments or to enter into contracts in the name of the state for projects that will enhance 5 the quality of the state's environment and the state's air quality, 6 7 INCLUDING COOPERATION WITH THE NEW YORK STATE ENVIRONMENTAL FACILITIES 8 CORPORATION, TO DISTRIBUTE MONIES FOR THE RETROFITTING OF HEAVY DUTY VEHICLES, CONSISTENT WITH SECTION 9 DIESEL ENGINE TWELVE HUNDRED 10 EIGHTY-FIVE-S OF THE PUBLIC AUTHORITIES LAW.

11 S 5. This act shall take effect immediately.