

S. 12

A. 12

Twentieth Extraordinary Session

S E N A T E - A S S E M B L Y

November 18, 2009

IN SENATE -- Introduced by Sens. PERKINS, SAMPSON, SMITH, BRESLIN, FLAN-
AGAN, 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, Engle-
bright, Espaillat, Gabryszak, Galef, Gianaris, Glick, Gordon, Gott-
fried, Gunther, Heastie, Hevesi, Hooper, Hoyt, Jaffee, Jeffries, John,
Kavanagh, Kellner, Lancman, Latimer, Lavine, Lentol, Lifton, Lupardo,
Magee, Magnarelli, Maisel, Mayersohn, McEneny, Meng, M. Miller, Mill-
man, O'Donnell, Ortiz, Peoples-Stokes, Peralta, Perry, Pheffer,
Powell, Pretlow, Reilly, P. Rivera, Rosenthal, Schimel, Schroeder,
Skartados, Spano, Stirpe, Sweeney, Thiele, Towns, Weinstein, Zebrow-
ski) -- (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 exec-
utive 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 ASSEM-
BLY, DO ENACT AS FOLLOWS:

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

LBD12150-06-9

1 Section 1. Legislative findings. The legislature finds that chapter
2 766 of the laws of 2005 was the beginning of the process to reform the
3 way public authorities conduct business in New York state. However, the
4 fundamental problems of transparency, accountability, the responsibil-
5 ities and functions of board members and oversight have not been
6 addressed, leading to a lack of public trust in these institutions. The
7 creation of an independent authorities budget office is necessary to
8 provide oversight of the operations and finances of public authorities
9 in real time and to inform the legislature and executive on issues
10 relating to debt, compensation of board members, the role minority- and
11 women-owned businesses play in the procurement process, the disposition
12 of property and the governance of authorities. Public authorities should
13 be required to publish, in real time, their finances, policies, plans
14 and decisions. Real-time review by the public, the legislature, the
15 executive and the authorities budget office will facilitate the
16 prevention of problems, not just their explanation after they have aris-
17 en.

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

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

22 S 3. Subdivision 5 of section 2 of the public authorities law, as
23 added by chapter 766 of the laws of 2005, is amended to read as follows:

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

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

35 SHORT TITLE; DEFINITIONS

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

38 TITLE 2

39 AUTHORITIES BUDGET OFFICE

40 SECTION 4. ESTABLISHMENT OF THE INDEPENDENT AUTHORITIES BUDGET OFFICE.

41 5. DIRECTOR OF THE AUTHORITIES BUDGET OFFICE.

42 6. POWERS AND DUTIES OF THE AUTHORITIES BUDGET OFFICE.

43 7. REPORTS OF THE AUTHORITIES BUDGET OFFICE.

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

48 S 5. DIRECTOR OF THE AUTHORITIES BUDGET OFFICE. THE DIRECTOR OF THE
49 AUTHORITIES BUDGET OFFICE SHALL BE APPOINTED BY THE GOVERNOR, UPON THE
50 ADVICE AND CONSENT OF THE SENATE. THE DIRECTOR SHALL HOLD OFFICE FOR A
51 TERM OF FOUR YEARS BEGINNING ON THE DATE OF CONFIRMATION. THE SALARY OF
52 THE DIRECTOR SHALL BE ESTABLISHED BY THE GOVERNOR WITHIN THE LIMIT OF
53 FUNDS AVAILABLE THEREFOR; PROVIDED, HOWEVER, SUCH SALARY SHALL BE NO
54 LESS THAN THE SALARIES OF CERTAIN STATE OFFICERS HOLDING THE POSITIONS
55 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

1 authorities, every state authority continued or created by this chapter
2 or any other chapter of the laws of the state of New York shall submit
3 to the governor, the chairman and ranking minority member of the senate
4 finance committee, the chairman and ranking minority member of the
5 assembly ways and means committee [and], the state comptroller, AND THE
6 AUTHORITIES BUDGET OFFICE, within ninety days after the end of its
7 fiscal year, a complete and detailed report or reports setting forth:
8 (1) its operations and accomplishments; (2) its [receipts and disburse-
9 ments, or revenues and expenses, during such fiscal year in accordance
10 with the categories or classifications established by such authority for
11 its own operating and capital outlay purposes] FINANCIAL REPORTS,
12 INCLUDING (I) AUDITED FINANCIALS IN ACCORDANCE WITH ALL APPLICABLE REGU-
13 LATIONS AND FOLLOWING GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS
14 DEFINED IN SUBDIVISION TEN OF SECTION TWO OF THE STATE FINANCE LAW, (II)
15 GRANT AND SUBSIDY PROGRAMS, (III) OPERATING AND FINANCIAL RISKS, (IV)
16 CURRENT RATINGS, IF ANY, OF ITS BONDS ISSUED BY RECOGNIZED MUNICIPAL
17 BOND RATING AGENCIES AND NOTICE OF CHANGES IN SUCH RATINGS, AND (V)
18 LONG-TERM LIABILITIES, INCLUDING LEASES AND EMPLOYEE BENEFIT PLANS; (3)
19 [its assets and liabilities at the end of its fiscal year including the
20 status of reserve, depreciation, special or other funds and including
21 the receipts and payments of these funds] ITS MISSION STATEMENT AND
22 MEASUREMENTS INCLUDING ITS MOST RECENT MEASUREMENT REPORT; (4) a sched-
23 ule of its bonds and notes outstanding at the end of its fiscal year,
24 together with a statement of the amounts redeemed and incurred during
25 such fiscal year as part of a schedule of debt issuance that includes
26 the date of issuance, term, amount, interest rate and means of repay-
27 ment. Additionally, the debt schedule shall also include all refi-
28 nancings, calls, refundings, defeasements and interest rate exchange or
29 other such agreements, and for any debt issued during the reporting
30 year, the schedule shall also include a detailed list of costs of issu-
31 ance for such debt; (5) a compensation schedule, IN ADDITION TO THE
32 REPORT DESCRIBED IN SECTION TWENTY-EIGHT HUNDRED SIX OF THIS TITLE, that
33 shall include, by position, title and name of the person holding such
34 position or title, the salary, compensation, allowance and/or benefits
35 provided to any officer, director or employee in a decision making or
36 managerial position of such authority whose salary is in excess of one
37 hundred thousand dollars; (5-A) BIOGRAPHICAL INFORMATION, NOT INCLUDING
38 CONFIDENTIAL PERSONAL INFORMATION, FOR ALL DIRECTORS AND OFFICERS AND
39 EMPLOYEES FOR WHOM SALARY REPORTING IS REQUIRED UNDER SUBPARAGRAPH FIVE
40 OF THIS PARAGRAPH; (6) the projects undertaken by such authority during
41 the past year; (7) a listing AND DESCRIPTION, IN ADDITION TO THE REPORT
42 REQUIRED BY PARAGRAPH A OF SUBDIVISION THREE OF SECTION TWENTY-EIGHT
43 HUNDRED NINETY-SIX OF THIS ARTICLE of [(i)] all real property of such
44 authority having an estimated fair market value in excess of fifteen
45 thousand dollars that the authority [intends to dispose of; (ii) all
46 such property held by the authority at the end of the period covered by
47 the report; and (iii) all such property disposed] ACQUIRES OR DISPOSES
48 of during such period. The report shall contain [an estimate of fair
49 market value for all such property held by the authority at the end of
50 the period and] the price received OR PAID by the authority and the name
51 of the purchaser OR SELLER for all such property sold OR BOUGHT by the
52 authority during such period; (8) such authority's code of ethics; [and]
53 (9) an assessment of the effectiveness of its internal control structure
54 and procedures; (10) A COPY OF THE LEGISLATION THAT FORMS THE STATUTORY
55 BASIS OF THE AUTHORITY; (11) A DESCRIPTION OF THE AUTHORITY AND ITS
56 BOARD STRUCTURE, INCLUDING (I) NAMES OF COMMITTEES AND COMMITTEE

1 MEMBERS, (II) LISTS OF BOARD MEETINGS AND ATTENDANCE, (III) DESCRIPTIONS
2 OF MAJOR AUTHORITY UNITS, SUBSIDIARIES, AND (IV) NUMBER OF EMPLOYEES;
3 (12) ITS CHARTER, IF ANY, AND BY-LAWS; (13) A LISTING OF MATERIAL CHANG-
4 ES IN OPERATIONS AND PROGRAMS DURING THE REPORTING YEAR; (14) AT A MINI-
5 MUM A FOUR-YEAR FINANCIAL PLAN, INCLUDING (I) A CURRENT AND PROJECTED
6 CAPITAL BUDGET, AND (II) AN OPERATING BUDGET REPORT, INCLUDING AN ACTUAL
7 VERSUS ESTIMATED BUDGET, WITH AN ANALYSIS AND MEASUREMENT OF FINANCIAL
8 AND OPERATING PERFORMANCE; (15) ITS BOARD PERFORMANCE EVALUATIONS;
9 PROVIDED, HOWEVER, THAT SUCH EVALUATIONS SHALL NOT BE SUBJECT TO DISCLO-
10 SURE UNDER ARTICLE SIX OF THE PUBLIC OFFICERS LAW; (16) A DESCRIPTION OF
11 THE TOTAL AMOUNTS OF ASSETS, SERVICES OR BOTH ASSETS AND SERVICES BOUGHT
12 OR SOLD WITHOUT COMPETITIVE BIDDING, INCLUDING (I) THE NATURE OF THOSE
13 ASSETS AND SERVICES, (II) THE NAMES OF THE COUNTERPARTIES, AND (III)
14 WHERE THE CONTRACT PRICE FOR ASSETS PURCHASED EXCEEDS FAIR MARKET VALUE,
15 OR WHERE THE CONTRACT PRICE FOR ASSETS SOLD IS LESS THAN FAIR MARKET
16 VALUE, A DETAILED EXPLANATION OF THE JUSTIFICATION FOR MAKING THE
17 PURCHASE OR SALE WITHOUT COMPETITIVE BIDDING, AND A CERTIFICATION BY THE
18 CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE PUBLIC
19 AUTHORITY THAT THEY HAVE REVIEWED THE TERMS OF SUCH PURCHASE OR SALE AND
20 DETERMINED THAT IT COMPLIES WITH APPLICABLE LAW AND PROCUREMENT GUIDE-
21 LINES; AND (17) A DESCRIPTION OF ANY MATERIAL PENDING LITIGATION IN
22 WHICH THE AUTHORITY IS INVOLVED AS A PARTY DURING THE REPORTING YEAR,
23 EXCEPT THAT NO HOSPITAL NEED DISCLOSE INFORMATION ABOUT PENDING MALPRAC-
24 TICE CLAIMS BEYOND THE EXISTENCE OF SUCH CLAIMS.

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

31 (c) THE AUTHORITIES BUDGET OFFICE SHALL MAKE ACCESSIBLE TO THE PUBLIC,
32 VIA ITS OFFICIAL OR SHARED INTERNET WEB SITE, DOCUMENTATION PERTAINING
33 TO EACH AUTHORITY'S MISSION, CURRENT ACTIVITIES, MOST RECENT ANNUAL
34 FINANCIAL REPORTS, CURRENT YEAR BUDGET AND ITS MOST RECENT INDEPENDENT
35 AUDIT REPORT UNLESS SUCH INFORMATION IS COVERED BY SUBDIVISION TWO OF
36 SECTION EIGHTY-SEVEN OF THE PUBLIC OFFICERS LAW.

37 2. Local authorities. (a) Every local authority, continued or created
38 by this chapter or any other chapter of the laws of the state of New
39 York shall submit to the chief executive officer, the chief fiscal offi-
40 cer, the chairperson of the legislative body of the local government or
41 local governments and the [entity established pursuant to section twen-
42 ty-seven of the chapter of the laws of two thousand five which added
43 this subdivision] AUTHORITIES BUDGET OFFICE, within ninety days after
44 the end of its fiscal year, a complete and detailed report or reports
45 setting forth: (1) its operations and accomplishments; (2) [its receipts
46 and disbursements, or revenues and expenses, during such fiscal year in
47 accordance with the categories or classifications established by such
48 authority for its own operating and capital outlay purposes] ITS FINAN-
49 CIAL REPORTS, INCLUDING (I) AUDITED FINANCIALS IN ACCORDANCE WITH ALL
50 APPLICABLE REGULATIONS AND FOLLOWING GENERALLY ACCEPTED ACCOUNTING PRIN-
51 CIPLES AS DEFINED IN SUBDIVISION TEN OF SECTION TWO OF THE STATE FINANCE
52 LAW, (II) GRANTS AND SUBSIDY PROGRAMS, (III) OPERATING AND FINANCIAL
53 RISKS, (IV) CURRENT RATINGS IF ANY, OF ITS BONDS ISSUED BY RECOGNIZED
54 MUNICIPAL BOND RATING AGENCIES AND NOTICE OF CHANGES IN SUCH RATINGS,
55 AND (V) LONG-TERM LIABILITIES, INCLUDING LEASES AND EMPLOYEE BENEFIT
56 PLANS; (3) [its assets and liabilities at the end of its fiscal year

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

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

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

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

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

27 S 7. Section 2801 of the public authorities law, as amended by chapter
28 766 of the laws of 2005, is amended to read as follows:

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

42 2. Local authorities. For the local authority fiscal year ending on or
43 after December thirty-first, two thousand seven and annually thereafter,
44 every local authority heretofore or hereafter continued or created by
45 this chapter or any other chapter of the laws of the state of New York
46 shall submit to the chief executive officer, the chief fiscal officer,
47 the chairperson of the legislative body of the local government or
48 governments and the [entity established pursuant to section twenty-seven
49 of the chapter of the laws of two thousand five which added this subdivi-
50 sion,] AUTHORITIES BUDGET OFFICE for their information, annually NOT
51 MORE THAN NINETY DAYS AND not less than sixty days before the commence-
52 ment of its fiscal year, in the form submitted to its members or trus-
53 tees, budget information on operations and capital construction setting
54 forth the estimated receipts and expenditures for the next fiscal year
55 and the current fiscal year, and the actual receipts and expenditures
56 for the last completed fiscal year.

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

6 S 8. Subdivisions 1 and 2 of section 2802 of the public authorities
7 law, subdivision 1 as amended and subdivision 2 as added by chapter 766
8 of the laws of 2005, are amended to read as follows:

9 1. State authorities. Every state authority or commission heretofore
10 or hereafter continued or created by this chapter or any other chapter
11 of the laws of the state of New York shall submit to the governor,
12 chairman and ranking minority member of the senate finance committee,
13 chairman and ranking minority member of the assembly ways and means
14 committee [and], EACH CHAIR AND RANKING MEMBER OF THE SENATE AND ASSEM-
15 BLY COMMITTEES ON CORPORATIONS, AUTHORITIES AND COMMISSIONS, the state
16 comptroller, [within thirty days after receipt thereof by such authori-
17 ty,] AND THE AUTHORITIES BUDGET OFFICE, TOGETHER WITH THE REPORT
18 DESCRIBED IN SECTION TWENTY-EIGHT HUNDRED OF THIS TITLE, a copy of the
19 annual independent audit report, performed by a certified public
20 accounting firm in accordance with generally accepted [government]
21 auditing standards AS DEFINED IN SUBDIVISION ELEVEN OF SECTION TWO OF
22 THE STATE FINANCE LAW, and management letter and any other external
23 examination of the books and accounts of such authority other than
24 copies of the reports of any examinations made by the state comptroller.

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

42 S 9. Section 2806 of the public authorities law, as added by chapter
43 149 of the laws of 1993, is amended to read as follows:

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

53 2. IF ANY STATE OR LOCAL AUTHORITY HAS PROVIDED THE INFORMATION
54 REQUIRED BY THIS SECTION IN THE ANNUAL REPORT REQUIRED UNDER SECTION
55 TWENTY-EIGHT HUNDRED OF THIS TITLE, SUCH AUTHORITY MAY COMPLY WITH THE

1 PROVISIONS OF THIS SECTION BY REFERENCES TO SUCH INFORMATION WITH ANY
2 NECESSARY UPDATES.

3 S 10. Subdivisions 1, 4, 6 and 7 of section 2824 of the public author-
4 ities law, as added by chapter 766 of the laws of 2005, are amended to
5 read as follows:

6 1. Board members of state and local authorities shall (a) execute
7 direct oversight of the authority's chief executive and other [senior]
8 management in the effective and ethical management of the authority; (b)
9 understand, review and monitor the implementation of fundamental finan-
10 cial and management controls and operational decisions of the authority;
11 (c) establish policies regarding the payment of salary, compensation and
12 reimbursements to, and establish rules for the time and attendance of,
13 the chief executive and [senior] management; (d) adopt a code of ethics
14 applicable to each officer, director and employee that, at a minimum,
15 includes the standards established in section seventy-four of the public
16 officers law; (e) establish written policies and procedures on personnel
17 including policies protecting employees from retaliation for disclosing
18 information concerning acts of wrongdoing, misconduct, malfeasance, or
19 other inappropriate behavior by an employee or board member of the
20 authority, investments, travel, the acquisition of real property and the
21 disposition of real and personal property and the procurement of goods
22 and services; [and] (f) adopt a defense and indemnification policy and
23 disclose such plan to any and all prospective board members; (G) PERFORM
24 EACH OF THEIR DUTIES AS BOARD MEMBERS, INCLUDING BUT NOT LIMITED TO
25 THOSE IMPOSED BY THIS SECTION, IN GOOD FAITH AND WITH THAT DEGREE OF
26 DILIGENCE, CARE AND SKILL WHICH AN ORDINARILY PRUDENT PERSON IN LIKE
27 POSITION WOULD USE UNDER SIMILAR CIRCUMSTANCES, AND MAY TAKE INTO
28 CONSIDERATION THE VIEWS AND POLICIES OF ANY ELECTED OFFICIAL OR BODY, OR
29 OTHER PERSON AND ULTIMATELY APPLY INDEPENDENT JUDGMENT IN THE BEST
30 INTEREST OF THE AUTHORITY, ITS MISSION AND THE PUBLIC; (H) AT THE TIME
31 THAT EACH MEMBER TAKES AND SUBSCRIBES HIS OR HER OATH OF OFFICE, OR
32 WITHIN SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH IF THE
33 MEMBER HAS ALREADY TAKEN AND SUBSCRIBED HIS OR HER OATH OF OFFICE,
34 EXECUTE AN ACKNOWLEDGMENT, IN THE FORM PRESCRIBED BY THE AUTHORITIES
35 BUDGET OFFICE AFTER CONSULTATION WITH THE ATTORNEY GENERAL, IN WHICH THE
36 BOARD MEMBER ACKNOWLEDGES THAT HE OR SHE UNDERSTANDS HIS OR HER ROLE,
37 AND FIDUCIARY RESPONSIBILITIES AS SET FORTH IN PARAGRAPH (G) OF THIS
38 SUBDIVISION, AND ACKNOWLEDGES THAT HE OR SHE UNDERSTANDS HIS OR HER DUTY
39 OF LOYALTY AND CARE TO THE ORGANIZATION AND COMMITMENT TO THE AUTHORI-
40 TY'S MISSION AND THE PUBLIC INTEREST.

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

54 6. [To the extent practicable, members] MEMBERS of the audit committee
55 [should] SHALL be familiar with corporate financial and accounting prac-
56 tices.

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

18 S 11. Section 2824 of the public authorities law is amended by adding
19 a new subdivision 8 to read as follows:

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

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

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

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

49 5. To appoint officers, agents and employees and fix their compen-
50 sation, PROVIDED, HOWEVER, THAT THE APPOINTMENT OF THE EXECUTIVE DIREC-
51 TOR SHALL BE SUBJECT TO CONFIRMATION BY THE SENATE IN ACCORDANCE WITH
52 SECTION TWENTY-EIGHT HUNDRED FIFTY-TWO OF THIS CHAPTER;

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

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

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

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

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

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

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

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

39 S 11-g. The public authorities law is amended by adding a new section
40 2852 to read as follows:

41 S 2852. SENATE CONFIRMATION OF CERTAIN CHIEF EXECUTIVE OFFICERS.
42 WHERE THE APPOINTMENT OF ANY CHIEF EXECUTIVE OFFICER IS SUBJECT TO
43 CONFIRMATION BY THE SENATE PURSUANT TO SUBDIVISION FIVE OF SECTION
44 SIXTEEN HUNDRED SEVENTY-EIGHT OF THIS CHAPTER, SUBDIVISION SIX OF
45 SECTION THREE HUNDRED FIFTY-FOUR OF THIS CHAPTER, SECTION ONE THOUSAND
46 FOUR OF THIS CHAPTER, OR SUBDIVISION (C) OF SECTION ONE THOUSAND TWEN-
47 TY-F OF THIS CHAPTER THE SENATE SHALL VOTE TO CONFIRM ANY SUCH APPOINT-
48 MENT WITHIN SIXTY DAYS OF ITS SUBMISSION TO THE SENATE DURING SESSION,
49 OR IF SUCH SUBMISSION IS MADE WHEN THE SENATE IS NOT IN SESSION, WITHIN
50 SEVEN DAYS OF THE CONVENING FOR SESSION. IF THE SENATE FAILS TO VOTE TO
51 CONFIRM ANY SUCH APPOINTMENT WITHIN THE TIME PRESCRIBED IN THIS SECTION,
52 SUCH APPOINTMENT SHALL BE DEEMED CONFIRMED WITHOUT ANY FURTHER ACTION BY
53 THE SENATE.

54 S 12. The public authorities law is amended by adding a new section
55 2824-a to read as follows:

1 S 2824-A. MISSION STATEMENT AND MEASUREMENT REPORT. EACH STATE
2 AUTHORITY SHALL SUBMIT TO THE AUTHORITIES BUDGET OFFICE ON OR BEFORE
3 MARCH THIRTY-FIRST, TWO THOUSAND TEN, AND EACH LOCAL AUTHORITY SHALL
4 SUBMIT TO THE AUTHORITIES BUDGET OFFICE ON OR BEFORE MARCH THIRTY-FIRST,
5 TWO THOUSAND ELEVEN, A PROPOSED AUTHORITY MISSION STATEMENT AND PROPOSED
6 MEASUREMENTS WHICH THE AUTHORITIES BUDGET OFFICE SHALL POST ON ITS
7 WEBSITE. THE PROPOSED AUTHORITY MISSION STATEMENT AND PROPOSED MEASURE-
8 MENTS SHALL HAVE THE FOLLOWING COMPONENTS: A BRIEF MISSION STATEMENT
9 EXPRESSING THE PURPOSE AND GOALS OF THE AUTHORITY, A DESCRIPTION OF THE
10 STAKEHOLDERS OF THE AUTHORITY AND THEIR REASONABLE EXPECTATIONS FROM THE
11 AUTHORITY, AND A LIST OF MEASUREMENTS BY WHICH PERFORMANCE OF THE
12 AUTHORITY AND THE ACHIEVEMENT OF ITS GOALS MAY BE EVALUATED. EACH
13 AUTHORITY SHALL REEXAMINE ITS MISSION STATEMENT AND MEASUREMENTS ON AN
14 ANNUAL BASIS, AND PUBLISH A SELF-EVALUATION BASED ON THE STATED MEASURE-
15 MENTS; PROVIDED, HOWEVER, SUCH REEXAMINATION MAY BE WAIVED PURSUANT TO A
16 DETERMINATION BY THE DIRECTOR OF THE AUTHORITIES BUDGET OFFICE THAT SUCH
17 UNDERTAKING IS UNNECESSARY FOR AN INDIVIDUAL AUTHORITY.

18 S 13. The opening paragraph of subdivision 2 of section 2825 of the
19 public authorities law, as added by chapter 766 of the laws of 2005, is
20 amended to read as follows:

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

31 S 14. The public authorities law is amended by adding a new section
32 2879-a to read as follows:

33 S 2879-A. COMPTROLLER APPROVAL OF CONTRACTS. 1. EXCEPT AS SET FORTH
34 IN SUBDIVISION THREE OF THIS SECTION, WHERE THE COMPTROLLER DETERMINES
35 PURSUANT TO HIS OR HER AUTHORITY TO SUPERVISE THE ACCOUNTS OF PUBLIC
36 CORPORATIONS, THAT CONTRACTS OR CATEGORIES OF CONTRACTS IN EXCESS OF ONE
37 MILLION DOLLARS (A) TO BE AWARDED BY A STATE AUTHORITY TO A SINGLE
38 SOURCE, A SOLE SOURCE OR PURSUANT TO ANY OTHER METHOD OF PROCUREMENT
39 THAT IS NOT COMPETITIVE, OR (B) WHICH ARE TO BE PAID IN WHOLE OR IN PART
40 FROM MONIES APPROPRIATED BY THE STATE TO A STATE AUTHORITY FOR SUCH
41 CONTRACTUAL EXPENDITURE, REQUIRE SUPERVISION IN THE FORM OF PRIOR REVIEW
42 AND APPROVAL OF SUCH CONTRACTS, AND THE COMPTROLLER SO NOTIFIES SUCH
43 AUTHORITY OF SUCH DETERMINATION, THEN ANY SUCH CONTRACT ENTERED INTO
44 SUBSEQUENT TO SUCH NOTIFICATION SHALL BE SUBMITTED TO THE COMPTROLLER
45 FOR HIS OR HER APPROVAL AND SHALL NOT BE A VALID ENFORCEABLE CONTRACT
46 UNLESS IT SHALL FIRST HAVE BEEN APPROVED BY THE COMPTROLLER. SUCH
47 NOTIFICATION SHALL IDENTIFY THE PROCESS FOR SUBMISSION, THE CATEGORIES
48 OF CONTRACTS AT ISSUE AND THE TIME PERIOD FOR WHICH SUCH SUBMISSION IS
49 TO TAKE PLACE. THE COMPTROLLER SHALL PROMULGATE SUCH RULES AND REGU-
50 LATIONS AS MAY BE NECESSARY TO CARRY OUT HIS OR HER RESPONSIBILITIES
51 UNDER THIS SECTION, INCLUDING BUT NOT LIMITED TO THE STANDARDS FOR
52 DETERMINING WHICH CONTRACTS WILL BE SUBJECT TO HIS OR HER REVIEW AND FOR
53 APPROVING SUCH CONTRACTS.

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

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

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

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

47 S 14-a. The public authorities law is amended by adding a new section
48 2879-b to read as follows:

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

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

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

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

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

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

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

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

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

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

45 S 15. Subdivision 3 of section 2896 of the public authorities law, as
46 added by chapter 766 of the laws of 2005, is amended to read as follows:

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

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

1 S 16. Section 2975 of the public authorities law is amended by adding
2 a new subdivision 3-a to read as follows:

3 3-A. A DIRECT PORTION OF THESE FUNDS SHALL BE ALLOCATED TO FUND THE
4 AUTHORITIES BUDGET OFFICE ESTABLISHED BY SECTION FOUR OF THIS CHAPTER.

5 S 17. The public authorities law is amended by adding a new section
6 2827-a to read as follows:

7 S 2827-A. SUBSIDIARIES OF PUBLIC AUTHORITIES. 1. NOTWITHSTANDING ANY
8 LAW TO THE CONTRARY, NO STATE AUTHORITY SHALL HEREAFTER HAVE THE POWER
9 TO ORGANIZE ANY SUBSIDIARY CORPORATION UNLESS THE LEGISLATURE SHALL HAVE
10 ENACTED A LAW GRANTING SUCH STATE AUTHORITY SUCH POWER FOR THE ORGANIZA-
11 TION OF A SPECIFIC CORPORATION, PROVIDED, HOWEVER, THAT A STATE AUTHORI-
12 TY MAY ORGANIZE A SUBSIDIARY CORPORATION PURSUANT TO THE FOLLOWING
13 REQUIREMENTS:

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

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

22 C. THE SUBSIDIARY CORPORATION SHALL MAKE THE REPORTS AND OTHER DISCLO-
23 SURES AS ARE REQUIRED OF STATE AUTHORITIES, UNLESS THE SUBSIDIARY CORPO-
24 RATION'S OPERATIONS AND FINANCES ARE CONSOLIDATED WITH THOSE OF THE
25 AUTHORITY OF WHICH IT IS A SUBSIDIARY.

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

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

40 4. THE CERTIFICATE OF INCORPORATION OR OTHER DOCUMENT FILED TO ORGAN-
41 IZE A SUBSIDIARY CORPORATION UNDER THIS SECTION SHALL STATE THAT THE
42 STATE AUTHORITY IS THE PERSON ORGANIZING THE CORPORATION.

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

46 6. ON OR BEFORE THE FIRST DAY OF JANUARY, TWO THOUSAND ELEVEN, AND
47 ANNUALLY ON SUCH DAY THEREAFTER, ANY SUBSIDIARY PUBLIC BENEFIT CORPO-
48 RATION, IN COOPERATION WITH ITS PARENT PUBLIC BENEFIT CORPORATION, SHALL
49 PROVIDE TO THE CHAIR AND RANKING MINORITY MEMBER OF THE SENATE FINANCE
50 COMMITTEE, THE CHAIR AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS
51 AND MEANS COMMITTEE, AND EACH CHAIR AND RANKING MEMBER OF THE ASSEMBLY
52 AND SENATE COMMITTEES ON CORPORATIONS, AUTHORITIES AND COMMISSIONS A
53 REPORT ON THE SUBSIDIARY PUBLIC BENEFIT CORPORATION. SUCH REPORT SHALL
54 INCLUDE FOR EACH SUBSIDIARY:

55 A. THE COMPLETE LEGAL NAME, ADDRESS AND CONTACT INFORMATION OF THE
56 SUBSIDIARY;

1 B. THE STRUCTURE OF THE ORGANIZATION OF THE SUBSIDIARY, INCLUDING THE
2 NAMES AND TITLES OF EACH OF ITS MEMBERS, DIRECTORS AND OFFICERS, AS WELL
3 AS A CHART OF ITS ORGANIZATIONAL STRUCTURE;

4 C. THE COMPLETE BYLAWS AND LEGAL ORGANIZATION PAPERS OF THE SUBSID-
5 IARY;

6 D. A COMPLETE REPORT OF THE PURPOSE, OPERATIONS, MISSION AND PROJECTS
7 OF THE SUBSIDIARY, INCLUDING A STATEMENT OF JUSTIFICATION AS TO WHY THE
8 SUBSIDIARY IS NECESSARY TO CONTINUE ITS OPERATIONS FOR THE PUBLIC BENE-
9 FIT FOR THE PEOPLE OF THE STATE OF NEW YORK; AND

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

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

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

19 B. REPLACING OR REMOVING A CERTIFIED EMPLOYEE ORGANIZATION.

20 S 18. The public authorities law is amended by adding a new section
21 2856 to read as follows:

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

28 S 19. Subdivision 3 of section 2897 of the public authorities law, as
29 added by chapter 766 of the laws of 2005, is amended to read as follows:

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

48 S 20. Paragraphs c and d of subdivision 6 of section 2897 of the
49 public authorities law, as added by chapter 766 of the laws of 2005, are
50 amended to read as follows:

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

55 (i) the personal property involved [is of a nature and quantity which,
56 if] HAS QUALITIES SEPARATE FROM THE UTILITARIAN PURPOSE OF SUCH PROPER-

1 TY, SUCH AS ARTISTIC QUALITY, ANTIQUITY, HISTORICAL SIGNIFICANCE, RARI-
2 TY, OR OTHER QUALITY OF SIMILAR EFFECT, THAT WOULD TEND TO INCREASE ITS
3 VALUE, OR IF THE PERSONAL PROPERTY IS TO BE SOLD IN SUCH QUANTITY THAT,
4 IF IT WERE disposed of under paragraphs a and b of this subdivision,
5 would [aversely] ADVERSELY affect the state or local market for such
6 property, and the estimated fair market value of such property and other
7 satisfactory terms of disposal can be obtained by negotiation;
8 (ii) the fair market value of the property does not exceed fifteen
9 thousand dollars;
10 (iii) bid prices after advertising therefor are not reasonable, either
11 as to all or some part of the property, or have not been independently
12 arrived at in open competition;
13 (iv) the disposal will be to the state or any political subdivision,
14 and the estimated fair market value of the property and other satisfac-
15 tory terms of disposal are obtained by negotiation; OR
16 (v) [the disposal is for an amount less than the estimated fair market
17 value of the property, the terms of such disposal are obtained by public
18 auction or negotiation, the disposal of the property is intended to
19 further the public health, safety or welfare or an economic development
20 interest of the state or a political subdivision (to include but not
21 limited to, the prevention or remediation of a substantial threat to
22 public health or safety, the creation or retention of a substantial
23 number of job opportunities, or the creation or retention of a substan-
24 tial source of revenues, or where the authority's enabling legislation
25 permits), the purpose and the terms of such disposal are documented in
26 writing and approved by resolution of the board of the public authori-
27 ty;] UNDER THOSE CIRCUMSTANCES PERMITTED BY SUBDIVISION SEVEN OF THIS
28 SECTION; or
29 (vi) such action is otherwise authorized by law.
30 d. (i) An explanatory statement shall be prepared of the circumstances
31 of each disposal by negotiation of:
32 (A) any personal property which has an estimated fair market value in
33 excess of fifteen thousand dollars;
34 (B) any real property that has an estimated fair market value in
35 excess of one hundred thousand dollars, except that any real property
36 disposed of by lease or exchange shall only be subject to clauses (C)
37 [through (E)] AND (D) of this subparagraph;
38 (C) any real property disposed of by lease [for a term of five years
39 or less], if the estimated [fair] annual rent OVER THE TERM OF THE LEASE
40 is in excess of [one hundred thousand dollars for any of such years]
41 FIFTEEN THOUSAND DOLLARS;
42 (D) [any real property disposed of by lease for a term of more than
43 five years, if the total estimated rent over the term of the lease is in
44 excess of one hundred thousand dollars; or
45 (E)] any real property or real and related personal property disposed
46 of by exchange, regardless of value, or any property any part of the
47 consideration for which is real property.
48 (ii) Each such statement shall be transmitted to the persons entitled
49 to receive copies of the report required under section twenty-eight
50 hundred ninety-six of this title not less than ninety days in advance of
51 such disposal, and a copy thereof shall be preserved in the files of the
52 public authority making such disposal.
53 S 20-a. Section 2897 of the public authorities law is amended by
54 adding a new subdivision 7 to read as follows:
55 7. DISPOSAL OF PROPERTY FOR LESS THAN FAIR MARKET VALUE. A. NO ASSET
56 OWNED, LEASED OR OTHERWISE IN THE CONTROL OF A PUBLIC AUTHORITY MAY BE

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

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

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

8 (III) IN THE EVENT A PUBLIC AUTHORITY SEEKS TO TRANSFER AN ASSET FOR
9 LESS THAN ITS FAIR MARKET VALUE TO OTHER THAN A GOVERNMENTAL ENTITY,
10 WHICH DISPOSAL WOULD NOT BE CONSISTENT WITH THE AUTHORITY'S MISSION,
11 PURPOSE OR GOVERNING STATUTES, SUCH AUTHORITY SHALL PROVIDE WRITTEN
12 NOTIFICATION THEREOF TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY, AND
13 THE TEMPORARY PRESIDENT OF THE SENATE, AND SUCH PROPOSED TRANSFER SHALL
14 BE SUBJECT TO DENIAL BY THE GOVERNOR, THE SENATE, OR THE ASSEMBLY.
15 DENIAL BY THE GOVERNOR SHALL TAKE THE FORM OF A SIGNED CERTIFICATION BY
16 THE GOVERNOR. DENIAL BY EITHER HOUSE OF THE LEGISLATURE SHALL TAKE THE
17 FORM OF A RESOLUTION BY SUCH HOUSE. THE GOVERNOR AND EACH HOUSE OF THE
18 LEGISLATURE SHALL TAKE ANY SUCH ACTION WITHIN SIXTY DAYS OF RECEIVING
19 NOTIFICATION OF SUCH PROPOSED TRANSFER DURING THE MONTHS OF JANUARY
20 THROUGH JUNE, PROVIDED THAT IF THE LEGISLATURE RECEIVES NOTIFICATION OF
21 A PROPOSED TRANSFER DURING THE MONTHS OF JULY THROUGH DECEMBER, THE
22 LEGISLATURE MAY TAKE ANY SUCH ACTION WITHIN SIXTY DAYS OF JANUARY FIRST
23 OF THE FOLLOWING YEAR. IF NO SUCH RESOLUTION OR CERTIFICATION IS
24 PERFORMED WITHIN SIXTY DAYS OF SUCH NOTIFICATION OF THE PROPOSED TRANS-
25 FER TO THE GOVERNOR, SENATE, AND ASSEMBLY, THE PUBLIC AUTHORITY MAY
26 EFFECTUATE SUCH TRANSFER. PROVIDED, HOWEVER, THAT WITH RESPECT TO A
27 BELOW MARKET TRANSFER BY A LOCAL AUTHORITY THAT IS NOT WITHIN THE
28 PURPOSE, MISSION OR GOVERNING STATUTE OF THE LOCAL AUTHORITY, IF THE
29 GOVERNING STATUTE PROVIDES FOR THE APPROVAL OF SUCH TRANSFER BY THE
30 EXECUTIVE AND LEGISLATIVE BRANCHES OF THE POLITICAL SUBDIVISION IN WHICH
31 SUCH LOCAL AUTHORITY RESIDES, AND THE TRANSFER IS OF PROPERTY OBTAINED
32 BY THE AUTHORITY FROM THAT POLITICAL SUBDIVISION, THEN SUCH APPROVAL
33 SHALL BE SUFFICIENT TO PERMIT THE TRANSFER.

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

37 (I) A FULL DESCRIPTION OF THE ASSET;

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

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

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

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

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

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

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

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

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

9 Albany County Airport Authority;
10 Albany Port District Commission;
11 Alfred, Almond, Hornellsville Sewer Authority;
12 Battery Park City Authority;
13 Cayuga County Water and Sewer Authority;
14 (Nelson A. Rockefeller) Empire State Plaza Performing Arts
15 Center Corporation;
16 Industrial Exhibit Authority;
17 Livingston County Water and Sewer Authority;
18 Long Island Power Authority;
19 Long Island Rail Road;
20 Long Island Market Authority;
21 Manhattan and Bronx Surface Transit Operating Authority;
22 Metro-North Commuter Railroad;
23 Metropolitan Suburban Bus Authority;
24 Metropolitan Transportation Authority;
25 Natural Heritage Trust;
26 New York City Transit Authority;
27 New York Convention Center Operating Corporation;
28 New York State Bridge Authority;
29 New York State Olympic Regional Development Authority;
30 New York State Thruway Authority;
31 Niagara Falls Public Water Authority;
32 Niagara Falls Water Board;
33 Port of Oswego Authority;
34 Power Authority of the State of New York;
35 Roosevelt Island Operating Corporation;
36 Schenectady Metroplex Development Authority;
37 State Insurance Fund;
38 Staten Island Rapid Transit Operating Authority;
39 State University Construction Fund;
40 Triborough Bridge and Tunnel Authority.
41 Upper Mohawk valley regional water board.
42 Upper Mohawk valley regional water finance authority.
43 Upper Mohawk valley memorial auditorium authority.
44 Urban Development Corporation and its subsidiary corporations.

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

47 13. "State contract" shall mean: (a) a written agreement or purchase
48 order instrument, providing for a total expenditure in excess of twenty-
49 five thousand dollars, whereby a contracting agency is committed to
50 expend or does expend funds in return for labor, services INCLUDING BUT
51 NOT LIMITED TO LEGAL, FINANCIAL AND OTHER PROFESSIONAL SERVICES,
52 supplies, equipment, materials or any combination of the foregoing, to
53 be performed for, or rendered or furnished to the contracting agency;
54 (b) a written agreement in excess of one hundred thousand dollars where-
55 by a contracting agency is committed to expend or does expend funds for
56 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.

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

3 TITLE 12-A

4 PUBLIC AUTHORITIES LOBBYING CONTACTS

5 SECTION 2987. LOBBYING CONTACTS.

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

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

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

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

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

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

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

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

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

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

35 1. A board, to be known as "Triborough bridge and tunnel authority" is
36 hereby created. Such board shall be a body corporate and politic consti-
37 tuting a public benefit corporation. It shall consist of seventeen
38 members, all serving ex officio. Those members shall be the persons who
39 from time to time shall hold the offices of chairman and members of
40 metropolitan transportation authority. The chairman of such board shall
41 be the chairman of metropolitan transportation authority, serving ex
42 officio, and, provided that there is an executive director of the metro-
43 politan transportation authority, the executive director of the authori-
44 ty shall be the executive director of the metropolitan transportation
45 authority, serving ex officio. Notwithstanding [subdivision three of
46 section twenty-eight hundred twenty-four of this chapter or] any [other]
47 provision of law to the contrary, the chairman shall be the chief execu-
48 tive officer of the authority and shall be responsible for the discharge
49 of the executive and administrative functions and powers of the authori-
50 ty. The chairman and executive director, if any, each shall be
51 empowered to delegate his or her functions and powers to the executive
52 officer of the Triborough bridge and tunnel authority or to such person
53 as may succeed to the powers and duties of said executive officer. The
54 chairman and other members of the board hereby created, and the execu-
55 tive director, if any, shall not be entitled to compensation for their
56 services hereunder but shall be entitled to reimbursement for their

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

2
3 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:

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5
6 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.

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19 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:

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22 (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.

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30 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:

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33 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 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

1 be empowered to delegate his or her functions and powers to one or more
2 officers or employees of each such subsidiary designated by him or her.
3 Each such subsidiary corporation of the authority and any of its proper-
4 ty, functions and activities shall have all of the privileges, immuni-
5 ties, tax exemptions and other exemptions of the authority and of the
6 authority's property, functions and activities. Each such subsidiary
7 corporation shall be subject to the restrictions and limitations to
8 which the authority may be subject. Each such subsidiary corporation of
9 the authority shall be subject to suit in accordance with section twelve
10 hundred seventy-six of this title. The employees of any such subsidiary
11 corporation, except those who are also employees of the authority, shall
12 not be deemed employees of the authority.

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

19 S 28-b. Transfer of appropriation authority. Upon transfer of the
20 powers, duties and functions conferred upon the former authority budget
21 office created by section 27 of chapter 766 of the laws of 2005, as
22 repealed by section five-b of this act, to the authorities budget office
23 established pursuant to a chapter of the laws of 2009, the authorities
24 budget office shall have the authority to use any funding appropriated
25 to the authority budget office pursuant to chapter 50 of the laws of
26 2009 for services, and expenses including but not limited to the respon-
27 sibilities, obligations, functions, operations, and prior year liabil-
28 ities of the authority budget office.

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

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

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

53 S 28-f. Completion of unfinished business. Any business or other
54 matter undertaken or commenced by the former authority budget office
55 created by section 27 of chapter 766 of the laws of 2005, as repealed by
56 section five-b of this act, pertaining to or connected with the func-

tions, 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

1 twenty-a of this act shall apply only to the disposal of property
2 authorized by the board of a public authority after such effective date.