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

S. 2607--D A. 3007--D

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

January 22, 2013

IN SENATE -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

IN ASSEMBLY -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT in relation to school district eligibility for an increase in apportionment of school aid and implementation of standards for conducting annual professional performance reviews to determine teacher and principal effectiveness; to amend the education law, in relation to contracts for excellence, school census in school districts, New York state school safety improvement teams, accountability of school districts, the financing of charter schools, annual professional performance review plans, apportionment of school aid, calculation of the gap elimination restoration amount, establishment of a community schools and extended learning time grant program, duties of school districts and the costs of certain tuition maintenance and transportation; to amend the general municipal law, in relation to the employee benefit accrued liability reserve fund; to amend the education law, in relation to transportation after 4 pm; to amend chapter 121 of the laws of 1996 relating to authorizing the Roosevelt union free school district to finance deficits by the issuance of serial bonds, in relation to extending certain provisions; to

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

LBD12572-09-3

amend chapter 756 of the laws of 1992 relating to funding a program for work force education conducted by the consortium for worker education in New York city, in relation to apportionment and reimbursement; and in relation to extending the expiration of certain provisions; to amend chapter 169 of the laws of 1994 relating to certain provisions related to the 1994-95 state operations, aid to localities, capital projects and debt service budgets; to amend chapter 82 of the laws of 1995, amending the education law and certain other laws relating to state aid to school districts and the appropriation of funds for the support of government; to amend chapter 147 of the laws of 2001 amending the education law relating to conditional appointment of school district, charter school or BOCES employees; to amend chapter 425 of the laws of 2002 amending the education law relating to the provision of supplemental educational services, attendance at a safe public school and the suspension of pupils who bring a firearm to or possess a firearm at a school, to amend chapter 101 of the laws of 2003 amending the education law relating to implementation of the No Child Left Behind Act of 2001, in relation to extending the expiration of certain provisions of such chapters; to amend chapter 472 of the laws of 1998 amending the education law relating to the lease of school buses by school districts, in relation to extending the provisions of such chapter; in relation to school bus driver training; in relation to the support of public libraries; to provide special apportionment for salary expenses; to provide special apportionment for public pension expenses; in relation to suballocation of certain education department accruals; in relation to purchases by the city school district of Rochester; to repeal subdivision 17 of section 1950 of the education law relating thereto; and to repeal section 3627 of the education law relating to transportation after 5 pm and providing for the repeal of certain provisions upon expiration thereof (Part A); to amend the education law and the public authorities law, in relation to the acquisition, design, construction, reconstruction, rehabilitation, improvement and financing of dormitory facilities for the state university of New York (Part B); to amend chapter 57 of the laws of 2005 amending the labor law and other laws implementing the state fiscal plan for the 2005-2006 state fiscal year, relating to the New York state higher education capital matching grant program for independent colleges, in relation to the New York state higher education matching grant program for independent colleges and the effectiveness thereof (Part C); to amend the education law, in relation to establishing the Next Generation NY Job Linkage Program Act (Part D); to amend the social services law, in relation to increasing the standards of monthly need for aged, blind and disabled persons living in the community (Part E); intentionally omitted (Part F); to amend the executive law and the social services law, in relation to consolidating the youth development and delinquency prevention program and the special delinquency prevention program; and to repeal certain provisions of the executive law relating thereto; and providing for the repeal of such provisions upon expiration thereof (Part G); intentionally omitted (Part H); intentionally omitted (Part I); to amend the real property tax law, in relation to providing for the registration of recipients of STAR exemptions, and eliminating waste, fraud and abuse in the STAR program and relating to the powers of the state board of real property tax services (Part J); intentionally omitted (Part K); intentionally omitted (Part L); to utilize reserves in the project pool insurance account of the mortgage insurance fund for

various housing purposes (Part M); to amend the labor law, in relation to the powers of the commissioner of labor and to repeal subdivision 17 of section 100 of the economic development law relating to the operation of the state data center (Part N); to amend the labor law, in relation to increasing unemployment insurance benefits and contributions, to entitlement and eligibility criteria, to work search requirements, to relieving employers of charges for separations caused by misconduct and voluntarily leaving employment without good cause, to reduction of benefits based on pensions and dismissal pay, to enhanced penalties, in relation to fraudulently obtained benefits and new penalties for employers who cause overpayments by failing to timely and accurately respond to information about claims, to approving employer shared work benefit plans, and to the interest assessment surcharge; and to amend chapter 62 of the laws of 2003, amending the state finance law and other laws relating to authorizing and directing the state comptroller to loan money to certain funds and accounts, in relation to the effectiveness thereof; to repeal certain provisions of the labor law relating thereto; and providing for the repeal of certain provisions upon expiration thereof (Part O); to amend the labor law, in relation to the minimum wage and making technical corrections relating thereto (Part P); intentionally omitted (Part Q); to amend the racing, pari-mutuel wagering and breeding law, in relation to labor peace agreements (Part R); to amend the education law, in relation to dental health certificates for students (Part S); to amend the education law, in relation to the performance of medical services (Part T); to amend the education law, in relation to creating the graduation, achievement and placement program (Part U); to amend the education law, in relation to charges for non-resident students (Part V); to amend the tax law, the state finance law and the executive law, in relation to gifts for honor and remembrance of veterans, the establishment of the veterans remembrance and cemetery maintenance and operation fund, and to repeal certain provisions of the executive law relating thereto (Part W); to amend the public service law, in relation to strengthening the oversight and enforcement mechanisms of the Public Service Commission; to amend the general business law, in relation to increasing fines for violations relating to the protection of underground facilities (Part X); in relation to the repowering of existing power generation facilities (Part Y); to amend the labor law, in relation to the self-employment assistance program; and to amend chapter 413 of the laws of 2003 amending the labor law relating to the self-employment assistance program and other matters, in relation to the effectiveness thereof (Part Z); to amend chapter 420 of the laws of 2002 amending the education law relating to the profession of social work; chapter 676 of the laws of 2002 amending the education law relating to the practice of psychology; chapter 130 of the laws of 2010 amending the education law and other laws relating to the registration of entities providing certain professional services and the licensure of certain professions, in relation to reporting requirements and expiration dates; and to amend the education law, in relation to licensure of social workers and mental health counselors (Part AA); to amend the retirement and social security law, in relation to stable pensions; and to amend the education law, in relation to a stable contribution option for participating educational employers (Part BB); in relation to contracts for services and expenses of pay for success initiatives to improve program outcomes in the program areas of health care, early childhood development, child-

hood welfare and public safety (Part CC); to amend the private housing finance law, in relation to establishing the rural and urban community investment fund program (Part DD); to amend the state finance law, in relation to increasing state assistance to eligible cities and eligible municipalities in which a video lottery gaming facility is located (Part EE); to amend the penal law, in relation to making technical changes to such law relating to licensing of firearms; and to amend chapter 1 of the laws of 2013 amending the criminal procedure law and other laws relating to suspension and revocation of firearms licenses, in relation to the effectiveness thereof (Part FF); to amend the workers' compensation law, in relation to changing the composition of the board's practice committees and to permitting a single arbitrator process; to amend the workers' compensation law, in relation to the collection of assessments for annual expenses and the investment of surplus or reserve; in relation to the representation of funds; in relation to closing the fund for reopened cases; in relation to administration expenses for the state insurance fund; in relation to requiring self-insured municipal groups and county treasurers to provide certain financial information to the workers' compensation board; to amend the workers' compensation law and the public authorities law, in relation to authorizing the workers' compensation board and the dormitory authority to enter into a self-insured bond financing agreement; to amend the volunteer firefighters' benefit law and the volunteer ambulance workers' benefit law, in relation to the payment of benefits and to the assessment of expenses; to amend the public officers law, in relation to indemnification of state officers and employees; and repealing certain provisions of the workers' compensation law, the volunteer firefighters' benefit law and the volunteer ambulance workers' benefit law relating to assessments for expenses, and relating to the location of the workers' compensation board (Part GG); and to provide for the administration of certain funds and accounts related to the 2013-14 budget; authorizing certain payments and transfers; to amend chapter 59 of the laws of 2012, relating to providing for administration of certain funds and accounts related to the 2013-2014 budget, in relation to the effectiveness thereof; to amend the state finance law, in relation to school tax relief fund; to amend chapter 60 of the laws of 2011, amending the state finance law relating to disbursements from the tribal-state compact revenue account to certain municipalities, in relation to the availability of moneys; to amend the New York state medical care facilities finance agency act, in relation to the deposit of certain funds; to amend the state finance law, in relation to the issuance of revenue bonds; to amend the public authorities law, in relation to the number of directors required for approval of a resolution authorizing the issuance of bonds or notes; to amend the New York state urban development corporation act, in relation to funding project costs for certain capital projects; to amend chapter 61 of the laws of 2005, relating to providing for the administration of certain funds and accounts related to the 2005-2006 budget, in relation to the Division of Military and Naval Affairs Capital Projects; to amend chapter 389 of the laws of 1997, relating to the financing of the correctional facilities improvement fund and the youth facility improvement fund, in relation to the issuance of bonds; to amend the private housing finance law, in relation to housing program bonds and notes; to amend chapter 329 of the laws of 1991, amending the state finance law and other laws relating to the establishment of the dedicated highway and

bridge trust fund, in relation to the issuance of bonds; to amend the public authorities law, in relation to courthouse improvements and training facilities, metropolitan transportation authority facilities, peace bridge projects and issuance of bonds by the dormitory authority; to amend chapter 61 of the laws of 2005, providing for the administration of certain funds and accounts related to the 2005-2006 budget, in relation to issuance of bonds by the urban development corporation; to amend the New York state urban development corporation act, in relation to projects for retention of professional football in western New York; to amend the public authorities law, in relation to the cleaner, greener communities program; to amend the state finance law, in relation to establishing the sales tax revenue bond tax fund and providing for the deposit of revenues therefrom, establishing the sales tax revenue bond financing program; to amend the tax law, in relation to deposit and disposition of revenue; to amend the state finance law, in relation to establishing the New York state storm recovery capital fund; to amend the New York state urban development corporation act, in relation to authorizing the urban development corporation to issue bonds to fund project costs for the implementation of a NY-CUNY challenge grant program; to amend chapter 260 of the laws of 2011 amending the education law and the New York state urban development corporation act relating to establishing components of the NY-SUNY 2020 challenge grant program, in relation to the effectiveness thereof; to amend the public authorities law, in relation to dormitories at certain educational institutions other than state operated institutions and statutory or contract colleges under the jurisdiction of the state university of New York; to amend chapter 81 of the laws of 2002, providing for the administration of certain funds and accounts related to the 2002-2003 budget, in relation to increasing the aggregate amount of bonds to be issued by the New York state urban development corporation; to amend the public authorities law, in relation to financing of New York works transportation capital projects; and providing for the repeal of certain provisions upon expiration thereof (Part HH)

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

Section 1. This act enacts into law major components of legislation which are necessary to implement the state fiscal plan for the 2013-2014 state fiscal year. Each component is wholly contained within a Part identified as Parts A through HH. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.

PART A

Section 1. 1. As used in this section:

a. "base year" shall mean the base year as defined in paragraph b of subdivision 1 of section 3602 of the education law; and

b. "current year" shall mean the current year as defined in paragraph a of subdivision 1 of section 3602 of the education law.

2. Notwithstanding any inconsistent provision of law, no school district shall be eligible for an apportionment of general support for public schools from the funds appropriated for the 2013-14 school year and thereafter in excess of the amount apportioned to such school district in the base year unless such school district has submitted documentation that has been approved by the commissioner of education by September 1 of the current year, demonstrating that it has fully implemented the standards and procedures for conducting annual professional performance reviews of classroom teachers and building principals in accordance with the requirements of section 3012-c of the education law and the commissioner of education's regulations. Any apportionment withheld pursuant to this section shall not occur prior to April 1 of the current year and shall not have any effect on the base year calculation for use in the subsequent school year.

3. If any payments of ineligible amounts pursuant to subdivision 2 of this section were made, and the school district has not submitted documentation that has been approved by the commissioner of education by September 1 of the current school year demonstrating that it has fully implemented the standards and procedures for conducting annual professional performance reviews of classroom teachers and building principals in accordance with the requirements of section 3012-c of the education law and the regulations of the commissioner of education, the total amount of such payments shall be deducted by the commissioner of education from future payments to the school district; provided further that, if the amount of the deduction is greater than the sum of the amounts available for such deductions in the applicable school year, the remainder of the deduction shall be withheld from payments scheduled to be made to the school district pursuant to section 3609-a of the education law for the subsequent school year.

S 2. Paragraph e of subdivision 1 of section 211-d of the education law, as amended by section 2 of part A of chapter 57 of the laws of 2012, is amended to read as follows:

e. Notwithstanding paragraphs a and b of this subdivision, a school district that submitted a contract for excellence for the two thousand eight--two thousand nine school year shall submit a contract for excellence for the two thousand nine--two thousand ten school year in conformity with the requirements of subparagraph (vi) of paragraph a of subdivision two of this section unless all schools in the district are identified as in good standing and provided further that, a school district that submitted a contract for excellence for the two thousand nine--two thousand ten school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand eleven--two thousand twelve school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the product of the amount approved by the commissioner in the contract for excellence for the two thousand nine--two thousand ten school year, multiplied by the district's gap elimination adjustment percentage and provided further that, a school district that submitted a contract for excellence for the two thousand eleven--two thousand twelve school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twelve--two thousand thirteen school year which shall, notwithstanding the requirements of

subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand eleven--two thousand twelve school year AND PROVIDED FURTHER THAT, A SCHOOL DISTRICT THAT SUBMITTED A CONTRACT FOR EXCELLENCE FOR THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR, UNLESS ALL SCHOOLS IN THE DISTRICT ARE IDENTIFIED AS IN GOOD STANDING, SHALL SUBMIT A CONTRACT FOR EXCELLENCE FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR WHICH SHALL, NOTWITHSTANDING THE REQUIREMENTS OF SUBPARAGRAPH (VI) OF PARAGRAPH A OF SUBDIVISION TWO OF THIS SECTION, PROVIDE FOR THE EXPENDITURE OF AN AMOUNT WHICH SHALL BE NOT LESS THAN THE AMOUNT APPROVED BY THE COMMISSIONER IN THE CONTRACT FOR EXCELLENCE FOR THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR. For purposes of this paragraph, the "gap elimination adjustment percentage" shall be calculated as the sum of one minus the quotient of the sum of the school district's net gap elimination adjustment for two thousand ten--two thousand eleven computed pursuant to chapter fifty-three of the laws of two thousand ten, making appropriations for the support of government, plus the school district's gap elimination adjustment for two thousand eleven--two thousand twelve as computed pursuant to chapter fifty-three of the laws of two thousand eleven, making appropriations for the support of the local assistance budget, including support for general support for public schools, divided by the total aid for adjustment computed pursuant to chapter fifty-three of the laws of two thousand eleven, making appropriations for the local assistance budget, including support for general support for public schools. Provided, further, that such amount shall be expended to support and maintain allowable programs and activities approved in the two thousand nine--two thousand ten school year or to support new or expanded allowable programs and activities in the current year.

S 2-a. Section 2215 of the education law is amended by adding a new subdivision 17 to read as follows:

17. TO DETERMINE THE ADEQUACY AND APPROPRIATENESS OF THE FACILITIES SPACE AVAILABLE TO HOUSE SPECIAL EDUCATION PROGRAMS IN THE GEOGRAPHIC AREA SERVED BY THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES, CONSISTENT WITH THE LEAST RESTRICTIVE ENVIRONMENT REQUIREMENT AND TO ENSURE THE STABILITY AND CONTINUITY OF PROGRAM PLACEMENTS FOR STUDENTS WITH DISABILITIES, INCLUDING PROCEDURES THAT ENSURE THAT SPECIAL EDUCATION PROGRAMS AND SERVICES LOCATED IN APPROPRIATE FACILITIES WILL NOT BE RELOCATED WITHOUT ADEQUATE CONSIDERATION OF THE NEEDS OF PARTICIPATING STUDENTS WITH DISABILITIES.

S 2-b. Subdivision 17 of section 1950 of the education law is REPEALED.

S 3. Section 3242 of the education law, as amended by section 2 of subpart F of part C of chapter 97 of the laws of 2011, is amended to read as follows:

S 3242. School census in school districts. The trustees or board of education of every school district may cause a census to be taken of all children between birth and eighteen years of age, including all such facts and information as are required in the census provided for in section thirty-two hundred forty-one of this [chapter] PART. Such census shall be prepared [annually] BIENNIALLY for children between ages five and eighteen who are entitled to attend the public schools without payment of tuition in duplicate in their respective school districts, and one copy thereof filed with the teacher or principal and the other copy filed with the district superintendent or superintendent on or

before the fifteenth day of October. For pre-school students from birth to five years of age, such census may be prepared and filed biennially on or before the fifteenth day of October. Such census shall include the reports and information required from cities as provided in section thirty-two hundred forty-one OF THIS PART. All information regarding a student with a disability under the age of twenty-one years shall be filed annually with the superintendent of the board of cooperative educational services of which said district may be a part.

S 3-a. Section 2801-b of the education law, as added by chapter 1 of the laws of 2013, is amended to read as follows:

S 2801-b. New York state school safety improvement teams. The governor shall establish New York state school safety improvement teams, which may be composed of representatives from the division of homeland security and emergency services, the division of state police, the division of criminal justice services, and the department. Such New York State School Safety Improvement Teams shall review and assess school safety plans submitted, on a voluntary basis, by school districts having a population of less than one hundred twenty-five thousand inhabitants, boards of cooperative educational services, NONPUBLIC SCHOOLS, and county vocational education and extension boards, and may make recommendations to improve such school safety plans.

S 4. Subdivision 2 of section 2116-b of the education law, as added by chapter 263 of the laws of 2005, is amended to read as follows:

2. School districts of less than eight teachers, school districts with actual general fund expenditures totaling less than five million dollars in the previous school year, or school districts with actual enrollment of less than [three hundred] ONE THOUSAND FIVE HUNDRED students in the previous school year shall be exempt from this requirement. Any school district claiming such exemption shall annually certify to the commissioner that such school district meets the requirements set forth in this subdivision.

S 5. Paragraph (a) of subdivision 1 of section 2856 of the education law, as amended by section 21 of part A of chapter 58 of the laws of 2011, is amended to read as follows:

(a) The enrollment of students attending charter schools shall be included in the enrollment, attendance, membership and, if applicable, count of students with disabilities of the school district in which the pupil resides. The charter school shall report all such data to the school districts of residence in a timely manner. Each school district shall report such enrollment, attendance and count of students with disabilities to the department. The school district of residence shall pay directly to the charter school for each student enrolled in the charter school who resides in the school district the charter school basic tuition, which shall be:

(i) for school years prior to the two thousand nine--two thousand ten school year and for school years following the [two thousand twelve--two thousand thirteen] TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN school year, an amount equal to one hundred percent of the amount calculated pursuant to paragraph f of subdivision one of section thirty-six hundred two of this chapter for the school district for the year prior to the base year increased by the percentage change in the state total approved operating expense calculated pursuant to paragraph t of subdivision one of section thirty-six hundred two of this chapter from two years prior to the base year to the base year;

(ii) for the two thousand nine--two thousand ten school year, the charter school basic tuition shall be the amount payable by such

district as charter school basic tuition for the two thousand eight--two thousand nine school year;

(iii) for the two thousand ten--two thousand eleven through [two thousand twelve--two thousand thirteen] TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN school years, the charter school basic tuition shall be the basic tuition computed for the two thousand ten--two thousand eleven school year pursuant to the provisions of subparagraph (i) of this paragraph.

S 6. Paragraph (a) of subdivision 1 of section 2856 of the education law, as amended by section 22 of part A of chapter 58 of the laws of 2011, is amended to read as follows:

(a) The enrollment of students attending charter schools shall be included in the enrollment, attendance and, if applicable, count of students with disabilities of the school district in which the pupil resides. The charter school shall report all such data to the school districts of residence in a timely manner. Each school district shall report such enrollment, attendance and count of students with disabilities to the department. The school district of residence shall pay directly to the charter school for each student enrolled in the charter school who resides in the school district the charter school basic tuition which shall be:

(i) for school years prior to the two thousand nine--two thousand ten school year and for school years following the [two thousand twelve--two thousand thirteen] TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN school year, an amount equal to one hundred percent of the amount calculated pursuant to paragraph f of subdivision one of section thirty-six hundred two of this chapter for the school district for the year prior to the base year increased by the percentage change in the state total approved operating expense calculated pursuant to paragraph t of subdivision one of section thirty-six hundred two of this chapter from two years prior to the base year to the base year;

(ii) for the two thousand nine--two thousand ten school year, the charter school basic tuition shall be the amount payable by such district as charter school basic tuition for the two thousand eight--two thousand nine school year;

(iii) for the two thousand ten--two thousand eleven through [two thousand twelve--two thousand thirteen] TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN school years, the charter school basic tuition shall be the basic tuition computed for the two thousand ten--two thousand eleven school year pursuant to the provisions of subparagraph (i) of this paragraph.

S 7. Subdivision 2 of section 3012-c of the education law is amended by adding a new paragraph l to read as follows:

L. IN THE EVENT A SCHOOL DISTRICT DOES NOT HAVE AN ANNUAL PROFESSIONAL PERFORMANCE REVIEW PLAN APPROVED BY THE COMMISSIONER FOR THE APPLICABLE SCHOOL YEAR AS OF SEPTEMBER FIRST OF THAT YEAR, THE COLLECTIVELY BARGAINED PLAN MOST RECENTLY APPROVED OR THE PLAN DETERMINED BY THE COMMISSIONER SHALL REMAIN IN EFFECT UNTIL A SUBSEQUENT PLAN IS AGREED TO BY THE PARTIES IN ACCORDANCE WITH THIS SECTION AND IS APPROVED BY THE COMMISSIONER.

S 7-a. Subdivision 2 of section 3012-c of the education law is amended by adding a new paragraph m to read as follows:

M. (1) NOTWITHSTANDING ANY PROVISION OF LAW, RULE OR REGULATION TO THE CONTRARY, IF A SCHOOL DISTRICT THAT DID NOT HAVE AN ANNUAL PROFESSIONAL PERFORMANCE REVIEW PLAN APPROVED BY THE COMMISSIONER ON OR BEFORE JANUARY SEVENTEENTH, TWO THOUSAND THIRTEEN, DOES NOT HAVE AN ANNUAL PROFES-

SIONAL PERFORMANCE REVIEW PLAN APPROVED BY THE COMMISSIONER OR DETERMINED PURSUANT TO THIS PARAGRAPH IN PLACE FOR THE FOLLOWING SCHOOL YEAR ON OR BEFORE THE WEDNESDAY FOLLOWING THE FIRST FRIDAY IN MAY, SUCH SCHOOL DISTRICT AND THE COLLECTIVE BARGAINING REPRESENTATIVES REPRESENTING CLASSROOM TEACHERS AND BUILDING PRINCIPALS SHALL SUBMIT WRITTEN EXPLANATIONS OF THEIR RESPECTIVE POSITIONS REGARDING SUCH ISSUES TO THE COMMISSIONER BY SUCH DATE.

(2) IF SUCH A SCHOOL DISTRICT DOES NOT HAVE AN ANNUAL PROFESSIONAL PERFORMANCE REVIEW PLAN APPROVED BY THE COMMISSIONER OR DETERMINED PURSUANT TO THIS PARAGRAPH IN PLACE ON OR BEFORE THE WEDNESDAY PRECEDING THE LAST FRIDAY IN MAY, THE COMMISSIONER SHALL CONDUCT AN ARBITRATION PROCEEDING AND SHALL HOLD NO MORE THAN TWO DAYS OF HEARINGS ON THE STANDARDS AND PROCEDURES NECESSARY TO IMPLEMENT AN ANNUAL PROFESSIONAL PERFORMANCE REVIEW PLAN PURSUANT TO THIS SECTION. THE PARTIES MAY BE HEARD EITHER IN PERSON, BY COUNSEL, OR BY SUCH REPRESENTATIVES AS THEY MAY DESIGNATE. THE PARTIES MAY PRESENT, ORALLY OR IN WRITING, STATEMENTS OF FACT, SUPPORTING WITNESSES AND OTHER EVIDENCE, AND ARGUMENTS. THE COMMISSIONER MAY REQUIRE THE PRODUCTION OF SUCH ADDITIONAL EVIDENCE FROM THE PARTIES AND SHALL PROVIDE, AT THE REQUEST OF EITHER PARTY, THAT A FULL AND COMPLETE RECORD BE KEPT OF ANY SUCH HEARINGS, THE COST OF SUCH RECORD TO BE SHARED EQUALLY BY THE PARTIES.

(3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, RULE OR REGULATION TO THE CONTRARY, AFTER SUCH HEARING, THE COMMISSIONER SHALL RENDER A FINAL AND BINDING WRITTEN DETERMINATION ON OR BEFORE JUNE FIRST, PRESCRIBING SUCH STANDARDS AND PROCEDURES NECESSARY TO IMPLEMENT AN ANNUAL PROFESSIONAL PERFORMANCE REVIEW PLAN PURSUANT TO THIS SECTION EFFECTIVE FOR THE FOLLOWING SCHOOL YEAR FOR A TERM TO BE DETERMINED BY THE COMMISSIONER. SUCH DETERMINATION SHALL BE LIMITED TO THE REQUIREMENTS OF THIS SECTION AND CONSISTENT WITH PLANS APPROVED BY THE COMMISSIONER PURSUANT TO PARAGRAPH K OF THIS SUBDIVISION. THE COMMISSIONER SHALL SPECIFY IN HIS OR HER DETERMINATION THE BASIS FOR HIS OR HER FINDINGS, TAKING INTO CONSIDERATION ALL RELEVANT FACTORS, INCLUDING THE BEST INTEREST OF STUDENTS. SUCH DETERMINATION SHALL BE DEEMED TO CONSTITUTE THE SUBMISSION BY SUCH SCHOOL DISTRICT OF DOCUMENTATION DEMONSTRATING THAT IT HAS FULLY IMPLEMENTED THE STANDARDS AND PROCEDURES FOR CONDUCTING ANNUAL PROFESSIONAL PERFORMANCE REVIEWS OF CLASSROOM TEACHERS AND BUILDING PRINCIPALS IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION AND FINAL APPROVAL OF SUCH SCHOOL DISTRICT'S ANNUAL PROFESSIONAL PERFORMANCE REVIEW PLAN IN ACCORDANCE WITH PARAGRAPH K OF THIS SUBDIVISION.

(4) NO LATER THAN TEN DAYS AFTER RECEIPT OF THE COMMISSIONER'S DETERMINATION, THE PARTIES MAY MAKE AN APPLICATION TO THE NEW YORK STATE SUPREME COURT TO VACATE OR MODIFY THE DETERMINATION OF THE COMMISSIONER PURSUANT TO SECTION SEVENTY-FIVE HUNDRED ELEVEN OF THE CIVIL PRACTICE LAW AND RULES. THE COURT'S REVIEW SHALL BE LIMITED TO THE GROUNDS SET FORTH IN SUCH SECTION. THE COMMISSIONER'S DETERMINATION SHALL BE DEEMED TO BE FINAL FOR THE PURPOSE OF SUCH PROCEEDING. IN NO CASE SHALL THE FILING OR THE PENDENCY OF AN APPEAL DELAY THE IMPLEMENTATION OF THE COMMISSIONER'S DETERMINATION.

(5) NOTHING IN THIS PARAGRAPH SHALL RESTRICT THE ABILITY OF A SCHOOL DISTRICT SUBJECT TO ARBITRATION PURSUANT TO THIS PARAGRAPH AND COLLECTIVE BARGAINING REPRESENTATIVES REPRESENTING CLASSROOM TEACHERS AND BUILDING PRINCIPALS IN SUCH DISTRICT FROM ENTERING INTO A NEW OR AMENDED AGREEMENT TO IMPLEMENT AN ANNUAL PROFESSIONAL PERFORMANCE REVIEW PLAN PURSUANT TO THIS SECTION. ANY NEW OR AMENDED AGREEMENT MUST BE SUBMITTED TO THE COMMISSIONER PURSUANT TO PARAGRAPH K OF THIS SUBDIVISION FOR HIS OR HER APPROVAL AND SHALL BE APPROVED PROVIDED THAT SUCH TERMS OF THE

AGREEMENT ARE CONSISTENT WITH THIS SECTION AND THE REGULATIONS OF THE COMMISSIONER.

S 8. The closing paragraph of subdivision 5-a of section 3602 of the education law, as amended by section 27 of part A of chapter 58 of the laws of 2011, is amended to read as follows:

For the two thousand eight--two thousand nine school year, each school district shall be entitled to an apportionment equal to the product of fifteen percent and the additional apportionment computed pursuant to this subdivision for the two thousand seven--two thousand eight school year. For the two thousand nine--two thousand ten through two thousand [twelve] FOURTEEN--two thousand [thirteen] FIFTEEN school years, each school district shall be entitled to an apportionment equal to the amount set forth for such school district as "SUPPLEMENTAL PUB EXCESS COST" under the heading "2008-09 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand nine--two thousand ten school year and entitled "SA0910".

S 8-a. The opening paragraph and paragraphs a and b of subdivision 4 of section 3602 of the education law, the opening paragraph, subparagraph 1 and the closing paragraph of subparagraph 2 of paragraph b as amended by section 6-a of part A of chapter 57 of the laws of 2012, paragraphs a and b as amended by section 26 of part A of chapter 58 of the laws of 2011, are amended to read as follows:

In addition to any other apportionment pursuant to this chapter, a school district, other than a special act school district as defined in subdivision eight of section four thousand one of this chapter, shall be eligible for total foundation aid equal to the product of total aidable foundation pupil units multiplied by the district's selected foundation aid, which shall be the greater of five hundred dollars ($500) or foundation formula aid, provided, however that for the two thousand seven--two thousand eight through two thousand eight--two thousand nine school years, no school district shall receive total foundation aid in excess of the sum of the total foundation aid base for aid payable in the two thousand seven--two thousand eight school year computed pursuant to subparagraph (i) of paragraph j of subdivision one of this section, plus the phase-in foundation increase computed pursuant to paragraph b of this subdivision, and provided further that for the two thousand twelve--two thousand thirteen school year [and thereafter], no school district shall receive total foundation aid in excess of the sum of the total foundation aid base for aid payable in the two thousand eleven--two thousand twelve school year computed pursuant to paragraph j of subdivision one of this section, plus the phase-in foundation increase computed pursuant to paragraph b of this subdivision, AND PROVIDED FURTHER THAT FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR AND THEREAFTER, NO SCHOOL DISTRICT SHALL RECEIVE TOTAL FOUNDATION AID IN EXCESS OF THE SUM OF THE TOTAL FOUNDATION AID BASE COMPUTED PURSUANT TO PARAGRAPH J OF SUBDIVISION ONE OF THIS SECTION, PLUS THE PHASE-IN FOUNDATION INCREASE COMPUTED PURSUANT TO PARAGRAPH B OF THIS SUBDIVISION and provided further that total foundation aid shall not be less than the product of the total foundation aid base computed pursuant to paragraph j of subdivision one of this section and THE DUE-MINIMUM PERCENT WHICH SHALL BE, FOR THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR, one hundred and six-tenths percent (1.006) AND FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR FOR CITY SCHOOL DISTRICTS OF THOSE CITIES HAVING POPULATIONS IN EXCESS OF ONE HUNDRED TWENTY-FIVE THOUSAND AND LESS THAN ONE MILLION INHABITANTS ONE HUNDRED

AND ONE AND ONE HUNDRED AND SEVENTY-SIX THOUSANDTHS PERCENT (1.01176), AND FOR ALL OTHER DISTRICTS ONE HUNDRED AND THREE-TENTHS PERCENT (1.003), subject to allocation pursuant to the provisions of subdivision eighteen of this section and any provisions of a chapter of the laws of New York as described therein, nor more than the product of such total foundation aid base and one hundred fifteen percent, and provided further that for the two thousand nine--two thousand ten through two thousand eleven--two thousand twelve school years, each school district shall receive total foundation aid in an amount equal to the amount apportioned to such school district for the two thousand eight--two thousand nine school year pursuant to this subdivision. Total aidable foundation pupil units shall be calculated pursuant to paragraph g of subdivision two of this section. For the purposes of calculating aid pursuant to this subdivision, aid for the city school district of the city of New York shall be calculated on a citywide basis.

a. Foundation formula aid. Foundation formula aid shall equal the remainder when the expected minimum local contribution is subtracted from the product of the foundation amount, the regional cost index, and the pupil need index, or: (foundation amount x regional cost index x pupil need index)- expected minimum local contribution.

(1) The foundation amount shall reflect the average per pupil cost of general education instruction in successful school districts, as determined by a statistical analysis of the costs of special education and general education in successful school districts, provided that the foundation amount shall be adjusted annually to reflect the percentage increase in the consumer price index as computed pursuant to section two thousand twenty-two of this chapter, provided that for the two thousand eight--two thousand nine school year, for the purpose of such adjustment, the percentage increase in the consumer price index shall be deemed to be two and nine-tenths percent (0.029), and provided further that the foundation amount for the two thousand seven--two thousand eight school year shall be five thousand two hundred fifty-eight dollars, and provided further that for the two thousand seven--two thousand eight through two thousand fifteen--two thousand sixteen school years, the foundation amount shall be further adjusted by the phase-in foundation percent established pursuant to paragraph b of this subdivision.

(2) The regional cost index shall reflect an analysis of labor market costs based on median salaries in professional occupations that require similar credentials to those of positions in the education field, but not including those occupations in the education field, provided that the regional cost indices for the two thousand seven--two thousand eight school year and thereafter shall be as follows:

Labor Force Region	Index
Capital District	1.124
Southern Tier	1.045
Western New York	1.091
Hudson Valley	1.314
Long Island/NYC	1.425
Finger Lakes	1.141
Central New York	1.103
Mohawk Valley	1.000
North Country	1.000

(3) The pupil need index shall equal the sum of one plus the extraordinary needs percent, provided, however, that the pupil need index shall not be less than one nor more than two. The extraordinary needs percent

shall be calculated pursuant to paragraph w of subdivision one of this section.

(4) The expected minimum local contribution shall equal the lesser of (i) the product of (A) the quotient arrived at when the selected actual valuation is divided by total wealth foundation pupil units, multiplied by (B) the product of the local tax factor, multiplied by the income wealth index, or (ii) the product of (A) the product of the foundation amount, the regional cost index, and the pupil need index, multiplied by (B) the positive difference, if any, of one minus the state sharing ratio for total foundation aid. The local tax factor shall be established by May first of each year by determining the product, computed to four decimal places without rounding, of ninety percent multiplied by the quotient of the sum of the statewide average tax rate as computed by the commissioner for the current year in accordance with the provisions of paragraph e of subdivision one of section thirty-six hundred nine-e of this part plus the statewide average tax rate computed by the commissioner for the base year in accordance with such provisions plus the statewide average tax rate computed by the commissioner for the year prior to the base year in accordance with such provisions, divided by three, provided however that for the two thousand seven--two thousand eight school year, such local tax factor shall be sixteen thousandths (0.016), and provided further that for the two thousand eight--two thousand nine school year, such local tax factor shall be one hundred fifty-four ten thousandths (0.0154). The income wealth index shall be calculated pursuant to paragraph d of subdivision three of this section, provided, however, that for the purposes of computing the expected minimum local contribution the income wealth index shall not be less than sixty-five percent (0.65) and shall not be more than two hundred percent (2.0) and provided however that such income wealth index shall not be more than ninety-five percent (0.95) for the two thousand eight--two thousand nine school year, AND PROVIDED FURTHER THAT SUCH INCOME WEALTH INDEX SHALL NOT BE LESS THAN ZERO FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR. The selected actual valuation shall be calculated pursuant to paragraph c of subdivision one of this section. Total wealth foundation pupil units shall be calculated pursuant to paragraph h of subdivision two of this section.

b. Phase-in foundation increase. (1) The phase-in foundation increase shall equal the product of the phase-in foundation increase factor multiplied by the positive difference, if any, of (i) the product of the total aidable foundation pupil units multiplied by the district's selected foundation aid less (ii) the total foundation aid base for aid payable in the two thousand eleven--two thousand twelve school year computed pursuant to paragraph j of subdivision one of this section.

(2) The phase-in foundation percent shall equal one hundred thirteen and fourteen one hundredths percent (1.1314) for the two thousand eleven--two thousand twelve school year, one hundred ten and thirty-eight hundredths percent (1.1038) for the two thousand twelve--two thousand thirteen school year, one hundred seven and sixty-eight hundredths percent (1.0768) for the two thousand thirteen--two thousand fourteen school year, one hundred five and six hundredths percent (1.0506) for the two thousand fourteen--two thousand fifteen school year, and one hundred two and five tenths percent (1.0250) for the two thousand fifteen--two thousand sixteen school year.

For the two thousand eleven--two thousand twelve school year, the phase-in foundation increase factor shall equal thirty-seven and one-half percent (0.375) and the phase-in due minimum percent shall equal

nineteen and forty-one hundredths percent (0.1941), for the two thousand twelve--two thousand thirteen school year the phase-in foundation increase factor shall equal one and seven-tenths percent (0.017), [and] for the two thousand thirteen--two thousand fourteen school year THE PHASE-IN FOUNDATION INCREASE FACTOR SHALL EQUAL (1) FOR A CITY SCHOOL DISTRICT IN A CITY HAVING A POPULATION OF ONE MILLION OR MORE, FIVE AND TWENTY-THREE HUNDREDTHS PERCENT (0.0523) OR (2) FOR ALL OTHER SCHOOL DISTRICTS ZERO PERCENT, AND FOR THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN SCHOOL YEAR and thereafter the commissioner shall annually determine the phase-in foundation increase factor subject to allocation pursuant to the provisions of subdivision eighteen of this section and any provisions of a chapter of the laws of New York as described therein.

S 9. Subdivision 9 of section 3602 of the education law, as amended by section 16 of part B of chapter 57 of the laws of 2007, is amended to read as follows:

9. Aid for conversion to full day kindergarten. School districts may make available full day kindergarten programs for all children wishing to attend such programs[,].

A. For aid payable in the two thousand seven--two thousand eight school year and thereafter, school districts which provided any half-day kindergarten programs or had no kindergarten programs in the nineteen hundred ninety-six--ninety-seven school year and in the base year, AND WHICH HAVE NOT RECEIVED AN APPORTIONMENT PURSUANT TO THIS PARAGRAPH IN ANY PRIOR SCHOOL YEAR, shall be eligible for aid equal to the product of the district's selected foundation aid calculated pursuant to subdivision four of this section multiplied by the positive difference resulting when the full day kindergarten enrollment of children attending programs in the district in the base year is subtracted from such enrollment in the current year.

B. NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH A OF THIS SUBDIVISION, SCHOOL DISTRICTS THAT HAVE RECEIVED AN APPORTIONMENT PURSUANT TO THIS SUBDIVISION IN A PRIOR SCHOOL YEAR SHALL BE ELIGIBLE FOR AN APPORTIONMENT WHERE THE DEPARTMENT GRANTS A WAIVER UPON CAUSE SATISFACTORY TO THE DEPARTMENT, INCLUDING BUT NOT LIMITED TO, SATISFACTORY DEMONSTRATION OF SIGNIFICANT ECONOMIC HARDSHIP THAT WOULD IMPACT THE SCHOOL DISTRICT'S ABILITY TO PROVIDE FULL DAY KINDERGARTEN FOR ALL CHILDREN WISHING TO ATTEND SUCH PROGRAMS. NO SCHOOL DISTRICT MAY BE GRANTED SUCH A WAIVER MORE THAN ONCE.

S 10. Subdivision 12 of section 3602 of the education law, as amended by section 35 of part A of chapter 58 of the laws of 2011, is amended to read as follows:

12. Academic enhancement aid. A school district that as of April first of the base year has been continuously identified as a district in need of improvement for at least five years shall, for the two thousand eight--two thousand nine school year, be entitled to an additional apportionment equal to the positive remainder, if any, of (a) the lesser of fifteen million dollars or the product of the total foundation aid base, as defined by paragraph j of subdivision one of this section, multiplied by ten percent (0.10), less (b) the positive remainder of (i) the sum of the total foundation aid apportioned pursuant to subdivision four of this section and the supplemental educational improvement grants apportioned pursuant to subdivision eight of section thirty-six hundred forty-one of this article, less (ii) the total foundation aid base.

For the two thousand nine--two thousand ten through two thousand [twelve] FOURTEEN--two thousand [thirteen] FIFTEEN school years, each

school district shall be entitled to an apportionment equal to the amount set forth for such school district as "EDUCATION GRANTS, ACADEMIC EN" under the heading "2008-09 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand nine--two thousand ten school year and entitled "SA0910", and such apportionment shall be deemed to satisfy the state obligation to provide an apportionment pursuant to subdivision eight of section thirty-six hundred forty-one of this article.

S 11. The opening paragraph of subdivision 16 of section 3602 of the education law, as amended by section 36 of part A of chapter 58 of the laws of 2011, is amended to read as follows:

Each school district shall be eligible to receive a high tax aid apportionment in the two thousand eight--two thousand nine school year, which shall equal the greater of (i) the sum of the tier 1 high tax aid apportionment, the tier 2 high tax aid apportionment and the tier 3 high tax aid apportionment or (ii) the product of the apportionment received by the school district pursuant to this subdivision in the two thousand seven--two thousand eight school year, multiplied by the due-minimum factor, which shall equal, for districts with an alternate pupil wealth ratio computed pursuant to paragraph b of subdivision three of this section that is less than two, seventy percent (0.70), and for all other districts, fifty percent (0.50). Each school district shall be eligible to receive a high tax aid apportionment in the two thousand nine--two thousand ten through two thousand twelve--two thousand thirteen school years in the amount set forth for such school district as "HIGH TAX AID" under the heading "2008-09 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand nine--two thousand ten school year and entitled "SA0910". EACH SCHOOL DISTRICT SHALL BE ELIGIBLE TO RECEIVE A HIGH TAX AID APPORTIONMENT IN THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR AND THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN SCHOOL YEAR EQUAL TO THE GREATER OF (1) THE AMOUNT SET FORTH FOR SUCH SCHOOL DISTRICT AS "HIGH TAX AID" UNDER THE HEADING "2008-09 BASE YEAR AIDS" IN THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE BUDGET FOR THE TWO THOUSAND NINE--TWO THOUSAND TEN SCHOOL YEAR AND ENTITLED "SA0910" OR (2) THE AMOUNT SET FORTH FOR SUCH SCHOOL DISTRICT AS "HIGH TAX AID" UNDER THE HEADING "2013-14 ESTIMATED AIDS" IN THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE EXECUTIVE BUDGET FOR THE 2013-14 FISCAL YEAR AND ENTITLED "BT131-4"

S 12. Paragraph (e) of subdivision 17 of section 3602 of the education law, as added by section 6 of part A of chapter 57 of the laws of 2012, is amended and a new paragraph (f) is added to read as follows:

(e) The gap elimination adjustment restoration amount for the two thousand thirteen--two thousand fourteen school year [and thereafter shall equal the product of the gap elimination percentage for such district and the gap elimination adjustment restoration allocation established pursuant to subdivision eighteen of this section.] FOR A SCHOOL DISTRICT SHALL BE COMPUTED BASED ON DATA ON FILE WITH THE COMMISSIONER AND IN THE DATABASE USED BY THE COMMISSIONER TO PRODUCE AN UPDATED ELECTRONIC DATA FILE IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN STATE FISCAL YEAR END ENTITLED "SA131-4" AND SHALL EQUAL THE GREATER OF ONE HUNDRED THOUSAND DOLLARS ($100,000) OR THE SUM OF:

(I) THE "TIER A RESTORATION" WHICH SHALL MEAN THE AMOUNT SET FORTH FOR SUCH SCHOOL DISTRICT AS "GEA RESTORATION" UNDER THE HEADING "2013-14 ESTIMATED AIDS" IN THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE

COMMISSIONER IN SUPPORT OF THE EXECUTIVE BUDGET REQUEST SUBMITTED FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN STATE FISCAL YEAR AND ENTITLED "BT131-4"; AND

(II) THE "TIER B RESTORATION" WHICH SHALL MEAN FOR A DISTRICT WITH (1) A COMBINED WEALTH RATIO OF LESS THAN ONE AND SEVEN-TENTHS (1.7) AND (2) AN ENROLLMENT PER SQUARE MILE WHICH SHALL BE THE QUOTIENT, COMPUTED TO TWO DECIMALS WITHOUT ROUNDING, OF THE PUBLIC SCHOOL ENROLLMENT OF THE SCHOOL DISTRICT ON THE DATE ENROLLMENT WAS COUNTED IN ACCORDANCE WITH SUBDIVISION ONE OF THIS SECTION FOR THE BASE YEAR DIVIDED BY THE SQUARE MILES OF THE DISTRICT, AS DETERMINED BY THE COMMISSIONER, OF LESS THAN ONE HUNDRED AND SEVENTY AND (3) A DESIGNATION AS HIGH NEED OR AVERAGE NEED PURSUANT TO CLAUSE (C) OF SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDIVISION SIX OF THIS SECTION FOR THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR AND ENTITLED "SA0708", OR IN THE CASE OF A REORGANIZED DISTRICT THAT HAD A PREDECESSOR DISTRICT THAT WAS SO DESIGNATED AND (4) A TIER A RESTORATION WHICH EQUALS LESS THAN TWENTY AND SEVEN-TENTHS PERCENT (0.207) OF THE GAP ELIMINATION ADJUSTMENT FOR THE BASE YEAR, THE POSITIVE DIFFERENCE IF ANY, OF THE PRODUCT OF TWENTY AND SEVEN-TENTHS PERCENT (0.207) MULTIPLIED BY THE GAP ELIMINATION ADJUSTMENT FOR THE BASE YEAR MINUS THE TIER A RESTORATION; AND

(III) THE "TIER C RESTORATION" WHICH SHALL MEAN FOR A DISTRICT FOR WHICH THE SUM OF THE TIER A RESTORATION AND THE TIER B RESTORATION IS LESS THAN THE PRODUCT OF THE GAP ELIMINATION ADJUSTMENT FOR THE BASE YEAR MULTIPLIED BY SIX PERCENT (0.06), THE POSITIVE DIFFERENCE OF THE PRODUCT OF THE GAP ELIMINATION ADJUSTMENT FOR THE BASE YEAR MULTIPLIED BY SIX PERCENT (0.06) MINUS THE SUM OF THE TIER A RESTORATION AND THE TIER B RESTORATION; AND

(IV) THE "TIER D RESTORATION" WHICH SHALL MEAN FOR SCHOOL DISTRICTS THAT WERE: (1) DESIGNATED AS LOW OR AVERAGE NEED PURSUANT TO CLAUSE (C) OF SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDIVISION SIX OF THIS SECTION FOR THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR AND ENTITLED "SA0708", OR IN THE CASE OF A REORGANIZED DISTRICT THAT HAD A PREDECESSOR DISTRICT THAT WAS SO DESIGNATED AND (2) DESIGNATED AS HIGH NEED PURSUANT TO THE REGULATIONS OF THE COMMISSIONER IN THE MOST RECENTLY AVAILABLE STUDY INCLUDED IN THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN STATE FISCAL YEAR AND ENTITLED "SA131-4" KNOWN AS THE 2008 NEED RESOURCE CAPACITY CATEGORY CODE, THE PRODUCT OF (A) THE POSITIVE DIFFERENCE, IF ANY, OF THE GAP ELIMINATION ADJUSTMENT FOR SUCH DISTRICT FOR THE TWO THOUSAND ELEVEN--TWO THOUSAND TWELVE SCHOOL YEAR MINUS THE PRODUCT OF SIX AND EIGHT TENTHS PERCENT (0.068) MULTIPLIED BY THE TOTAL GENERAL FUND EXPENDITURES OF SUCH DISTRICT FOR THE TWO THOUSAND TEN--TWO THOUSAND ELEVEN SCHOOL YEAR, MULTIPLIED BY (B) THIRTY-FIVE HUNDREDTHS (0.35); AND

(V) THE "TIER E RESTORATION" WHICH SHALL MEAN FOR DISTRICTS WITH (1) A QUOTIENT OF THE POSITIVE DIFFERENCE OF THE GAP ELIMINATION ADJUSTMENT FOR THE YEAR PRIOR TO THE BASE YEAR MINUS THE GAP ELIMINATION ADJUSTMENT FOR THE BASE YEAR DIVIDED BY THE GAP ELIMINATION ADJUSTMENT FOR THE YEAR PRIOR TO THE BASE YEAR IS LESS THAN SEVEN AND FIVE-TENTHS PERCENT (0.075) AND (2) A COMBINED WEALTH RATIO OF LESS THAN ONE AND ONE-TENTH (1.10), THE PRODUCT OF TWO AND FIVE-TENTHS PERCENT (0.025) MULTIPLIED BY THE GAP ELIMINATION ADJUSTMENT FOR THE BASE YEAR; AND

(VI) THE "TIER F RESTORATION" WHICH SHALL MEAN FOR ANY DISTRICT (1) DESIGNATED AS HIGH NEED PURSUANT TO CLAUSE (C) OF SUBPARAGRAPH TWO OF

PARAGRAPH C OF SUBDIVISION SIX OF THIS SECTION FOR THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR AND ENTITLED "SA0708", OR IN THE CASE OF A REORGANIZED DISTRICT THAT HAD A PREDECESSOR DISTRICT THAT WAS SO DESIGNATED, WITH (2) A GEA/TGFE RATIO GREATER THAN FOUR AND NINETY-ONE HUNDREDTHS PERCENT (.0491), WHERE THE GEA/TGFE RATIO SHALL BE THE QUOTIENT OF THE GAP ELIMINATION ADJUSTMENT FOR THE BASE YEAR FOR THE DISTRICT DIVIDED BY THE TOTAL GENERAL FUND EXPENDITURES OF SUCH DISTRICT IN THE BASE YEAR, THE PRODUCT OF FIFTEEN DOLLARS ($15.00), MULTIPLIED BY THE BASE YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT, AS COMPUTED PURSUANT TO PARAGRAPH N OF SUBDIVISION ONE OF THIS SECTION, BUT NOT LESS THAN ONE HUNDRED THOUSAND DOLLARS ($100,000); AND

(VII) THE "TIER G RESTORATION" WHICH SHALL MEAN FOR A CITY SCHOOL DISTRICT OF A CITY HAVING A POPULATION IN EXCESS OF ONE HUNDRED TWENTY-FIVE THOUSAND AND LESS THAN ONE HUNDRED AND SIXTY THOUSAND AND FOR CITY SCHOOL DISTRICTS OF CITIES WITH POPULATIONS IN EXCESS OF TWO HUNDRED AND FIVE THOUSAND AND LESS THAN THREE HUNDRED THOUSAND, THE PRODUCT OF TEN DOLLARS ($10.00) MULTIPLIED BY THE BASE YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT, AS COMPUTED PURSUANT TO PARAGRAPH N OF SUBDIVISION ONE OF THIS SECTION AND FOR A CITY SCHOOL DISTRICT OF A CITY HAVING A POPULATION IN EXCESS OF ONE HUNDRED SIXTY THOUSAND AND BELOW TWO HUNDRED THOUSAND THE PRODUCT OF EIGHT DOLLARS ($8.00) MULTIPLIED BY THE BASE YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT, AS COMPUTED PURSUANT TO PARAGRAPH N OF SUBDIVISION ONE OF THIS SECTION AND FOR A CITY SCHOOL DISTRICT OF A CITY HAVING A POPULATION OF ONE MILLION OR MORE, THE PRODUCT OF FORTY-TWO DOLLARS AND TWO CENTS ($42.02), MULTIPLIED BY THE BASE YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT, AS COMPUTED PURSUANT TO PARAGRAPH N OF SUBDIVISION ONE OF THIS SECTION; AND

(VIII) THE "TIER H RESTORATION" WHICH SHALL MEAN FOR DISTRICTS OTHER THAN FOR CITY SCHOOL DISTRICTS OF CITIES HAVING POPULATIONS OF ONE HUNDRED AND TWENTY-FIVE THOUSAND OR MORE, THE PRODUCT OF THE POSITIVE DIFFERENCE OF ONE AND FORTY-THREE HUNDREDTHS (1.43) MINUS SUCH DISTRICT'S REGIONAL COST INDEX PURSUANT TO SUBDIVISION FOUR OF THIS SECTION, MULTIPLIED BY FIVE, MULTIPLIED BY THE THREE-YEAR AVERAGE FREE AND REDUCED PRICE LUNCH PERCENT, MULTIPLIED BY ONE HUNDRED DOLLARS ($100.00) MULTIPLIED BY THE BASE YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT, AS COMPUTED PURSUANT TO PARAGRAPH N OF SUBDIVISION ONE OF THIS SECTION; AND

(IX) THE "TIER I RESTORATION" WHICH SHALL MEAN FOR ANY DISTRICT WITH A COMBINED WEALTH RATIO GREATER THAN ONE AND ONE-TENTH (1.1) AND A THREE-YEAR AVERAGE FREE AND REDUCED PRICE LUNCH PERCENT GREATER THAN SIX-TENTHS (0.6), THE PRODUCT OF ONE HUNDRED AND FIFTY DOLLARS ($150.00) MULTIPLIED BY THE BASE YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT, AS COMPUTED PURSUANT TO PARAGRAPH N OF SUBDIVISION ONE OF THIS SECTION; AND

(X) THE "TIER J RESTORATION" WHICH SHALL MEAN FOR A DISTRICT WITH A COMBINED WEALTH RATIO LESS THAN ONE AND ONE-TENTHS (1.1), THE PRODUCT OF (A) TWO HUNDRED DOLLARS ($200.00) MULTIPLIED BY (B) THE POSITIVE DIFFERENCE, IF ANY, OF THE BASE YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT LESS THE PUBLIC SCHOOL DISTRICT ENROLLMENT FOR THE YEAR FOUR YEARS PRIOR TO THE BASE YEAR, AS COMPUTED PURSUANT TO PARAGRAPH N OF SUBDIVISION ONE OF THIS SECTION;

PROVIDED FURTHER, NOTWITHSTANDING ANY PORTION OF THIS PARAGRAPH TO THE CONTRARY, THAT A DISTRICT'S GAP ELIMINATION ADJUSTMENT RESTORATION FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR SHALL NOT

EXCEED THE PRODUCT OF FORTY-THREE PERCENT (0.43) AND THE GAP ELIMINATION ADJUSTMENT FOR THE BASE YEAR FOR THE DISTRICT.

(F) THE GAP ELIMINATION ADJUSTMENT RESTORATION AMOUNT FOR THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN SCHOOL YEAR AND THEREAFTER SHALL EQUAL THE PRODUCT OF THE GAP ELIMINATION PERCENTAGE FOR SUCH DISTRICT AND THE GAP ELIMINATION ADJUSTMENT RESTORATION ALLOCATION ESTABLISHED PURSUANT TO SUBDIVISION EIGHTEEN OF THIS SECTION.

S 13. Intentionally omitted.

S 13-a. Clause (c) of subparagraph 5 of paragraph e of subdivision 6 of section 3602 of the education law, as amended by section 1 of part F of chapter 383 of the laws of 2001, is amended to read as follows:

(c) [Periodically, but at least at] AT the end of each ten year segment of an assumed amortization established pursuant to subparagraphs two, three and four of this paragraph, OR IN THE TWO THOUSAND FOURTEEN -- TWO THOUSAND FIFTEEN SCHOOL YEAR IN THE CASE OF ASSUMED AMORTIZATIONS WHOSE TEN YEAR SEGMENT ENDS PRIOR TO SUCH SCHOOL YEAR, the commissioner shall revise the remaining scheduled semiannual payments of the outstanding principal and interest of such assumed amortization, other than the outstanding principal and interest of refunding bonds where the district can demonstrate to the commissioner that it is precluded by state or federal law, rule or regulation from refinancing such outstanding principal and interest, based on the interest rates applicable for the current year if the difference of the interest rate upon which the existing assumed amortization is based minus such interest rate applicable for the current year is equal to or greater than one quarter of one-one hundredth. PROVIDED HOWEVER, IN THE CASE OF ASSUMED AMORTIZATION WHOSE TEN YEAR SEGMENT ENDED PRIOR TO THE TWO THOUSAND FOURTEEN -- TWO THOUSAND FIFTEEN SCHOOL YEAR THE NEXT TEN YEAR SEGMENT SHALL BE DEEMED TO COMMENCE WITH THE TWO THOUSAND FOURTEEN -- TWO THOUSAND FIFTEEN SCHOOL YEAR. THE DEPARTMENT SHALL NOTIFY SCHOOL DISTRICTS OF PROJECTS SUBJECT TO THE PROVISIONS OF THIS CLAUSE BY NO LATER THAN DECEMBER FIRST NEXT PRECEDING THE SCHOOL YEAR IN WHICH THE ASSUMED AMORTIZATION IS SCHEDULED TO BE REVISED PURSUANT TO THIS CLAUSE.

S 14. The opening paragraph of section 3609-a of the education law, as amended by section 9 of part A of chapter 57 of the laws of 2012, is amended to read as follows:

For aid payable in the two thousand seven--two thousand eight school year and thereafter, "moneys apportioned" shall mean the lesser of (i) the sum of one hundred percent of the respective amount set forth for each school district as payable pursuant to this section in the school aid computer listing for the current year produced by the commissioner in support of the budget which includes the appropriation for the general support for public schools for the prescribed payments and individualized payments due prior to April first for the current year plus the apportionment payable during the current school year pursuant to subdivision six-a and subdivision fifteen of section thirty-six hundred two of this part minus any reductions to current year aids pursuant to subdivision seven of section thirty-six hundred four of this part or any deduction from apportionment payable pursuant to this chapter for collection of a school district basic contribution as defined in subdivision eight of section forty-four hundred one of this chapter, less any grants provided pursuant to subparagraph two-a of paragraph b of subdivision four of section ninety-two-c of the state finance law, less any grants provided pursuant to subdivision twelve of section thirty-six hundred forty-one of this article, or (ii) the apportionment calculated by the commissioner based on data on file at the time the payment is

processed; provided however, that for the purposes of any payments made pursuant to this section prior to the first business day of June of the current year, moneys apportioned shall not include any aids payable pursuant to subdivisions six and fourteen, if applicable, of section thirty-six hundred two of this part as current year aid for debt service on bond anticipation notes and/or bonds first issued in the current year or any aids payable for full-day kindergarten for the current year pursuant to subdivision nine of section thirty-six hundred two of this part. The definitions of "base year" and "current year" as set forth in subdivision one of section thirty-six hundred two of this part shall apply to this section. For aid payable in the [two thousand twelve--two thousand thirteen] TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN school year, reference to such "school aid computer listing for the current year" shall mean the printouts entitled ["SA121-3"] "SA131-4".

S 15. Paragraph b of subdivision 2 of section 3612 of the education law, as amended by section 10 of part A of chapter 57 of the laws of 2012, is amended to read as follows:

b. Such grants shall be awarded to school districts, within the limits of funds appropriated therefor, through a competitive process that takes into consideration the magnitude of any shortage of teachers in the school district, the number of teachers employed in the school district who hold temporary licenses to teach in the public schools of the state, the number of provisionally certified teachers, the fiscal capacity and geographic sparsity of the district, the number of new teachers the school district intends to hire in the coming school year and the number of summer in the city student internships proposed by an eligible school district, if applicable. Grants provided pursuant to this section shall be used only for the purposes enumerated in this section. Notwithstanding any other provision of law to the contrary, a city school district in a city having a population of one million or more inhabitants receiving a grant pursuant to this section may use no more than eighty percent of such grant funds for any recruitment, retention and certification costs associated with transitional certification of teacher candidates for the school years two thousand one--two thousand two through [two thousand twelve--two thousand thirteen] TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN.

S 16. Section 3641 of the education law is amended by adding a new subdivision 6-a to read as follows:

6-A. COMMUNITY SCHOOL GRANTS. A. WITHIN THE AMOUNT APPROPRIATED FOR SUCH PURPOSE, SUBJECT TO A PLAN DEVELOPED BY THE STATE COUNCIL ON CHILDREN AND FAMILIES IN COORDINATION WITH THE COMMISSIONER AND APPROVED BY THE DIRECTOR OF THE BUDGET, THE COMMISSIONER SHALL AWARD COMPETITIVE GRANTS PURSUANT TO THIS SUBDIVISION TO ELIGIBLE SCHOOL DISTRICTS OR IN A CITY WITH A POPULATION OF ONE MILLION OR MORE AN ELIGIBLE ENTITY TO IMPLEMENT, BEGINNING IN THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR, A PLAN THAT TARGETS SCHOOL BUILDINGS AS COMMUNITY HUBS TO DELIVER CO-LOCATED OR SCHOOL-LINKED ACADEMIC, HEALTH, MENTAL HEALTH, NUTRITION, COUNSELING, LEGAL AND/OR OTHER SERVICES TO STUDENTS AND THEIR FAMILIES IN A MANNER THAT WILL LEAD TO IMPROVED EDUCATIONAL AND OTHER OUTCOMES. IN A CITY WITH A POPULATION OF ONE MILLION OR MORE, ELIGIBLE ENTITIES SHALL MEAN THE CITY SCHOOL DISTRICT OF THE CITY OF NEW YORK, OR NOT-FOR-PROFIT ORGANIZATIONS, WHICH SHALL INCLUDE NOT-FOR-PROFIT COMMUNITY BASED ORGANIZATIONS. AN ELIGIBLE ENTITY THAT IS A NOT-FOR-PROFIT MAY APPLY FOR A COMMUNITY SCHOOL GRANT PROVIDED THAT IT COLLABORATES WITH THE CITY SCHOOL DISTRICT OF THE CITY OF NEW YORK AND RECEIVES THE

APPROVAL OF THE CHANCELLOR OF THE CITY SCHOOL DISTRICT OF THE CITY OF NEW YORK.

(1) SUCH PLAN SHALL INCLUDE, BUT NOT BE LIMITED TO:

(I) THE PROCESS BY WHICH A REQUEST FOR PROPOSALS WILL BE DEVELOPED;

(II) THE SCORING RUBRIC BY WHICH SUCH PROPOSALS WILL BE EVALUATED, PROVIDED THAT SUCH GRANTS SHALL BE AWARDED BASED ON FACTORS INCLUDING, BUT NOT LIMITED TO: MEASURES OF SCHOOL DISTRICT NEED; MEASURES OF THE NEED OF STUDENTS TO BE SERVED BY EACH OF THE SCHOOL DISTRICTS; THE SCHOOL DISTRICT'S PROPOSAL TO TARGET THE HIGHEST NEED SCHOOLS AND STUDENTS; THE SUSTAINABILITY OF THE PROPOSED COMMUNITY SCHOOLS PROGRAM; AND PROPOSAL QUALITY;

(III) THE FORM AND MANNER BY WHICH APPLICATIONS WILL BE SUBMITTED;

(IV) THE MANNER BY WHICH CALCULATION OF THE AMOUNT OF THE AWARD WILL BE DETERMINED;

(V) THE TIMELINE FOR THE ISSUANCE AND REVIEW OF APPLICATIONS; AND

(VI) PROGRAM IMPLEMENTATION PHASES THAT WILL TRIGGER PAYMENT OF SET PERCENTAGES OF THE TOTAL AWARD.

(2) IN ASSESSING PROPOSAL QUALITY, THE COMMISSIONER SHALL TAKE INTO ACCOUNT FACTORS INCLUDING, BUT NOT LIMITED TO:

(I) THE EXTENT TO WHICH THE SCHOOL DISTRICT'S PROPOSAL WOULD PROVIDE SUCH COMMUNITY SERVICES THROUGH PARTNERSHIPS WITH LOCAL GOVERNMENTS AND NON-PROFIT ORGANIZATIONS;

(II) THE EXTENT TO WHICH THE PROPOSAL WOULD PROVIDE FOR DELIVERY OF SUCH SERVICES DIRECTLY IN SCHOOL BUILDINGS;

(III) THE EXTENT TO WHICH THE PROPOSAL ARTICULATES HOW SUCH SERVICES WOULD FACILITATE MEASURABLE IMPROVEMENT IN STUDENT AND FAMILY OUTCOMES;

(IV) THE EXTENT TO WHICH THE PROPOSAL ARTICULATES AND IDENTIFIES HOW EXISTING FUNDING STREAMS AND PROGRAMS WOULD BE USED TO PROVIDE SUCH COMMUNITY SERVICES; AND

(V) THE EXTENT TO WHICH THE PROPOSAL ENSURES THE SAFETY OF ALL STUDENTS, STAFF AND COMMUNITY MEMBERS IN SCHOOL BUILDINGS USED AS COMMUNITY HUBS.

B. A RESPONSE TO A REQUEST FOR PROPOSALS ISSUED PURSUANT TO THIS SUBDIVISION MAY BE SUBMITTED BY A SINGLE SCHOOL DISTRICT OR JOINTLY BY A CONSORTIUM OF TWO OR MORE SCHOOL DISTRICTS, OR IN A CITY WITH A POPULATION OF ONE MILLION OR MORE, AN ELIGIBLE ENTITY.

C. THE AMOUNT OF THE GRANT AWARD SHALL BE DETERMINED BY THE COMMISSIONER, CONSISTENT WITH THE PLAN DEVELOPED PURSUANT TO PARAGRAPH A OF THIS SUBDIVISION, EXCEPT THAT NO SINGLE DISTRICT MAY BE AWARDED MORE THAN FORTY PERCENT OF THE TOTAL AMOUNT OF GRANT AWARDS MADE PURSUANT TO THIS SUBDIVISION; AND PROVIDED FURTHER THAT THE MAXIMUM AWARD TO ANY INDIVIDUAL COMMUNITY SCHOOL SITE SHALL BE FIVE HUNDRED THOUSAND DOLLARS; AND PROVIDED FURTHER THAT THE AMOUNT AWARDED WILL BE PAID OUT IN SET PERCENTAGES OVER TIME UPON SUCCESSFUL IMPLEMENTATION OF EACH PHASE OF A SCHOOL DISTRICT'S APPROVED PROPOSAL SET FORTH PURSUANT TO PARAGRAPH A OF THIS SUBDIVISION; AND PROVIDED FURTHER THAT NONE OF THE GRANTS AWARDED PURSUANT TO THIS SUBDIVISION MAY BE USED TO SUPPLANT EXISTING FUNDING.

S 17. Section 3641 of the education law is amended by adding a new subdivision 6-b to read as follows:

6-B. EXTENDED LEARNING GRANTS. A. WITHIN THE AMOUNT APPROPRIATED FOR SUCH PURPOSE, SUBJECT TO A PLAN THAT IS DEVELOPED BY THE COMMISSIONER, AND APPROVED BY THE DIRECTOR OF THE BUDGET, THE COMMISSIONER SHALL AWARD COMPETITIVE PLANNING AND IMPLEMENTATION GRANTS PURSUANT TO THIS SUBDIVISION TO ELIGIBLE SCHOOL DISTRICTS OR SCHOOL DISTRICTS IN COLLABORATION WITH NOT-FOR-PROFIT COMMUNITY BASED ORGANIZATIONS THAT PUT FORWARD A PROPOSAL TO IMPROVE STUDENT OUTCOMES BY ADDING AT LEAST TWENTY-FIVE

PERCENT MORE TIME TO THE ACADEMIC CALENDAR BY EXTENDING THE SCHOOL DAY, SCHOOL YEAR, OR SOME COMBINATION THEREOF, EITHER DISTRICT-WIDE OR IN SELECTED SCHOOL BUILDINGS.

(1) SUCH PLAN SHALL INCLUDE, BUT NOT BE LIMITED TO:

(I) THE PROCESS BY WHICH A REQUEST FOR PROPOSALS WILL BE DEVELOPED;

(II) THE SCORING RUBRIC BY WHICH SUCH PROPOSALS WILL BE EVALUATED, PROVIDED THAT PRIORITY SHALL BE GIVEN TO APPLICANTS BASED UPON THE SCHOOL DISTRICT'S PROPOSAL TO TARGET THE SCHOOLS AND STUDENTS WITH THE GREATEST NEED AND UPON PROPOSAL QUALITY;

(III) THE FORM AND MANNER BY WHICH APPLICATIONS WILL BE SUBMITTED;

(IV) THE TIMELINE FOR THE ISSUANCE AND REVIEW OF APPLICATIONS; AND

(V) A REQUIREMENT THAT SCHOOL DISTRICTS AWARDED GRANTS UNDER THIS SUBDIVISION SUBMIT TO AN ANNUAL EVALUATION OF PERFORMANCE AND IMPACT AS REQUIRED BY THE COMMISSIONER.

(2) IN ASSESSING PROPOSAL QUALITY IN ORDER TO AWARD IMPLEMENTATION GRANT FUNDING, THE COMMISSIONER SHALL TAKE INTO ACCOUNT FACTORS INCLUDING, BUT NOT LIMITED TO:

(I) THE EXTENT TO WHICH THE SCHOOL DISTRICT'S PROPOSAL WOULD MAXIMIZE THE USE OF THE ADDITIONAL LEARNING TIME THROUGH A COMPREHENSIVE RESTRUCTURING OF THE SCHOOL DAY AND/OR YEAR;

(II) HOW THE ADDITIONAL LEARNING TIME WOULD BE UTILIZED, INCLUDING BUT NOT LIMITED TO ADDITIONAL TIME SPENT ON CORE ACADEMICS; AND

(III) THE EXTENT TO WHICH THE PROPOSAL WOULD PROVIDE ADDITIONAL LEARNING TIME FOR STUDENTS IN GRADES SIX THROUGH EIGHT.

B. A SCHOOL DISTRICT'S SCHOOL-WIDE EXTENDED LEARNING IMPLEMENTATION GRANT AWARD SHALL EQUAL ITS AVERAGE DAILY ATTENDANCE IN THE SCHOOL-WIDE EXTENDED LEARNING PROGRAM MULTIPLIED BY THE EXPECTED COST PER PUPIL OF THE ADDITIONAL LEARNING TIME. FOR PURPOSES OF THIS SUBDIVISION, THE EXPECTED COST PER PUPIL OF THE ADDITIONAL LEARNING TIME SHALL EQUAL THE GREATER OF FIFTEEN HUNDRED DOLLARS OR (1) THE QUOTIENT OF (I) THE SCHOOL DISTRICT'S APPROVED OPERATING EXPENSE PURSUANT TO PARAGRAPH T OF SUBDIVISION ONE OF SECTION THIRTY-SIX HUNDRED TWO OF THIS ARTICLE FOR THE YEAR PRIOR TO THE BASE YEAR DIVIDED BY (II) THE DISTRICT'S PUBLIC SCHOOL DISTRICT ENROLLMENT PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH N OF SUCH SUBDIVISION FOR THE YEAR PRIOR TO THE BASE YEAR MULTIPLIED BY (2) TEN PERCENT (0.10), MULTIPLIED BY (3) THE QUOTIENT OF (I) THE AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPARTMENT OF LABOR FOR THE TWELVE MONTH PERIOD PRECEDING JANUARY FIRST OF THE BASE YEAR, DIVIDED BY (II) THE AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPARTMENT OF LABOR FOR THE TWELVE MONTH PERIOD PRECEDING JANUARY FIRST OF THE YEAR TWO YEARS PRIOR TO THE BASE YEAR.

C. IN EXTRAORDINARY CASES, THE COMMISSIONER MAY AWARD A GRANT THAT EXCEEDS THE PER PUPIL LIMIT CALCULATED PURSUANT TO PARAGRAPH B OF THIS SUBDIVISION.

D. NO DISTRICT SHALL RECEIVE A GRANT IN EXCESS OF THE TOTAL ACTUAL GRANT EXPENDITURES INCURRED BY THE DISTRICT IN THE CURRENT YEAR AS APPROVED BY THE COMMISSIONER.

E. NO SINGLE DISTRICT MAY BE AWARDED MORE THAN FORTY PERCENT OF THE TOTAL AMOUNT OF GRANT AWARDS MADE PURSUANT TO THIS SUBDIVISION.

S 18. Subdivision 16 of section 3602-e of the education law, as amended by section 19 of part B of chapter 57 of the laws of 2007, is amended to read as follows:

16. The grant payable to a school district pursuant to this section in the current year shall be reduced by one one-hundred eightieth for each day less than one hundred eighty days that the universal prekindergarten

classes of the district were actually in session, except that the commissioner may disregard such reduction for any deficiency that may be disregarded in computing total foundation aid pursuant to subdivision seven or eight of section thirty-six hundred four of this chapter AND IN ADDITION MAY DISREGARD A REDUCTION FOR ANY DEFICIENCY THAT IS CAUSED BY A DELAY IN THE OPENING OF PUBLIC SCHOOL CLASSES DUE TO EXTRAORDINARILY ADVERSE WEATHER CONDITIONS OR OTHER CAUSE CITED IN SUCH SUBDIVISION SEVEN OF SECTION THIRTY-SIX HUNDRED FOUR THAT RESULTS IN CANCELLATION OF THE PREKINDERGARTEN PROGRAM OR OF TRANSPORTATION TO SUCH PROGRAM.

S 19. Clause (b) of subparagraph 3 of paragraph e of subdivision 6 of section 3602 of the education law, as amended by section 31-a of part A of chapter 57 of the laws of 2012, is amended to read as follows:

(b) Such assumed amortization for a project approved by the commissioner on or after the later of the first day of December, two thousand one or thirty days after the date upon which this subdivision shall have become a law and prior to the first day of July, two thousand eleven or for any debt service related to projects approved by the commissioner prior to such date where a bond, capital note or bond anticipation note is first issued on or after the first day of December, two thousand one to fund such projects, shall commence: (i) eighteen months after such approval or (ii) on the date of receipt by the commissioner of a certification by the district that a general construction contract has been awarded for such project by the district, whichever is later, and such assumed amortization for a project approved by the commissioner on or after the first day of July, two thousand eleven shall commence: (iii) eighteen months after such approval or (iv) on the date of receipt by the commissioner of both the final certificate of substantial completion of the project issued by the architect or engineer and the final cost report for such project, whichever is later or (v) upon the effective date of a waiver based on a finding by the commissioner, pursuant to a process set forth by the commissioner, that the district is unable to submit a final certificate of substantial completion for the project and/or complete the final cost report because of circumstances beyond the control of the district, WHICH SHALL INCLUDE BUT SHALL NOT BE LIMITED TO THE INABILITY OF THE DISTRICT TO COMPLETE A COMPLEX PROJECT WITHIN EIGHTEEN MONTHS. Such assumed amortization shall provide for equal semiannual payments of principal and interest based on an interest rate established pursuant to subparagraph five of this paragraph for such purpose for the school year during which such certification is received. The first installment of obligations issued by the school district in support of such projects may mature not later than the dates established pursuant to sections 21.00 and 22.10 of the local finance law.

S 20. Section 2556 of the education law is amended by adding a new subdivision 15 to read as follows:

15. A. THE CHANCELLOR OF A CITY SCHOOL DISTRICT IN A CITY HAVING A POPULATION OF ONE MILLION OR MORE SHALL COMPILE AN INVENTORY OF AND ISSUE A WRITTEN REPORT AND DEVELOP RECOMMENDATIONS REGARDING TRANSPORTABLE CLASSROOM UNITS ("TCU" OR ALSO COMMONLY KNOWN AS A "TRAILER"). SUCH INVENTORY, REPORT AND RECOMMENDATIONS SHALL:

(I) IDENTIFY EACH TRANSPORTABLE CLASSROOM UNIT LOCATED IN THE CITY SCHOOL DISTRICT. EACH TRANSPORTABLE CLASSROOM UNIT SHALL BE IDENTIFIED BY THE COMMUNITY SCHOOL DISTRICT IN WHICH IT IS LOCATED, ITS ADDRESS WITH IDENTIFICATION OF ANY SCHOOL BUILDING IT IS PART OF OR ASSOCIATED WITH, ITS APPROXIMATE SIZE, ITS AGE, AND A DESCRIPTION OF ITS PHYSICAL CONDITION;

(II) IDENTIFY THE NUMBER OF STUDENTS SERVED WITHIN EACH TRANSPORTABLE CLASSROOM UNIT, INCLUDING THE GRADE LEVEL OF SUCH STUDENTS, IF APPLICABLE, THE AVERAGE CLASS SIZE WITHIN EACH TRANSPORTABLE CLASSROOM UNIT, AND A DESCRIPTION OF THE AMOUNT OF THE SCHOOL DAY THE STUDENTS SPEND WITHIN EACH TRANSPORTABLE CLASSROOM UNIT;

(III) PROVIDE RECOMMENDATIONS TO MINIMIZE THE NUMBER OF TRANSPORTABLE CLASSROOM UNITS WITHIN THE CITY SCHOOL DISTRICT.

B. ON OR BEFORE DECEMBER THIRTY-FIRST, TWO THOUSAND FOURTEEN, THE CHANCELLOR SHALL SUBMIT THE INVENTORY, REPORT, AND THE RECOMMENDATIONS TO MINIMIZE THE NUMBER OF TRANSPORTABLE CLASSROOM UNITS WITHIN THE CITY SCHOOL DISTRICT, COMPILED AND DEVELOPED PURSUANT TO PARAGRAPH A OF THIS SUBDIVISION, TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE CHAIRS OF THE SENATE AND ASSEMBLY COMMITTEES ON EDUCATION, AND THE DEPARTMENT.

S 20-a. Section 2590-h of the education law is amended by adding a new subdivision 53 to read as follows:

53. TO COMPILE AN INVENTORY OF, ISSUE A WRITTEN REPORT, AND PROVIDE RECOMMENDATIONS AS REQUIRED BY SUBDIVISION FIFTEEN OF SECTION TWENTY-FIVE HUNDRED FIFTY-SIX OF THIS TITLE REGARDING TRANSPORTABLE CLASSROOM UNITS IN THE CITY SCHOOL DISTRICT.

S 21. Subdivision 6 of section 4402 of the education law, as amended by section 12 of part A of chapter 57 of the laws of 2012, is amended to read as follows:

6. Notwithstanding any other law, rule or regulation to the contrary, the board of education of a city school district with a population of one hundred twenty-five thousand or more inhabitants shall be permitted to establish maximum class sizes for special classes for certain students with disabilities in accordance with the provisions of this subdivision. For the purpose of obtaining relief from any adverse fiscal impact from under-utilization of special education resources due to low student attendance in special education classes at the middle and secondary level as determined by the commissioner, such boards of education shall, during the school years nineteen hundred ninety-five--ninety-six through June thirtieth, two thousand [thirteen] FOURTEEN of the [two thousand twelve--two thousand thirteen] TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN school year, be authorized to increase class sizes in special classes containing students with disabilities whose age ranges are equivalent to those of students in middle and secondary schools as defined by the commissioner for purposes of this section by up to but not to exceed one and two tenths times the applicable maximum class size specified in regulations of the commissioner rounded up to the nearest whole number, provided that in a city school district having a population of one million or more, classes that have a maximum class size of fifteen may be increased by no more than one student and provided that the projected average class size shall not exceed the maximum specified in the applicable regulation, provided that such authorization shall terminate on June thirtieth, two thousand. Such authorization shall be granted upon filing of a notice by such a board of education with the commissioner stating the board's intention to increase such class sizes and a certification that the board will conduct a study of attendance problems at the secondary level and will implement a corrective action plan to increase the rate of attendance of students in such classes to at least the rate for students attending regular education classes in secondary schools of the district. Such corrective action plan shall be submitted for approval by the commissioner by a date during the school year in which such board increases class sizes as provided pursuant to

this subdivision to be prescribed by the commissioner. Upon at least thirty days notice to the board of education, after conclusion of the school year in which such board increases class sizes as provided pursuant to this subdivision, the commissioner shall be authorized to terminate such authorization upon a finding that the board has failed to develop or implement an approved corrective action plan.

S 21-a. Paragraph d of subdivision 15 of section 3641 of the education law, as added by section 22-b of part A of chapter 57 of the laws of 2012, is amended to read as follows:

d. Approved additional expenses for annual professional performance reviews transition grants pursuant to this subdivision FOR THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR shall CONTINUE TO be eligible for reimbursement. Such approved expenses shall be eligible for payment on or after September first following the end of the school year in which such expenses were approved. In the event the appropriation for purposes of this subdivision in any year is insufficient to pay all approved claims pursuant to this subdivision, the commissioner shall pay such claims on a prorated basis among all districts filing such claims until the appropriation is exhausted. The commissioner shall promulgate rules and regulations necessary to implement the provisions of this subdivision within sixty days of the effective date of the chapter of the laws of two thousand [twelve] THIRTEEN that [added] AMENDED this [subdivision] PARAGRAPH.

S 22. Intentionally omitted.

S 22-a. Section 3604 of the education law is amended by adding a new subdivision 7-b to read as follows:

7-B. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION SEVEN OF THIS SECTION, FOR THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR, THE COMMISSIONER SHALL DISREGARD SUCH REDUCTION, UP TO TEN DAYS, IN THE APPORTIONMENT OF PUBLIC MONEY, IF THE SCHOOLS OF THE DISTRICT WERE NOT IN SESSION FOR ONE HUNDRED EIGHTY DAYS BECAUSE OF EXTRAORDINARILY ADVERSE WEATHER CONDITIONS, FEDERAL DECLARATIONS OF NATURAL DISASTERS, A STATE DISASTER EMERGENCY AS DEFINED IN SECTION TWENTY OF THE EXECUTIVE LAW, THE CLOSING OF TRANSPORTATION ROUTES PURSUANT TO A DECLARED LOCAL STATE OF EMERGENCY, IMPAIRMENT OF HEATING FACILITIES, INSUFFICIENCY OF WATER SUPPLY, SHORTAGE OF FUEL, LACK OF ELECTRICITY, OR THE DESTRUCTION OF A SCHOOL BUILDING EITHER IN WHOLE OR IN PART, AND IF, FURTHER, THE DISTRICT SUPERINTENDENT CERTIFIES THAT SUCH DISTRICT CANNOT MAKE UP SUCH DAYS OF INSTRUCTION BY USING FOR THE SECONDARY GRADES ALL SCHEDULED VACATION DAYS WHICH OCCUR PRIOR TO THE FIRST SCHEDULED REGENTS EXAMINATION DAY IN JUNE, AND FOR THE ELEMENTARY GRADES ALL SCHEDULED VACATION DAYS WHICH OCCUR PRIOR TO THE LAST SCHEDULED REGENTS EXAMINATION DAY IN JUNE; AND IF, FURTHER, THE DISTRICT SUPERINTENDENT CERTIFIES TO THE COMMISSIONER THAT TO DO SO WOULD IMPERIL STUDENTS, FACULTY AND STAFF WHILE REPAIRS CONTINUE. FOR THE PURPOSES OF THIS SUBDIVISION, "SCHEDULED VACATION DAYS" SHALL MEAN DAYS ON WHICH THE SCHOOLS OF THE DISTRICT ARE NOT IN SESSION AND FOR WHICH NO PROHIBITION EXISTS IN SUBDIVISION EIGHT OF THIS SECTION FOR THEM TO BE IN SESSION.

S 23. Section 3627 of the education law is REPEALED, and a new section 3627 is added to read as follows:

S 3627. TRANSPORTATION AFTER 4PM. 1. NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS SECTION TO THE CONTRARY, FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR, A CITY SCHOOL DISTRICT LOCATED IN A CITY HAVING A POPULATION OF ONE MILLION OR MORE PROVIDING TRANSPORTATION PURSUANT TO THIS CHAPTER SHALL BE RESPONSIBLE FOR:

(A) PROVIDING TRANSPORTATION FOR THOSE CHILDREN ATTENDING PUBLIC AND NONPUBLIC SCHOOLS IN GRADES KINDERGARTEN THROUGH SIX WHO REMAIN AT THE SAME SCHOOL FOR WHICH THEY ARE ENROLLED FOR REGULARLY SCHEDULED ACADEMIC CLASSES FROM HALF-PAST NINE O'CLOCK IN THE MORNING OR EARLIER UNTIL FOUR O'CLOCK IN THE AFTERNOON OR LATER, ON WEEKDAYS, AND RESIDE AT LEAST ONE MILE FROM THEIR SCHOOL OF ATTENDANCE FOR GRADES THREE THROUGH SIX, AND AT LEAST ONE-HALF MILE FROM THEIR SCHOOL OF ATTENDANCE FOR GRADES KINDERGARTEN THROUGH TWO OR

(B) REIMBURSING THE COST INCURRED BY LICENSED TRANSPORTATION CARRIERS PURSUANT TO CONTRACTS WITH SUCH SCHOOL DISTRICT FOR PROVIDING TRANSPORTATION FOR THOSE CHILDREN ATTENDING PUBLIC AND NONPUBLIC SCHOOLS IN GRADES KINDERGARTEN THROUGH SIX WHO REMAIN AT THE SAME SCHOOL FOR WHICH THEY ARE ENROLLED FOR REGULARLY SCHEDULED ACADEMIC CLASSES FROM HALF-PAST NINE O'CLOCK IN THE MORNING OR EARLIER UNTIL FOUR O'CLOCK IN THE AFTERNOON OR LATER, ON WEEKDAYS, AND RESIDE AT LEAST ONE MILE FROM THEIR SCHOOL OF ATTENDANCE FOR GRADES THREE THROUGH SIX, AND AT LEAST ONE-HALF MILE FROM THEIR SCHOOL OF ATTENDANCE FOR GRADES KINDERGARTEN THROUGH TWO.

2. NOTHING HEREIN SHALL PROHIBIT THE SCHOOL DISTRICT FROM REIMBURSING FOR COSTS INCURRED FOR CONTRACTS BETWEEN THE SCHOOL DISTRICT AND ANY ENTITY PROVIDING OR CONTRACTING FOR SUCH TRANSPORTATION SERVICE.

3. A DISTRICT SHALL NOT BE DEEMED TO HAVE SATISFIED ITS OBLIGATION UNDER THIS SECTION BY PROVIDING PUBLIC SERVICE TRANSPORTATION.

4. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, ANY EXPENDITURES FOR TRANSPORTATION PROVIDED PURSUANT TO THIS SECTION IN THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR AND OTHERWISE ELIGIBLE FOR TRANSPORTATION AID PURSUANT TO SUBDIVISION SEVEN OF SECTION THIRTY-SIX HUNDRED TWO OF THIS ARTICLE SHALL BE CONSIDERED APPROVED TRANSPORTATION EXPENSES ELIGIBLE FOR TRANSPORTATION AID, PROVIDED FURTHER THAT SUCH AID SHALL BE LIMITED TO FIVE MILLION SIX HUNDRED THOUSAND DOLLARS. AND PROVIDED FURTHER THAT SUCH EXPENDITURES ELIGIBLE FOR AID UNDER THIS SECTION SHALL SUPPLEMENT NOT SUPPLANT LOCAL EXPENDITURES FOR SUCH TRANSPORTATION IN THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR.

5. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION TO THE CONTRARY, IN NO EVENT SHALL SUCH CITY SCHOOL DISTRICT, IN ORDER TO COMPLY WITH THE REQUIREMENTS OF THIS SECTION, BE REQUIRED TO INCUR ANY COSTS IN EXCESS OF THE AMOUNT ELIGIBLE FOR TRANSPORTATION AID PURSUANT TO SUBDIVISION FOUR OF THIS SECTION. IN THE EVENT SUCH AMOUNT IS INSUFFICIENT, THE CITY SCHOOL DISTRICT OF NEW YORK SHALL PROVIDE TRANSPORTATION SERVICES WITHIN SUCH AMOUNT ON AN EQUITABLE BASIS, UNTIL SUCH APPORTIONMENT IS EXHAUSTED.

6. THE CHANCELLOR OF SUCH SCHOOL DISTRICT, IN CONSULTATION WITH THE COMMISSIONER, SHALL PRESCRIBE THE MOST COST EFFECTIVE SYSTEM FOR IMPLEMENTING THE REQUIREMENTS OF THIS SECTION, TAKING INTO CONSIDERATION: (A) THE COSTS ASSOCIATED WITH PARAGRAPHS (A) AND (B) OF SUBDIVISION ONE OF THIS SECTION, AND (B) POLICIES THAT ATTEMPT TO MAXIMIZE STUDENT SAFETY FOR THE STUDENT TO BE TRANSPORTED, WHICH FOR PURPOSES OF THIS SECTION SHALL INCLUDE WHETHER THE PICK UP OR DROP OFF SITE OF THE TRANSPORTATION IS:

(I) NOT FURTHER THAN 600 FEET FROM THE STUDENT'S RESIDENCE; AND/OR

(II) AT THE SAME LOCATIONS FOR ANY FAMILY THAT HAVE CHILDREN AT THE SAME RESIDENCE WHO ATTEND TWO OR MORE DIFFERENT SCHOOLS.

7. (A) IN THE EVENT THE CHANCELLOR HAS NOT SATISFIED A DISTRICT'S OBLIGATION UNDER THIS SECTION, A PARENT OR GUARDIAN OR ANY REPRESENTATIVE AUTHORIZED BY SUCH PARENT OR GUARDIAN OF A CHILD ELIGIBLE TO

RECEIVE TRANSPORTATION UNDER THIS SECTION MAY REQUEST THE COMMISSIONER TO ARRANGE FOR THE PROVISION OF THE TRANSPORTATION TO SO SATISFY THE REQUIREMENTS OF THIS SECTION.

(B) IF WITHIN SIXTY DAYS OF RECEIVING A REQUEST FROM SUCH A PARENT OR GUARDIAN OR ANY REPRESENTATIVE AUTHORIZED BY SUCH PARENT OR GUARDIAN, THE COMMISSIONER DETERMINES THAT THE CHANCELLOR HAS NOT SATISFIED A DISTRICT'S OBLIGATION UNDER THIS SECTION, THEN THE COMMISSIONER SHALL IMMEDIATELY DIRECT THE CHANCELLOR TO CONTRACT WITH A LICENSED TRANSPORTATION CARRIER TO PROVIDE THE TRANSPORTATION REQUIRED PURSUANT TO THIS SECTION.

(C) IN THE EVENT THE CHANCELLOR IS DIRECTED BY THE COMMISSIONER TO CONTRACT WITH A LICENSED TRANSPORTATION CARRIER TO PROVIDE THE TRANSPORTATION REQUIRED PURSUANT TO THIS SECTION, THE CHANCELLOR SHALL PROVIDE THE COMMISSIONER WITH A COPY OF SUCH PROPOSED CONTRACT, BEFORE IT BECOMES EFFECTIVE, AND THE COMMISSIONER SHALL HAVE THE POWER TO APPROVE, DISAPPROVE OR REQUIRE AMENDMENTS TO SUCH CONTRACT BEFORE IT SHALL BECOME EFFECTIVE.

(D) A DISTRICT, DETERMINED BY THE COMMISSIONER TO NOT BE IN COMPLIANCE WITH THE REQUIREMENTS OF THIS SECTION, SHALL BE RESPONSIBLE FOR THE COST OF ANY TRANSPORTATION CONTRACT AWARDED BY THE CHANCELLOR.

8. THE PARENT OR GUARDIAN, OR ANY REPRESENTATIVE AUTHORIZED BY SUCH PARENT OR GUARDIAN, MAY SUBMIT A WRITTEN REQUEST FOR TRANSPORTATION UNDER THIS SECTION, IN THE SAME MANNER AND UPON THE SAME DATES AS ARE REQUIRED FOR A REQUEST FOR TRANSPORTATION PURSUANT TO SUBDIVISION TWO OF SECTION THIRTY-SIX HUNDRED THIRTY-FIVE OF THIS ARTICLE.

S 23-a. Intentionally omitted.

S 23-b. Subdivision a of section 5 of chapter 121 of the laws of 1996, relating to authorizing the Roosevelt union free school district to finance deficits by the issuance of serial bonds, as amended by section 27-b of part A of chapter 57 of the laws of 2012, is amended to read as follows:

a. Notwithstanding any other provisions of law, upon application to the commissioner of education submitted not sooner than April first and not later than June thirtieth of the applicable school year, the Roosevelt union free school district shall be eligible to receive an apportionment pursuant to this chapter for salary expenses, including related benefits, incurred between April first and June thirtieth of such school year. Such apportionment shall not exceed: for the 1996-97 school year through the [2012-13] 2013-14 school year, four million dollars ($4,000,000); for the [2013-14] 2014-15 school year, three million dollars ($3,000,000); for the [2014-2015] 2015-16 school year, two million dollars ($2,000,000); for the [2015-16] 2016-17 school year, one million dollars ($1,000,000); and for the [2016-17] 2017-18 school year, zero dollars. Such annual application shall be made after the board of education has adopted a resolution to do so with the approval of the commissioner of education.

S 24. Subparagraphs (i) and (ii) of paragraph c of subdivision 11 of section 4410 of the education law, subparagraph (i) as amended by chapter 82 of the laws of 1995 and subparagraph (ii) as amended by chapter 205 of the laws of 2009, are amended to read as follows:

(i) Each municipality, or, in addition, in the case of a city of one million or more persons, the board, may perform a fiscal audit of such services or programs for which it bears fiscal responsibility in accordance with audit standards established by the commissioner, which may include site visitation. THE DEPARTMENT SHALL PROVIDE GUIDELINES ON STANDARDS AND PROCEDURES TO MUNICIPALITIES AND BOARDS, FOR FISCAL AUDITS

OF SERVICES OR PROGRAMS PURSUANT TO THIS SECTION. Prior to commencing a fiscal audit pursuant to this subparagraph, a municipality shall ascertain that neither the state nor any other municipality has performed a fiscal audit of the same services or programs within the current fiscal year for such program. If it is determined that no such audit has been performed, the municipality shall inquire with the department to determine which other municipalities, if any, bear financial responsibility for the services or programs to be audited and shall afford such other municipalities an opportunity to recommend issues to be examined through the audit. Municipalities completing audits pursuant to this subparagraph shall provide copies to the department, the provider of the services and programs and all other municipalities previously determined to bear financial responsibility for the audited services and programs. No other municipality may conduct an additional fiscal audit of the same services or programs during such current fiscal year for such program.

(ii) Payments made pursuant to this section by a municipality shall, upon conclusion of the July first to June thirtieth school year for which such payment was made, be subject to audit against the actual difference between such audited expenditures and revenues. The municipality shall submit the results of any such audit to the commissioner and the commissioner of social services, if appropriate, for review and, if warranted, adjustment of the tuition and/or maintenance rates. The municipality is authorized to recover overpayments made to a provider of special services or programs pursuant to this section as determined by the commissioner or the commissioner of health based upon their adjustment of a tuition and/or maintenance rate, PROVIDED THAT FOR PURPOSES OF MAKING SUCH ADJUSTMENT AND RECOVERY, THE MUNICIPALITY SHALL BE DEEMED TO HAVE PAID ONE HUNDRED PERCENT OF THE DISALLOWED COSTS. Such recovery may be accomplished by withholding such amount from any moneys due the provider in the current year, or by direct reimbursement. THE COMMISSIONER SHALL PROMULGATE RULES AND REGULATIONS NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS PARAGRAPH WITHIN SIXTY DAYS OF THE EFFECTIVE DATE OF THE CHAPTER OF THE LAWS OF TWO THOUSAND THIRTEEN WHICH AMENDED THIS SUBPARAGRAPH.

S 24-a. Notwithstanding any provision of the law to the contrary, for a school district with a penalty arising from the late filing of a final cost report pursuant to section 31 of part A of chapter 57 of the laws of 2012 where such penalty exceeds $4,000,000 and also exceeds 30 percent of such district's total general fund expenditures for 2010-11 school year, the commissioner shall recover such penalty in ten equal annual installments beginning the later of June 2014 or June of the school year in which such district is notified of the penalty. Provided further that such district may elect to make an initial payment no later than thirty days in advance of the first annual installment which shall reduce the amount of each annual installment.

S 25. Paragraph a-1 of subdivision 11 of section 3602 of the education law, as amended by section 7 of part A of chapter 57 of the laws of 2012, is amended to read as follows:

a-1. Notwithstanding the provisions of paragraph a of this subdivision, for aid payable in the school years two thousand--two thousand one through two thousand nine--two thousand ten, and two thousand eleven--two thousand twelve through two thousand [twelve] THIRTEEN--two thousand [thirteen] FOURTEEN, the commissioner may set aside an amount not to exceed two million five hundred thousand dollars from the funds appropriated for purposes of this subdivision for the purpose of serving persons twenty-one years of age or older who have not been enrolled in

any school for the preceding school year, including persons who have received a high school diploma or high school equivalency diploma but fail to demonstrate basic educational competencies as defined in regulation by the commissioner, when measured by accepted standardized tests, and who shall be eligible to attend employment preparation education programs operated pursuant to this subdivision.

S 25-a. Subdivision 8 of section 4401 of the education law, as amended by chapter 57 of the laws of 1993, is amended to read as follows:

8. "School district basic contribution" shall mean an amount equal to the total school district local property and non-property tax levy for the base year divided by the base year public school district enrollment of resident pupils of the school district as defined in paragraph n of subdivision one of section thirty-six hundred two of this chapter, EXCEPT THAT FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR, FOR SCHOOL DISTRICTS OTHER THAN CENTRAL HIGH SCHOOL DISTRICTS AND THEIR COMPONENTS, SUCH TAX LEVY FOR THE BASE YEAR SHALL BE DIVIDED BY THE YEAR PRIOR TO THE BASE YEAR PUPIL COUNT AS DETERMINED BY THE COMMISSIONER PURSUANT TO PARAGRAPH F OF SUBDIVISION TWO OF SECTION THIRTY-SIX HUNDRED TWO OF THIS CHAPTER FOR ANY SCHOOL DISTRICT IN WHICH SUCH YEAR PRIOR TO THE BASE YEAR PUPIL COUNT EXCEEDS ONE HUNDRED FIFTY PERCENT OF SUCH BASE YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT OF RESIDENT PUPILS.

S 26. Section 7 of chapter 472 of the laws of 1998 amending the education law relating to the lease of school buses by school districts, as amended by section 71 of part A of chapter 58 of the laws of 2011, is amended to read as follows:

S 7. This act shall take effect September 1, 1998, and shall expire and be deemed repealed September 1, [2013] 2015.

S 27. Subdivision b of section 2 of chapter 756 of the laws of 1992, relating to funding a program for work force education conducted by the consortium for worker education in New York city, as amended by section 13 of part A of chapter 57 of the laws of 2012, is amended to read as follows:

b. Reimbursement for programs approved in accordance with subdivision a of this section [for the 2009-10 school year shall not exceed 64.1 percent of the lesser of such approvable costs per contact hour or eleven dollars and fifty cents per contact hour, reimbursement] for the 2010--2011 school year shall not exceed 62.6 percent of the lesser of such approvable costs per contact hour or twelve dollars and five cents per contact hour, reimbursement for the 2011--2012 school year shall not exceed 62.9 percent of the lesser of such approvable costs per contact hour or twelve dollars and fifteen cents per contact hour, [and] reimbursement for the 2012--2013 school year shall not exceed 63.3 percent of the lesser of such approvable costs per contact hour or twelve dollars and thirty-five cents per contact hour, AND REIMBURSEMENT FOR THE 2013--2014 SCHOOL YEAR SHALL NOT EXCEED 62.3 PERCENT OF THE LESSER OF SUCH APPROVABLE COSTS PER CONTACT HOUR OR TWELVE DOLLARS AND SIXTY-FIVE CENTS PER CONTACT HOUR, where a contact hour represents sixty minutes of instruction services provided to an eligible adult. Notwithstanding any other provision of law to the contrary, [for the 2009-10 school year such contact hours shall not exceed one million seven hundred sixty--three thousand nine hundred seven (1,763,907) hours; whereas] for the 2010--2011 school year such contact hours shall not exceed one million five hundred twenty-five thousand one hundred ninety-eight (1,525,198) hours; whereas for the 2011--2012 school year such contact hours shall not exceed one million seven hundred one thousand five hundred seventy (1,701,570) hours; whereas for the 2012--2013

school year such contact hours shall not exceed one million six hundred sixty-four thousand five hundred thirty-two (1,664,532) hours; WHEREAS FOR THE 2013--2014 SCHOOL YEAR SUCH CONTACT HOURS SHALL NOT EXCEED ONE MILLION SIX HUNDRED FORTY-NINE THOUSAND SEVEN HUNDRED FORTY-SIX (1,649,746) HOURS. Notwithstanding any other provision of law to the contrary, the apportionment calculated for the city school district of the city of New York pursuant to subdivision 11 of section 3602 of the education law shall be computed as if such contact hours provided by the consortium for worker education, not to exceed the contact hours set forth herein, were eligible for aid in accordance with the provisions of such subdivision 11 of section 3602 of the education law.

S 28. Section 4 of chapter 756 of the laws of 1992, relating to funding a program for work force education conducted by the consortium for worker education in New York city, is amended by adding a new subdivision r to read as follows:

R. THE PROVISIONS OF THIS SUBDIVISION SHALL NOT APPLY AFTER THE COMPLETION OF PAYMENTS FOR THE 2013--2014 SCHOOL YEAR. NOTWITHSTANDING ANY INCONSISTENT PROVISIONS OF LAW, THE COMMISSIONER OF EDUCATION SHALL WITHHOLD A PORTION OF EMPLOYMENT PREPARATION EDUCATION AID DUE TO THE CITY SCHOOL DISTRICT OF THE CITY OF NEW YORK TO SUPPORT A PORTION OF THE COSTS OF THE WORK FORCE EDUCATION PROGRAM. SUCH MONEYS SHALL BE CREDITED TO THE ELEMENTARY AND SECONDARY EDUCATION FUND-LOCAL ASSISTANCE ACCOUNT AND SHALL NOT EXCEED THIRTEEN MILLION DOLLARS ($13,000,000).

S 29. Section 6 of chapter 756 of the laws of 1992, relating to funding a program for work force education conducted by the consortium for worker education in New York city, as amended by section 15 of part A of chapter 57 of the laws of 2012, is amended to read as follows:

S 6. This act shall take effect July 1, 1992, and shall be deemed repealed on June 30, [2013] 2014.

S 30. Subdivision 1 of section 167 of chapter 169 of the laws of 1994, relating to certain provisions related to the 1994-95 state operations, aid to localities, capital projects and debt service budgets, as amended by section 17 of part A of chapter 57 of the laws of 2012, is amended to read as follows:

1. Sections one through seventy of this act shall be deemed to have been in full force and effect as of April 1, 1994 provided, however, that sections one, two, twenty-four, twenty-five and twenty-seven through seventy of this act shall expire and be deemed repealed on March 31, 2000; provided, however, that section twenty of this act shall apply only to hearings commenced prior to September 1, 1994, and provided further that section twenty-six of this act shall expire and be deemed repealed on March 31, 1997; and provided further that sections four through fourteen, sixteen, and eighteen, nineteen and twenty-one through twenty-one-a of this act shall expire and be deemed repealed on March 31, 1997; and provided further that sections three, fifteen, seventeen, twenty, twenty-two and twenty-three of this act shall expire and be deemed repealed on March 31, [2014] 2015.

S 31. Subdivisions 22 and 24 of section 140 of chapter 82 of the laws of 1995, amending the education law and certain other laws relating to state aid to school districts and the appropriation of funds for the support of government, as amended by section 18 of part A of chapter 57 of the laws of 2012, are amended to read as follows:

(22) sections one hundred twelve, one hundred thirteen, one hundred fourteen, one hundred fifteen and one hundred sixteen of this act shall take effect on July 1, 1995; provided, however, that section one hundred

thirteen of this act shall remain in full force and effect until July 1, [2013] 2014 at which time it shall be deemed repealed;

(24) sections one hundred eighteen through one hundred thirty of this act shall be deemed to have been in full force and effect on and after July 1, 1995; provided further, however, that the amendments made pursuant to section one hundred nineteen of this act shall be deemed to be repealed on and after July 1, [2013] 2014;

S 32. Section 12 of chapter 147 of the laws of 2001, amending the education law relating to conditional appointment of school district, charter school or BOCES employees, as amended by section 20 of part A of chapter 57 of the laws of 2012, is amended to read as follows:

S 12. This act shall take effect on the same date as chapter 180 of the laws of 2000 takes effect, and shall expire July 1, [2013] 2014 when upon such date the provisions of this act shall be deemed repealed.

S 32-a. Subdivision 10 of section 6-p of the general municipal law, as amended by section 30-a of part A of chapter 57 of the laws of 2012, is amended to read as follows:

10. Notwithstanding any provision of law to the contrary, the governing board of a school district may, during the [two thousand twelve--two thousand thirteen] TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN school year, authorize a withdrawal from this fund in an amount not to exceed the lesser of: (a) the dollar value of excess funding in the fund as determined by the comptroller pursuant to section thirty-three of this chapter or (b) the amount of the school district's remaining gap elimination adjustment as calculated by the commissioner of education pursuant to subdivision seventeen of section thirty-six hundred two of the education law. Funds withdrawn pursuant to this subdivision may only be used for the purpose of maintaining educational programming during the [two thousand twelve--two thousand thirteen] TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN school year which otherwise would have been reduced as a result of such gap elimination adjustment. Governing boards which make such a withdrawal shall submit, in a form prescribed by the commissioner of education, relevant information about the withdrawal, which shall include but not be limited to, the amount of such withdrawal, the date of withdrawal, and the use of such withdrawn funds.

S 33. Section 4 of chapter 425 of the laws of 2002, amending the education law relating to the provision of supplemental educational services, attendance at a safe public school and the suspension of pupils who bring a firearm to or possess a firearm at a school, as amended by section 21 of part A of chapter 57 of the laws of 2012, is amended to read as follows:

S 4. This act shall take effect July 1, 2002 and shall expire and be deemed repealed June 30, [2013] 2014.

S 34. Section 5 of chapter 101 of the laws of 2003, amending the education law relating to implementation of the No Child Left Behind Act of 2001, as amended by section 22 of part A of chapter 57 of the laws of 2012, is amended to read as follows:

S 5. This act shall take effect immediately; provided that sections one, two and three of this act shall expire and be deemed repealed on June 30, [2013] 2014.

S 35. School bus driver training. In addition to apportionments otherwise provided by section 3602 of the education law, for aid payable in the 2013--2014 school year, the commissioner of education shall allocate school bus driver training grants to school districts and boards of cooperative education services pursuant to sections 3650-a, 3650-b and 3650-c of the education law, or for contracts directly with not-for-pro-

fit educational organizations for the purposes of this section. Such payments shall not exceed four hundred thousand dollars ($400,000) per school year.

S 36. Support of public libraries. The moneys appropriated for the support of public libraries by the chapter of the laws of 2013 enacting the aid to localities budget shall be apportioned for the 2013--2014 state fiscal year in accordance with the provisions of sections 271, 272, 273, 282, 284, and 285 of the education law as amended by the provisions of this chapter and the provisions of this act, provided that library construction aid pursuant to section 273-a of the education law shall not be payable from the appropriations for the support of public libraries and provided further that no library, library system or program, as defined by the commissioner of education, shall receive less total system or program aid than it received for the year 2001--2002 except as a result of a reduction adjustment necessary to conform to the appropriations for support of public libraries.

Notwithstanding any other provision of law to the contrary the moneys appropriated for the support of public libraries for the year 2013--2014 by a chapter of the laws of 2013 enacting the aid to localities budget shall fulfill the state's obligation to provide such aid and, pursuant to a plan developed by the commissioner of education and approved by the director of the budget, the aid payable to libraries and library systems pursuant to such appropriations shall be reduced proportionately to assure that the total amount of aid payable does not exceed the total appropriations for such purpose.

S 37. Special apportionment for salary expenses. a. Notwithstanding any other provision of law, upon application to the commissioner of education, not sooner than the first day of the second full business week of June, 2014 and not later than the last day of the third full business week of June, 2014, a school district eligible for an apportionment pursuant to section 3602 of the education law shall be eligible to receive an apportionment pursuant to this section, for the school year ending June 30, 2014, for salary expenses incurred between April 1 and June 30, 2014 and such apportionment shall not exceed the sum of (i) the deficit reduction assessment of 1990--1991 as determined by the commissioner of education, pursuant to paragraph f of subdivision 1 of section 3602 of the education law, as in effect through June 30, 1993, plus (ii) 186 percent of such amount for a city school district in a city with a population in excess of 1,000,000 inhabitants, plus (iii) 209 percent of such amount for a city school district in a city with a population of more than 195,000 inhabitants and less than 219,000 inhabitants according to the latest federal census, plus (iv) the net gap elimination adjustment for 2010--2011, as determined by the commissioner of education pursuant to chapter 53 of the laws of 2010, plus (v) the gap elimination adjustment for 2011--2012 as determined by the commissioner of education pursuant to subdivision 17 of section 3602 of the education law, and provided further that such apportionment shall not exceed such salary expenses. Such application shall be made by a school district, after the board of education or trustees have adopted a resolution to do so and in the case of a city school district in a city with a population in excess of 125,000 inhabitants, with the approval of the mayor of such city.

b. The claim for an apportionment to be paid to a school district pursuant to subdivision a of this section shall be submitted to the commissioner of education on a form prescribed for such purpose, and shall be payable upon determination by such commissioner that the form

has been submitted as prescribed. Such approved amounts shall be payable on the same day in September of the school year following the year in which application was made as funds provided pursuant to subparagraph (4) of paragraph b of subdivision 4 of section 92-c of the state finance law, on the audit and warrant of the state comptroller on vouchers certified or approved by the commissioner of education in the manner prescribed by law from moneys in the state lottery fund and from the general fund to the extent that the amount paid to a school district pursuant to this section exceeds the amount, if any, due such school district pursuant to subparagraph (2) of paragraph a of subdivision 1 of section 3609-a of the education law in the school year following the year in which application was made.

c. Notwithstanding the provisions of section 3609-a of the education law, an amount equal to the amount paid to a school district pursuant to subdivisions a and b of this section shall first be deducted from the following payments due the school district during the school year following the year in which application was made pursuant to subparagraphs (1), (2), (3), (4) and (5) of paragraph a of subdivision 1 of section 3609-a of the education law in the following order: the lottery apportionment payable pursuant to subparagraph (2) of such paragraph followed by the fixed fall payments payable pursuant to subparagraph (4) of such paragraph and then followed by the district's payments to the teachers' retirement system pursuant to subparagraph (1) of such paragraph, and any remainder to be deducted from the individualized payments due the district pursuant to paragraph b of such subdivision shall be deducted on a chronological basis starting with the earliest payment due the district.

S 38. Special apportionment for public pension accruals. a. Notwithstanding any other provision of law, upon application to the commissioner of education, not later than June 30, 2014, a school district eligible for an apportionment pursuant to section 3602 of the education law shall be eligible to receive an apportionment pursuant to this section, for the school year ending June 30, 2014 and such apportionment shall not exceed the additional accruals required to be made by school districts in the 2004--2005 and 2005--2006 school years associated with changes for such public pension liabilities. The amount of such additional accrual shall be certified to the commissioner of education by the president of the board of education or the trustees or, in the case of a city school district in a city with a population in excess of 125,000 inhabitants, the mayor of such city. Such application shall be made by a school district, after the board of education or trustees have adopted a resolution to do so and in the case of a city school district in a city with a population in excess of 125,000 inhabitants, with the approval of the mayor of such city.

b. The claim for an apportionment to be paid to a school district pursuant to subdivision a of this section shall be submitted to the commissioner of education on a form prescribed for such purpose, and shall be payable upon determination by such commissioner that the form has been submitted as prescribed. Such approved amounts shall be payable on the same day in September of the school year following the year in which application was made as funds provided pursuant to subparagraph (4) of paragraph b of subdivision 4 of section 92-c of the state finance law, on the audit and warrant of the state comptroller on vouchers certified or approved by the commissioner of education in the manner prescribed by law from moneys in the state lottery fund and from the general fund to the extent that the amount paid to a school district

pursuant to this section exceeds the amount, if any, due such school district pursuant to subparagraph (2) of paragraph a of subdivision 1 of section 3609-a of the education law in the school year following the year in which application was made.

c. Notwithstanding the provisions of section 3609-a of the education law, an amount equal to the amount paid to a school district pursuant to subdivisions a and b of this section shall first be deducted from the following payments due the school district during the school year following the year in which application was made pursuant to subparagraphs (1), (2), (3), (4) and (5) of paragraph a of subdivision 1 of section 3609-a of the education law in the following order: the lottery apportionment payable pursuant to subparagraph (2) of such paragraph followed by the fixed fall payments payable pursuant to subparagraph (4) of such paragraph and then followed by the district's payments to the teachers' retirement system pursuant to subparagraph (1) of such paragraph, and any remainder to be deducted from the individualized payments due the district pursuant to paragraph b of such subdivision shall be deducted on a chronological basis starting with the earliest payment due the district.

S 39. a. Notwithstanding any other law, rule or regulation to the contrary, any moneys appropriated to the state education department may be suballocated to other state departments or agencies, as needed, to accomplish the intent of the specific appropriations contained therein.

b. Notwithstanding any other law, rule or regulation to the contrary, moneys appropriated to the state education department from the general fund/aid to localities, local assistance account-001, shall be for payment of financial assistance, as scheduled, net of disallowances, refunds, reimbursement and credits.

c. Notwithstanding any other law, rule or regulation to the contrary, all moneys appropriated to the state education department for aid to localities shall be available for payment of aid heretofore or hereafter to accrue and may be suballocated to other departments and agencies to accomplish the intent of the specific appropriations contained therein.

d. Notwithstanding any other law, rule or regulation to the contrary, moneys appropriated to the state education department for general support for public schools may be interchanged with any other item of appropriation for general support for public schools within the general fund local assistance account office of prekindergarten through grade twelve education programs.

S 40. Notwithstanding the provision of any law, rule, or regulation to the contrary, the city school district of the city of Rochester, upon the consent of the board of cooperative educational services of the supervisory district serving its geographic region may purchase from such board for the 2013--2014 school year, as a non-component school district, services required by article 19 of the education law.

S 41. The amounts specified in this section shall be a setaside from the state funds which each such district is receiving from the total foundation aid:

a. for the purpose of the development, maintenance or expansion of magnet schools or magnet school programs for the 2013--2014 school year. To the city school district of the city of New York there shall be paid forty-eight million one hundred seventy-five thousand dollars ($48,175,000) including five hundred thousand dollars ($500,000) for the Andrew Jackson High School; to the Buffalo city school district, twenty-one million twenty-five thousand dollars ($21,025,000); to the Rochester city school district, fifteen million dollars ($15,000,000);

to the Syracuse city school district, thirteen million dollars ($13,000,000); to the Yonkers city school district, forty-nine million five hundred thousand dollars ($49,500,000); to the Newburgh city school district, four million six hundred forty-five thousand dollars ($4,645,000); to the Poughkeepsie city school district, two million four hundred seventy-five thousand dollars ($2,475,000); to the Mount Vernon city school district, two million dollars ($2,000,000); to the New Rochelle city school district, one million four hundred ten thousand dollars ($1,410,000); to the Schenectady city school district, one million eight hundred thousand dollars ($1,800,000); to the Port Chester city school district, one million one hundred fifty thousand dollars ($1,150,000); to the White Plains city school district, nine hundred thousand dollars ($900,000); to the Niagara Falls city school district, six hundred thousand dollars ($600,000); to the Albany city school district, three million five hundred fifty thousand dollars ($3,550,000); to the Utica city school district, two million dollars ($2,000,000); to the Beacon city school district, five hundred sixty-six thousand dollars ($566,000); to the Middletown city school district, four hundred thousand dollars ($400,000); to the Freeport union free school district, four hundred thousand dollars ($400,000); to the Greenburgh central school district, three hundred thousand dollars ($300,000); to the Amsterdam city school district, eight hundred thousand dollars ($800,000); to the Peekskill city school district, two hundred thousand dollars ($200,000); and to the Hudson city school district, four hundred thousand dollars ($400,000).

b. notwithstanding the provisions of subdivision a of this section, a school district receiving a grant pursuant to this section may use such grant funds for: (i) any instructional or instructional support costs associated with the operation of a magnet school; or (ii) any instructional or instructional support costs associated with implementation of an alternative approach to reduction of racial isolation and/or enhancement of the instructional program and raising of standards in elementary and secondary schools of school districts having substantial concentrations of minority students. The commissioner of education shall not be authorized to withhold magnet grant funds from a school district that used such funds in accordance with this paragraph, notwithstanding any inconsistency with a request for proposals issued by such commissioner.

c. for the purpose of attendance improvement and dropout prevention for the 2013--2014 school year, for any city school district in a city having a population of more than one million, the setaside for attendance improvement and dropout prevention shall equal the amount set aside in the base year. For the 2013--2014 school year, it is further provided that any city school district in a city having a population of more than one million shall allocate at least one-third of any increase from base year levels in funds set aside pursuant to the requirements of this subdivision to community-based organizations. Any increase required pursuant to this subdivision to community-based organizations must be in addition to allocations provided to community-based organizations in the base year.

d. for the purpose of teacher support for the 2013--2014 school year: to the city school district of the city of New York, sixty-two million seven hundred seven thousand dollars ($62,707,000); to the Buffalo city school district, one million seven hundred forty-one thousand dollars ($1,741,000); to the Rochester city school district, one million seventy-six thousand dollars ($1,076,000); to the Yonkers city school district, one million one hundred forty-seven thousand dollars

($1,147,000); and to the Syracuse city school district, eight hundred nine thousand dollars ($809,000). All funds made available to a school district pursuant to this subdivision shall be distributed among teachers including prekindergarten teachers and teachers of adult vocational and academic subjects in accordance with this subdivision and shall be in addition to salaries heretofore or hereafter negotiated or made available; provided, however, that all funds distributed pursuant to this section for the current year shall be deemed to incorporate all funds distributed pursuant to former subdivision 27 of section 3602 of the education law for prior years. In school districts where the teachers are represented by certified or recognized employee organizations, all salary increases funded pursuant to this section shall be determined by separate collective negotiations conducted pursuant to the provisions and procedures of article 14 of the civil service law, notwithstanding the existence of a negotiated agreement between a school district and a certified or recognized employee organization.

S 42. Severability. The provisions of this act shall be severable, and if the application of any clause, sentence, paragraph, subdivision, section or part of this act to any person or circumstance shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not necessarily affect, impair or invalidate the application of any such clause, sentence, paragraph, subdivision, section, part of this act or remainder thereof, as the case may be, to any other person or circumstance, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

S 43. This act shall take effect immediately, and shall be deemed to have been in full force and effect on and after April 1, 2013, provided, however, that:

1. Section five of this act shall take effect immediately and shall be deemed to have been in full force and effect on and after July 1, 2010; provided, further, that the amendments to subdivision 1 of section 2856 of the education law made by section five of this act shall be subject to the expiration and reversion of such subdivision pursuant to section 27 of chapter 378 of the laws of 2007, as amended, when upon such date the provisions of section six of this act shall take effect;

2. Section seven-a of this act shall expire and be deemed repealed May 1, 2014; provided that the expiration and repeal of such section shall not affect the duration of any annual professional performance review plan implemented on or before the expiration and repeal of such section or the ability of school districts and collective bargaining representatives representing classroom teachers and building principals to enter into a new or amended agreement pursuant to section 3012-c of the education law;

3. Section nine of this act shall take effect July 1, 2014;

4. Sections one, eight-a, eleven, twelve, fourteen, fifteen, nineteen, twenty-one, twenty-three, twenty-five, twenty-seven, twenty-eight, thirty-two-a, thirty-five and forty-one of this act shall take effect July 1, 2013;

5. The amendments to section 2590-h of the education law made by section twenty-a of this act shall not affect the expiration of such section and shall be deemed to expire therewith;

6. The amendments to subdivision 6 of section 4402 of the education law made by section twenty-one of this act shall not affect the repeal of such subdivision and shall be deemed repealed therewith;

7. The amendments to chapter 756 of the laws of 1992, relating to funding a program for work force education conducted by a consortium for worker education in New York city, made by sections twenty-seven and twenty-eight of this act shall not affect the repeal of such chapter and shall be deemed repealed therewith;

8. Section thirty-nine of this act shall expire and be deemed repealed June 30, 2014; and

9. Section eighteen of this act shall be deemed to have been in full force and effect on and after July 1, 2012.

PART B

Section 1. Section 350 of the education law is amended by adding four new subdivisions 10, 11, 12 and 13 to read as follows:

10. "DORMITORY FACILITIES REVENUE FUND" MEANS THE FUND ESTABLISHED PURSUANT TO SECTION SIXTEEN HUNDRED EIGHTY-Q OF THE PUBLIC AUTHORITIES LAW.

11. "DORMITORY FACILITIES REVENUES" MEANS ALL MONEYS, INCLUDING RENTS, FEES AND CHARGES, DERIVED FROM THE USE OR OCCUPANCY OF DORMITORY FACILITIES.

12. "DORMITORY FACILITY" MEANS A DORMITORY, AS SUCH TERM IS DEFINED IN PARAGRAPH (A) OF SUBDIVISION TWO OF SECTION SIXTEEN HUNDRED SEVENTY-SIX OF THE PUBLIC AUTHORITIES LAW.

13. "DORMITORY FACILITY REVENUE BOND" MEANS ANY NOTE OR BOND OF THE DORMITORY AUTHORITY (I) ISSUED ON OR AFTER THE FIRST DAY OF APRIL, TWO THOUSAND THIRTEEN FOR THE PURPOSES OF FINANCING DORMITORY FACILITIES OR REFINANCING NOTES OR BONDS PREVIOUSLY ISSUED IN CONNECTION WITH DORMITORY FACILITIES, INCLUDING NOTES OR BONDS ISSUED TO PAY COSTS INCURRED IN CONNECTION WITH THE ISSUANCE OF SUCH NOTES OR BONDS, TO FUND ANY RESERVE FOR THE PAYMENT OF DEBT SERVICE ON SUCH BONDS OR NOTES, TO FUND ANY RESERVE ESTABLISHED FOR THE IMPROVEMENT, REPAIR, MAINTENANCE OR OPERATIONS OF DORMITORY FACILITIES, OR TO PAY OR PROVIDE FOR THE PAYMENT OF ANY NOTE OR BOND PREVIOUSLY ISSUED FOR ANY SUCH PURPOSE, AND (II) IS PAYABLE FROM MONEYS ON DEPOSIT IN THE DORMITORY FACILITIES REVENUE FUND AND IS NOT PAYABLE FROM ANY REVENUE OF THE STATE.

S 2. Subdivision 2 of section 355 of the education law is amended by adding a new paragraph y to read as follows:

Y. TO BETTER SECURE DORMITORY AUTHORITY BONDS ISSUED IN CONNECTION WITH DORMITORY FACILITIES, INCLUDING DORMITORY FACILITY REVENUE BONDS, THE STATE UNIVERSITY OF NEW YORK IS HEREBY AUTHORIZED, IN ITS OWN NAME, TO ASSIGN OR OTHERWISE TRANSFER TO THE DORMITORY AUTHORITY ANY OR ALL OF THE STATE UNIVERSITY'S RIGHTS, TITLE AND INTEREST IN AND TO THE DORMITORY FACILITY REVENUES, AND TO ENTER INTO AGREEMENTS WITH THE DORMITORY AUTHORITY PURSUANT TO SUBDIVISION TWO OF SECTION SIXTEEN HUNDRED EIGHTY-Q OF THE PUBLIC AUTHORITIES LAW IN FURTHERANCE OF SUCH ASSIGNMENT OR TRANSFER. ANY ASSIGNMENT OR TRANSFER MADE PURSUANT TO THIS PARAGRAPH SHALL CONSTITUTE A TRUE SALE AND ABSOLUTE TRANSFER OF THE DORMITORY FACILITIES REVENUES. THE CHARACTERIZATION OF SUCH ASSIGNMENT OR TRANSFER SHALL NOT BE NEGATED OR ADVERSELY AFFECTED BY THE RETENTION BY THE STATE UNIVERSITY OF NEW YORK OF ANY OWNERSHIP INTEREST IN THE DORMITORY FACILITIES REVENUES OR OF ANY RESIDUAL RIGHT TO PAYMENT OF ANY DORMITORY FACILITY REVENUES REMAINING IN THE DORMITORY FACILITIES REVENUE FUND AFTER THE MONEYS THEREIN HAVE BEEN APPLIED IN ACCORDANCE WITH PARAGRAPH (B) OF SUBDIVISION THREE OF SECTION SIXTEEN HUNDRED EIGHTY-Q OF THE PUBLIC AUTHORITIES LAW. ALL RIGHTS, TITLE AND INTEREST IN AND TO ANY MONEYS PAID TO OR UPON THE ORDER OF THE STATE UNIVERSITY OF NEW YORK

PURSUANT TO ANY AGREEMENT BY AND BETWEEN THE DORMITORY AUTHORITY AND THE STATE UNIVERSITY OF NEW YORK ENTERED INTO PURSUANT TO SUBDIVISION TWO OF SECTION SIXTEEN HUNDRED EIGHTY-Q OF THE PUBLIC AUTHORITIES LAW OR PURSUANT TO ANY AGREEMENT ENTERED INTO PURSUANT TO PARAGRAPH J OF SUBDIVISION TWO OF SECTION SIXTEEN HUNDRED EIGHTY OF THE PUBLIC AUTHORITIES LAW SHALL VEST IN THE STATE UNIVERSITY OF NEW YORK AND BE THE ABSOLUTE PROPERTY OF THE STATE UNIVERSITY OF NEW YORK, AND THE DORMITORY AUTHORITY SHALL NO LONGER HAVE ANY INTEREST IN SUCH MONEYS.

S 3. Subdivision 8 of section 355 of the education law, as amended by chapter 553 of the laws of 1985, is amended to read as follows:

8. [All] EXCEPT AS OTHERWISE PROVIDED HEREIN, ALL moneys received by the state university of New York and by state-operated institutions thereof from appropriations, tuition, fees, user charges, sales of products and services and from all other sources, including sources and activities of the state university which are intended by law to be self-supporting may be credited to an appropriate fund or funds to be designated by the state comptroller. The amounts so paid into such fund or funds which were received by or for the state university shall be used for expenses of the state university in carrying out any of its objects and purposes and such amounts received by or for state-operated institutions of the state university shall be used for expenses of the state university under regulations prescribed by the state university trustees. NOTWITHSTANDING THE FOREGOING PROVISIONS OF THIS SUBDIVISION, ALL DORMITORY FACILITIES REVENUES TRANSFERRED TO THE DORMITORY AUTHORITY BY ASSIGNMENT OR OTHERWISE PURSUANT TO PARAGRAPH Y OF SUBDIVISION TWO OF THIS SECTION SHALL UPON RECEIPT BY THE STATE UNIVERSITY ACTING AS AGENT FOR THE DORMITORY AUTHORITY BE TRANSFERRED AND IMMEDIATELY PAID WITHOUT APPROPRIATION THEREOF TO THE COMMISSIONER OF TAXATION AND FINANCE PURSUANT TO SUBDIVISION FOUR OF SECTION FOUR OF THE STATE FINANCE LAW FOR DEPOSIT TO THE DORMITORY FACILITIES REVENUE FUND.

S 4. The public authorities law is amended by adding a new section 1680-q to read as follows:

S 1680-Q. STATE UNIVERSITY OF NEW YORK DORMITORY FACILITIES. 1. AS USED IN OR REFERRED TO IN THIS SECTION, UNLESS A DIFFERENT MEANING APPEARS FROM THE CONTEXT, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING RESPECTIVE MEANINGS:

(A) "AGREEMENT" MEANS AN AGREEMENT BY AND BETWEEN THE AUTHORITY AND THE STATE UNIVERSITY ENTERED INTO PURSUANT TO THIS SECTION.

(B) "DORMITORY FACILITIES REVENUE FUND" MEANS THE FUND ESTABLISHED PURSUANT TO SUBDIVISION THREE OF THIS SECTION.

(C) "DORMITORY FACILITIES REVENUES" MEANS ALL MONEYS, INCLUDING RENTS, FEES AND CHARGES, DERIVED FROM THE USE OR OCCUPANCY OF DORMITORY FACILITIES.

(D) "DORMITORY FACILITY" MEANS A DORMITORY, AS SUCH TERM IS DEFINED IN PARAGRAPH (A) OF SUBDIVISION TWO OF SECTION SIXTEEN HUNDRED SEVENTY-SIX OF THIS TITLE.

(E) "DORMITORY FACILITY REVENUE BOND" MEANS ANY NOTE OR BOND OF THE AUTHORITY (I) ISSUED ON OR AFTER THE FIRST DAY OF APRIL, TWO THOUSAND THIRTEEN FOR THE PURPOSES OF FINANCING DORMITORY FACILITIES OR REFINANCING NOTES OR BONDS ISSUED PREVIOUSLY IN CONNECTION WITH DORMITORY FACILITIES, INCLUDING NOTES OR BONDS ISSUED TO PAY COSTS INCURRED IN CONNECTION WITH THE ISSUANCE OF SUCH NOTES OR BONDS, TO FUND ANY RESERVE FOR THE PAYMENT OF DEBT SERVICE ON SUCH BONDS, TO FUND ANY RESERVE ESTABLISHED FOR THE IMPROVEMENT, REPAIR, MAINTENANCE OR OPERATIONS OF DORMITORY FACILITIES, OR TO PAY OR PROVIDE FOR THE PAYMENT OF ANY NOTE OR BOND PREVIOUSLY ISSUED FOR ANY SUCH PURPOSE, AND (II) IS PAYABLE FROM

MONEYS ON DEPOSIT IN THE DORMITORY FACILITIES REVENUE FUND AND IS NOT PAYABLE FROM ANY REVENUE OF THE STATE.

(F) "PRIOR DORMITORY FACILITY BOND" MEANS ANY NOTE OR BOND OF THE AUTHORITY ISSUED PRIOR TO APRIL FIRST, TWO THOUSAND THIRTEEN IN CONNECTION WITH DORMITORY FACILITIES.

(G) "STATE UNIVERSITY" MEANS THE STATE UNIVERSITY OF NEW YORK, A CORPORATION WITHIN THE STATE EDUCATION DEPARTMENT AND WITHIN THE UNIVERSITY OF THE STATE OF NEW YORK CREATED BY SECTION THREE HUNDRED FIFTY-TWO OF THE EDUCATION LAW.

2. THE AUTHORITY MAY, FROM AND AFTER APRIL FIRST, TWO THOUSAND THIRTEEN, ISSUE DORMITORY FACILITY REVENUE BONDS IN AN AMOUNT NOT TO EXCEED NINE HUNDRED FORTY-FOUR MILLION DOLLARS. NOTWITHSTANDING ANY OTHER RULE OR LAW, SUCH BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR THE STATE UNIVERSITY NOR SHALL THE STATE OR THE STATE UNIVERSITY BE LIABLE THEREON, NOR SHALL THEY BE PAYABLE OUT OF ANY FUNDS OTHER THAN THOSE OF THE AUTHORITY CONSTITUTING DORMITORY FACILITIES REVENUES. SUCH AMOUNT SHALL BE EXCLUSIVE OF BONDS AND NOTES ISSUED TO FUND ANY RESERVE FUND OR FUNDS, COST OF ISSUANCE, ORIGINAL ISSUE PREMIUM, AND TO REFUND ANY PRIOR DORMITORY FACILITY BONDS OR ANY DORMITORY FACILITY REVENUE BONDS. THE AUTHORITY AND THE STATE UNIVERSITY ARE HEREBY AUTHORIZED TO ENTER INTO AGREEMENTS RELATING TO, AMONG OTHER THINGS, THE ACQUISITION OF PROPERTY OR INTERESTS THEREIN, THE CONSTRUCTION, RECONSTRUCTION, REHABILITATION, IMPROVEMENT, EQUIPPING AND FURNISHING OF DORMITORY FACILITIES, THE OPERATION AND MAINTENANCE OF DORMITORY FACILITIES, AND THE BILLING, COLLECTION AND DISBURSEMENT OF DORMITORY FACILITIES REVENUES, THE TITLE TO WHICH HAS BEEN CONVEYED, ASSIGNED OR OTHERWISE TRANSFERRED TO THE AUTHORITY PURSUANT TO PARAGRAPH Y OF SUBDIVISION TWO OF SECTION THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW. IN NO EVENT SHALL THE STATE UNIVERSITY HAVE ANY OBLIGATION UNDER THE AGREEMENT TO MAKE PAYMENT WITH RESPECT TO, ON ACCOUNT OF OR TO PAY DORMITORY FACILITIES REVENUE BONDS, AND SUCH BONDS SHALL BE PAYABLE SOLELY FROM THE DORMITORY FACILITIES REVENUES ASSIGNED TO THE AUTHORITY BY THE STATE UNIVERSITY. NO DEBT SHALL BE CONTRACTED EXCEPT TO FINANCE CAPITAL WORKS OR PURPOSES. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, DORMITORY FACILITY REVENUES SHALL NOT BE DEEMED TO BE REVENUES OF THE STATE. NOTWITHSTANDING ANY OTHER RULE OR LAW, THE STATE SHALL NOT BE LIABLE FOR ANY PAYMENTS ON ANY DORMITORY FACILITY REVENUE BONDS, AND SUCH BONDS SHALL NOT BE A DEBT OF THE STATE AND SHALL NOT BE PAYABLE OUT OF ANY FUNDS OTHER THAN THE DORMITORY FACILITIES REVENUES ASSIGNED TO THE AUTHORITY BY THE STATE UNIVERSITY.

3. (A) THERE IS HEREBY ESTABLISHED IN THE CUSTODY OF THE COMMISSIONER OF TAXATION AND FINANCE A SPECIAL FUND TO BE KNOWN AS THE DORMITORY FACILITIES REVENUE FUND. SUCH FUND SHALL CONSIST OF ALL DORMITORY FACILITIES REVENUES CONVEYED, ASSIGNED OR OTHERWISE TRANSFERRED TO THE AUTHORITY PURSUANT TO PARAGRAPH Y OF SUBDIVISION TWO OF SECTION THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW, WHICH UPON RECEIPT BY THE COMMISSIONER OF TAXATION AND FINANCE SHALL BE DEPOSITED IN SUCH FUND AND HELD BY THE COMMISSIONER OF TAXATION AND FINANCE PURSUANT TO SUBDIVISION FOUR OF SECTION FOUR OF THE STATE FINANCE LAW. THE MONEYS IN THE FUND SHALL BE THE SOLE AND EXCLUSIVE PROPERTY OF THE AUTHORITY. THE MONEYS HELD IN THE FUND SHALL BE HELD SEPARATE AND APART FROM AND NOT COMMINGLED WITH ANY MONEYS OF THE STATE OR ANY OTHER MONEYS IN THE CUSTODY OF THE COMMISSIONER OF TAXATION AND FINANCE. ALL DEPOSITS OF MONEYS SHALL, IF REQUIRED BY THE COMMISSIONER OF TAXATION AND FINANCE, BE SECURED BY OBLIGATIONS OF THE UNITED STATES OF AMERICA OR OF THE STATE HAVING A MARKET VALUE EQUAL AT ALL TIMES TO THE AMOUNT OF SUCH DEPOSITS AND ALL

BANKS AND TRUST COMPANIES ARE AUTHORIZED TO GIVE SECURITY FOR SUCH DEPOSITS. ANY MONEYS IN SUCH FUND MAY, IN THE DISCRETION OF THE COMMISSIONER OF TAXATION AND FINANCE, BE INVESTED IN OBLIGATIONS DESCRIBED IN SECTION NINETY-EIGHT OF THE STATE FINANCE LAW. THE COMMISSIONER OF TAXATION AND FINANCE SHALL CERTIFY TO THE AUTHORITY AND THE STATE UNIVERSITY NOT LATER THAN THE FIFTEENTH DAY OF EACH MONTH THE AMOUNT OF DORMITORY FACILITIES REVENUES DEPOSITED IN THE FUND DURING THE PRECEDING CALENDAR MONTH AND THE AMOUNT HELD IN THE FUND AS OF THE LAST DAY OF SUCH PRECEDING CALENDAR MONTH.

(B) DURING EACH TWELVE MONTH PERIOD COMMENCING JULY FIRST OF A CALENDAR YEAR AND ENDING ON JUNE THIRTIETH OF THE SUCCEEDING CALENDAR YEAR, THE COMMISSIONER OF TAXATION AND FINANCE SHALL PAY, WITHOUT APPROPRIATION, TO OR UPON THE ORDER OF THE AUTHORITY FROM THE MONEYS IN THE FUND THE AMOUNT CERTIFIED TO THE COMMISSIONER OF TAXATION AND FINANCE BY THE AUTHORITY PURSUANT TO PARAGRAPH (C) OF THIS SUBDIVISION. ANY MONEYS REMAINING IN THE FUND AFTER PAYMENT TO THE AUTHORITY OF THE AMOUNT SO CERTIFIED SHALL BE PAID BY THE COMMISSIONER OF TAXATION AND FINANCE IN ACCORDANCE WITH THE AGREEMENT. ALL RIGHTS, TITLE AND INTEREST IN AND TO ANY MONEYS PAID TO OR UPON THE ORDER OF THE STATE UNIVERSITY PURSUANT TO THE AGREEMENT SHALL VEST IN THE STATE UNIVERSITY AND BE THE ABSOLUTE PROPERTY OF THE STATE UNIVERSITY, AND THE AUTHORITY SHALL NO LONGER HAVE ANY INTEREST IN SUCH MONEYS.

(C) THE AUTHORITY SHALL, NOT LATER THAN BY THE FIRST DAY OF JUNE OF EACH CALENDAR YEAR, CERTIFY TO THE COMMISSIONER OF TAXATION AND FINANCE AND TO THE STATE UNIVERSITY: (I) THE AMOUNT OF THE RENTALS, INCLUDING THE AMOUNTS REQUIRED FOR PAYMENT OF THE PRINCIPAL OF, AND INTEREST ON PRIOR DORMITORY FACILITY BONDS REQUIRED TO BE MADE BY THE STATE UNIVERSITY TO THE AUTHORITY DURING THE TWELVE MONTH PERIOD COMMENCING ON THE SUCCEEDING JULY FIRST AND ENDING ON THE SUCCEEDING JUNE THIRTIETH PURSUANT TO THE AGREEMENT BETWEEN THE AUTHORITY AND THE STATE UNIVERSITY, DATED AS OF THE TWENTIETH DAY OF SEPTEMBER, NINETEEN HUNDRED NINETY-FIVE, AS AMENDED AND RESTATED; (II) THE AMOUNT REQUIRED TO MAINTAIN ANY RESERVES FOR THE REPAIR AND REPLACEMENT OF DORMITORY FACILITIES OR THE OPERATIONS AND MAINTENANCE OF DORMITORY FACILITIES IN CONNECTION WITH THE PRIOR DORMITORY FACILITY BONDS; (III) THE AMOUNT REQUIRED FOR PAYMENT OF THE PRINCIPAL OF, WHETHER AT MATURITY OR DUE THROUGH MANDATORY REDEMPTION, AND INTEREST ON DORMITORY FACILITY REVENUE BONDS PAYABLE ON JANUARY FIRST OF SUCH TWELVE MONTH PERIOD AND ON JULY FIRST NEXT SUCCEEDING SUCH TWELVE MONTH PERIOD; (IV) THE AMOUNT REQUIRED TO MAINTAIN ANY RESERVES FOR THE REPAIR AND REPLACEMENT OF DORMITORY FACILITIES OR THE OPERATIONS AND MAINTENANCE OF DORMITORY FACILITIES IN CONNECTION WITH THE DORMITORY FACILITY REVENUE BONDS; (V) THE AMOUNT REQUIRED TO RESTORE ANY RESERVE FOR THE PAYMENT OF DEBT SERVICE ON DORMITORY FACILITY REVENUE BONDS TO ITS REQUIREMENT; AND (VI) THE COSTS, EXPENSES AND OVERHEAD OF THE DORMITORY AUTHORITY TO BE INCURRED DURING SUCH TWELVE MONTH PERIOD IN CONNECTION WITH AND REASONABLY RELATED TO DORMITORY FACILITIES FINANCED THROUGH THE ISSUANCE OF DORMITORY FACILITY REVENUE BONDS. EACH SUCH AMOUNT SHALL BE SEPARATELY STATED AND IDENTIFIED IN SUCH CERTIFICATE. ANY SUCH CERTIFICATE SUBMITTED BY THE DORMITORY AUTHORITY MAY BE AMENDED BY THE DORMITORY AUTHORITY FROM TIME TO TIME AS NECESSARY TO ADJUST THE AMOUNTS SET FORTH THEREIN. THE MONEYS PAID TO THE AUTHORITY PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION SHALL BE APPLIED BY THE AUTHORITY IN THE ORDER OF PRIORITY IN WHICH THE AMOUNTS SET FORTH IN SUCH CERTIFICATION ARE STATED IN THIS PARAGRAPH.

4. (A) THE DORMITORY AUTHORITY, IN CONSULTATION WITH THE STATE UNIVERSITY OF NEW YORK, SHALL PREPARE AN ANNUAL REPORT DUE ON SEPTEMBER

THIRTIETH, COMMENCING ON SEPTEMBER THIRTIETH, TWO THOUSAND FOURTEEN, OF EVERY CALENDAR YEAR RELATING TO THE PROVISIONS OF PARAGRAPH Y OF SUBDIVISION TWO OF SECTION THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW AS ADDED BY A CHAPTER OF THE LAWS OF TWO THOUSAND THIRTEEN WHICH ADDED THIS SECTION; SUBDIVISION EIGHT OF SECTION THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW AS AMENDED BY A CHAPTER OF THE LAWS OF TWO THOUSAND THIRTEEN WHICH ADDED THIS SECTION; AND THIS SECTION. THE REPORT SHALL INCLUDE, BUT NOT BE LIMITED TO: (I) THE TOTAL DORMITORY FACILITIES REVENUES ASSIGNED OR OTHERWISE TRANSFERRED FROM THE STATE UNIVERSITY OF NEW YORK TO THE DORMITORY AUTHORITY IN THE PRIOR STATE UNIVERSITY FISCAL YEAR AND THE SUM OF SUCH TRANSFERS MADE IN THE FIVE PRIOR FISCAL YEARS; (II) THE SUM OF MONIES, IF ANY, TRANSFERRED TO THE STATE UNIVERSITY OF NEW YORK FROM THE DORMITORY FACILITIES REVENUE FUND IN THE PRIOR STATE UNIVERSITY FISCAL YEAR; (III) A LIST OF ANY INCREASE IN RENTS, FEES AND OTHER CHARGES THAT RELATE TO DORMITORY FACILITIES PER CAMPUS TO STUDENTS; (IV) A SUMMARY OF ALL COSTS ASSOCIATED WITH THE CONSTRUCTION, RECONSTRUCTION, REHABILITATION, IMPROVEMENT, EQUIPPING, FURNISHING, REPAIR, MAINTENANCE AND OPERATIONS OF DORMITORY FACILITIES THAT THE DORMITORY AUTHORITY FUNDED WITH DORMITORY FACILITIES REVENUES AND THE PROCEEDS OF DORMITORY FACILITY REVENUE BONDS; (V) A SUMMARY AND JUSTIFICATION OF DORMITORY AUTHORITY ADMINISTRATIVE EXPENSES AND COSTS INCURRED RELATED TO THE DORMITORY FACILITIES REVENUE FUND; (VI) THE ISSUANCE AMOUNTS, DEBT SERVICE COSTS AND SAVINGS, IF ANY, OF ALL STATE UNIVERSITY OF NEW YORK DORMITORY BONDS ISSUED PRIOR TO APRIL FIRST, TWO THOUSAND THIRTEEN AND REFINANCED BY THE DORMITORY AUTHORITY WITH DORMITORY FACILITY REVENUE BONDS; (VII) TOTAL AMOUNT OF DEBT SERVICE PAYMENTS MADE PER YEAR ON DORMITORY FACILITY REVENUE BONDS; AND (VIII) AN ESTIMATED DATE WHEN THE DORMITORY AUTHORITY WILL REACH THE NINE HUNDRED FORTY-FOUR MILLION DOLLAR CAP ON DORMITORY FACILITY REVENUE BONDS.

(B) THE REPORT AUTHORIZED BY THIS SECTION SHALL BE SUBMITTED TO THE GOVERNOR, THE DIRECTOR OF THE BUDGET, THE SPEAKER OF THE ASSEMBLY, THE TEMPORARY PRESIDENT OF THE SENATE, CHAIRS OF THE SENATE AND ASSEMBLY HIGHER EDUCATION COMMITTEES, THE CHAIR OF THE SENATE FINANCE COMMITTEE AND THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE.

S 5. For the purposes of paragraphs (b) and (c) of subdivision 3 of section 1680-q of the public authorities law, as added by section four of this act, the dormitory authority shall, within thirty days after the date on which this act shall become effective, make and deliver to the commissioner of taxation and finance and the state university of New York a certification in the form and substance required by such paragraph (c) with respect to amounts required for the items specified therein during the period from the effective date of this act to and including the thirtieth day of June, 2013, and, if this act shall become effective after the first day of June, 2013, for the twelve month period commencing the first day of July, 2013, to and including the thirtieth day of June, 2014. No money shall be paid by the commissioner of taxation and finance out of the dormitory facility revenue fund except unless and until such commissioner has received the certification or certifications required by this section.

S 6. This act shall take effect immediately.

PART C

Section 1. Paragraph (a) of subdivision 1 of section 1 of part U of chapter 57 of the laws of 2005 amending the labor law and other laws implementing the state fiscal plan for the 2005-2006 state fiscal year,

relating to the New York state higher education capital matching grant program for independent colleges, as amended by section 1 of part H of chapter 57 of the laws of 2012, is amended to read as follows:

(a) The New York state higher education capital matching grant board is hereby created to have and exercise the powers, duties and prerogatives provided by the provisions of this section and any other provision of law. The board shall remain in existence during the period of the New York state higher education capital matching grant program from the effective date of this section through March 31, [2013] 2014, or the date on which the last of the funds available for grants under this section shall have been disbursed, whichever is earlier; provided, however, that the termination of the existence of the board shall not affect the power and authority of the dormitory authority to perform its obligations with respect to any bonds, notes, or other indebtedness issued or incurred pursuant to authority granted in this section.

S 2. Paragraph (h) of subdivision 4 of section 1 of part U of chapter 57 of the laws of 2005 amending the labor law and other laws implementing the state fiscal plan for the 2005-2006 state fiscal year, relating to the New York state higher education capital matching grant program for independent colleges, as amended by section 2 of part H of chapter 57 of the laws of 2012, is amended to read as follows:

(h) [If a college did not apply for a potential grant] IN THE EVENT THAT ANY COLLEGES DO NOT APPLY FOR HIGHER EDUCATION CAPITAL MATCHING GRANTS by March 31, 2009, OR IN THE EVENT THEY APPLY FOR AND ARE AWARDED, BUT DO NOT USE THE FULL AMOUNT OF SUCH GRANTS, THE UNUSED funds associated with such [potential grant] GRANTS shall THEREAFTER be awarded[,] TO COLLEGES on a competitive basis, [to other colleges,] according to the priorities set forth below. [Colleges] NOTWITHSTANDING SUBDIVISION FIVE OF THIS SECTION, ANY COLLEGE shall be eligible to apply for [unutilized grants] SUCH UNUSED FUNDS IN RESPONSE TO A REQUEST FOR PROPOSALS FOR A HIGHER EDUCATION CAPITAL MATCHING GRANT PURSUANT TO THIS PARAGRAPH. In such cases, the following priorities shall apply: first, priority shall be given to otherwise eligible colleges that either were, or would have been, deemed ineligible for the program prior to March 31, 2009, due to missed deadlines, insufficient matching funds, lack of accreditation or other disqualifying reasons; and second, after the board has acted upon all such first-priority applications for unused funds, if any such funds remain, those funds shall be available for distribution to eligible colleges [that are located within the same Regents of the State of New York region for which such funds were originally allocated]. The dormitory authority shall develop a request for proposals and application process, in consultation with the board, for [such] HIGHER EDUCATION CAPITAL MATCHING grants AWARDED PURSUANT TO THIS PARAGRAPH, and shall develop criteria, subject to review by the board, for the awarding of such grants. Such criteria shall [incorporate] INCLUDE, BUT NOT BE LIMITED TO the matching criteria contained in paragraph (c) of this subdivision, and the application criteria set forth in paragraph (e) of this subdivision. The dormitory authority shall require all applications in response to the request for proposals to be submitted by September 1, [2012] 2013, and the board shall act on each application for such matching grants by November 1, [2012] 2013.

S 3. Subclause (A) of clause (ii) of paragraph (j) of subdivision 4 of section 1 of part U of chapter 57 of the laws of 2005 amending the labor law and other laws implementing the state fiscal plan for the 2005-2006 state fiscal year, relating to the New York state higher education capital matching grant program for independent colleges, as amended by

section 3 of part H of chapter 57 of the laws of 2012, is amended to read as follows:

(A) Notwithstanding the provision of any general or special law to the contrary, and subject to the provisions of chapter 59 of the laws of 2000 and to the making of annual appropriations therefor by the legislature, in order to assist the dormitory authority in providing such higher education capital matching grants, the director of the budget is authorized in any state fiscal year commencing April 1, 2005 or any state fiscal year thereafter for a period ending on March 31, [2014] 2015, to enter into one or more service contracts, none of which shall exceed 30 years in duration, with the dormitory authority, upon such terms as the director of the budget and the dormitory authority agree.

S 4. Paragraph (b) of subdivision 7 of section 1 of part U of chapter 57 of the laws of 2005 amending the labor law and other laws implementing the state fiscal plan for the 2005-2006 state fiscal year, relating to the New York state higher education matching capital grant program for independent colleges, as amended by section 4 of part H of chapter 57 of the laws of 2012, is amended to read as follows:

(b) Any eligible institution receiving a grant pursuant to this article shall report to the dormitory authority no later than June 1, [2013] 2014, on the use of funding received and its programmatic and economic impact. The dormitory authority shall submit a report no later than November 1, [2013] 2014 to the board, the governor, the director of the budget, the temporary president of the senate, and the speaker of the assembly on the aggregate impact of the higher education matching capital grant program. Such report shall provide information on the progress and economic impact of such project.

S 5. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2013.

PART D

Section 1. Subdivision 1 of section 6304 of the education law is amended by adding two new paragraphs b-1 and b-2 to read as follows:

B-1. (I) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR THE COMMUNITY COLLEGE FISCAL YEAR TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN AND THEREAFTER, EACH PROGRAM THAT CONFERS A CREDIT-BEARING CERTIFICATE, AN ASSOCIATE OF OCCUPATIONAL STUDIES DEGREE, OR AN ASSOCIATE OF APPLIED SCIENCE DEGREE, SHALL DEMONSTRATE THAT IT IS PREPARING STUDENTS FOR CURRENT AND FUTURE JOB OPPORTUNITIES BY PARTNERING WITH EMPLOYERS AS FOLLOWS:

(A) THE PROGRAM IS A PARTNERSHIP BETWEEN THE COMMUNITY COLLEGE AND ONE OR MORE EMPLOYERS TO TRAIN AND EMPLOY STUDENTS IN A SPECIFIC OCCUPATION;

(B) THE PROGRAM HAS AN ADVISORY COMMITTEE MADE UP OF MEMBERS OF WHOM THE MAJORITY ARE EMPLOYERS IN THE OCCUPATION OR SECTOR, OR A RELATED SECTOR, OR IS OTHERWISE ADVISED BY ONE OR MORE EMPLOYERS IN THE OCCUPATION OR SECTOR, THAT EMPLOY OR WILL EMPLOY WORKERS IN THE REGION WHERE THE COMMUNITY COLLEGE IS LOCATED, AND SUCH COMMITTEE SERVES TO ADVISE THE COMMUNITY COLLEGE ON THE PROGRAM'S CURRICULUM, RECRUITMENT, PLACEMENT AND EVALUATION SO THAT IT REMAINS UP-TO-DATE WITH EMPLOYER NEEDS; OR

(C) THE PROGRAM IS IN A HIGH-TECH SECTOR AND IS IN DEMAND FOR CURRENT OR PROJECTED JOB GROWTH, INCLUDING THOSE SECTORS IDENTIFIED BY THE REGIONAL ECONOMIC DEVELOPMENT COUNCIL, AND IS ADVISED BY CURRENT OR POTENTIAL FUTURE EMPLOYERS IN THE OCCUPATION OR SECTOR.

(II) ON OR BEFORE JANUARY FIRST, TWO THOUSAND FOURTEEN FOR THE COMMUNITY COLLEGE FISCAL YEAR TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN, NOVEMBER FIRST, TWO THOUSAND FOURTEEN FOR THE COMMUNITY COLLEGE FISCAL YEAR TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN AND NOVEMBER FIRST OF EACH COMMUNITY COLLEGE FISCAL YEAR THEREAFTER, THE STATE UNIVERSITY TRUSTEES AND THE CITY UNIVERSITY TRUSTEES SHALL EACH SUBMIT A JOB LINKAGE REPORT TO THE DIRECTOR OF THE BUDGET, THE CHAIRS OF THE SENATE AND ASSEMBLY HIGHER EDUCATION COMMITTEES AND THE CHAIR OF THE SENATE FINANCE COMMITTEE AND THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, INCLUDING AN ACCOUNTING OF FULL TIME EQUIVALENT ENROLLMENT IN PROGRAMS THAT CONFER CREDIT-BEARING CERTIFICATES, ASSOCIATE OF OCCUPATIONAL STUDIES DEGREES, OR ASSOCIATE OF APPLIED SCIENCE DEGREES, IN SUCH A FORM AND MANNER AS THE DIRECTOR OF THE BUDGET MAY REQUIRE TO VERIFY COMPLIANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH.

B-2. (I) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, WITHIN AMOUNTS APPROPRIATED FOR INCENTIVE FUNDING, THE STATE UNIVERSITY OF NEW YORK AND CITY UNIVERSITY OF NEW YORK SHALL MAKE AWARDS TO COMMUNITY COLLEGES FROM THE NEXT GENERATION NY JOB LINKAGE PROGRAM INCENTIVE FUND BASED ON MEASURES OF STUDENT SUCCESS FOR ALL STUDENTS ENROLLED IN PROGRAMS THAT CONFER A CREDIT-BEARING CERTIFICATE, AN ASSOCIATE OF OCCUPATIONAL STUDIES DEGREE, OR AN ASSOCIATE OF APPLIED SCIENCE DEGREE, INCLUDING, BUT NOT LIMITED TO:

(A) THE NUMBER OF STUDENTS WHO ARE EMPLOYED FOLLOWING DEGREE OR CERTIFICATE COMPLETION AND THEIR WAGE GAINS, IF ANY, AS DETERMINED BY THE DEPARTMENT OF LABOR, WHICH SHALL BE GIVEN THE GREATEST WEIGHTING AMONG ALL MEASURES OF STUDENT SUCCESS;

(B) THE NUMBER OF DEGREE COMPLETIONS, CERTIFICATE COMPLETIONS AND STUDENT TRANSFERS TO OTHER INSTITUTIONS OF HIGHER EDUCATION;

(C) THE NUMBER OF DEGREE AND CERTIFICATE COMPLETIONS UNDER CLAUSE (B) OF THIS PARAGRAPH BY STUDENTS CONSIDERED ACADEMICALLY AT-RISK DUE TO ECONOMIC DISADVANTAGE OR OTHER FACTOR OF UNDER-REPRESENTATION WITHIN THE FIELD OF STUDY; VETERANS; AND THE DISABLED;

(D) THE NUMBER OF STUDENTS WHO MAKE ADEQUATE PROGRESS TOWARDS COMPLETION OF A DEGREE OR CERTIFICATE, WHICH MAY INCLUDE ACCELERATED COMPLETION OF A DEVELOPMENTAL EDUCATION PROGRAM;

(E) THE NUMBER OF DEGREE COMPLETIONS IN INNOVATIVE PROGRAMS DESIGNED TO ENABLE STUDENTS TO BALANCE SCHOOL, WORK AND OTHER PERSONAL RESPONSIBILITIES; AND

(F) THE NUMBER OF STUDENTS ENGAGED IN CAREER AND EMPLOYMENT OPPORTUNITIES INCLUDING APPRENTICESHIPS, COOPERATIVE EDUCATION PROGRAMS OR OTHER PAID WORK EXPERIENCE THAT IS AN INTEGRAL PART OF THEIR ACADEMIC PROGRAM.

(II) AWARDS SHALL BE MADE ON A PRO-RATA BASIS IN ACCORDANCE WITH A METHODOLOGY AND IN A FORM AND MANNER DEVELOPED BY THE DIRECTOR OF THE BUDGET, IN CONSULTATION WITH THE STATE UNIVERSITY AND CITY UNIVERSITY.

(III) ON OR BEFORE DECEMBER FIRST OF EACH YEAR, OR AN ALTERNATIVE DATE AS DETERMINED BY THE DIRECTOR OF THE BUDGET IN CONSULTATION WITH THE STATE UNIVERSITY AND CITY UNIVERSITY, THE STATE UNIVERSITY TRUSTEES AND THE CITY UNIVERSITY TRUSTEES SHALL EACH SUBMIT A PLAN FOR APPROVAL BY THE DIRECTOR OF THE BUDGET TO ALLOCATE AMOUNTS AVAILABLE FOR THE NEXT GENERATION NY JOB LINKAGE PROGRAM INCENTIVE FUND IN ACCORDANCE WITH THIS PARAGRAPH.

S 2. This act shall take effect immediately.

PART E

Section 1. Paragraphs (a), (b), (c) and (d) of subdivision 1 of section 131-o of the social services law, as amended by section 1 of part C of chapter 57 of the laws of 2012, are amended to read as follows:

(a) in the case of each individual receiving family care, an amount equal to at least [$135.00] $137.00 for each month beginning on or after January first, two thousand [twelve] THIRTEEN.

(b) in the case of each individual receiving residential care, an amount equal to at least [$155.00] $158.00 for each month beginning on or after January first, two thousand [twelve] THIRTEEN.

(c) in the case of each individual receiving enhanced residential care, an amount equal to at least [$184.00] $187.00 for each month beginning on or after January first, two thousand [twelve] THIRTEEN.

(d) for the period commencing January first, two thousand [thirteen] FOURTEEN, the monthly personal needs allowance shall be an amount equal to the sum of the amounts set forth in subparagraphs one and two of this paragraph:

(1) the amounts specified in paragraphs (a), (b) and (c) of this subdivision; and

(2) the amount in subparagraph one of this paragraph, multiplied by the percentage of any federal supplemental security income cost of living adjustment which becomes effective on or after January first, two thousand [thirteen] FOURTEEN, but prior to June thirtieth, two thousand [thirteen] FOURTEEN, rounded to the nearest whole dollar.

S 2. Paragraphs (a), (b), (c), (d), (e) and (f) of subdivision 2 of section 209 of the social services law, as amended by section 2 of part C of chapter 57 of the laws of 2012, are amended to read as follows:

(a) On and after January first, two thousand [twelve] THIRTEEN, for an eligible individual living alone, [$785.00] $797.00; and for an eligible couple living alone, [$1152.00] $1170.00.

(b) On and after January first, two thousand [twelve] THIRTEEN, for an eligible individual living with others with or without in-kind income, [$721.00] $733.00; and for an eligible couple living with others with or without in-kind income, [$1094.00] $1112.00.

(c) On and after January first, two thousand [twelve] THIRTEEN, (i) for an eligible individual receiving family care, [$964.48] $976.48 if he or she is receiving such care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland; and (ii) for an eligible couple receiving family care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland, two times the amount set forth in subparagraph (i) of this paragraph; or (iii) for an eligible individual receiving such care in any other county in the state, [$926.48] $938.48; and (iv) for an eligible couple receiving such care in any other county in the state, two times the amount set forth in subparagraph (iii) of this paragraph.

(d) On and after January first, two thousand [twelve] THIRTEEN, (i) for an eligible individual receiving residential care, [$1133.00] $1145.00 if he or she is receiving such care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland; and (ii) for an eligible couple receiving residential care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland, two times the amount set forth in subparagraph (i) of this paragraph; or (iii) for an eligible individual receiving such care in any other county in the state, [$1103.00] $1115.00; and (iv) for an eligible couple receiving such care in any other county in the state, two times the amount set forth in subparagraph (iii) of this paragraph.

(e) (i) On and after January first, two thousand [twelve] THIRTEEN, for an eligible individual receiving enhanced residential care, [$1392.00] $1404.00; and (ii) for an eligible couple receiving enhanced residential care, two times the amount set forth in subparagraph (i) of this paragraph.

(f) The amounts set forth in paragraphs (a) through (e) of this subdivision shall be increased to reflect any increases in federal supplemental security income benefits for individuals or couples which become effective on or after January first, two thousand [thirteen] FOURTEEN but prior to June thirtieth, two thousand [thirteen] FOURTEEN.

S 3. This act shall take effect December 31, 2013.

PART F

Intentionally omitted

PART G

Section 1. Subdivisions 4 and 5 of section 412 of the executive law, as amended by chapter 182 of the laws of 2002, are amended, and two new subdivisions 8 and 9 are added to read as follows:

4. "Municipality" shall mean a county, [city, village, town, that part of a town not included within the boundaries of a village, or a school district (if approved for such purpose by the commissioner, in instances where no other municipality, overlapping such school district in whole or part, is receiving state aid pursuant to this article or upon such other basis as the commissioner shall by regulation determine). Municipality may mean an Indian reservation, subject to rules and regulations of the office] OR A CITY HAVING A POPULATION OF ONE MILLION OR MORE.

5. "Youth DEVELOPMENT program" shall mean a ["youth bureau," "recreation project" or "youth service" project established under prior authorizing legislation establishing a temporary state youth commission as well as similar] local [programs] PROGRAM designed to accomplish the broad purposes of this article[. The definition, determination and classification of youth programs shall be] subject to [approval by the office in accordance with] THE rules and regulations [adopted by it] OF THE OFFICE; PROVIDED HOWEVER, THE TERM "YOUTH DEVELOPMENT PROGRAM" SHALL NOT INCLUDE APPROVED RUNAWAY PROGRAMS OR TRANSITIONAL INDEPENDENT LIVING SUPPORT PROGRAMS AS SUCH TERMS ARE DEFINED IN SECTION FIVE HUNDRED THIRTY-TWO-A OF THIS CHAPTER.

8. "MUNICIPAL YOUTH BUREAU" SHALL MEAN EITHER:

A. IN A CITY HAVING A POPULATION OF ONE MILLION OR MORE, THE NEW YORK CITY DEPARTMENT OF YOUTH AND COMMUNITY DEVELOPMENT, OR A SUCCESSOR ENTITY;

B. A YOUTH BUREAU THAT ENGAGES IN ACTIVITIES, INCLUDING, BUT NOT LIMITED TO, THE OPERATION, ADMINISTRATION OR MONITORING OF YOUTH DEVELOPMENT PROGRAMS, THROUGHOUT A PARTICULAR COUNTY; OR

C. A YOUTH BUREAU THAT ENGAGES IN ACTIVITIES, INCLUDING, BUT NOT LIMITED TO, THE OPERATION, ADMINISTRATION OR MONITORING OF YOUTH DEVELOPMENT PROGRAMS, THROUGHOUT TWO OR MORE PARTICULAR COUNTIES, IN ACCORDANCE WITH SUBDIVISION FIVE OF SECTION FOUR HUNDRED TWENTY-TWO OF THIS ARTICLE.

9. "LOCAL YOUTH BUREAU" SHALL MEAN A YOUTH BUREAU, NOT INCLUDED WITHIN THE DEFINITION OF MUNICIPAL YOUTH BUREAU PURSUANT TO SUBDIVISION EIGHT OF THIS SECTION, THAT ENGAGES IN ACTIVITIES, INCLUDING, BUT NOT LIMITED

TO, THE OPERATION, ADMINISTRATION OR MONITORING OF YOUTH DEVELOPMENT PROGRAMS, THROUGHOUT A PARTICULAR VILLAGE, TOWN OR CITY.

S 2. Subdivision 1 of section 420 of the executive law is REPEALED and a new subdivision 1 is added to read as follows:

1. A. (1) EACH MUNICIPALITY OPERATING A YOUTH DEVELOPMENT PROGRAM APPROVED BY THE OFFICE OF CHILDREN AND FAMILY SERVICES SHALL BE ELIGIBLE FOR ONE HUNDRED PERCENT STATE REIMBURSEMENT OF ITS QUALIFIED EXPENDITURES, SUBJECT TO AVAILABLE APPROPRIATIONS AND EXCLUSIVE OF ANY FEDERAL FUNDS MADE AVAILABLE THEREFOR, NOT TO EXCEED THE MUNICIPALITY'S DISTRIBUTION OF STATE AID UNDER THIS ARTICLE.

(2) THE STATE AID APPROPRIATED FOR YOUTH DEVELOPMENT PROGRAMS SHALL BE DISTRIBUTED BY THE OFFICE OF CHILDREN AND FAMILY SERVICES TO ELIGIBLE MUNICIPALITIES THAT HAVE AN APPROVED COMPREHENSIVE PLAN PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH C OF THIS SUBDIVISION. SUCH STATE AID SHALL BE LIMITED TO THE FUNDS SPECIFICALLY APPROPRIATED THEREFOR AND SHALL BE BASED ON FACTORS THAT SHALL INCLUDE THE NUMBER OF YOUTH UNDER THE AGE OF TWENTY-ONE RESIDING IN THE MUNICIPALITY AS SHOWN BY THE LAST PUBLISHED FEDERAL CENSUS CERTIFIED IN THE SAME MANNER AS PROVIDED BY SECTION FIFTY-FOUR OF THE STATE FINANCE LAW AND MAY INCLUDE, BUT NOT BE LIMITED TO, THE PERCENTAGE OF YOUTH LIVING IN POVERTY WITHIN THE MUNICIPALITY OR SUCH OTHER FACTORS AS PROVIDED FOR IN THE REGULATIONS OF THE OFFICE.

(3) THE OFFICE SHALL NOT REIMBURSE ANY CLAIMS UNDER THIS SECTION UNLESS THEY ARE SUBMITTED WITHIN TWELVE MONTHS OF THE CALENDAR QUARTER IN WHICH THE EXPENDITURE WAS MADE. THE OFFICE MAY REQUIRE THAT SUCH CLAIMS BE SUBMITTED TO THE OFFICE ELECTRONICALLY IN THE MANNER AND FORMAT REQUIRED BY THE OFFICE.

(4) A COMPREHENSIVE PLAN DEVELOPED IN ACCORDANCE WITH PARAGRAPH C OF THIS SUBDIVISION MAY PROVIDE FOR THE FUNDING OF LOCAL YOUTH BUREAUS THAT HAVE BEEN APPROVED IN ACCORDANCE WITH SECTION FOUR HUNDRED TWENTY-TWO OF THIS ARTICLE AND MUNICIPAL YOUTH BUREAUS. PROVIDED HOWEVER, THAT AN APPROVED LOCAL YOUTH BUREAU THAT IS NOT PROVIDING, OPERATING, ADMINISTERING OR MONITORING YOUTH DEVELOPMENT PROGRAMS SHALL NOT RECEIVE FUNDING PURSUANT TO THIS SUBDIVISION. PROVIDED, FURTHER THAT UP TO FIFTEEN PERCENT OF THE YOUTH DEVELOPMENT FUNDS THAT A MUNICIPALITY DETERMINES WILL BE PROVIDED TO A LOCAL YOUTH BUREAU IN ACCORDANCE WITH CLAUSE (II) OF SUBPARAGRAPH ONE OF PARAGRAPH C OF THIS SUBDIVISION MAY BE USED FOR ADMINISTRATIVE FUNCTIONS PERFORMED BY SUCH LOCAL YOUTH BUREAU.

(5) IF A MUNICIPALITY DOES NOT ALLOCATE YOUTH DEVELOPMENT FUNDING PURSUANT TO THE INFORMATION CONTAINED WITHIN THE MUNICIPALITY'S COMPREHENSIVE PLAN IN ACCORDANCE WITH CLAUSE (II) OF SUBPARAGRAPH ONE OF PARAGRAPH C OF THIS SUBDIVISION, THE OFFICE MAY AUTHORIZE OR REQUIRE THE COMPTROLLER TO WITHHOLD THE PAYMENT OF STATE AID TO SUCH MUNICIPALITY IN ACCORDANCE WITH SECTION FOUR HUNDRED TWENTY-ONE OF THIS ARTICLE.

B. YOUTH DEVELOPMENT PROGRAMS SHALL PROVIDE COMMUNITY-LEVEL SERVICES DESIGNED TO PROMOTE POSITIVE YOUTH DEVELOPMENT. SUCH PROGRAMS MAY INCLUDE, BUT NOT BE LIMITED TO: PROGRAMS THAT PROMOTE PHYSICAL AND EMOTIONAL WELLNESS, EDUCATIONAL ACHIEVEMENT OR CIVIC, FAMILY AND COMMUNITY ENGAGEMENT; FAMILY SUPPORT SERVICES; SERVICES TO PREVENT JUVENILE DELINQUENCY, CHILD ABUSE AND NEGLECT; SERVICES TO AVERT FAMILY CRISES; AND SERVICES TO ASSIST YOUTH IN NEED OF CRISIS INTERVENTION OR RESPITE SERVICES. SUBJECT TO THE REGULATIONS OF THE OFFICE, A MUNICIPALITY MAY ENTER INTO CONTRACTS TO EFFECTUATE ITS YOUTH DEVELOPMENT PROGRAM ESTABLISHED AND APPROVED AS PROVIDED IN THIS ARTICLE.

C. EACH MUNICIPALITY SHALL DEVELOP, IN CONSULTATION WITH THE APPLICABLE MUNICIPAL YOUTH BUREAU, A COMPREHENSIVE PLAN TO OFFER YOUTH DEVELOP-

MENT PROGRAMS. SUCH COMPREHENSIVE PLAN SHALL BE SUBJECT TO THE APPROVAL OF THE OFFICE OF CHILDREN AND FAMILY SERVICES IN ACCORDANCE WITH SUBPARAGRAPH TWO OF THIS PARAGRAPH AND SHALL BE SUBMITTED BY EACH MUNICIPALITY IN A MANNER AND AT SUCH TIMES AND FOR SUCH PERIODS AS THE OFFICE OF CHILDREN AND FAMILY SERVICES SHALL DETERMINE.

(1) SUCH COMPREHENSIVE PLAN SHALL:

(I) DESCRIBE THE NEED IN THE MUNICIPALITY FOR YOUTH DEVELOPMENT PROGRAMS, AND SPECIFY, AT MINIMUM, HOW THE MUNICIPALITY WILL ADDRESS THE NEED FOR YOUTH DEVELOPMENT IN VILLAGES, TOWNS AND CITIES WHICH HAVE A YOUTH POPULATION OF TWENTY THOUSAND OR MORE PERSONS;

(II) DETAIL HOW THE MUNICIPALITY WILL ALLOCATE THE FUNDING IT RECEIVES PURSUANT TO THIS SUBDIVISION, INCLUDING AN ACCOUNTING OF ALL OF THE ELIGIBLE ENTITIES WITHIN SUCH MUNICIPALITY THAT WILL RECEIVE FUNDING UNDER THIS SUBDIVISION, THE YOUTH DEVELOPMENT SERVICES THAT SUCH ENTITIES WILL PROVIDE, AND THE AMOUNT OF FUNDING THAT EACH ENTITY WILL RECEIVE;

(III) SPECIFY HOW THE MUNICIPALITY WILL MEASURE PERFORMANCE OUTCOMES FOR SUCH SERVICES AND PROGRAMS COVERED UNDER THE PLAN;

(IV) SPECIFY THE PROJECTED PERFORMANCE OUTCOMES FOR SERVICES AND PROGRAMS COVERED UNDER THE PLAN, INCLUDING PROJECTED POSITIVE OUTCOMES FOR YOUTH WHO PARTICIPATE IN THE SERVICES AND PROGRAMS; AND

(V) PROVIDE INFORMATION ON THE PERFORMANCE OUTCOMES OF SERVICES PROVIDED UNDER THE MUNICIPALITY'S MOST RECENT PLAN APPROVED PURSUANT TO THIS SUBDIVISION, INCLUDING OUTCOME BASED MEASURES THAT DEMONSTRATE THE QUALITY OF SERVICES PROVIDED AND PROGRAM EFFECTIVENESS OF PROGRAMS FUNDED UNDER SUCH PLAN.

(2) THE OFFICE OF CHILDREN AND FAMILY SERVICES MAY APPROVE ALL OR PART OF A MUNICIPALITY'S COMPREHENSIVE PLAN. IF THE OFFICE DOES NOT APPROVE A MUNICIPALITY'S COMPREHENSIVE PLAN, SUCH MUNICIPALITY SHALL HAVE SIXTY DAYS FROM RECEIPT OF THE NOTIFICATION OF DISAPPROVAL TO SUBMIT A REVISED PLAN.

(3) IF THE MUNICIPALITY IS SEEKING STATE AID TO PROVIDE SERVICES FOR RUNAWAY AND HOMELESS YOUTH, AS DEFINED IN ARTICLE NINETEEN-H OF THIS CHAPTER, THE RUNAWAY AND HOMELESS YOUTH PLAN, AS REQUIRED BY SUBDIVISION TWO OF THIS SECTION, SHALL BE SUBMITTED AS PART OF THE COMPREHENSIVE PLAN THAT IS REQUIRED PURSUANT TO THIS PARAGRAPH; PROVIDED HOWEVER, THAT STATE AID TO PROVIDE SERVICES FOR RUNAWAY AND HOMELESS YOUTH SERVICES SHALL BE FROM, AND LIMITED TO, FUNDS APPROPRIATED SEPARATELY FOR SUCH RUNAWAY AND HOMELESS YOUTH PROGRAM PURPOSES BY THE STATE, AND SHALL NOT BE INCLUDED UNDER THE LIMITS SET FORTH IN THIS SUBDIVISION.

S 3. Subdivision 2 of section 420 of the executive law, as amended by chapter 182 of the laws of 2002, is amended to read as follows:

2. Runaway and homeless youth plan; state aid.

a. A [county] MUNICIPALITY may submit to the [commissioner] OFFICE OF CHILDREN AND FAMILY SERVICES a plan for the providing of services for runaway and homeless youth, as defined in article nineteen-H of this chapter. Where such [county] MUNICIPALITY is receiving state aid pursuant to paragraph a of subdivision one of this section, such runaway and homeless youth plan shall be submitted as part of the comprehensive [county] plan and shall be consistent with the goals and objectives therein. A runaway and homeless youth plan shall be developed in consultation with the [county] MUNICIPAL youth bureau and the county or city department of social services, shall be in accordance with the regulations of the [commissioner] OFFICE OF CHILDREN AND FAMILY SERVICES, shall provide for a coordinated range of services for runaway and homeless youth and their families including preventive, temporary shelter,

transportation, counseling, and other necessary assistance, and shall provide for the coordination of all available county resources for runaway and homeless youth and their families including services available through the [county] MUNICIPAL youth bureau, the county or city department of social services, local boards of education, local drug and alcohol programs and organizations or programs which have past experience dealing with runaway and homeless youth. Such plan may include provisions for transitional independent living support programs for homeless youth between the ages of sixteen and twenty-one as provided in article nineteen-H of this chapter. Such plan shall also provide for the designation and duties of the runaway and homeless youth service coordinator defined in section five hundred thirty-two-a of this chapter who is available on a twenty-four hour basis and maintains information concerning available shelter space, transportation and services. Such plan may include provision for the per diem reimbursement for residential care of runaway and homeless youth in approved runaway programs which are authorized agencies, provided that such per diem reimbursement shall not exceed a total of thirty days for any one youth.

A-1. EACH MUNICIPALITY THAT DOES NOT SUBMIT A RUNAWAY AND HOMELESS YOUTH PLAN IN ACCORDANCE WITH PARAGRAPH A OF THIS SUBDIVISION, SHALL INCLUDE WITHIN THEIR COMPREHENSIVE PLAN SUBMITTED PURSUANT TO SUBDIVISION ONE OF THIS SECTION, AN ASSESSMENT OF THE NEED WITHIN THE MUNICIPALITY FOR SERVICES TO ASSIST RUNAWAY AND HOMELESS YOUTH AND YOUTH IN NEED OF CRISIS INTERVENTION OR RESPITE SERVICES. PROVIDED HOWEVER, THAT STATE AID TO PROVIDE FOR RUNAWAY AND HOMELESS YOUTH SERVICES SHALL BE FROM AND LIMITED TO FUNDS APPROPRIATED SEPARATELY FOR SUCH RUNAWAY AND HOMELESS YOUTH PROGRAM PURPOSES BY THE STATE, AND SHALL NOT BE INCLUDED UNDER THE LIMITS SET FORTH IN SUBDIVISION ONE OF THIS SECTION.

b. Each [county] MUNICIPALITY shall submit to the [commissioner] OFFICE OF CHILDREN AND FAMILY SERVICES such additional information as the [commissioner] OFFICE shall require, including but not limited to:

(1) A description of the current runaway and homeless population including their age, place of origin, family status, service needs and eventual disposition;

(2) A description of the public and private resources available to serve runaway and homeless youth within the [county] MUNICIPALITY;

(3) A description of new services to be provided and current services to be expanded.

c. The [commissioner] OFFICE OF CHILDREN AND FAMILY SERVICES shall review such plan IN ACCORDANCE WITH SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDIVISION ONE OF THIS SECTION and may approve or disapprove such plan or any part, program, or project within such plan, and may propose such modifications and conditions as deemed appropriate and necessary.

d. (1) [Counties] MUNICIPALITIES having an approved runaway and homeless youth plan pursuant to this subdivision shall be entitled to reimbursement by the state for sixty percent of the entire amount of the expenditures for programs contained in such plan as approved by the [commissioner] OFFICE OF CHILDREN AND FAMILY SERVICES, after first deducting therefrom any federal or other state funds received or to be received on account thereof. All reimbursement pursuant to this subdivision shall be from and limited to funds appropriated separately for such runaway and homeless youth program purposes by the state, and shall not be included under the limits set in subdivision one of this section. [The county's] A MUNICIPALITY'S share of the cost of such programs may be met in part by donated private funds or in-kind services, as defined by the office, provided that such private funding or receipt of services

shall not in the aggregate be more than fifty percent of such [county's] MUNICIPALITY'S share.

(2) Notwithstanding any inconsistent provision of law and subject to funds appropriated separately therefor, a [county] MUNICIPALITY having an approved runaway and homeless youth plan which includes provisions for transitional independent living support programs shall be entitled to reimbursement by the state for sixty percent of the entire amount of the approved expenditures for transitional independent living support programs contained in the plan as approved by the [commissioner] OFFICE OF CHILDREN AND FAMILY SERVICES. The [county's] MUNICIPALITY'S share of the cost of such programs may be met by donated private funds or in-kind services, as defined by the office, provided that such receipt of in-kind services shall not in the aggregate be more than fifty percent of such [county's] MUNICIPALITY'S share.

S 4. Paragraphs a and c of subdivision 5 of section 420 of the executive law, as added by chapter 160 of the laws of 2004, are amended to read as follows:

a. Notwithstanding any other provision of law, the office of children and family services shall plan for the statewide implementation by the thirty-first day of December, two thousand eight, of a county child and family services plan that combines the [county] comprehensive plan required by this section and the multi-year consolidated services plan required by section thirty-four-a of the social services law into a single plan.

c. The office of children and family services may waive any regulatory requirements relating to the content and timing of [county] comprehensive plans that may impede the ability of a county to implement a county child and family services plan.

S 5. Section 422 of the executive law, as added by chapter 636 of the laws of 1956, subdivisions 1, 3, 4, 7, 8 and 9 as amended by chapter 182 of the laws of 2002, subdivision 5 as amended by chapter 879 of the laws of 1976 and subdivision 10 as added by chapter 400 of the laws of 1978, is amended to read as follows:

S 422. Youth bureaus[; recreation and youth service projects; and other youth programs]. 1. A. Any [county or] city, [or any] town or village [with a total population of twenty thousand or more persons] desiring to establish a LOCAL youth bureau[, or any municipality desiring to establish a recreation, youth service or other project] may apply to the [office] MUNICIPALITY WHICH SUCH CITY, TOWN OR VILLAGE IS LOCATED WITHIN, for approval of its plans. The application shall be in writing, specifying the nature of the program, and shall contain such information as the [office] MUNICIPALITY shall require.

B. ALL LOCAL YOUTH BUREAUS APPROVED BY THE OFFICE OF CHILDREN AND FAMILY SERVICES ON OR BEFORE APRIL FIRST, TWO THOUSAND THIRTEEN SHALL BE DEEMED APPROVED LOCAL YOUTH BUREAUS FOR THE PURPOSE OF THIS ARTICLE.

2. No application for the approval of [plans for] a LOCAL youth [program] BUREAU shall be considered BY THE MUNICIPALITY that has not been first approved by the governing body of the [municipality] CITY, TOWN OR VILLAGE making THE application.

3. The [office] MUNICIPALITY may approve or disapprove the proposed LOCAL youth [program as filed, or, if its modifications are not objected to by the applicant, approve the same with such modifications] BUREAU.

4. The approval of [any proposed] A LOCAL youth [program by the office] BUREAU shall authorize the [county,] city [or municipality], TOWN OR VILLAGE to establish, operate and maintain the program [and entitle it to state aid as herein set forth; provided, however, the

office may at any time subsequently withdraw its approval or require changes in a plan or program previously approved] AND WILL ALLOW THE MUNICIPALITY TO DISTRIBUTE TO SUCH LOCAL YOUTH BUREAU, STATE AID RECEIVED IN ACCORDANCE WITH SUBDIVISION ONE OF SECTION FOUR HUNDRED TWENTY OF THIS ARTICLE.

5. Two or more municipalities may join together to establish, operate and maintain A MUNICIPAL youth [programs] BUREAU and may make and perform agreements in connection therewith. Such agreements shall include provisions for the proportionate cost to be borne by each municipality and for the manner of employment of personnel and may provide that a fiscal officer of one such municipality shall be the custodian of the moneys made available for expenditure for such purposes by all such municipalities and that such fiscal officer may make payments therefrom upon audit of the appropriate auditing body or officer of his OR HER municipality. In making claims for state aid pursuant to SUBDIVISION ONE OF SECTION FOUR HUNDRED TWENTY OF this article, each such municipality shall claim for its proportionate share of THE TOTAL JOINT expenditures so made. However, where it is provided that there shall be a disbursing municipality, such disbursing municipality shall claim for the total joint program expenditures so made and shall disburse such state aid to each participating municipality based upon the proportionate share of expenditures so made.

6. [A municipality and the board of education, board of trustees or the trustee of a school district may make and perform agreements providing for the operation by a school district of a youth service, recreation or other project of such municipality.

7. Moneys derived by a municipality from taxation, from profits of a public utility service operated by it, or from gifts or grants available therefor, may be made available in accordance with law and expended for improvements to real property owned by it and held for school purposes or owned by a school district in whole or in part located in such municipality where such real property is used by such municipality for youth program purposes and where such improvements are required in connection with such purposes. Such municipality may receive reimbursement for such expenditures as herein provided, subject to the rules and regulations of the office.

8. The office, by rule and regulation, may authorize expenditures to be made by a municipality for work to be done or improvements to be made to real property for youth program purposes.

9. Subject to the regulations of the office, a municipality may enter into contracts to effectuate its youth program established and approved as provided in this article.

10.] Notwithstanding any provision of law, rule or regulation to the contrary, no [city, town or village] MUNICIPAL YOUTH BUREAU SERVING ONE OR MORE MUNICIPALITIES with a TOTAL youth population of twenty-five thousand or less [residing in such city, town or village] shall be required under this article, or for purposes of receiving state aid hereunder, to employ a full time executive director for their respective proposed or approved youth programs, as the case may be.

S 6. Subdivisions 4, 5 and 6 of section 532-a of the executive law, as amended by section 14 of part E of chapter 57 of the laws of 2005, are amended and a new subdivision 8 is added to read as follows:

4. "Approved runaway program" shall mean any non-residential program approved by the office of children and family services after submission by the [county youth bureau] MUNICIPALITY, as part of its comprehensive plan, or any residential facility which is operated by an authorized

agency as defined in subdivision ten of section three hundred seventy-one of the social services law, and approved by the office of children and family services after submission by the [county youth bureau] MUNICIPALITY as part of its comprehensive plan, established and operated to provide services to runaway and homeless youth in accordance with the regulations of the office of temporary and disability assistance and the office of children and family services. Such programs may also provide non-residential crisis intervention and residential respite services to youth in need of crisis intervention or respite services, as defined in this section. Residential respite services in an approved runaway program may be provided for no more than twenty-one days in accordance with the regulations of the office of children and family services.

5. "Runaway and homeless youth service coordinator" shall mean any person SO designated by [a county] A MUNICIPALITY whose duties shall include but not be limited to answering inquiries at any time concerning transportation, shelter and other services available to a runaway or homeless youth or a youth in need of crisis intervention or respite services.

6. "Transitional independent living support program" shall mean any non-residential program approved by the office of children and family services after submission by the [county youth bureau] MUNICIPALITY as part of its comprehensive plan, or any residential facility approved by the office of children and family services after submission by the [county youth bureau] MUNICIPALITY as part of its comprehensive plan TO OFFER YOUTH DEVELOPMENT PROGRAMS, established and operated to provide supportive services, for a period of up to eighteen months in accordance with the regulations of the office of children and family services, to enable homeless youth between the ages of sixteen and twenty-one to progress from crisis care and transitional care to independent living. Such transitional independent living support program may also provide services to youth in need of crisis intervention or respite services. Notwithstanding the time limitation in paragraph (i) of subdivision (d) of section seven hundred thirty-five of the family court act, residential respite services may be provided in a transitional independent living support program for a period of more than twenty-one days.

8. "MUNICIPALITY" SHALL MEAN A COUNTY, OR A CITY HAVING A POPULATION OF ONE MILLION OR MORE.

S 7. Subdivision 2 of section 532-b of the executive law, as added by chapter 722 of the laws of 1978, is amended to read as follows:

2. The runaway youth may remain in the program on a voluntary basis for a period not to exceed thirty days from the date of admission where the filing of a petition pursuant to article ten of the family court act is not contemplated, in order that arrangements can be made for the runaway youth's return home, alternative residential placement pursuant to section three hundred ninety-eight of the social services law, or any other suitable plan. If the runaway youth and the parent, guardian or custodian agree, in writing, the runaway youth may remain in the runaway program up to sixty days without the filing of a petition pursuant to article ten of the family court act, provided that in any such case the facility shall first have obtained the approval of the [county] APPLICABLE MUNICIPAL runaway coordinator, who shall notify the [county] MUNICIPALITY'S youth bureau of his OR HER approval together with a statement as to the reason why such additional residential stay is necessary and a description of the efforts being made to find suitable alternative living arrangements for such youth.

S 8. Paragraph (a) of subdivision 6 of section 34-a of the social services law, as added by chapter 160 of the laws of 2004, is amended to read as follows:

(a) Notwithstanding any other provision of law, the office of children and family services shall plan for the statewide implementation, by the thirty-first day of December, two thousand eight, of the use by counties of a child and family services plan that combines the multi-year consolidated services plan required by this section and the [county] comprehensive plan required by section four hundred twenty of the executive law into a single plan.

S 9. This act shall take effect January 1, 2014 and shall expire and be deemed repealed on December 31, 2018.

PART H

Intentionally omitted

PART I

Intentionally omitted

PART J

Section 1. Subdivisions 12 and 13 of section 425 of the real property tax law, as amended by section 1 of part B of chapter 389 of the laws of 1997, paragraph (a) of subdivision 12 as amended by section 12 of part W of chapter 56 of the laws of 2010, paragraph (b) of subdivision 12 as amended and paragraph (d) of subdivision 12 as added by section 1 of part N of chapter 58 of the laws of 2011 and paragraph (d) of subdivision 13 as added by section 2 of part N of chapter 58 of the laws of 2011, are amended and a new subdivision 14 is added to read as follows:

12. Revocation of prior exemptions. (a) Generally. In addition to discontinuing the exemption on the next ensuing tentative assessment roll, if the assessor determines that the property improperly received the exemption on one or more of the [three] SIX preceding assessment rolls, PROVIDED THAT FINAL ASSESSMENT ROLLS THAT WERE FILED PRIOR TO APRIL FIRST, TWO THOUSAND TEN SHALL NOT BE SUBJECT TO THE PROVISIONS OF THIS SUBDIVISION, or is advised by the department that the applicable income standard was not satisfied with regard to a property which received the enhanced exemption on one or more of those rolls, he or she shall proceed to revoke the improperly granted prior exemption or exemptions. If the assessor is advised that the department was unable to verify the income eligibility of one or more participants in the income verification program, the assessor shall mail that person or those persons a notice in a form prescribed by the department requesting that the person or persons document their income in the same manner and to the same extent as if the person or persons were submitting an initial application for the enhanced STAR exemption. If such income documentation is not provided within forty-five days of such request, or if the documentation provided does not establish the eligibility of the person or persons to the assessor's satisfaction, the assessor shall treat the exemption as an improperly granted exemption and proceed in the manner provided by this subdivision.

(b) Procedure. The assessed value attributable to each such improperly granted exemption shall be entered separately on the next ensuing tentative or final assessment roll. The provisions of section five hundred

fifty-one or five hundred fifty-three of this chapter, relating to the entry by the assessor of omitted real property on a tentative or final assessment roll, shall apply so far as practicable to the revocation procedure IN THIS SUBDIVISION, except that:

(I) the tax rate to be applied to any revoked exemption shall be the tax rate that was applied to the corresponding assessment roll, [and that]

(II) interest shall then be added to each such product at the rate prescribed by section nine hundred twenty-four-a of this chapter or such other law as may be applicable for each month or portion thereon since the levy of taxes upon the assessment roll or rolls upon which the exemption was granted, AND

(III) FOR IMPROPERLY GRANTED STAR EXEMPTIONS OCCURRING ON ASSESSMENT ROLLS FILED ON AND AFTER APRIL FIRST, TWO THOUSAND THIRTEEN, A PROCESSING FEE OF FIVE HUNDRED DOLLARS SHALL BE ADDED. SUCH PROCESSING FEE IMPOSED PURSUANT TO THIS SUBDIVISION SHALL BE RETAINED BY THE ASSESSING UNIT AND THE STATE SHALL BE ENTITLED TO NO PART THEREOF.

(c) Rights of owners. Each owner or owners shall be given notice of the possible revocation UNDER THIS SUBDIVISION of their exemption or exemptions at the time and in the manner provided by section five hundred ten or five hundred fifty-three of this chapter, and shall be entitled to seek administrative and judicial review of such action in the manner provided by law.

(d) Applicability. The provisions of this subdivision shall not be applicable to the extent that the prior exemptions shall have been renounced pursuant to section four hundred ninety-six of this article.

(E) RECORDS RETENTION. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO IMPOSE UPON AN ASSESSOR A DUTY TO RETAIN RECORDS FOR A PERIOD LONGER THAN THE PERIOD PRESCRIBED PURSUANT TO THE ARTS AND CULTURAL AFFAIRS LAW, OR TO REQUIRE AN ASSESSOR TO CONDUCT A REVIEW OF A TAXPAYER'S ELIGIBILITY WHEN THE ASSESSOR HAS DISPOSED OF THE RELEVANT RECORDS IN ACCORDANCE WITH SUCH LAW.

13. Penalty for material misstatements. (a) Generally. [If the assessor should determine, within three years from the filing of an application for exemption pursuant to this section, that there was a material misstatement on the application, he or she shall proceed to impose a penalty tax against the property of one hundred dollars.] IF THE ASSESSOR SHOULD DETERMINE THAT THERE WAS A MATERIAL MISSTATEMENT ON AN APPLICATION FOR EXEMPTION PURSUANT TO THIS SECTION THAT WAS FILED ON OR AFTER OCTOBER FIRST, TWO THOUSAND TEN, HE OR SHE SHALL PROCEED TO IMPOSE A PENALTY TAX AGAINST THE PROPERTY. IF THE APPLICATION WAS FILED PRIOR TO OCTOBER FIRST, TWO THOUSAND THIRTEEN, THE PENALTY TAX SHALL BE ONE HUNDRED DOLLARS, PROVIDED THAT THE ASSESSOR'S DETERMINATION MUST BE MADE WITHIN THREE YEARS OF THE FILING OF THE APPLICATION. IF THE APPLICATION WAS FILED ON OR AFTER OCTOBER FIRST, TWO THOUSAND THIRTEEN, THE PENALTY TAX SHALL BE EITHER ONE HUNDRED DOLLARS OR TWENTY PERCENT OF THE IMPROPERLY RECEIVED TAX SAVINGS, WHICHEVER IS GREATER NOT TO EXCEED TWO THOUSAND FIVE HUNDRED DOLLARS, PROVIDED FURTHER THAT THE ASSESSOR'S DETERMINATION MUST BE MADE WITHIN SIX YEARS OF THE FILING OF THE APPLICATION. An application shall be deemed to contain a material misstatement for this purpose when either:

(i) the applicant or applicants claimed that the property was their primary residence, when it was not; or

(ii) THE APPLICANT OR APPLICANTS CLAIMED THAT THEY HAD RELINQUISHED THE STAR EXEMPTION ON THEIR FORMER PRIMARY RESIDENCE, WHEN THEY KNEW THEY HAD NOT; OR

(III) in the case of an application for the enhanced exemption for property owned by senior citizens, the applicant or applicants misrepresented their age or income so as to appear eligible for such exemption, when they were not.

(b) Procedure. When the assessor determines that a penalty tax should be imposed, the penalty tax shall be entered on the next ensuing tentative or final assessment roll. The procedures set forth in section five hundred fifty-one or five hundred fifty-three of this chapter, relating to the entry by the assessor of omitted real property on a tentative or final assessment roll, shall apply so far as practicable when imposing a penalty tax pursuant to this subdivision. Each owner or owners shall be given notice of the possible imposition of a penalty tax at the time and in the manner provided by section five hundred ten or five hundred fifty-three of this chapter, and shall be entitled to seek administrative and judicial review of such action in the manner provided by law. Any penalty tax imposed pursuant to this subdivision shall be retained by the assessing unit AND THE STATE SHALL BE ENTITLED TO NO PART THEREOF.

(c) Additional consequences. A penalty tax may be imposed pursuant to this subdivision whether or not the improper exemption has been revoked in the manner provided by this section. In addition, a person or persons who are found to have made a material misstatement shall be disqualified from further exemption pursuant to this section for a period of [five years, and] FIVE YEARS IF SUCH MISSTATEMENT APPEARS ON AN APPLICATION FILED PRIOR TO OCTOBER FIRST, TWO THOUSAND THIRTEEN, AND SIX YEARS IF SUCH MISSTATEMENT APPEARS ON AN APPLICATION FILED THEREAFTER. IN ADDITION, SUCH PERSON OR PERSONS may be subject to prosecution pursuant to the penal law.

(d) Applicability. The provisions of this subdivision shall not be applicable to the extent that the prior exemptions shall have been renounced pursuant to section four hundred ninety-six of this article.

(E) RECORDS RETENTION. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO IMPOSE UPON AN ASSESSOR A DUTY TO RETAIN RECORDS FOR A PERIOD LONGER THAN THE PERIOD PRESCRIBED PURSUANT TO THE ARTS AND CULTURAL AFFAIRS LAW, OR TO REQUIRE AN ASSESSOR TO CONDUCT A REVIEW OF A TAXPAYER'S ELIGIBILITY WHEN THE ASSESSOR HAS DISPOSED OF THE RELEVANT RECORDS IN ACCORDANCE WITH SUCH LAW.

14. STAR REGISTRATION PROGRAM. (A) THE COMMISSIONER SHALL ESTABLISH AND IMPLEMENT A PROGRAM UNDER WHICH ALL OWNERS OF PROPERTIES INITIALLY APPLYING FOR AND THOSE RECEIVING A BASIC STAR EXEMPTION SHALL BE REQUIRED TO BE REGISTERED WITH THE COMMISSIONER IN THE MANNER, AT SUCH INTERVALS, AND BY THE DATE OR DATES PRESCRIBED BY THE COMMISSIONER, PROVIDED THAT:

(I) OWNERS OF PROPERTIES THAT ARE RECEIVING THE BASIC STAR EXEMPTION DURING THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR SHALL BE REQUIRED TO INITIALLY REGISTER WITH THE COMMISSIONER NO LATER THAN APRIL FIRST, TWO THOUSAND FOURTEEN;

(II) THE COMMISSIONER SHALL PROVIDE WRITTEN NOTICE OF THE REGISTRATION REQUIREMENT TO SUCH OWNERS AT LEAST SIXTY DAYS BEFORE THE REGISTRATION DEADLINE ESTABLISHED PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH;

(III) AN OWNER WHO FAILS TO REGISTER BY THE REGISTRATION DEADLINE SO ESTABLISHED SHALL BE PERMITTED TO FILE A PETITION WITH THE COMMISSIONER REQUESTING THAT THE COMMISSIONER EXCUSE SUCH FAILURE AND ACCEPT A LATE REGISTRATION, PROVIDED THAT SUCH PETITION SHALL EXPLAIN WHY SUCH FAILURE OCCURRED AND SHALL BE FILED NO LATER THAN ONE YEAR AFTER SUCH DEADLINE;

(IV) AFTER THE INITIAL REGISTRATION PROGRAM HAS BEEN IMPLEMENTED, THE COMMISSIONER SHALL ENDEAVOR TO CONFIRM THE CONTINUING ELIGIBILITY OF STAR RECIPIENTS THROUGH MEANS OTHER THAN RE-REGISTRATION, SUCH AS BY REVIEWING THE RELEVANT DATA APPEARING ON PERSONAL INCOME TAX RETURNS. THE COMMISSIONER MAY REINSTATE THE REGISTRATION REQUIREMENT, PROVIDED THAT IN NO EVENT MAY THE COMMISSIONER REQUIRE REGISTERED STAR RECIPIENTS TO RE-REGISTER MORE THAN ONCE IN A THREE-YEAR PERIOD IF THEIR PRIMARY ADDRESSES HAVE NOT CHANGED.

(B) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, THE COMMISSIONER SHALL DIRECT THE REMOVAL OR DENIAL OF A STAR EXEMPTION IF HE OR SHE FINDS THAT ONE OR MORE OF THE FOLLOWING CONDITIONS EXIST:

(I) ALL OWNERS OF THE PROPERTY HAVE NOT BEEN REGISTERED BY THE PRESCRIBED DATE AND NO ACCEPTABLE JUSTIFICATION HAS BEEN PRESENTED FOR SUCH FAILURE;

(II) THE OWNERS OF THE PROPERTY ARE IMPROPERLY RECEIVING MULTIPLE STAR EXEMPTIONS;

(III) THE PROPERTY DOES NOT SERVE AS THE PRIMARY RESIDENCE OF ANY OF ITS OWNERS;

(IV) THE APPLICABLE INCOME LIMITATION HAS BEEN EXCEEDED; OR

(V) THE PROPERTY IS OTHERWISE INELIGIBLE FOR THE STAR EXEMPTION.

(C) PRIOR TO DIRECTING THAT A STAR EXEMPTION BE REMOVED OR DENIED PURSUANT TO THIS SUBDIVISION, THE COMMISSIONER SHALL PROVIDE THE PROPERTY OWNERS WITH NOTICE AND AN OPPORTUNITY TO SHOW THE COMMISSIONER THAT THE PROPERTY IS ELIGIBLE TO RECEIVE THE EXEMPTION. IF THE OWNERS FAIL TO RESPOND TO SUCH NOTICE WITHIN FORTY-FIVE DAYS FROM THE MAILING THEREOF, OR IF THEIR RESPONSE DOES NOT SHOW TO THE COMMISSIONER'S SATISFACTION THAT THE PROPERTY IS ELIGIBLE FOR THE EXEMPTION, THE COMMISSIONER SHALL DIRECT THE ASSESSOR OR OTHER PERSON HAVING CUSTODY OR CONTROL OF THE ASSESSMENT ROLL OR TAX ROLL TO REMOVE OR DENY THE EXEMPTION, AND TO CORRECT THE ROLL ACCORDINGLY. SUCH A DIRECTIVE SHALL BE BINDING UPON THE ASSESSOR OR OTHER PERSON HAVING CUSTODY OR CONTROL OF THE ASSESSMENT ROLL OR TAX ROLL, AND SHALL BE IMPLEMENTED BY SUCH PERSON WITHOUT THE NEED FOR FURTHER DOCUMENTATION OR APPROVAL.

(D) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (B) OF SUBDIVISION SIX OF THIS SECTION, NEITHER AN ASSESSOR NOR A BOARD OF ASSESSMENT REVIEW HAS THE AUTHORITY TO CONSIDER AN OBJECTION TO THE REMOVAL OR DENIAL OF AN EXEMPTION PURSUANT TO THIS SUBDIVISION, NOR MAY SUCH AN ACTION BE REVIEWED IN A PROCEEDING TO REVIEW AN ASSESSMENT PURSUANT TO TITLE ONE OR ONE-A OF ARTICLE SEVEN OF THIS CHAPTER. SUCH AN ACTION MAY ONLY BE CHALLENGED BEFORE THE DEPARTMENT OF TAXATION AND FINANCE. IF A TAXPAYER IS DISSATISFIED WITH THE DEPARTMENT'S FINAL DETERMINATION, THE TAXPAYER MAY APPEAL THAT DETERMINATION TO THE STATE BOARD OF REAL PROPERTY TAX SERVICES IN A FORM AND MANNER TO BE PRESCRIBED BY THE COMMISSIONER. SUCH APPEAL SHALL BE FILED WITHIN FORTY-FIVE DAYS FROM THE ISSUANCE OF THE DEPARTMENT'S FINAL DETERMINATION. IF DISSATISFIED WITH THE STATE BOARD'S DETERMINATION, THE TAXPAYER MAY SEEK JUDICIAL REVIEW THEREOF PURSUANT TO ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES. THE TAXPAYER SHALL OTHERWISE HAVE NO RIGHT TO CHALLENGE SUCH FINAL DETERMINATION IN A COURT ACTION, ADMINISTRATIVE PROCEEDING OR ANY OTHER FORM OF LEGAL RECOURSE AGAINST THE COMMISSIONER, THE DEPARTMENT OF TAXATION AND FINANCE, THE STATE BOARD OF REAL PROPERTY TAX SERVICES, THE ASSESSOR OR OTHER PERSON HAVING CUSTODY OR CONTROL OF THE ASSESSMENT ROLL OR TAX ROLL REGARDING SUCH ACTION.

(E) THE COMMISSIONER SHALL BE ENTITLED TO UTILIZE INFORMATION FROM ANY FILINGS OF A TAXPAYER WITH THE DEPARTMENT OF TAXATION AND FINANCE IN CONJUNCTION WITH THE STAR REGISTRATION PROGRAM.

S 2. Subdivision 2 of section 200-a of the real property tax law, as added by section 7 of part W of chapter 56 of the laws of 2010, is amended to read as follows:

2. The state board of real property tax services shall have the following powers in relation to real property tax administration:

(a) The power to determine the final special franchise value, special franchise assessment, railroad ceiling, state equalization rate or any other equalization product established pursuant to this chapter for which a complaint has been filed, as provided by sections four hundred eighty-nine-o, four hundred eighty-nine-ll, six hundred fourteen, twelve hundred ten, twelve hundred fifty-three, and twelve hundred sixty-three of this chapter;

(b) The power to hear and determine reviews relating to determinations made by county equalization agencies, as provided by sections eight hundred sixteen and eight hundred eighteen of this chapter; AND

(C) THE POWER TO HEAR AND DETERMINE REVIEWS RELATING TO DETERMINATIONS OF STAR ELIGIBILITY MADE BY THE DEPARTMENT OF TAXATION AND FINANCE AS PROVIDED BY SECTION FOUR HUNDRED TWENTY FIVE OF THIS CHAPTER.

S 3. This act shall take effect April 1, 2013.

PART K

Intentionally omitted

PART L

Intentionally omitted

PART M

Section 1. Notwithstanding any other provision of law, and provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the agency) required to accomplish the purposes of such account, the board of directors of the state of New York mortgage agency shall authorize the transfer from the project pool insurance account of the mortgage insurance fund to the state treasury for deposit in the general fund a total sum not to exceed one hundred four million dollars as soon as practicable but no later than March 31, 2014.

S 2. Notwithstanding any other provision of law, the housing trust fund corporation (the corporation) may provide, for purposes of the neighborhood preservation program, a sum not to exceed eight million four hundred seventy-nine thousand dollars for the fiscal year ending March 31, 2014. Notwithstanding any other provision of law, and provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the agency) required to accomplish the purposes of such account, the board of directors of the state of New York mortgage agency shall authorize the transfer from the project pool insurance account of the mortgage insurance fund to the housing trust fund corporation (the corporation), for the purposes of reimbursing any costs associated with neighborhood preservation program contracts authorized by this section, a total sum not to exceed eight million four hundred seventy-nine thousand dollars as soon as practicable but no later than June 30, 2013.

S 3. Notwithstanding any other provision of law, the housing trust fund corporation (the corporation) may provide, for purposes of the rural preservation program, a sum not to exceed three million five hundred thirty-nine thousand dollars for the fiscal year ending March 31, 2014. Notwithstanding any other provision of law, and provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the agency) required to accomplish the purposes of such account, the board of directors of the state of New York mortgage agency shall authorize the transfer from the project pool insurance account of the mortgage insurance fund to the housing trust fund corporation (the corporation), for the purposes of reimbursing any costs associated with rural preservation program contracts authorized by this section, a total sum not to exceed three million five hundred thirty-nine thousand dollars as soon as practicable but no later than June 30, 2013.

S 4. Notwithstanding any other provision of law, the housing trust fund corporation (the corporation) may provide, for purposes of the rural rental assistance program, a sum not to exceed twenty million four hundred thousand dollars for the fiscal year ending March 31, 2014. Notwithstanding any other provision of law, and provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the agency) required to accomplish the purposes of such account, the board of directors of the state of New York mortgage agency shall authorize the transfer from the project pool insurance account of the mortgage insurance fund to the housing trust fund corporation (the corporation), for the purposes of reimbursing any costs associated with rural rental assistance program contracts authorized by this section, a total sum not to exceed twenty million four hundred thousand dollars as soon as practicable but no later than June 30, 2013. Notwithstanding any other provision of law, all current and existing rural rental assistance program contracts may be assigned to the corporation to administer as soon as practicable. Notwithstanding any other provision of law, such funds may be used by the corporation in support of contracts scheduled to expire in 2013-14 for as many as 10 additional years; in support of contracts for new eligible projects for a period not to exceed 5 years; and in support of contracts which reach their 25 year maximum in and/or prior to 2013-14 for an additional one year period.

S 5. Notwithstanding any other provision of law, the housing finance agency may provide, for costs associated with the rehabilitation of Mitchell Lama housing projects, a sum not to exceed seventeen million five hundred eighty-two thousand dollars for the fiscal year ending March 31, 2014. Notwithstanding any other provision of law, and provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the agency) required to accomplish the purposes of such account, the board of directors of the state of New York mortgage agency shall authorize the transfer from the project pool insurance account of the mortgage insurance fund to the housing finance agency, for the purposes of reimbursing any costs associated with Mitchell Lama housing projects authorized by this section, a total sum not to exceed seventeen

million five hundred eighty-two thousand dollars as soon as practicable but no later than March 30, 2014.

S 6. Notwithstanding any other provision of law, the housing trust fund corporation (the corporation) may provide, for purposes of the rural and urban community investment fund program created pursuant to article XXVII of the private housing finance law, a sum not to exceed three million five hundred thousand dollars for the fiscal year ending March 31, 2014. Notwithstanding any other provision of law, and provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the agency) required to accomplish the purposes of such account, the board of directors of the state of New York mortgage agency shall authorize the transfer from the project pool insurance account of the mortgage insurance fund to the housing trust fund corporation (the corporation), for the purposes of reimbursing any costs associated with rural and urban community investment fund program contracts authorized by this section, a total sum not to exceed three million five hundred thousand dollars as soon as practicable but no later than March 31, 2014.

S 7. Notwithstanding any other provision of law, the housing trust fund corporation (the corporation) may provide, for the purposes of carrying out the provisions of the low income housing trust fund program created pursuant to article XVIII of the private housing finance law, a sum not to exceed three million dollars for the fiscal year ending March 31, 2014. Notwithstanding any other provision of law, and provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the agency) required to accomplish the purposes of such account, the board of directors of the state of New York mortgage agency shall authorize the transfer from the project pool insurance account of the mortgage insurance fund to the housing trust fund corporation (the corporation), for the purposes of carrying out the provisions of the low income housing trust fund program created pursuant to article XVIII of the private housing finance law authorized by this section, a total sum not to exceed three million dollars as soon as practicable but no later than March 31, 2014. Such funds shall only be used to support housing in a metropolitan statistical area for persons and families whose income does not exceed sixty percent of the median income for such metropolitan statistical area, or housing in areas outside of a metropolitan statistical area for persons or families whose income does not exceed sixty percent of the median income for the state.

S 8. Notwithstanding any other provision of law, the housing trust fund corporation (the corporation) may provide, for the purposes of carrying out the provisions of the urban initiatives program created pursuant to article XVI-A of the private housing finance law, a sum not to exceed two million dollars for the fiscal year ending March 31, 2014. Notwithstanding any other provision of law, and provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the agency) required to accomplish the purposes of such account, the board of directors of the state of New York mortgage agency shall authorize the transfer from the project pool insurance account of the mortgage insurance fund to the housing trust fund corporation (the

corporation), for the purposes of carrying out the urban initiatives program created pursuant to provisions of article XVI-A of the private housing finance law authorized by this section, a total sum not to exceed two million dollars as soon as practicable but no later than March 31, 2014.

S 9. Notwithstanding any other provision of law, the housing trust fund corporation (the corporation) may provide, for purposes of the rural area revitalization program created pursuant to article XVII-B of the private housing finance law, a sum not to exceed one million five hundred thousand dollars for the fiscal year ending March 31, 2014. Notwithstanding any other provision of law, and provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the agency) required to accomplish the purposes of such account, the board of directors of the state of New York mortgage agency shall authorize the transfer from the project pool insurance account of the mortgage insurance fund to the housing trust fund corporation (the corporation), for the purposes of reimbursing any costs associated with rural area revitalization program contracts authorized by this section, a total sum not to exceed one million five hundred thousand dollars as soon as practicable but no later than March 31, 2014.

S 10. This act shall take effect immediately.

PART N

Section 1. Section 21 of the labor law is amended by adding a new subdivision 14 to read as follows:

14. SHALL DO ALL THINGS NECESSARY FOR THE OPERATION OF THE NEW YORK STATE DATA CENTER ESTABLISHED IN THE DEPARTMENT IN COOPERATION WITH THE UNITED STATES BUREAU OF THE CENSUS; TO COOPERATE WITH OTHER STATE AGENCIES, UNIVERSITIES, REGIONAL ORGANIZATIONS, BOARDS, COMMISSIONS, AND OTHER ENTITIES IN THE DISSEMINATION OF SOCIO-ECONOMIC INFORMATION AND DATA THROUGH THE NEW YORK STATE DATA CENTER PROGRAM; IN RELATION TO SUCH INFORMATION AND DATA, TO PROVIDE TECHNICAL ASSISTANCE TO OTHER STATE AGENCIES, UNIVERSITIES, REGIONAL ORGANIZATIONS, BOARDS, COMMISSIONS AND OTHER ENTITIES; AND TO PREPARE ESTIMATES AND THE OFFICIAL PROJECTIONS OF POPULATION, HOUSEHOLDS AND OTHER CHARACTERISTICS OF THE STATE FOR USE BY ALL STATE AGENCIES. ALL EMPLOYEES TRANSFERRED TO THE DEPARTMENT SHALL BE TRANSFERRED WITHOUT FURTHER EXAMINATION OR QUALIFICATION TO THE SAME OR SIMILAR TITLES AND SHALL REMAIN IN THE SAME COLLECTIVE BARGAINING UNITS AND SHALL RETAIN THEIR RESPECTIVE CIVIL SERVICE CLASSIFICATIONS, STATUS AND RIGHTS PURSUANT TO THEIR COLLECTIVE BARGAINING UNITS AND COLLECTIVE BARGAINING AGREEMENTS.

S 2. Subdivision 17 of section 100 of the economic development law is REPEALED.

S 3. This act shall take effect immediately.

PART O

Section 1. Paragraph (a) of subdivision 1 of section 518 of the labor law, as amended by chapter 589 of the laws of 1998, is amended to read as follows:

(a) "Wages" means all remuneration paid, except that such term does not include remuneration paid to an employee by an employer after eight thousand five hundred dollars have been paid to such employee by such

employer with respect to employment during any calendar year, EXCEPT THAT SUCH TERM DOES NOT INCLUDE REMUNERATION PAID TO AN EMPLOYEE BY AN EMPLOYER WITH RESPECT TO EMPLOYMENT DURING ANY CALENDAR YEAR BEGINNING WITH THE FIRST DAY OF

	THAT EXCEEDS
JANUARY 2014	$10,300
JANUARY 2015	$10,500
JANUARY 2016	$10,700
JANUARY 2017	$10,900
JANUARY 2018	$11,100
JANUARY 2019	$11,400
JANUARY 2020	$11,600
JANUARY 2021	$11,800
JANUARY 2022	$12,000
JANUARY 2023	$12,300
JANUARY 2024	$12,500
JANUARY 2025	$12,800
JANUARY 2026	$13,000

AND EACH YEAR THEREAFTER ON THE FIRST DAY OF JANUARY THAT EXCEEDS SIXTEEN PERCENT OF THE STATE'S AVERAGE ANNUAL WAGE AS DETERMINED BY THE COMMISSIONER ON AN ANNUAL BASIS PURSUANT TO SECTION FIVE HUNDRED TWENTY-NINE OF THIS ARTICLE; PROVIDED, HOWEVER, THAT IN CALCULATING SUCH MAXIMUM AMOUNT OF REMUNERATION, THE AMOUNT ARRIVED AT BY MULTIPLYING THE STATE'S AVERAGE ANNUAL WAGE TIMES SIXTEEN PERCENT SHALL BE ROUNDED UP TO THE NEAREST HUNDRED DOLLARS. IN NO EVENT SHALL THE STATE'S ANNUAL AVERAGE WAGE BE REDUCED FROM THE AMOUNT DETERMINED IN THE PREVIOUS YEAR. The term "employment" includes for the purposes of this subdivision services constituting employment under any unemployment compensation law of another state or the United States.

S 2. Subdivision 1, paragraph (a) of subdivision 2 and subdivision 6 of section 527 of the labor law, subdivision 1 as amended by chapter 413 of the laws of 2003, paragraph (a) of subdivision 2 as amended by chapter 5 of the laws of 2000 and subdivision 6 as added by chapter 589 of the laws of 1998, are amended to read as follows:

1. Basic condition. "Valid original claim" is a claim filed by a claimant who meets the following qualifications: (a) is able to work, and available for work; (b) is not subject to any disqualification or suspension under this article; (c) his OR HER previously established benefit year, if any, has expired; (d) has been paid remuneration by employers liable for contributions or for payments in lieu of contributions under this article, other than employers from whom the claimant lost employment [under conditions which would be] AND FOR WHICH THE COMMISSIONER MAKES A DETERMINATION disqualifying THE CLAIMANT FOR MISCONDUCT pursuant to [subdivision] SUBDIVISIONS three AND SIX of section five hundred ninety-three of this article, for employment during at least two calendar quarters of the base period, with remuneration of one and one-half times the high calendar quarter [earnings] REMUNERATION within the base period and with at least [one thousand six] TWO HUNDRED TWENTY-ONE TIMES THE MINIMUM WAGE ESTABLISHED UNDER SUBDIVISION ONE OF SECTION SIX HUNDRED FIFTY-TWO OF THIS CHAPTER ROUNDED DOWN TO THE NEAREST ONE hundred dollars of such remuneration being paid during the high calendar quarter of such base period. For purposes of this section, the [earnings] REMUNERATION in the high calendar quarter of the base period used in determining a valid original claim shall not exceed an amount equal to twenty-two times the maximum benefit rate as set forth in

subdivision five of section five hundred ninety of this article for all individuals.

(a) An individual who is unable to file a valid original claim in accordance with subdivision one of this section, files a valid original claim by meeting the qualifications enumerated in paragraphs (a), (b) and (c) of subdivision one of this section and by having been paid remuneration by employers liable for contributions or for payments in lieu of contributions under this article, other than employers from whom the claimant lost employment [under conditions which are] AND FOR WHICH THE COMMISSIONER MAKES A DETERMINATION disqualifying THE CLAIMANT FOR MISCONDUCT pursuant to [subdivision] SUBDIVISIONS three AND SIX of section five hundred ninety-three of this article, for employment during at least two calendar quarters of the base period, with remuneration of one and one-half times the high calendar quarter [earnings] REMUNERATION within the base period and with at least [one thousand six] TWO HUNDRED TWENTY-ONE TIMES THE MINIMUM WAGE ESTABLISHED UNDER SUBDIVISION ONE OF SECTION SIX HUNDRED FIFTY-TWO OF THIS CHAPTER ROUNDED DOWN TO THE NEAREST ONE hundred dollars of such remuneration being paid during the high calendar quarter of such base period. For purposes of this section, the [earnings] REMUNERATION in the high calendar quarter of the base period used in determining a valid original claim shall not exceed an amount equal to twenty-two times the maximum benefit rate as set forth in subdivision five of section five hundred ninety of this article for all individuals.

6. Work requirement. An individual who has filed a previous valid original claim pursuant to this section must have worked in employment and been paid remuneration for such work since the beginning of such previous claim in an amount equal to at least [five] TEN times the claimant's weekly benefit rate in order to be able to file a subsequent valid original claim.

S 3. The labor law is amended by adding a new section 529 to read as follows:

S 529. AVERAGE ANNUAL WAGE; AVERAGE WEEKLY WAGE. 1. THE "AVERAGE ANNUAL WAGE" SHALL BE THE AVERAGE ANNUAL WAGE OF THE STATE OF NEW YORK FOR THE PREVIOUS CALENDAR YEAR AS DETERMINED BY THE COMMISSIONER NO LATER THAN THE THIRTY-FIRST DAY OF MAY OF EACH YEAR.

2. THE "AVERAGE WEEKLY WAGE" SHALL BE THE AVERAGE WEEKLY WAGE OF THE STATE OF NEW YORK FOR THE PREVIOUS CALENDAR YEAR AS DETERMINED BY THE COMMISSIONER NO LATER THAN THE THIRTY-FIRST DAY OF MAY OF EACH YEAR.

S 4. Subdivisions 1 and 3 of section 576 of the labor law, as amended by chapter 49 of the laws of 1966, are amended to read as follows:

1. Determinations of liability for contributions. No determination of liability for contributions pursuant to section five hundred sixty of this article shall be made more than three years after the last day of the calendar year in which the wages on which such liability is based were paid, EXCEPT AS PROVIDED IN SUBDIVISION THREE OF THIS SECTION.

3. Determinations of LIABILITY FOR AND amount of contributions after contest. If an employer contests a determination of liability for contributions, a determination of LIABILITY FOR AND the amount of contributions due FOR THE CONTESTED PERIOD AND SUBSEQUENT PERIODS may be made at any time prior to the latter of the following:

(a) three years after the last day of the calendar year in which the wages on which such contributions are based were paid; or

(b) two years after the last day of the calendar year in which such determination of liability for contributions became final and irrevocable.

S 5. Paragraph (a) of subdivision 1 of section 577 of the labor law is amended by adding a new subparagraph 9 to read as follows:

(9) MONIES PURSUANT TO SECTION FIVE HUNDRED NINETY-FOUR OF THIS TITLE.

S 6. Subparagraph 3 of paragraph (e) of subdivision 1 of section 581 of the labor law, as amended by chapter 589 of the laws of 1998, is amended to read as follows:

(3) An employer's account shall not be charged, and the charges shall instead be made to the general account, for benefits paid to a claimant after the expiration of a period of disqualification from benefits following a final determination that the claimant lost employment with the employer through misconduct or voluntary separation of employment without good cause within the meaning of section five hundred ninety-three of this article and the charges are attributable to remuneration paid during the claimant's base period of employment with such employer prior to the claimant's loss of employment with such employer through misconduct or voluntary separation of employment without good cause, PROVIDED, HOWEVER, THAT AN EMPLOYER SHALL NOT BE RELIEVED OF CHARGES PURSUANT TO THIS SUBPARAGRAPH IF AN EMPLOYER OR ITS AGENT FAILS TO SUBMIT INFORMATION RESULTING IN AN OVERPAYMENT PURSUANT TO SECTION FIVE HUNDRED NINETY-SEVEN OF THIS ARTICLE.

S 7. Paragraph (a) of subdivision 2 of section 581 of the labor law, as added by chapter 413 of the laws of 2003, is amended to read as follows:

(a) Each qualified employer's rate of contribution shall be the percentage shown in the column headed by the size of the fund index as of the computation date and on the same line with his or her negative or positive employer's account percentage, except that if within the three payroll years preceding the computation date any part of a negative balance has been transferred from any employer's account as a charge to the general account pursuant to the provisions of paragraph (e) of subdivision one of this section such employer's rate of contribution shall be the maximum contribution rate as shown in the column headed by the size of fund index;

	Size of Fund Index										
Employer's Account Percentage	Less Than 0%	0% but less than 0.5%	0.5% but less than 1.0%	1.0% but less than 1.5%	1.5% but less than 2.0%	2.0% but less than 2.5%	2.5% but less than 3.0%	3.0% but less than 3.5%	3.5% but less than 4.0%	4.5% but less than 5.0%	5.0% or more
Negative											
21.0% or more	8.90	8.70	8.50	8.30	8.10	7.30	6.90	6.50	6.20	6.10	6.00	5.90
20.5% or more but less than 21.0%	8.80	8.60	8.40	8.20	8.00	7.20	6.80	6.40	6.10	6.00	5.90	5.80
20.0% or more but less than 20.5%	8.70	8.50	8.30	8.10	7.90	7.10	6.70	6.30	6.00	5.90	5.80	5.70

19.5% or more but less than 20.0%	8.60	8.40	8.20	8.00	7.80	7.00	6.60	6.20	5.90	5.80	5.70	5.60
19.0% or more but less than 19.5%	8.50	8.30	8.10	7.90	7.70	6.90	6.50	6.10	5.80	5.70	5.60	5.50
18.5% or more but less than 19.0%	8.40	8.20	8.00	7.80	7.60	6.80	6.40	6.00	5.70	5.60	5.50	5.40
18.0% or more but less than 18.5%	8.30	8.10	7.90	7.70	7.50	6.70	6.30	5.90	5.60	5.50	5.40	5.30
17.5% or more but less than 18.0%	8.20	8.00	7.80	7.60	7.40	6.60	6.20	5.80	5.50	5.40	5.30	5.20
17.0% or more but less than 17.5%	8.10	7.90	7.70	7.50	7.30	6.50	6.10	5.70	5.40	5.30	5.20	5.10
16.5% or more but less than 17.0%	8.00	7.80	7.60	7.40	7.20	6.40	6.00	5.60	5.30	5.20	5.10	5.00
16.0% or more but less than 16.5%	7.90	7.70	7.50	7.30	7.10	6.30	5.90	5.50	5.20	5.10	5.00	4.90
15.5% or more but less than 16.0%	7.80	7.60	7.40	7.20	7.00	6.20	5.80	5.40	5.10	5.00	4.90	4.80
15.0% or more but less than 15.5%	7.70	7.50	7.30	7.10	6.90	6.10	5.70	5.30	5.00	4.90	4.80	4.70
14.5% or more but less than 15.0%	7.60	7.40	7.20	7.00	6.80	6.00	5.60	5.20	4.90	4.80	4.70	4.60
14.0% or more but less than 14.5%	7.50	7.30	7.10	6.90	6.70	5.90	5.50	5.10	4.80	4.70	4.60	4.50
13.5% or more but less than 14.0%	7.40	7.20	7.00	6.80	6.60	5.80	5.40	5.00	4.70	4.60	4.50	4.40
13.0% or more but less than 13.5%	7.30	7.10	6.90	6.70	6.50	5.70	5.30	4.90	4.60	4.50	4.40	4.30

12.5% or more but less than 13.0%	7.20	7.00	6.80	6.60	6.40	5.60	5.20	4.80	4.50	4.40	4.30	4.20
12.0% or more but less than 12.5%	7.10	6.90	6.70	6.50	6.30	5.50	5.10	4.70	4.40	4.30	4.20	4.10
11.5% or more but less than 12.0%	7.00	6.80	6.60	6.40	6.20	5.40	5.00	4.60	4.30	4.20	4.10	4.00
11.0% or more but less than 11.5%	6.90	6.70	6.50	6.30	6.10	5.30	4.90	4.50	4.20	4.10	4.00	3.90
10.5% or more but less than 11.0%	6.80	6.60	6.40	6.20	6.00	5.20	4.80	4.40	4.10	4.00	3.90	3.80
10.0% or more but less than 10.5%	6.70	6.50	6.30	6.10	5.90	5.10	4.70	4.30	4.00	3.90	3.80	3.70
9.5% or more but less than 10.0%	6.60	6.40	6.20	6.00	5.80	5.00	4.60	4.20	3.90	3.80	3.70	3.60
9.0% or more but less than 9.5%	6.50	6.30	6.10	5.90	5.70	4.90	4.50	4.10	3.80	3.70	3.60	3.50
8.5% or more but less than 9.0%	6.40	6.20	6.00	5.80	5.60	4.80	4.40	4.00	3.70	3.60	3.50	3.40
8.0% or more but less than 8.5%	6.30	6.10	5.90	5.70	5.50	4.70	4.30	3.90	3.60	3.50	3.40	3.30
7.0% or more but less than 8.0%	6.20	6.00	5.80	5.60	5.40	4.60	4.20	3.80	3.50	3.40	3.30	3.20
6.0% or more but less than 7.0%	6.10	5.90	5.70	5.50	5.30	4.50	4.10	3.70	3.40	3.30	3.20	3.10
5.0% or more but less than 6.0%	6.00	5.80	5.60	5.40	5.20	4.40	4.00	3.60	3.30	3.20	3.10	3.00
4.0% or more but less than 5.0%	5.90	5.70	5.50	5.30	5.10	4.30	3.90	3.50	3.20	3.10	3.00	2.90

3.0% or more but less than 4.0%	5.60	5.40	5.20	5.00	4.80	4.20	3.80	3.40	3.10	3.00	2.90	2.80
2.0% or more but less than 3.0%	5.50	5.30	5.10	4.90	4.70	4.10	3.70	3.30	3.00	2.90	2.80	2.70
1.0% or more but less than 2.0%	5.40	5.20	5.00	4.80	4.60	4.00	3.60	3.20	2.90	2.80	2.70	2.60
Less than 1.0%	5.20	5.00	4.80	4.60	4.40	3.80	3.40	3.00	2.70	2.60	2.50	2.40
Positive												
Less than 1.0%	4.10	3.90	3.70	3.50	3.30	2.90	2.50	2.10	1.90	1.80	1.70	1.60
1.0% or more but less than 2.0%	4.00	3.80	3.60	3.40	3.20	2.80	2.40	2.00	1.80	1.70	1.60	1.50
2.0% or more but less than 3.0%	3.90	3.70	3.50	3.30	3.10	2.70	2.30	1.90	1.70	1.60	1.50	1.40
3.0% or more but less than 4.0%	3.80	3.60	3.40	3.20	3.00	2.60	2.20	1.80	1.60	1.50	1.40	1.30
4.0% or more but less than 5.0%	3.70	3.50	3.30	3.10	2.90	2.50	2.10	1.70	1.50	1.40	1.30	1.20
5.0% or more but less than 5.5%	3.60	3.40	3.20	3.00	2.80	2.40	2.00	1.60	1.40	1.30	1.20	1.10
5.5% or more but less than 5.75%	3.50	3.30	3.10	2.90	2.70	2.30	1.90	1.50	1.30	1.20	1.10	1.00
5.75% or more but less than 6.0%	3.40	3.20	3.00	2.80	2.60	2.20	1.80	1.40	1.20	1.10	1.00	0.90
6.0% or more but less than 6.25%	3.30	3.10	2.90	2.70	2.50	2.10	1.70	1.30	1.10	1.00	0.90	0.80
6.25% or more but less than 6.5%	3.20	3.00	2.80	2.60	2.40	2.00	1.60	1.20	1.00	0.90	0.80	0.70
6.5%												

or more but less than 6.75%	3.10	2.90	2.70	2.50	2.30	1.90	1.50	1.10	0.90	0.80	0.70	0.60
6.75% or more but less than 7.0%	3.00	2.80	2.60	2.40	2.20	1.80	1.40	1.00	0.80	0.70	0.60	0.50
7.0% or more but less than 7.25%	2.90	2.70	2.50	2.30	2.10	1.70	1.30	0.90	0.70	0.60	0.50	0.40
7.25% or more but less than 7.5%	2.80	2.60	2.40	2.20	2.00	1.60	1.20	0.80	0.60	0.50	0.40	0.30
7.5% or more but less than 7.75%	2.70	2.50	2.30	2.10	1.90	1.50	1.10	0.70	0.50	0.40	0.30	0.20
7.75% or more but less than 8.0%	2.60	2.40	2.20	2.00	1.80	1.40	1.00	0.60	0.40	0.30	0.20	0.10
8.0% or more but less than 8.25%	2.50	2.30	2.10	1.90	1.70	1.30	0.90	0.50	0.30	0.20	0.10	0.00
8.25% or more but less than 8.5%	2.40	2.20	2.00	1.80	1.60	1.20	0.80	0.40	0.20	0.10	0.00	0.00
8.5% or more but less than 8.75%	2.30	2.10	1.90	1.70	1.50	1.10	0.70	0.30	0.10	0.00	0.00	0.00
8.75% or more but less than 9.0%	2.20	2.00	1.80	1.60	1.40	1.00	0.60	0.20	0.00	0.00	0.00	0.00
9.0% or more but less than 9.25%	2.10	1.90	1.70	1.50	1.30	0.90	0.50	0.10	0.00	0.00	0.00	0.00
9.25% or more but less than 9.5%	2.00	1.80	1.60	1.40	1.20	0.80	0.40	0.00	0.00	0.00	0.00	0.00
9.5% or more but less than 9.75%	1.90	1.70	1.50	1.30	1.10	0.70	0.30	0.00	0.00	0.00	0.00	0.00
9.75% or more but less than 10.0%	1.80	1.60	1.40	1.20	1.00	0.60	0.20	0.00	0.00	0.00	0.00	0.00

or more but less than 10.25%	1.70	1.50	1.30	1.10	0.90	0.50	0.10	0.00	0.00	0.00	0.00	0.00
10.25% or more but less than 10.5%	1.60	1.40	1.20	1.00	0.80	0.40	0.00	0.00	0.00	0.00	0.00	0.00
10.5% or more [but less than 10.75%]	1.50	1.30	1.10	0.90	0.70	0.30	0.00	0.00	0.00	0.00	0.00	0.00
[10.75% or more but less than 11.0%	1.40	1.20	1.00	0.80	0.60	0.20	0.00	0.00	0.00	0.00	0.00	0.00
11.0% or more but less than 11.25%	1.30	1.10	0.90	0.70	0.50	0.10	0.00	0.00	0.00	0.00	0.00	0.00
11.25% or more but less than 11.5%	1.20	1.00	0.80	0.60	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11.5% or more but less than 11.75%	1.10	0.90	0.70	0.50	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11.75% or more but less than 12.0%	1.00	0.80	0.60	0.40	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12.0% or more	0.90	0.70	0.50	0.30	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00]

S 8. Subdivision 5 of section 590 of the labor law, as amended by chapter 413 of the laws of 2003, is amended to read as follows:

5. Benefit rate. (A) A claimant's weekly benefit amount shall be one twenty-sixth of the remuneration paid during the highest calendar quarter of the base period by employers, liable for contributions or payments in lieu of contributions under this article, PROVIDED THE CLAIMANT HAS REMUNERATION PAID IN ALL FOUR CALENDAR QUARTERS DURING HIS OR HER BASE PERIOD OR ALTERNATE BASE PERIOD. However, for [claimants] ANY CLAIMANT WHO HAS REMUNERATION PAID IN ALL FOUR CALENDAR QUARTERS DURING HIS OR HER BASE PERIOD OR ALTERNATE BASE PERIOD AND whose high calendar quarter remuneration during the base period is three thousand five hundred seventy-five dollars or less, the benefit amount shall be one twenty-fifth of the remuneration paid during the highest calendar quarter of the base period by employers liable for contributions or payments in lieu of contributions under this article. A CLAIMANT'S WEEKLY BENEFIT SHALL BE ONE TWENTY-SIXTH OF THE AVERAGE REMUNERATION PAID IN THE TWO HIGHEST QUARTERS PAID DURING THE BASE PERIOD OR ALTERNATE BASE PERIOD BY EMPLOYERS LIABLE FOR CONTRIBUTIONS OR PAYMENTS IN LIEU OF CONTRIBUTIONS UNDER THIS ARTICLE WHEN THE CLAIMANT HAS REMUNERATION PAID IN TWO OR THREE CALENDAR QUARTERS PROVIDED HOWEVER, THAT A CLAIMANT WHOSE HIGH CALENDAR QUARTER IS FOUR THOUSAND DOLLARS OR LESS BUT GREATER THAN THREE THOUSAND FIVE HUNDRED SEVENTY-FIVE DOLLARS SHALL HAVE A WEEKLY BENEFIT AMOUNT OF ONE TWENTY-SIXTH OF SUCH HIGH CALENDAR QUARTER.

HOWEVER, FOR ANY CLAIMANT WHO HAS REMUNERATION PAID IN TWO OR THREE CALENDAR QUARTERS DURING HIS OR HER BASE PERIOD OR ALTERNATE BASE PERIOD AND WHOSE HIGH CALENDAR QUARTER REMUNERATION DURING THE BASE PERIOD IS THREE THOUSAND FIVE HUNDRED SEVENTY-FIVE DOLLARS OR LESS, THE BENEFIT AMOUNT SHALL BE ONE TWENTY-FIFTH OF THE REMUNERATION PAID DURING THE HIGHEST CALENDAR QUARTER OF THE BASE PERIOD BY EMPLOYERS LIABLE FOR CONTRIBUTIONS OR PAYMENTS IN LIEU OF CONTRIBUTIONS UNDER THIS ARTICLE. Any claimant whose high calendar quarter remuneration during the base period is more than three thousand five hundred seventy-five dollars shall not have a weekly benefit amount less than one hundred forty-three dollars. The weekly benefit amount, so computed, that is not a multiple of one dollar shall be lowered to the next multiple of one dollar. On the first Monday of September, nineteen hundred ninety-eight the weekly benefit amount shall not exceed three hundred sixty-five dollars nor be less than forty dollars, until the first Monday of September, two thousand, at which time the maximum benefit payable pursuant to this subdivision shall equal one-half of the state average weekly wage for covered employment as calculated by the department no sooner than July first, two thousand and no later than August first, two thousand, rounded down to the lowest dollar. ON AND AFTER THE FIRST MONDAY OF OCTOBER, TWO THOUSAND FOURTEEN, THE WEEKLY BENEFIT SHALL NOT BE LESS THAN ONE HUNDRED DOLLARS, NOR SHALL IT EXCEED FOUR HUNDRED TWENTY DOLLARS UNTIL THE FIRST MONDAY OF OCTOBER, TWO THOUSAND FIFTEEN WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE FOUR HUNDRED TWENTY-FIVE DOLLARS, UNTIL THE FIRST MONDAY OF OCTOBER, TWO THOUSAND SIXTEEN WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE FOUR HUNDRED THIRTY DOLLARS, UNTIL THE FIRST MONDAY OF OCTOBER, TWO THOUSAND SEVENTEEN WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE FOUR HUNDRED THIRTY-FIVE DOLLARS, UNTIL THE FIRST MONDAY OF OCTOBER, TWO THOUSAND EIGHTEEN WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE FOUR HUNDRED FIFTY DOLLARS, UNTIL THE FIRST MONDAY OF OCTOBER, TWO THOUSAND NINETEEN WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE THIRTY-SIX PERCENT OF THE AVERAGE WEEKLY WAGE UNTIL THE FIRST MONDAY OF OCTOBER, TWO THOUSAND TWENTY WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE THIRTY-EIGHT PERCENT OF THE AVERAGE WEEKLY WAGE, UNTIL THE FIRST MONDAY OF OCTOBER TWO THOUSAND TWENTY-ONE WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE FORTY PERCENT OF THE AVERAGE WEEKLY WAGE, UNTIL THE FIRST MONDAY OF OCTOBER, TWO THOUSAND TWENTY-TWO WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE FORTY-TWO PERCENT OF THE AVERAGE WEEKLY WAGE, UNTIL THE FIRST MONDAY OF OCTOBER, TWO THOUSAND TWENTY-THREE WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE FORTY-FOUR PERCENT OF THE AVERAGE WEEKLY WAGE, UNTIL THE FIRST MONDAY OF OCTOBER, TWO THOUSAND TWENTY-FOUR WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE FORTY-SIX PERCENT OF THE AVERAGE WEEKLY WAGE, UNTIL THE FIRST MONDAY OF OCTOBER, TWO THOUSAND TWENTY-FIVE WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE FORTY-EIGHT PERCENT OF THE AVERAGE WEEKLY WAGE, UNTIL THE FIRST MONDAY OF OCTOBER, TWO THOUSAND TWENTY-SIX AND EACH YEAR THEREAFTER ON THE FIRST MONDAY OF OCTOBER WHEN THE MAXIMUM BENEFIT AMOUNT SHALL BE FIFTY PERCENT OF THE AVERAGE WEEKLY WAGE PROVIDED, HOWEVER, THAT IN NO EVENT SHALL THE MAXIMUM BENEFIT AMOUNT BE REDUCED FROM THE PREVIOUS YEAR.

(B) NOTWITHSTANDING THE FOREGOING, THE MAXIMUM BENEFIT AMOUNT SHALL NOT BE INCREASED IN ACCORDANCE WITH THE SCHEDULE SET FORTH IN PARAGRAPH (A) OF THIS SUBDIVISION IN ANY YEAR IN WHICH THE COMMISSIONER DETERMINES THAT THE STATE HAS HAD A DECREASE IN PRIVATE SECTOR JOBS IN EACH MONTH OF THE FIRST TWO CALENDAR QUARTERS OF THE YEAR IN WHICH THE MAXIMUM BENEFIT AMOUNT INCREASE IS SCHEDULED TO OCCUR. IF THE COMMISSIONER DETERMINES THAT THE STATE HAS NOT HAD A DECREASE IN PRIVATE SECTOR JOBS IN EACH MONTH IN THE FIRST TWO CALENDAR QUARTERS IN YEARS SUBSEQUENT TO

SUCH SUSPENSION OF AN INCREASE IN THE MAXIMUM BENEFIT AMOUNT, THEN THE MAXIMUM BENEFIT AMOUNT SHALL INCREASE TO THE AMOUNT FOR THE YEAR PREVIOUSLY SCHEDULED TO BE ESTABLISHED PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION HAD THE INCREASE NOT BEEN SUSPENDED AND INCREASED ANNUALLY THEREAFTER IN ACCORDANCE WITH THE SCHEDULE SET FORTH IN PARAGRAPH (A) OF THIS SUBDIVISION. IN NO CASE SHALL SUCH SUSPENSION RESULT IN A REDUCTION OF THE MAXIMUM BENEFIT AMOUNT TO LESS THAN THE AMOUNT PROVIDED IN THE MOST RECENT YEAR.

S 9. Paragraph (b) of subdivision 5 of section 590 of the labor law, as added by section eight of this act, is REPEALED and a new paragraph (b) is added to read as follows:

(B) NOTWITHSTANDING THE FOREGOING, THE MAXIMUM BENEFIT AMOUNT SHALL NOT BE INCREASED IN ACCORDANCE WITH THE SCHEDULE SET FORTH IN PARAGRAPH (A) OF THIS SUBDIVISION IN ANY YEAR IN WHICH THE BALANCE OF THE FUND ON THE THIRTY-FIRST DAY OF MAY OF THE SAME YEAR IS LESS THAN AN AMOUNT OF THE FUNDS PROJECTED TO BE NEEDED TO PAY FOR THE INCREASE IN BENEFITS AS DETERMINED BY THE COMMISSIONER. IF FUND REVENUES ARE DETERMINED BY THE COMMISSIONER TO BE SUFFICIENT TO PAY FOR THE INCREASE IN BENEFITS IN YEARS SUBSEQUENT TO SUCH SUSPENSION OF AN INCREASE IN THE MAXIMUM BENEFIT AMOUNT, THEN THE MAXIMUM BENEFIT AMOUNT SHALL INCREASE TO THE AMOUNT FOR THE YEAR PREVIOUSLY SCHEDULED TO BE ESTABLISHED PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION HAD THE INCREASE NOT BEEN SUSPENDED AND INCREASED ANNUALLY THEREAFTER IN ACCORDANCE WITH THE SCHEDULE SET FORTH IN PARAGRAPH (A) OF THIS SUBDIVISION. IN NO CASE SHALL SUCH SUSPENSION RESULT IN A REDUCTION OF THE MAXIMUM BENEFIT AMOUNT TO LESS THAN THE AMOUNT PROVIDED IN THE MOST RECENT YEAR.

S 10. Paragraph (b) of subdivision 5 of section 590 of the labor law, as added by section nine of this act is REPEALED and a new paragraph (b) is added to read as follows:

(B) NOTWITHSTANDING THE FOREGOING, THE MAXIMUM BENEFIT AMOUNT SHALL NOT BE INCREASED IN ACCORDANCE WITH THE SCHEDULE SET FORTH IN PARAGRAPH (A) OF THIS SUBDIVISION IN ANY YEAR IN WHICH THE BALANCE OF THE FUND IS DETERMINED BY THE COMMISSIONER TO NOT HAVE REACHED OR EXCEEDED THIRTY PERCENT OF THE AVERAGE HIGH COST MULTIPLE, AS DEFINED IN 20 CFR PART 606 AS THE STANDARD FOR RECEIPT OF INTEREST-FREE FEDERAL LOANS, ON AT LEAST ONE DAY BETWEEN APRIL FIRST AND JUNE THIRTIETH OF THE SAME CALENDAR YEAR AS THE INCREASE SHALL TAKE EFFECT. IF, FOLLOWING SUCH SUSPENSION OF AN INCREASE IN THE MAXIMUM BENEFIT AMOUNT, THE COMMISSIONER SHALL DETERMINE, ON AT LEAST ONE DAY BETWEEN APRIL FIRST AND JUNE THIRTIETH THAT THE BALANCE OF THE FUND IS GREATER THAN SUCH THIRTY PERCENT AVERAGE HIGH COST MULTIPLE, THEN THE MAXIMUM BENEFIT AMOUNT SHALL INCREASE TO THE PERCENTAGE FOR THE YEAR PREVIOUSLY SCHEDULED TO BE ESTABLISHED PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION HAD THE INCREASE NOT BEEN SUSPENDED AND INCREASED ANNUALLY THEREAFTER IN ACCORDANCE WITH THE SCHEDULE SET FORTH IN PARAGRAPH (A) OF THIS SUBDIVISION. IN NO CASE SHALL SUCH SUSPENSION RESULT IN A REDUCTION OF THE MAXIMUM BENEFIT AMOUNT TO LESS THAN THE AMOUNT PROVIDED IN THE MOST RECENT YEAR.

S 11. Subdivision 9 of section 590 of the labor law is amended by adding a new paragraph (d) to read as follows:

(D) AN ALIEN WHO IS NOT ELIGIBLE UNDER 8 USC 1621(A) SHALL BE ELIGIBLE FOR BENEFITS, PROVIDED SUCH ALIEN IS ELIGIBLE FOR BENEFITS UNDER THE PROVISIONS OF THIS ARTICLE AND SECTION 3304 (A) (14) OF THE FEDERAL UNEMPLOYMENT TAX ACT.

S 12. Subdivision 2 of section 591 of the labor law, as amended by chapter 720 of the laws of 1953, is amended to read as follows:

2. Availability [and], capability, AND WORK SEARCH. No benefits shall be payable to any claimant who is not capable of work or who is not ready, willing and able to work in his OR HER usual employment or in any other for which he OR SHE is reasonably fitted by training and experience AND WHO IS NOT ACTIVELY SEEKING WORK. IN ORDER TO BE ACTIVELY SEEKING WORK A CLAIMANT MUST BE ENGAGED IN SYSTEMATIC AND SUSTAINED EFFORTS TO FIND WORK. THE COMMISSIONER SHALL PROMULGATE REGULATIONS DEFINING SYSTEMATIC AND SUSTAINED EFFORTS TO FIND WORK AND SETTING STANDARDS FOR THE PROOF OF WORK SEARCH EFFORTS.

S 13. Section 591 of the labor law is amended by adding a new subdivision 6 to read as follows:

6. DISMISSAL PAY. (A) NO BENEFITS SHALL BE PAYABLE TO A CLAIMANT FOR ANY WEEK DURING A DISMISSAL PERIOD FOR WHICH A CLAIMANT RECEIVES DISMISSAL PAY, NOR SHALL ANY DAY WITHIN SUCH WEEK BE CONSIDERED A DAY OF TOTAL UNEMPLOYMENT UNDER SECTION FIVE HUNDRED TWENTY-TWO OF THIS ARTICLE, IF SUCH WEEKLY DISMISSAL PAY EXCEEDS THE MAXIMUM WEEKLY BENEFIT RATE.

(B) THE TERM "DISMISSAL PAY", AS USED IN THIS SUBDIVISION, MEANS ONE OR MORE PAYMENTS MADE BY AN EMPLOYER TO AN EMPLOYEE DUE TO HIS OR HER SEPARATION FROM SERVICE OF THE EMPLOYER REGARDLESS OF WHETHER THE EMPLOYER IS LEGALLY BOUND BY CONTRACT, STATUTE OR OTHERWISE TO MAKE SUCH PAYMENTS. THE TERM DOES NOT INCLUDE PAYMENTS FOR PENSION, RETIREMENT, ACCRUED LEAVE, AND HEALTH INSURANCE OR PAYMENTS FOR SUPPLEMENTAL UNEMPLOYMENT BENEFITS.

(C) THE TERM "DISMISSAL PERIOD", AS USED IN THIS SUBDIVISION, MEANS THE TIME DESIGNATED FOR WEEKS OF DISMISSAL PAY ATTRIBUTABLE TO THE CLAIMANT'S WEEKLY EARNINGS IN ACCORDANCE WITH THE COLLECTIVE BARGAINING AGREEMENT, EMPLOYMENT CONTRACT, EMPLOYER'S DISMISSAL POLICY, DISMISSAL AGREEMENT WITH THE EMPLOYER OR OTHER SUCH AGREEMENT. IF NO SUCH AGREEMENT, CONTRACT OR POLICY DESIGNATES A DISMISSAL PERIOD, THEN THE DISMISSAL PERIOD SHALL BE THE TIME DESIGNATED IN WRITING IN ADVANCE BY THE EMPLOYER TO BE CONSIDERED THE DISMISSAL PERIOD. IF NO TIME PERIOD IS DESIGNATED, THE DISMISSAL PERIOD SHALL COMMENCE ON THE DAY AFTER THE CLAIMANT'S LAST DAY OF EMPLOYMENT. IF THE DISMISSAL PAYMENT IS IN A LUMP SUM AMOUNT OR FOR AN INDEFINITE PERIOD, DISMISSAL PAYMENTS SHALL BE ALLOCATED ON A WEEKLY BASIS FROM THE DAY AFTER THE CLAIMANT'S LAST DAY OF EMPLOYMENT AND THE CLAIMANT SHALL NOT BE ELIGIBLE FOR BENEFITS FOR ANY WEEK FOR WHICH IT IS DETERMINED THAT THE CLAIMANT RECEIVES DISMISSAL PAY. THE AMOUNT OF DISMISSAL PAY SHALL BE ALLOCATED BASED ON THE CLAIMANT'S ACTUAL WEEKLY REMUNERATION PAID BY THE EMPLOYER DURING HIS OR HER EMPLOYMENT OR, IF SUCH AMOUNT CANNOT BE DETERMINED, THE AMOUNT OF THE CLAIMANT'S AVERAGE WEEKLY WAGE FOR THE HIGHEST CALENDAR QUARTER.

(D) NOTWITHSTANDING THE FOREGOING, THE PROVISIONS OF THIS SUBDIVISION SHALL NOT APPLY DURING ANY WEEKS IN WHICH THE INITIAL PAYMENT OF DISMISSAL PAY IS MADE MORE THAN THIRTY DAYS FROM THE LAST DAY OF THE CLAIMANT'S EMPLOYMENT.

S 14. Subparagraph (i) of paragraph (b) of subdivision 2 of section 591-a of the labor law, as added by chapter 413 of the laws of 2003, is amended to read as follows:

(i) requirements relating to total unemployment, as defined in section five hundred twenty-two of this article, availability for work AND SEARCH FOR WORK, as set forth in subdivision two of section five hundred ninety-one of this title and refusal to accept work, as set forth in subdivision two of section five hundred ninety-three of this title, are not applicable to such individuals;

S 15. Paragraph (a) of subdivision 1, the opening paragraph of subdivision 2 and subdivision 3 of section 593 of the labor law, paragraph (a) of subdivision 1 as amended by chapter 35 of the laws of 2009, the opening paragraph of subdivision 2 as amended by chapter 5 of the laws of 2000, and subdivision 3 as amended by chapter 589 of the laws of 1998, are amended and a new subdivision 6 is added to read as follows:

(a) No days of total unemployment shall be deemed to occur after a claimant's voluntary separation without good cause from employment until he or she has subsequently worked in employment and earned remuneration at least equal to [five] TEN times his or her weekly benefit rate. In addition to other circumstances that may be found to constitute good cause, including a compelling family reason as set forth in paragraph (b) of this subdivision, voluntary separation from employment shall not in itself disqualify a claimant if circumstances have developed in the course of such employment that would have justified the claimant in refusing such employment in the first instance under the terms of subdivision two of this section or if the claimant, pursuant to an option provided under a collective bargaining agreement or written employer plan which permits waiver of his OR HER right to retain the employment when there is a temporary layoff because of lack of work, has elected to be separated for a temporary period and the employer has consented thereto.

No days of total unemployment shall be deemed to occur beginning with the day on which a claimant, without good cause, refuses to accept an offer of employment for which he OR SHE is reasonably fitted by training and experience, including employment not subject to this article, until he OR SHE has subsequently worked in employment and earned remuneration at least equal to [five] TEN times his or her weekly benefit rate. Except that claimants who are not subject to a recall date or who do not obtain employment through a union hiring hall and who are still unemployed after receiving [thirteen] TEN weeks of benefits shall be required to accept any employment proffered that such claimants are capable of performing, provided that such employment would result in a wage not less than eighty percent of such claimant's high calendar quarter wages received in the base period and not substantially less than the prevailing wage for similar work in the locality as provided for in paragraph (d) of this subdivision. No refusal to accept employment shall be deemed without good cause nor shall it disqualify any claimant otherwise eligible to receive benefits if:

3. Misconduct. No days of total unemployment shall be deemed to occur after a claimant lost employment through misconduct in connection with his or her employment until he or she has subsequently worked in employment and earned remuneration at least equal to [five] TEN times his or her weekly benefit rate.

6. DETERMINATIONS AND HEARINGS. THE COMMISSIONER SHALL ISSUE A DETERMINATION FOR ANY PROTEST THAT IS FILED BY ANY BASE PERIOD EMPLOYER WITHIN THE TIME SPECIFIED IN THE NOTIFICATION OF POTENTIAL CHARGES BASED ON VOLUNTARY SEPARATIONS OR MISCONDUCT. AN EMPLOYER OR CLAIMANT MAY REQUEST A HEARING OF SUCH DETERMINATION PURSUANT TO SECTION SIX HUNDRED TWENTY OF THIS ARTICLE.

S 16. Section 594 of the labor law, as amended by chapter 728 of the laws of 1952, and the opening paragraph as amended by chapter 139 of the laws of 1968, are amended to read as follows:

S 594. Reduction AND RECOVERY of benefits AND PENALTIES for WILFUL false statement. (1) A claimant who has wilfully made a false statement or representation to obtain any benefit under the provisions of this

article shall forfeit benefits for at least the first four but not more than the first eighty effective days following discovery of such offense for which he OR SHE otherwise would have been entitled to receive benefits. Such penalty shall apply only once with respect to each such offense.

(2) For the purpose of subdivision four of section five hundred ninety of this article, the claimant shall be deemed to have received benefits for such forfeited effective days.

(3) The penalty provided in this section shall not be confined to a single benefit year but shall no longer apply in whole or in part after the expiration of two years from the date [on which the offense was committed] OF THE FINAL DETERMINATION. SUCH TWO-YEAR PERIOD SHALL BE TOLLED DURING THE TIME PERIOD A CLAIMANT HAS AN APPEAL PENDING.

(4) A claimant shall refund all moneys received because of such false statement or representation [made by him] AND PAY A CIVIL PENALTY IN AN AMOUNT EQUAL TO THE GREATER OF ONE HUNDRED DOLLARS OR FIFTEEN PERCENT OF THE TOTAL OVERPAID BENEFITS DETERMINED PURSUANT TO THIS SECTION. THE PENALTIES COLLECTED HEREUNDER SHALL BE DEPOSITED IN THE FUND. THE PENALTIES ASSESSED UNDER THIS SUBDIVISION SHALL APPLY AND BE ASSESSED FOR ANY BENEFITS PAID UNDER FEDERAL UNEMPLOYMENT AND EXTENDED UNEMPLOYMENT PROGRAMS ADMINISTERED BY THE DEPARTMENT IN THE SAME MANNER AS PROVIDED IN THIS ARTICLE. THE PENALTIES IN THIS SECTION SHALL BE IN ADDITION TO ANY PENALTIES IMPOSED UNDER THIS CHAPTER OR ANY STATE OR FEDERAL CRIMINAL STATUTE. NO PENALTIES OR INTEREST ASSESSED PURSUANT TO THIS SECTION MAY BE DEDUCTED OR WITHHELD FROM BENEFITS.

(5) (A) UPON A DETERMINATION BASED UPON A WILLFUL FALSE STATEMENT OR REPRESENTATION BECOMING FINAL THROUGH EXHAUSTION OF APPEAL RIGHTS OR FAILURE TO EXHAUST HEARING RIGHTS, THE COMMISSIONER MAY RECOVER THE AMOUNT FOUND TO BE DUE BY COMMENCING A CIVIL ACTION, OR BY FILING WITH THE COUNTY CLERK OF THE COUNTY WHERE THE CLAIMANT RESIDES THE FINAL DETERMINATION OF THE COMMISSIONER OR THE FINAL DECISION BY AN ADMINISTRATIVE LAW JUDGE, THE APPEAL BOARD, OR A COURT CONTAINING THE AMOUNT FOUND TO BE DUE INCLUDING INTEREST AND CIVIL PENALTY. THE COMMISSIONER MAY ONLY MAKE SUCH A FILING WITH THE COUNTY CLERK WHEN:

(I) THE CLAIMANT HAS RESPONDED TO REQUESTS FOR INFORMATION PRIOR TO A DETERMINATION AND SUCH REQUESTS FOR INFORMATION NOTIFIED THE CLAIMANT OF HIS OR HER RIGHTS TO A FAIR HEARING AS WELL AS THE POTENTIAL CONSEQUENCES OF AN INVESTIGATION AND FINAL DETERMINATION UNDER THIS SECTION INCLUDING THE NOTICE REQUIRED BY SUBPARAGRAPH (III) OF PARAGRAPH (B) OF THIS SUBDIVISION. ADDITIONALLY IF THE CLAIMANT REQUESTED A FAIR HEARING OR APPEAL SUBSEQUENT TO A DETERMINATION, THAT THE CLAIMANT WAS PRESENT EITHER IN PERSON OR THROUGH ELECTRONIC MEANS AT SUCH HEARING, OR SUBSEQUENT APPEAL FROM WHICH A FINAL DETERMINATION WAS RENDERED;

(II) THE COMMISSIONER HAS MADE EFFORTS TO COLLECT ON SUCH FINAL DETERMINATION; AND

(III) THE COMMISSIONER HAS SENT A NOTICE, IN ACCORDANCE WITH PARAGRAPH (B) OF THIS SUBDIVISION, OF INTENT TO DOCKET SUCH FINAL DETERMINATION BY FIRST CLASS OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TEN DAYS PRIOR TO THE DOCKETING OF SUCH DETERMINATION.

(B) THE NOTICE REQUIRED IN SUBPARAGRAPH (III) OF PARAGRAPH (A) OF THIS SUBDIVISION SHALL INCLUDE THE FOLLOWING:

(I) THAT THE COMMISSIONER INTENDS TO DOCKET A FINAL DETERMINATION AGAINST SUCH CLAIMANT AS A JUDGMENT;

(II) THE TOTAL AMOUNT TO BE DOCKETED; AND

(III) CONSPICUOUS LANGUAGE THAT READS AS FOLLOWS: "ONCE ENTERED, A JUDGMENT IS GOOD AND CAN BE USED AGAINST YOU FOR TWENTY YEARS, AND YOUR

MONEY, INCLUDING A PORTION OF YOUR PAYCHECK AND/OR BANK ACCOUNT, MAY BE TAKEN. ALSO, A JUDGMENT WILL HURT YOUR CREDIT SCORE AND CAN AFFECT YOUR ABILITY TO RENT A HOME, FIND A JOB, OR TAKE OUT A LOAN."

S 17. Section 596 of the labor law is amended by adding a new subdivision 7 to read as follows:

7. NOTWITHSTANDING THE PROVISIONS OF SECTION FIVE HUNDRED NINETY-FIVE OF THIS TITLE, THE COMMISSIONER SHALL DEDUCT AND WITHHOLD ANY OVERPAYMENTS ESTABLISHED UNDER THIS ARTICLE OR UNDER ANY STATE OR FEDERAL UNEMPLOYMENT COMPENSATION PROGRAM FROM BENEFITS PAYABLE TO AN INDIVIDUAL. NO PENALTIES OR INTEREST ASSESSED PURSUANT TO SECTION FIVE HUNDRED NINETY-FOUR OF THIS TITLE MAY BE DEDUCTED OR WITHHELD FROM BENEFITS.

S 18. Subdivision 2 of section 597 of the labor law is amended by adding a new paragraph (d) to read as follows:

(D) NOTWITHSTANDING ANY PROVISIONS OF THIS ARTICLE, UNLESS A COMMISSIONER'S ERROR IS SHOWN OR THE FAILURE IS THE DIRECT RESULT OF A DISASTER EMERGENCY DECLARED BY THE GOVERNOR OR PRESIDENT, AN EMPLOYER'S ACCOUNT SHALL NOT BE RELIEVED OF CHARGES RESULTING IN AN OVERPAYMENT OF BENEFITS WHEN THE COMMISSIONER DETERMINES THAT THE OVERPAYMENT WAS MADE BECAUSE THE EMPLOYER OR THE AGENT OF THE EMPLOYER FAILED TO TIMELY OR ADEQUATELY RESPOND TO A REQUEST FOR INFORMATION IN THE NOTICE OF POTENTIAL CHARGES OR OTHER SUCH NOTICE REQUESTING INFORMATION IN RELATION TO A CLAIM UNDER THIS ARTICLE, PROVIDED, HOWEVER, THAT THE COMMISSIONER SHALL RELIEVE THE EMPLOYER OF CHARGES THE FIRST TIME THAT THE EMPLOYER FAILS TO PROVIDE TIMELY OR ADEQUATE INFORMATION, IF THE EMPLOYER PROVIDES GOOD CAUSE FOR SUCH FAILURE AS DETERMINED BY THE COMMISSIONER.

"TIMELY" SHALL MEAN A RESPONSE IS PROVIDED IN THE TIME PERIOD SPECIFIED IN THE NOTICE AS PRESCRIBED BY THE COMMISSIONER.

THE TERM "ADEQUATELY" SHALL MEAN THAT THE EMPLOYER OR ITS AGENT SUBMITTED INFORMATION SUFFICIENT TO RENDER A CORRECT DETERMINATION.

THIS PROHIBITION FOR RELIEF OF CHARGES SHALL APPLY TO ALL EMPLOYERS UNDER THIS ARTICLE INCLUDING EMPLOYERS ELECTING PAYMENT IN LIEU OF CONTRIBUTIONS.

S 19. Section 600 of the labor law, as added by chapter 793 of the laws of 1963, subdivision 6 as amended by chapter 391 of the laws of 2005, subdivision 7 as added by chapter 362 of the laws of 1980, paragraph (a) of subdivision 7 as amended by chapter 176 of the laws of 2004, paragraph (b) of subdivision 7 as amended by chapter 5 of the laws of 2000, and paragraph (c) of subdivision 7 as relettered by chapter 895 of the laws of 1980, is amended to read as follows:

S 600. Effect of retirement payments. 1. Reduction of benefit rate. [If a claimant retires or is retired from employment by an employer and, due to such retirement, is receiving a pension or retirement payment under a plan financed in whole or in part by such employer, such claimant's benefit rate for four effective days otherwise applicable under subdivision seven of section five hundred ninety shall be reduced as hereinafter provided.

2. Application. The reduction shall apply only to benefits which when paid will be chargeable to the account of the employer who provided the pension or retirement benefit.

3. Amount of reduction. If the pension or retirement payment is made under a plan to which the employer is the sole contributor, the claimant's benefit rate shall be reduced by the largest number of whole dollars which is not more than the prorated weekly amount of his pension or retirement payment under such plan. If the pension or retirement payment is made under a plan to which the employer is not the sole contributor, the claimant's benefit rate shall be reduced by the largest

number of whole dollars which is not more than one-half of the prorated weekly amount of his pension or retirement payments under such plan, but no reduction shall apply if the claimant demonstrates that the employer contributed less than fifty per centum to the plan.

4. Reduction equal to benefit rate. If the amount to be deducted from a claimant's benefit rate equals or exceeds such rate, he shall be ineligible to receive any benefits which if paid would be chargeable to the employer involved in the pension or retirement plan, but any benefits which would in the absence of this section be chargeable to the accounts of other employers shall be payable to the claimant.

5. Reduction not established. If, at the time benefits are payable, it has not been established that the claimant will be receiving such pension or retirement payment, benefits due shall be paid without a reduction, subject to review within the period and under the conditions as provided in subdivisions three and four of section five hundred ninety-seven with respect to retroactive payment of remuneration.

6. Limitation. For the purposes of this section, the terms "pension or retirement payment" and "governmental or other pension, retirement or retired pay, annuity, or any other similar periodic payment which is based on previous work" shall not include payments made from a qualified trust to an eligible retirement plan under the terms and conditions specified in section four hundred two of the internal revenue code for federal income tax purposes, such payments commonly known as eligible rollover distributions.

7. Alternative condition. (a) When a reduction for retirement payments is required by the federal unemployment tax act as a condition for full tax credit, in which event the provisions of subdivisions one, two, three, four and five of this section shall not be operative, the] (A) THE benefit rate of a claimant who is receiving a governmental or other pension, retirement or retired pay, annuity, or any other similar periodic payment which is based on his previous work, shall be reduced as hereinafter provided, if such payment is made under a plan maintained or contributed to by his base period employer and, except for payments made under the social security act or the railroad retirement act of 1974, the claimant's employment with, or remuneration from, such employer after the beginning of the base period affected his eligibility for, or increased the amount of, such pension, retirement or retired pay, annuity, or other similar periodic payment.

(b) [If the claimant made no contribution for the pension, retirement or retired pay, annuity, or other similar periodic payment, his] THE CLAIMANT'S benefit rate shall be reduced by the largest number of whole dollars which is not more than the pro-rated weekly amount of such payment. If the claimant was the sole contributor for the pension, retirement or retired pay, annuity, or other similar periodic payment, no reduction shall apply. [If the claimant's contributions for the pension, retirement or retired pay, annuity, or other similar periodic payment were less than one hundred per centum, the commissioner shall determine the amount of the reduction by taking into account the claimant's contributions in a manner consistent with the federal unemployment tax act.]

(c) If, at the time benefits are payable, it has not been established that the claimant will be receiving such pension, retirement or retired pay, annuity or other payment, benefits due shall be paid without a reduction, subject to review within the period and under the conditions as provided in subdivisions three and four of section five hundred ninety-seven with respect to retroactive payment of remuneration.

(D) FOR THE PURPOSES OF THIS SECTION, THE TERMS "PENSION OR RETIREMENT PAYMENT" AND "GOVERNMENTAL OR OTHER PENSION, RETIREMENT OR RETIRED PAY, ANNUITY, OR ANY OTHER SIMILAR PERIODIC PAYMENT WHICH IS BASED ON PREVIOUS WORK" SHALL NOT INCLUDE PAYMENTS MADE FROM A QUALIFIED TRUST TO AN ELIGIBLE RETIREMENT PLAN UNDER THE TERMS AND CONDITIONS SPECIFIED IN SECTION FOUR HUNDRED TWO OF THE INTERNAL REVENUE CODE FOR FEDERAL INCOME TAX PURPOSES, SUCH PAYMENTS COMMONLY KNOWN AS ELIGIBLE ROLLOVER DISTRIBUTIONS.

S 20. Section 602 of the labor law, as amended by chapter 214 of the laws of 1998, is amended to read as follows:

S 602. Application. This title shall apply to a claimant employed by an employer whose application to participate in a shared work program has been approved by the commissioner. The provisions of subdivision four of section five hundred twenty-seven, subdivisions three and seven of section five hundred ninety and subdivision four of section five hundred ninety-six of this article shall not be applicable to such claimant and he OR SHE shall not be required to be available for work with any other employer NOR SHALL HE OR SHE BE REQUIRED TO SEARCH FOR WORK IN ACCORDANCE WITH SUBDIVISION TWO OF SECTION FIVE HUNDRED NINETY-ONE OF THIS ARTICLE IF HE OR SHE IS AVAILABLE FOR HIS OR HER USUAL HOURS OF WORK WITH HIS OR HER EMPLOYER THAT HAS BEEN ACCEPTED TO PARTICIPATE IN THE SHARED WORK PROGRAM. The other provisions of this article shall apply to such claimants and their employers to the extent that they are not inconsistent with the provisions of this title.

S 21. Section 603 of the labor law, as added by chapter 438 of the laws of 1985, is amended to read as follows:

S 603. Definitions. For purposes of this title: "Total unemployment" shall mean the total lack of any employment on any day, other than with an employer applying for a shared work program. ["Full time hours" shall mean at least thirty-five but not more than forty hours per week, and shall not include overtime as defined in the Fair Labor Standards Act.] "Work force" shall mean the total work force, a clearly identifiable unit or units thereof, or a particular shift or shifts. THE WORK FORCE SUBJECT TO REDUCTION SHALL CONSIST OF NO LESS THAN TWO EMPLOYEES.

S 21-a. Section 604 of the labor law, as amended by chapter 564 of the laws of 2002, is amended to read as follows:

S 604. Eligibility conditions. A claimant shall be eligible for benefits under this title if he OR SHE works less than his OR HER normal [full time] hours in a week for his customary employer, and that employer has reduced or restricted the claimant's weekly hours of work, or has rehired a claimant previously laid off and reduced his OR HER weekly hours of work from those previously worked, as the result of a plan by the employer to stabilize the work force by a program of sharing the work remaining after a reduction in total hours of work and a corresponding reduction in wages, provided the program requires not less than a twenty percent nor more than a sixty percent reduction in hours and wages among the work force. A claimant receiving supplemental unemployment compensation benefits, as defined in section five hundred one (c) (17) (D) of the internal revenue code of nineteen hundred fifty-four, shall not be eligible hereunder. Any employee who was otherwise eligible for benefits under this title but was denied benefits during the period beginning October first, two thousand one and ending on December first, two thousand one because more than five percent of his OR HER wages were derived from piece work, shall be entitled to make a retroactive claim for such benefits provided such claim is filed within sixty days of the effective date of this sentence.

S 22. Section 605 of the labor law, as amended by section 2 of chapter 81 of the laws of 1992, is amended to read as follows:

S 605. Qualified employers; application. An employer who has at least [five] TWO full time employees may apply to participate in a shared work program. The WRITTEN application shall be made according to such forms and procedures as the commissioner may specify and shall include such information as the commissioner may require, INCLUDING SUCH OTHER INFORMATION THAT THE UNITED STATES SECRETARY OF LABOR DETERMINES TO BE APPROPRIATE FOR PURPOSES OF A SHARED WORK PROGRAM. The commissioner shall not approve such application unless the employer (1) [agrees] CERTIFIES that for the duration of the program it will not eliminate or diminish health insurance, medical insurance, RETIREMENT BENEFITS or any other fringe benefits provided to employees immediately prior to the application UNLESS SUCH BENEFITS PROVIDED TO EMPLOYEES THAT DO NOT PARTICIPATE IN THE SHARED WORK PROGRAM ARE REDUCED OR DIMINISHED TO THE SAME EXTENT AS THOSE EMPLOYEES THAT PARTICIPATE IN THE SHARED WORK PROGRAM; (2) certifies that the collective bargaining agent for the employees, if any, has agreed to participate in the program; (3) certifies that if not for the shared work program to be initiated the employer would reduce or would have reduced its work force to a degree equivalent to the total number of working hours proposed to be reduced or restricted for all included employees; (4) certifies that it will not hire additional part time or full time employees for the affected work force while the program is in operation; [and] (5) agrees that no participant of the program shall receive, in the aggregate, more than [twenty] TWENTY-SIX weeks of benefits exclusive of the waiting week; (6) PROVIDES A DESCRIPTION OF HOW WORKERS IN THE WORK FORCE WILL BE NOTIFIED OF THE SHARED WORK PROGRAM IN ADVANCE OF IT TAKING EFFECT, IF FEASIBLE, AND IF SUCH NOTICE IS NOT FEASIBLE, PROVIDES AN EXPLANATION OF WHY SUCH NOTICE IS NOT FEASIBLE; (7) PROVIDES AN ESTIMATE OF THE NUMBER OF WORKERS WHO WOULD BE LAID OFF IF THE EMPLOYER COULD NOT PARTICIPATE IN THE SHARED WORK PROGRAM; AND (8) CERTIFIES THAT THE TERMS OF THE EMPLOYER'S WRITTEN PLAN AND IMPLEMENTATION SHALL BE CONSISTENT WITH EMPLOYER OBLIGATIONS UNDER APPLICABLE FEDERAL AND STATE LAWS.

S 22-a. Intentionally omitted.

S 23. Section 607 of the labor law, as added by chapter 438 of the laws of 1985, subdivision 1 as amended by section 4 of chapter 81 of the laws of 1992, is amended to read as follows:

S 607. Benefits. 1. Amount. An eligible claimant shall be paid benefits for any week equal to his OR HER benefit rate multiplied by the percentage of reduction of his OR HER wages resulting from reduced hours of work, but only if such percentage is no less than twenty percent. The weekly benefit amount shall be rounded off to the nearest dollar. A claimant shall not be paid such benefits in excess of [twenty] TWENTY-SIX weeks during a benefit year.

2. Waiting period. A claimant shall not be entitled to benefits for the first week of unemployment under a shared work program unless he OR SHE has served a waiting period in his OR HER benefit year pursuant to subdivision seven of section five hundred ninety of this article.

S 23-a. Intentionally omitted.

S 24. The labor law is amended by adding a new section 609 to read as follows:

S 609. TRAINING. ELIGIBLE EMPLOYEES MAY PARTICIPATE, AS APPROPRIATE, IN TRAINING TO ENHANCE JOB SKILLS IF SUCH PROGRAM HAS BEEN APPROVED BY THE COMMISSIONER. SUCH TRAINING MAY INCLUDE EMPLOYER-SPONSORED TRAINING OR WORKER TRAINING FUNDED UNDER THE WORKFORCE INVESTMENT ACT OF 1998.

S 25. Section 611 of the labor law, as amended by chapter 589 of the laws of 1998, is amended to read as follows:

S 611. Charging of benefits. Benefits paid to a claimant shall be charged to the employers' accounts as provided in paragraph (e) of subdivision one of section five hundred eighty-one of this article. HOWEVER, EXCEPT FOR INDIVIDUALS EMPLOYED BY A PARTICIPATING EMPLOYER ON A SEASONAL, TEMPORARY OR INTERMITTENT BASIS, NO BENEFITS PAID TO A CLAIMANT SHALL BE CHARGED TO AN EMPLOYER'S ACCOUNT IF THE STATE IS REIMBURSED BY THE UNITED STATES PURSUANT TO THE MIDDLE CLASS TAX RELIEF AND JOB CREATION ACT OF 2012, PL 112-96.

S 26. The labor law is amended by adding a new section 612 to read as follows:

S 612. SEVERABILITY. IF ANY AMENDMENT CONTAINED IN A CLAUSE, SENTENCE, PARAGRAPH, SECTION OR PART OF THIS TITLE SHALL BE ADJUDGED BY THE UNITED STATES DEPARTMENT OF LABOR TO VIOLATE REQUIREMENTS FOR MAINTAINING BENEFIT STANDARDS REQUIRED OF THE STATE IN ORDER TO BE ELIGIBLE FOR ANY FINANCIAL BENEFIT OFFERED THROUGH FEDERAL LAW OR REGULATION INCLUDING, BUT NOT LIMITED TO, THE WAIVER OF INTEREST ON ADVANCES OR THE WAIVER OF OBLIGATIONS TO REPAY SUCH ADVANCES TO THE STATE UNEMPLOYMENT INSURANCE FUND, SUCH AMENDMENTS SHALL BE SEVERED FROM THIS ACT AND SHALL NOT AFFECT, IMPAIR OR INVALIDATE THE REMAINDER THEREOF.

S 27. Section 39 of part P2 of chapter 62 of the laws of 2003, amending the state finance law and other laws relating to authorizing and directing the state comptroller to loan money to certain funds and accounts, as amended by section 1 of part W of chapter 58 of the laws of 2011, is amended to read as follows:

S 39. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2003; provided, however, that sections one, three, four, six, seven through fifteen, and seventeen of this act shall expire March 31, 2004, when upon such date the provisions of such sections shall be deemed repealed; [and sections thirty and thirty-one of this act shall expire December 31, 2013] and the amendments made to section 69-c of the state finance law by section thirty-two of this act shall not affect the expiration and repeal of such section and shall be deemed to be expired therewith.

S 28. Severability. If any amendment contained in a clause, sentence, paragraph, section or part of this act shall be adjudged by the United States Department of Labor to violate requirements for maintaining benefit standards required of the state in order to be eligible for any financial benefit offered through federal law or regulation including, but not limited to, the waiver of interest on advances or the waiver of obligations to repay such advances to the state unemployment insurance fund, such amendments shall be severed from this act and shall not affect, impair or invalidate the remainder thereof.

S 29. This act shall take effect immediately, provided, however, that:

a. sections one, three, seven, and eight of this act shall take effect January 1, 2014;

b. sections two, thirteen, fifteen, and nineteen of this act shall apply to all claims filed after January 1, 2014;

c. section nine of this act shall take effect January 1, 2017;

d. section ten of this act shall take effect January 1, 2019;

e. sections five, six, sixteen, seventeen, and eighteen of this act shall apply to all overpayments established after October 1, 2013;

f. sections fourteen, twenty, twenty-one, twenty-one-a, twenty-two, twenty-three, twenty-four, and twenty-six of this act shall take effect on the thirtieth day after it shall have become a law;

g. section twenty-five of this act shall expire and be deemed repealed August 23, 2015;

h. section twelve of this act shall take effect January 1, 2014 or on the same date as the reversion of subdivision 2 of section 591 of the labor law as provided in section 10 of chapter 413 of the laws of 2003, as amended, whichever is later; and

i. the amendments to section 591-a of the labor law made by section fourteen of this act shall not affect the repeal of such section and shall be deemed repealed therewith.

PART P

Section 1. Subdivision 1 of section 652 of the labor law, as amended by chapter 747 of the laws of 2004, is amended and a new subdivision 6 is added to read as follows:

1. Statutory. Every employer shall pay to each of its employees for each hour worked a wage of not less than:

$4.25 on and after April 1, 1991,

$5.15 on and after March 31, 2000,

$6.00 on and after January 1, 2005,

$6.75 on and after January 1, 2006,

$7.15 on and after January 1, 2007,

$8.00 ON AND AFTER DECEMBER 31, 2013,

$8.75 ON AND AFTER DECEMBER 31, 2014,

$9.00 ON AND AFTER DECEMBER 31, 2015, or, if greater, such other wage as may be established by federal law pursuant to 29 U.S.C. section 206 or its successors

or such other wage as may be established in accordance with the provisions of this article.

6. NOTWITHSTANDING SUBDIVISION TWO OF THIS SECTION AND SUBDIVISION TWO OF SECTION SIX HUNDRED FIFTY-THREE OF THIS ARTICLE, A MODIFICATION IN THE HOURLY CASH WAGE OR MEAL AND LODGING CREDITS AS APPLIED TO FOOD SERVICE WORKERS AND SERVICE EMPLOYEES PAID IN ACCORDANCE WITH PART 146 OF TITLE 12 OF THE NEW YORK STATE COMPILATION OF CODES, RULES AND REGULATIONS THAT WOULD OTHERWISE BE BASED ON THE INCREASES IN THE HOURLY MINIMUM WAGE THAT WILL BECOME EFFECTIVE ON DECEMBER THIRTY-FIRST, TWO THOUSAND THIRTEEN, DECEMBER THIRTY-FIRST, TWO THOUSAND FOURTEEN AND DECEMBER THIRTY-FIRST, TWO THOUSAND FIFTEEN SHALL BE MADE BY A WAGE ORDER PROMULGATED BY THE COMMISSIONER PURSUANT TO SECTION SIX HUNDRED FIFTY-SIX OF THIS ARTICLE AND PROVIDED FURTHER THAT, FOR THE PURPOSES OF THE MODIFICATIONS BASED ON SUCH INCREASES PROVIDED FOR IN SUBDIVISION TWO OF THIS SECTION ONLY, THE MAXIMUM CREDIT FOR TIPS IN SUCH WAGE ORDER SHALL BE MODIFIED SO THAT SUCH CREDIT, WHEN COMBINED WITH THE CASH WAGE, IS EQUAL TO THE MINIMUM WAGE. ANY TIME AFTER THE EFFECTIVE DATE OF THE CHAPTER OF THE LAWS OF TWO THOUSAND THIRTEEN WHICH ADDED THIS SUBDIVISION, THE COMMISSIONER SHALL APPOINT A WAGE BOARD PURSUANT TO THE PROVISION OF SUBDIVISION ONE OF SECTION SIX HUNDRED FIFTY-FIVE OF THIS ARTICLE TO INQUIRE AND REPORT AND RECOMMEND ANY CHANGES TO THE WAGE ORDER GOVERNING WAGES PAYABLE TO SUCH FOOD SERVICE WORKERS AND SERVICE EMPLOYEES SUFFICIENT TO PROVIDE ADEQUATE MAINTENANCE AND TO PROTECT THE HEALTH AND LIVELIHOOD OF EMPLOYEES SUBJECT TO SUCH A WAGE ORDER. SUCH WAGE BOARD SHALL MAKE SUCH REPORT AND RECOMMENDATIONS TO THE COMMISSIONER WITHIN SIX MONTHS OF ITS ESTABLISHMENT. THE COMMISSIONER SHALL ACT UPON SUCH REPORT AND RECOMMENDATIONS PURSUANT TO THE PROVISIONS OF SECTION SIX HUNDRED FIFTY-SIX OF THIS ARTICLE.

S 2. This act shall take effect immediately.

PART Q
Intentionally Omitted

PART R

Section 1. The racing, pari-mutuel wagering and breeding law is amended by adding a new section 109-a to read as follows:

S 109-A. LABOR PEACE AGREEMENTS FOR CERTAIN FACILITIES. 1. DEFINITIONS. AS USED IN THIS SUBDIVISION:

A. "GAMING FACILITY" MEANS ANY CASINO GAMING FACILITY LICENSED BY THE COMMISSION. A GAMING FACILITY OR OPERATION SHALL NOT INCLUDE ANY HORSE RACING, BINGO OR CHARITABLE GAMES OF CHANCE, THE STATE LOTTERY FOR EDUCATION, OR ANY GAMING FACILITY OPERATING PURSUANT TO THE FEDERAL INDIAN GAMING REGULATORY ACT, 25 U.S.C. S 2710 ET SEQ. A GAMING FACILITY OR OPERATION SHALL INCLUDE ANY HOSPITALITY OPERATION AT OR RELATED TO THE GAMING FACILITY.

B. "LABOR PEACE AGREEMENT" MEANS AN AGREEMENT ENFORCEABLE UNDER 29 U.S.C. S 185(A) THAT, AT A MINIMUM, PROTECTS THE STATE'S PROPRIETARY INTERESTS BY PROHIBITING LABOR ORGANIZATIONS AND MEMBERS FROM ENGAGING IN PICKETING, WORK STOPPAGES, BOYCOTTS, AND ANY OTHER ECONOMIC INTERFERENCE WITH OPERATION OF THE RELEVANT GAMING FACILITY.

C. "LICENSE" MEANS ANY PERMIT, LICENSE, FRANCHISE OR ALLOWANCE OF THE COMMISSION AND SHALL INCLUDE ANY FRANCHISEE OR PERMITTEE.

D. "PROPRIETARY INTEREST" MEANS AN ECONOMIC AND NON-REGULATORY INTEREST AT RISK IN THE FINANCIAL SUCCESS OF THE GAMING FACILITY THAT COULD BE ADVERSELY AFFECTED BY LABOR-MANAGEMENT CONFLICT, INCLUDING BUT NOT LIMITED TO PROPERTY INTERESTS, FINANCIAL INVESTMENTS AND REVENUE SHARING.

2. LEGISLATIVE FINDINGS. THE STATE LEGISLATURE FINDS THAT THE GAMING INDUSTRY CONSTITUTES A VITAL SECTOR OF NEW YORK'S OVERALL ECONOMY AND THAT THE STATE THROUGH ITS OPERATION OF LOTTERIES AND VIDEO LOTTERY FACILITIES AND THROUGH ITS OWNERSHIP OF THE PROPERTIES UTILIZED FOR HORSE RACING BY THE NEW YORK RACING ASSOCIATION, INC. HAS A SIGNIFICANT AND ONGOING ECONOMIC AND NON-REGULATORY INTEREST IN THE FINANCIAL VIABILITY AND COMPETITIVENESS OF THE GAMING INDUSTRY. THE STATE LEGISLATURE FURTHER FINDS THAT THE AWARD OR GRANT OF A LICENSE BY THE COMMISSION TO OPERATE A GAMING FACILITY IS A SIGNIFICANT STATE ACTION AND THAT THE COMMISSION MUST MAKE PRUDENT AND EFFICIENT DECISIONS TO MAXIMIZE THE BENEFITS AND MINIMIZE THE RISKS OF GAMING. THE STATE LEGISLATURE FURTHER RECOGNIZES THAT CASINO GAMING INDUSTRY INTEGRATION CAN PROVIDE A VITAL ECONOMIC ENGINE TO ASSIST, NURTURE, DEVELOP, AND PROMOTE REGIONAL ECONOMIC DEVELOPMENT, THE STATE TOURISM INDUSTRY AND THE GROWTH OF JOBS IN THE STATE. ADDITIONALLY, THE STATE LEGISLATURE ALSO FINDS REVENUES DERIVED DIRECTLY BY THE STATE FROM SUCH GAMING ACTIVITY WILL BE SHARED FROM GROSS GAMING RECEIPTS, AFTER PAYOUT OF PRIZES BUT PRIOR TO DEDUCTIONS FOR OPERATIONAL EXPENSES.

THEREFORE, THE STATE LEGISLATURE FINDS THAT THE STATE HAS A SUBSTANTIAL AND COMPELLING PROPRIETARY INTEREST IN ANY LICENSE AWARDED FOR THE OPERATION OF A GAMING FACILITY WITHIN THE STATE.

3. REQUIREMENTS. THE COMMISSION SHALL REQUIRE ANY APPLICANT FOR A GAMING FACILITY LICENSE WHO HAS NOT YET ENTERED INTO A LABOR PEACE AGREEMENT TO PRODUCE AN AFFIDAVIT STATING IT SHALL ENTER INTO A LABOR PEACE AGREEMENT WITH LABOR ORGANIZATIONS THAT ARE ACTIVELY ENGAGED IN REPRESENTING OR ATTEMPTING TO REPRESENT GAMING OR HOSPITALITY INDUSTRY WORKERS IN THE STATE. IN ORDER FOR THE COMMISSION TO ISSUE A GAMING

FACILITY LICENSE AND FOR OPERATIONS TO COMMENCE, THE APPLICANT FOR A GAMING FACILITY LICENSE MUST PRODUCE DOCUMENTATION THAT IT HAS ENTERED INTO A LABOR PEACE AGREEMENT WITH EACH LABOR ORGANIZATION THAT IS ACTIVELY ENGAGED IN REPRESENTING AND ATTEMPTING TO REPRESENT GAMING AND HOSPITALITY INDUSTRY WORKERS IN THE STATE. THE COMMISSION SHALL MAKE THE MAINTENANCE OF SUCH A LABOR PEACE AGREEMENT AN ONGOING MATERIAL CONDITION OF LICENSURE.

A LICENSE HOLDER SHALL, AS A CONDITION OF ITS LICENSE, ENSURE THAT OPERATIONS AT THE GAMING FACILITY THAT ARE CONDUCTED BY CONTRACTORS, SUBCONTRACTORS, LICENSEES, ASSIGNEES, TENANTS OR SUBTENANTS AND THAT INVOLVE GAMING OR HOSPITALITY INDUSTRY EMPLOYEES SHALL BE DONE UNDER A LABOR PEACE AGREEMENT CONTAINING THE SAME PROVISIONS AS SPECIFIED ABOVE.

S 2. This act shall take effect immediately.

PART S

Section 1. Subdivision 2 of section 903 of the education law, as added by chapter 281 of the laws of 2007, is amended to read as follows:

2. a. A dental health certificate shall be requested from each student. Each student is requested to furnish a dental health certificate at the same time that health certificates are required. An [examination] ASSESSMENT and dental health history of any child may be requested by the local school authorities at any time in their discretion to promote the educational interests of such child. Each certificate shall be signed by a duly licensed dentist, OR A REGISTERED DENTAL HYGIENIST who is authorized by law to practice in this state, and consistent with any applicable written practice agreement, or by a duly licensed dentist OR REGISTERED DENTAL HYGIENIST who is authorized to practice in the jurisdiction in which the [examination] ASSESSMENT was given, provided that the commissioner has determined that such jurisdiction has standards of licensure and practice comparable to those of New York. Each such certificate shall describe the dental health condition of the student when the [examination] ASSESSMENT was made, which shall not be more than twelve months prior to the commencement of the school year in which the [examination] ASSESSMENT is requested, and shall state whether such student is in fit condition of dental health to permit his or her attendance at the public schools.

b. A notice of request for dental health certificates shall be distributed at the same time that parents or person in parental relationship to students are notified of health examination requirements and shall state that a list of DENTAL PRACTICES, dentists AND REGISTERED DENTAL HYGIENISTS to which children [who need comprehensive dental examinations] may be referred for [treatment] DENTAL SERVICES on a free or reduced cost basis is available upon request at the child's school. The department shall, in collaboration with the department of health, compile and maintain a list of DENTAL PRACTICES, dentists AND REGISTERED DENTAL HYGIENISTS to which children [who need comprehensive dental examinations] may be referred for [treatment] DENTAL SERVICES on a free or reduced cost basis. Such list shall be made available to all public schools and be made available to parents or person in parental relationship upon request. The department shall promulgate regulations to ensure the gathering and dissemination of the proper information to interested parties.

S 2. This act shall take effect immediately.

PART T

Section 1. Subdivisions 3 and 5 of section 6542 of the education law, as amended by chapter 48 of the laws of 2012, are amended to read as follows:

3. No physician shall employ or supervise more than [two] FOUR physician assistants in his or her private practice.

5. Notwithstanding any other provision of this article, nothing shall prohibit a physician employed by or rendering services to the department of corrections and community supervision under contract from supervising no more than [four] SIX physician assistants in his or her practice for the department of corrections and community supervision.

S 2. This act shall take effect immediately.

PART U

Section 1. The education law is amended by adding a new section 6303-a to read as follows:

S 6303-A. GRADUATION, ACHIEVEMENT AND PLACEMENT PROGRAM. 1. DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(A) "PLAN" SHALL MEAN THE GRADUATION, ACHIEVEMENT AND PLACEMENT (GAP) PROGRAM PLAN TO BE DEVELOPED BY THE STATE UNIVERSITY TRUSTEES PURSUANT TO SUBDIVISION TWO OF THIS SECTION, AFTER CONSULTATION WITH THE COMMUNITY COLLEGE PRESIDENTS, COUNCILS AND FACULTY.

(B) "PROGRAM" SHALL MEAN THE GAP PROGRAM TO BE DEVELOPED BY THE STATE UNIVERSITY TRUSTEES PURSUANT TO SUBDIVISION TWO OF THIS SECTION.

2. BY NO LATER THAN JULY FIRST, TWO THOUSAND FOURTEEN, THE STATE UNIVERSITY TRUSTEES SHALL DEVELOP, AS PART OF THE MASTER PLAN TO BE SUBMITTED PURSUANT TO SECTION THREE HUNDRED FIFTY-FOUR OF THIS CHAPTER, A COMPREHENSIVE PLAN TO BE INCORPORATED INTO ITS TWO THOUSAND SIXTEEN MASTER PLAN AND FULLY IMPLEMENTED NO LATER THAN JULY FIRST, TWO THOUSAND EIGHTEEN AT EACH OF THE STATE UNIVERSITY OF NEW YORK COMMUNITY COLLEGES. SUCH PLAN SHALL SEEK TO DEVELOP A REMEDIAL EDUCATION PROGRAM TO ACCOMPLISH THE FOLLOWING GOALS:

(A) IMPROVE COMMUNITY COLLEGE OUTCOMES BY REDUCING THE TIME TO DEGREE COMPLETION OR TRANSFER TO A FOUR YEAR COLLEGE;

(B) REDUCE STATE AND LOCAL SPONSOR EXPENDITURES ON REMEDIAL COURSEWORK;

(C) IMPROVE OVERALL COMMUNITY COLLEGE GRADUATION RATES AND EMPLOYMENT PROSPECTS.

3. EACH COMMUNITY COLLEGE SHALL UTILIZE FEATURES IN ITS PROGRAM IDENTIFIED IN THE SUNY TASK FORCE ON REMEDIATION REPORT, ISSUED PURSUANT TO CHAPTER FIFTY-SEVEN OF THE LAWS OF TWO THOUSAND TWELVE, AND SHALL CONSIDER OTHER FEATURES OF SUCCESSFUL EXISTING PROGRAMS, INCLUDING, BUT NOT LIMITED TO THE FOLLOWING:

(A) ADOPTION OF A CONSISTENT DEFINITION OF "COLLEGE READINESS" FOR STUDENT PLACEMENT INTO REMEDIAL PROGRAMS USING MULTIPLE MEASURES OF STUDENT ACHIEVEMENT;

(B) ACCELERATED DEVELOPMENTAL EDUCATION PROGRAM OFFERINGS;

(C) INCORPORATING REMEDIAL INSTRUCTION INTO THE BEGINNING OF COLLEGE-LEVEL PROGRAMS, EITHER AS INTRODUCTORY COURSES OR INTEGRATED INTO INITIAL COLLEGE-LEVEL COURSES;

(D) UTILIZE SUPPLEMENTAL ACADEMIC SUPPORT FOR DEVELOPMENTAL STUDENTS ENROLLED IN COLLEGE LEVEL COURSES AS WELL AS OTHER CONTEXTUALIZATION MODELS;

(E) A CONSOLIDATED COURSE SCHEDULE THAT PERMITS STUDENTS TO TAKE CLASSES IN A MORNING, AFTERNOON OR EVENING SCHEDULE SO AS TO ENABLE STUDENTS TO BALANCE SCHOOL, WORK AND OTHER PERSONAL RESPONSIBILITIES;

(F) AN ADVISEMENT MODEL THAT DIRECTS COUNSELORS WITH ASSIGNED CASELOADS TO MEET WITH STUDENTS MONTHLY FROM PROGRAM ENTRY UNTIL GRADUATION;

(G) CAREER AND EMPLOYMENT SERVICES THAT PROVIDE STUDENTS WITH INTERVIEW TRAINING, JOB SKILLS AND CAREER PLANNING;

(H) ACADEMIC SUPPORT SERVICES THAT PROVIDE TUTORING FROM QUALIFIED UNDERGRADUATE OR GRADUATE STUDENTS OR FACULTY; AND

(I) COMPREHENSIVE EVALUATION AND THE USE OF DATA TO ASSESS THE EFFECTIVENESS OF THE PROGRAM.

4. EACH COMMUNITY COLLEGE SHALL BE REQUIRED TO IMPLEMENT, ON A PARTIAL BASIS, ITS PROGRAM BY THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN ACADEMIC YEAR.

5. EACH COMMUNITY COLLEGE SHALL REPORT ON THE IMPLEMENTATION OF THE PROGRAM AND SHALL REPORT ON MEASURES OF STUDENT SUCCESS FOR EACH STUDENT ENROLLED IN SUCH PROGRAM. SUCH REPORT SHALL INCLUDE BUT NOT BE LIMITED TO:

(A) ANNUAL NUMBER AND PERCENTAGE OF ENTERING FIRST-TIME STUDENTS ENROLLED IN REMEDIAL (DEVELOPMENTAL) EDUCATION COURSES IN MATH, ENGLISH/READING OR BOTH AND COMPLETE A COLLEGE-LEVEL COURSE IN THE SAME SUBJECT.

(B) ANNUAL NUMBER AND PERCENTAGE OF ENTERING FIRST-TIME DEGREE OR CERTIFICATE SEEKING STUDENTS WHO COMPLETE ENTRY COLLEGE-LEVEL MATH, ENGLISH AND READING COURSES WITHIN THE FIRST TWO CONSECUTIVE ACADEMIC YEARS.

(C) NUMBER AND PERCENTAGE OF ENTERING DEGREE OR CERTIFICATE SEEKING STUDENTS ENROLLING FROM FALL TO SPRING AND FALL TO FALL AT AN INSTITUTION OF HIGHER EDUCATION.

S 2. This act shall take effect immediately.

PART V

Section 1. Section 6301 of the education law is amended by adding a new subdivision 6 to read as follows:

6. "CERTIFICATE OF RESIDENCE FORM". A STANDARD FORM AS DEVELOPED BY THE CHANCELLOR OF THE STATE UNIVERSITY OF NEW YORK, IN CONJUNCTION WITH THE CHANCELLOR OF THE CITY UNIVERSITY OF NEW YORK.

S 2. Subdivisions 3 and 4 of section 6305 of the education law, subdivision 3 as amended by chapter 486 of the laws of 1967 and subdivision 4 as separately amended by chapters 439 and 646 of the laws of 1975, are amended to read as follows:

3. The chief fiscal officer of each county, as defined in section 2.00 of the local finance law, shall, upon application and submission to him of satisfactory evidence, issue to any person desiring to enroll in a community college as a non-resident student, a certificate of residence FORM showing that said person is a resident of said county. If the chief fiscal officer of a county refuses to issue such a certificate on the ground that the person applying therefor is not a resident of such county, the person applying may appeal to the chancellor of the state university. The chancellor of the state university shall make a determination after a hearing, upon ten days' notice to such chief fiscal officer of the county, and such determination shall be final and binding on the county. Such person shall, upon his registration for each college year, file with the college such a certificate of residence FORM issued not earlier than two months prior thereto, and such certificate of resi-

dence FORM shall be valid for a period of one year from the date of issuance.

4. If, pursuant to subdivision two of this section, a community college elects to charge to and collect an allocable portion of the operating costs and a further sum on account of capital costs of such college from each county which has issued a certificate FORM or certificates of residence FORMS pursuant to subdivision three of this section, on the basis of which non-resident students are attending such community college, the president of such community college shall, within forty-five days after the commencement of each college term or program, submit to the chief fiscal officer of each county a list of non-resident students attending such college on the basis of such certificates of residence FORM and a voucher for the amount payable by each county for these students. Such list and voucher shall be determined on the basis of non-resident students enrolled in the program as of the end (or last day) of the third week of the commencement for a program scheduled for one semester, the end of the second for a program scheduled for an academic quarter and the end of the first week for any program scheduled to be completed in thirty days or less. The chancellor of the state university, or such officers or employees thereof as shall be designated by the chancellor in the manner authorized by the state university trustees, shall notify the chief fiscal officers of each county of the approved annual operating and capital charge-back rate for each community college. The amount billed to the chief fiscal officer of each county by the president of such community college as a charge for the allocable portion of the operating costs and a further sum on account of capital costs of such college for non-resident students shall be paid to the chief fiscal officer of such college by the billed county no later than sixty days after the county receives said billing.

S 3. Subdivision 11 of section 6305 of the education law, as added by section 1 of part Q of chapter 57 of the laws of 2012, is amended and three new subdivisions 12, 13 and 14 are added to read as follows:

11. [The state university board of trustees, in conjunction with the city university board of trustees, is directed to examine the laws, regulations, and policies regarding community college charges for non-resident students. This examination shall review the impacts of the current law mechanisms for covering the local sponsor's share of community college operating costs attributable to non-resident students, including the impacts of charging a non-resident student or charging the county where the student resides a per student allocable portion of the local sponsor's share of operating costs, and shall also specifically include examination of the following:

a. the methodology for determining the amount that may be charged by a community college for each non-resident student's allocable portion of the local sponsor's share of operating costs;

b. the process for notifying a county of the approved annual operating and community college charge-back rates and the timeline for a county to pay the charge-back rate to the community college;

c. policies regarding charge-back rates paid by city and towns in the county; and

d. recommendations for potential modification to the laws, regulations, and policies regarding community college charges for non-resident students that would result in improvements related to equity and efficiency and the fiscal impacts of implementing such modifications to students, counties and the state.

The boards shall submit a joint report of their findings to the chairs of the senate and assembly higher education committees and the chair of the senate finance committee and the chair of the assembly ways and means committee no later than September first, two thousand twelve.] THE STATE UNIVERSITY OF NEW YORK AND THE CITY UNIVERSITY OF NEW YORK SHALL, PURSUANT TO A PLAN, DEVELOP A UNIFORM METHODOLOGY FOR CALCULATING CHARGEBACK RATES TO ENSURE EQUITY BETWEEN THE LOCAL SPONSOR CONTRIBUTION PER STUDENT AND THE CHARGEBACK RATE PER STUDENT CHARGED TO OTHER COUNTIES, AND THE IMPLEMENTATION OF SUCH METHODOLOGY WILL BE PHASED IN OVER FIVE YEARS BEGINNING IN THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN ACADEMIC YEAR. THE PLAN SHALL BE SUBMITTED TO THE CHAIR OF THE SENATE AND ASSEMBLY HIGHER EDUCATION COMMITTEES, THE CHAIRS OF THE SENATE FINANCE COMMITTEE, THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE AND THE DIRECTOR OF THE BUDGET NO LATER THAN DECEMBER FIRST, TWO THOUSAND THIRTEEN.

12. SUCH CALCULATED CHARGEBACK RATES SHALL BE SET ON AN ACADEMIC YEAR BASIS AND SHALL NOT VARY BY SEMESTER WITHIN EACH ACADEMIC YEAR, AND NO RETROACTIVE CHARGE SHALL BE BILLED TO ANY COUNTY BASED ON AN INCREASED CHARGEBACK RATE AFTER THE COMMENCEMENT OF EACH ANNUAL ACADEMIC YEAR.

13. BEGINNING IN THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN ACADEMIC YEAR, THE STATE UNIVERSITY OF NEW YORK AND THE CITY UNIVERSITY OF NEW YORK SHALL DEVELOP AN ON-LINE TRAINING PROGRAM TO BE MADE AVAILABLE TO EACH COUNTY TREASURER AND/OR FINANCIAL OFFICER, TO PROVIDE INFORMATION REGARDING CHARGEBACK FEES AND GUIDANCE CONCERNING COMMON FORMS, TIMELINES, AND POLICIES RELATING TO CHARGEBACK FEES AND THE PAYMENT THEREOF.

14. BEGINNING IN THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN ACADEMIC YEAR, THE STATE UNIVERSITY OF NEW YORK AND THE CITY UNIVERSITY OF NEW YORK SHALL ASSIST IN THE DEVELOPMENT AND IMPLEMENTATION OF AN ON-LINE OR ELECTRONIC BILLING SYSTEM, TO BE AVAILABLE TO THE COUNTIES OF THIS STATE, FOR THE PAYMENT OF CHARGEBACK FEES.

S 4. This act shall take effect immediately.

PART W

Section 1. The tax law is amended by adding a new section 627-a to read as follows:

S 627-A. GIFT FOR HONOR AND REMEMBRANCE OF VETERANS. EFFECTIVE FOR ANY TAX YEAR COMMENCING ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN, AN INDIVIDUAL IN ANY TAXABLE YEAR MAY ELECT TO CONTRIBUTE TO THE VETERANS REMEMBRANCE AND CEMETERY MAINTENANCE AND OPERATION FUND. SUCH CONTRIBUTION SHALL BE IN ANY WHOLE DOLLAR AMOUNT AND SHALL NOT REDUCE THE AMOUNT OF STATE TAX OWED BY SUCH INDIVIDUAL. THE COMMISSIONER SHALL INCLUDE SPACE ON THE PERSONAL INCOME TAX RETURN TO ENABLE A TAXPAYER TO MAKE SUCH CONTRIBUTION. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ALL REVENUES COLLECTED PURSUANT TO THIS SECTION SHALL BE CREDITED TO THE VETERANS REMEMBRANCE AND CEMETERY MAINTENANCE AND OPERATION FUND AND USED ONLY FOR THOSE PURPOSES ENUMERATED IN SECTION NINETY-SEVEN-MMMM OF THE STATE FINANCE LAW.

S 1-a. The tax law is amended by adding a new section 209-H to read as follows:

S 209-H. GIFT FOR HONOR AND REMEMBRANCE OF VETERANS. EFFECTIVE FOR ANY TAX YEAR COMMENCING ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN, ANY TAXPAYER IN ANY TAXABLE YEAR MAY ELECT TO CONTRIBUTE TO THE VETERANS REMEMBRANCE AND CEMETERY MAINTENANCE AND OPERATION FUND. SUCH CONTRIBUTION SHALL BE IN ANY WHOLE DOLLAR AMOUNT AND SHALL NOT REDUCE THE

AMOUNT OF STATE TAX OWED BY SUCH TAXPAYER. THE COMMISSIONER SHALL INCLUDE SPACE ON THE CORPORATE INCOME TAX RETURN TO ENABLE A TAXPAYER TO MAKE SUCH CONTRIBUTION. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ALL REVENUES COLLECTED PURSUANT TO THIS SECTION SHALL BE CREDITED TO THE VETERANS REMEMBRANCE AND CEMETERY MAINTENANCE AND OPERATION FUND AND USED ONLY FOR THOSE PURPOSES ENUMERATED IN SECTION NINETY-SEVEN-MMMM OF THE STATE FINANCE LAW.

S 2. The state finance law is amended by adding a new section 97-mmmm to read as follows:

S 97-MMMM. VETERANS REMEMBRANCE AND CEMETERY MAINTENANCE AND OPERATION FUND. 1. THERE IS HEREBY ESTABLISHED IN THE JOINT CUSTODY OF THE COMMISSIONER OF TAXATION AND FINANCE AND THE COMPTROLLER, A SPECIAL FUND TO BE KNOWN AS THE "VETERANS REMEMBRANCE AND CEMETERY MAINTENANCE AND OPERATION FUND".

2. SUCH FUND SHALL CONSIST OF ALL REVENUES RECEIVED BY THE DEPARTMENT OF TAXATION AND FINANCE, PURSUANT TO THE PROVISIONS OF SECTIONS TWO HUNDRED-NINE-H AND SIX HUNDRED TWENTY-SEVEN-A OF THE TAX LAW, AND ALL OTHER MONEYS APPROPRIATED, CREDITED, OR TRANSFERRED THERETO FROM ANY OTHER FUND OR SOURCE PURSUANT TO LAW. NOTHING IN THIS SECTION SHALL PREVENT THE STATE FROM SOLICITING AND RECEIVING GRANTS, GIFTS OR BEQUESTS FOR THE PURPOSES OF THE FUND AS DEFINED IN THIS SECTION AND DEPOSITING THEM INTO THE FUND ACCORDING TO LAW.

3. ON OR BEFORE THE FIRST DAY OF FEBRUARY OF EACH CALENDAR YEAR, THE COMPTROLLER SHALL CERTIFY TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE CHAIR OF THE SENATE FINANCE COMMITTEE AND THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, THE AMOUNT OF MONEY DEPOSITED IN THE VETERANS REMEMBRANCE AND CEMETERY MAINTENANCE AND OPERATION FUND DURING THE PRECEDING CALENDAR YEAR AS THE RESULT OF REVENUE DERIVED PURSUANT TO SECTIONS TWO HUNDRED NINE-H AND SIX HUNDRED TWENTY-SEVEN-A OF THE TAX LAW, AND FROM ALL GRANTS, GIFTS AND BEQUESTS.

4. MONEYS OF THE FUND SHALL BE EXPENDED ONLY FOR THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF STATE VETERANS CEMETERIES. AS USED IN THIS SECTION, "THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF STATE VETERANS CEMETERIES" SHALL INCLUDE, BUT NOT BE LIMITED TO:

(A) THE PURCHASE, LEASING OR IMPROVEMENT OF LAND FOR THE PURPOSE OF THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF STATE VETERANS CEMETERIES;

(B) THE PURCHASE, LEASING, CONSTRUCTION OR IMPROVEMENT OF BUILDINGS OR INFRASTRUCTURE FOR THE PURPOSE OF THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF STATE VETERANS CEMETERIES;

(C) THE PURCHASE OR LEASING OF EQUIPMENT, TOOLS, BUILDING MATERIALS, LANDSCAPING MATERIALS, MEMORIAL HEADSTONES OR MARKERS, MONUMENTS, COLUMBARIUM NICHES, MAUSOLEUMS, CRYPTS, FLAGS, FLAG POLES, OR RELATED REMEMBRANCE OR CEMETERY ITEMS FOR THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF STATE VETERANS CEMETERIES;

(D) THE PAYMENT OF SALARIES, WAGES, BENEFITS, PROFESSIONAL SERVICE FEES, CONTRACT FEES, ASSOCIATION FEES, OR OTHER CHARGES NECESSARY FOR THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERA-

TION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF STATE VETERANS CEMETERIES; AND/OR

(E) THE PURCHASE OF ANY OTHER ITEM OR SERVICE NECESSARY FOR THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF A STATE VETERANS CEMETERY.

5. MONEYS SHALL BE PAYABLE FROM THE FUND ON THE AUDIT AND WARRANT OF THE COMPTROLLER ON VOUCHERS APPROVED AND CERTIFIED BY THE DIRECTOR OF THE DIVISION OF VETERANS AFFAIRS.

6. MONEYS IN THE VETERANS REMEMBRANCE AND CEMETERY MAINTENANCE AND OPERATION FUND SHALL BE KEPT SEPARATE AND SHALL NOT BE COMMINGLED WITH ANY OTHER MONEYS IN THE CUSTODY OF THE COMMISSIONER OF TAXATION AND/OR THE COMPTROLLER.

S 3. Subdivision 12 of section 353 of the executive law is REPEALED and a new subdivision 12 is added to read as follows:

12. (A) FOR THE PURPOSE OF PROVIDING FOR THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE FOR STATE VETERANS CEMETERIES, TO SEEK FUNDING FROM, AND MAKE APPLICATION FOR FUNDING TO:

(1) THE GOVERNMENT OF THE UNITED STATES, INCLUDING ANY AGENCY OR PUBLIC AUTHORITY THEREOF;

(2) THE GOVERNMENT OF THE STATE OF NEW YORK, INCLUDING ANY AGENCY OR PUBLIC AUTHORITY THEREOF;

(3) ANY POLITICAL SUBDIVISION OF THE GOVERNMENT OF THE STATE OF NEW YORK, INCLUDING ANY AGENCY OR PUBLIC AUTHORITY THEREOF; OR

(4) ANY PRIVATE INDIVIDUAL, CORPORATION OR FOUNDATION;

(B) PURSUANT TO SECTION THREE HUNDRED SIXTY-FIVE OF THIS ARTICLE, TO PROVIDE FOR THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE FOR STATE VETERANS CEMETERIES;

(C) TO EXPEND MONEYS FROM THE VETERANS REMEMBRANCE AND CEMETERY MAINTENANCE AND OPERATION FUND, ESTABLISHED PURSUANT TO SECTION NINETY-SEVEN-MMMM OF THE STATE FINANCE LAW; AND

(D) TO EVALUATE, MONITOR AND OTHERWISE OVERSEE THE OPERATION OF VETERANS CEMETERIES IN THIS STATE.

S 4. Subdivision 12-a of section 353 of the executive law is REPEALED.

S 5. The executive law is amended by adding a new section 365 to read as follows:

S 365. NEW YORK STATE VETERANS CEMETERIES. 1. LEGISLATIVE INTENT. THE LEGISLATURE FINDS AND DETERMINES THAT THE DEVOTED SERVICE AND SACRIFICE OF VETERANS DESERVE IMPORTANT, UNIQUE AND ETERNAL RECOGNITION BY THE STATE OF NEW YORK. THAT IT IS BY MEANS OF THE DEVOTED SERVICE AND SACRIFICE OF VETERANS THAT THE LIBERTY, FREEDOM AND PROSPERITY ENJOYED BY ALL NEW YORKERS IS MAINTAINED AND PRESERVED.

THE LEGISLATURE FURTHER FINDS AND DETERMINES THAT TO PROVIDE THIS IMPORTANT, UNIQUE AND ETERNAL RECOGNITION, THE STATE SHALL ESTABLISH A PROGRAM OF NEW YORK STATE VETERANS CEMETERIES IN NEW YORK. SUCH PROGRAM SHALL PROVIDE FOR THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE FOR STATE VETERANS CEMETERIES IN THIS STATE, AND THEREBY FOR THE MEMORIALIZATION AND REMEMBRANCE OF INDIVIDUAL VETERANS AND THEIR SERVICE TO THEIR COMMUNITY, STATE AND NATION.

THE LEGISLATURE ADDITIONALLY FINDS AND DETERMINES THAT IT IS THEREFORE NECESSARY TO PROVIDE FOR THE CONSTRUCTION AND ESTABLISHMENT OF ONE OR MORE NEW YORK STATE VETERANS CEMETERIES, AND THAT TO THEREAFTER, PROVIDE FOR THE EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE

PROVISION OF PERPETUAL CARE OF ALL SUCH CEMETERIES SO CONSTRUCTED AND ESTABLISHED. THE LEGISLATURE ALSO FINDS AND DETERMINES THAT IT IS APPROPRIATE TO HAVE THE RESPONSIBILITY FOR THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE FOR VETERANS CEMETERIES IN THIS STATE, TO BE UNDER THE OVERSIGHT AND DIRECTION OF THE STATE DIVISION OF VETERANS AFFAIRS, AND ITS DIRECTOR, INDIVIDUALLY, AND AS CHAIR OF THE MANAGEMENT BOARD, FOR EACH SUCH VETERANS CEMETERY SO CONSTRUCTED AND ESTABLISHED.

2. THE ESTABLISHMENT OF THE FIRST NEW YORK STATE VETERANS CEMETERY. (A) THE DIVISION, IN COOPERATION WITH THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS, AND IN CONSULTATION WITH, AND UPON THE SUPPORT OF THE DEPARTMENT OF STATE DIVISION OF CEMETERIES, IS HEREBY DIRECTED TO CONDUCT AN INVESTIGATION AND STUDY ON THE ISSUE OF THE CONSTRUCTION AND ESTABLISHMENT OF THE FIRST NEW YORK STATE VETERANS CEMETERY. SUCH INVESTIGATION AND STUDY SHALL INCLUDE, BUT NOT BE LIMITED TO:

(I) POTENTIAL SITE LOCATIONS FOR SUCH CEMETERY, WITH FULL CONSIDERATION AS TO THE NEEDS OF THE VETERANS POPULATION;

(II) THE SIZE OF THE CEMETERY AND TYPES OF GRAVE SITES;

(III) THE NUMBER OF ANNUAL INTERMENTS AT THE CEMETERY;

(IV) TRANSPORTATION ACCESSIBILITY TO THE CEMETERY BY VETERANS, THEIR FAMILIES AND THE GENERAL PUBLIC;

(V) COSTS FOR CONSTRUCTION OF THE CEMETERY;

(VI) COSTS OF OPERATION OF THE CEMETERY, INCLUDING BUT NOT LIMITED TO STAFFING COSTS TO MAINTAIN THE CEMETERY;

(VII) SCALABILITY OF THE CEMETERY FOR FUTURE GROWTH AND EXPANSION;

(VIII) POTENTIAL FOR FUNDING FOR THE CEMETERY FROM FEDERAL, LOCAL AND PRIVATE SOURCES;

(IX) COST OF MAINTENANCE;

(X) DATA ON THE POPULATION THAT WOULD BE SERVED BY THE SITE;

(XI) THE AVERAGE AGE OF THE POPULATION IN THE AREA COVERED;

(XII) THE MORTALITY RATE OF THE VETERAN POPULATION FOR THE AREA;

(XIII) SURROUNDING LAND USE;

(XIV) TOPOGRAPHY OF THE LAND;

(XV) SITE CHARACTERISTICS;

(XVI) COST OF LAND ACQUISITION;

(XVII) THE LOCATION OF EXISTING CEMETERIES INCLUDING BUT NOT LIMITED TO NATIONAL VETERANS' CEMETERIES, COUNTY VETERANS' CEMETERIES, CEMETERIES THAT HAVE PLOTS DEVOTED TO VETERANS, NOT-FOR-PROFIT CEMETERIES AND ANY OTHER BURIAL GROUND DEVOTED TO VETERANS AND ANY OTHER TYPE OF BURIAL GROUNDS DEVOTED TO THE INTERMENT OF HUMAN REMAINS THAT IS OF PUBLIC RECORD; AND

(XVIII) SUCH OTHER AND FURTHER ITEMS AS THE DIRECTOR OF THE DIVISION DEEMS NECESSARY FOR THE FIRST STATE VETERANS CEMETERY TO BE SUCCESSFUL.

A REPORT OF THE INVESTIGATION AND STUDY CONCLUSIONS SHALL BE DELIVERED TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY AND THE CHAIR OF THE SENATE COMMITTEE ON VETERANS, HOMELAND SECURITY AND MILITARY AFFAIRS, AND THE CHAIR OF THE ASSEMBLY COMMITTEE ON VETERANS' AFFAIRS BY NO LATER THAN ONE HUNDRED EIGHTY DAYS AFTER THE DIVISION HAS COMMENCED THE CONDUCT OF THE INVESTIGATION AND STUDY.

(B) PRIOR TO THE COMMENCEMENT OF THE INVESTIGATION AND STUDY PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION, THE DIRECTOR OF THE DIVISION OF VETERANS' AFFAIRS, THE DIRECTOR OF THE DIVISION OF THE BUDGET, THE DIRECTOR OF THE DEPARTMENT OF STATE'S DIVISION OF CEMETERIES, AND THE OFFICE OF THE STATE COMPTROLLER MUST CERTIFY TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE CHAIR OF THE SENATE FINANCE COMMITTEE AND THE CHAIR OF THE ASSEMBLY WAYS AND

MEANS COMMITTEE THAT THE VETERANS REMEMBRANCE AND CEMETERY MAINTENANCE AND OPERATION FUND, CREATED PURSUANT TO SECTION NINETY-SEVEN-MMMM OF THE STATE FINANCE LAW, CONTAINS MONEYS SUFFICIENT, ADJUSTED TO REFLECT PROJECTED FUTURE INFLATION, TO FUND THE OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF A STATE VETERANS' CEMETERY FOR A PERIOD OF NOT LESS THAN FIFTEEN YEARS, PROVIDED THAT SUCH AMOUNT SHALL NOT INCLUDE ANY AMOUNT THAT SHALL BE REIMBURSED OR CONTRIBUTED TO THE CEMETERY FROM THE GOVERNMENT OF THE UNITED STATES OR ANY AMOUNT THAT WOULD BE RECOVERABLE BY THE CEMETERY PURSUANT TO A CHARGE OF FEE FOR THE PROVISION OF A GRAVE SITE FOR A NON-VETERAN SPOUSE OR FAMILY MEMBER. IN MAKING SUCH A CERTIFICATION, THE DIRECTOR OF THE DIVISION OF VETERANS' AFFAIRS, THE DIRECTOR OF THE DIVISION OF THE BUDGET, THE DIRECTOR OF THE DEPARTMENT OF STATE'S DIVISION OF CEMETERIES, AND THE OFFICE OF THE STATE COMPTROLLER SHALL CONSIDER, BUT ARE NOT LIMITED TO, THE FOLLOWING FACTORS:

(I) PHYSICAL ATTRIBUTES OF THE VETERANS CEMETERY, INCLUDING SIZE, LOCATION, AND TERRAIN;

(II) MANAGEMENT AND OPERATION, INCLUDING STAFFING COSTS, COST OF EQUIPMENT AND EQUIPMENT MAINTENANCE, AND SECURITY COSTS;

(III) RELEVANT STATE AND FEDERAL REQUIREMENTS AND SPECIFICATIONS FOR INTERMENT AND PERPETUAL CARE;

(IV) ESTIMATES PROVIDED BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS;

(V) ANY OTHER FISCAL COST, CHARGE OR ASSESSMENT THAT WOULD BE INCURRED BY THE CEMETERY.

(C) BY NO LATER THAN NINETY DAYS FOLLOWING THE ISSUANCE OF THE REPORT, PURSUANT TO THE RULES AND REGULATIONS ISSUED UNDER PARAGRAPH (H) OF THIS SUBDIVISION, THE DIRECTOR SHALL ISSUE, ON BEHALF OF THE DIVISION, A REQUEST FOR PROPOSALS FOR ANY LOCAL GOVERNMENT DESIRING TO HAVE THE FIRST STATE VETERANS CEMETERY LOCATED WITHIN ITS POLITICAL SUBDIVISION. SUCH REQUEST FOR PROPOSALS SHALL BE RETURNABLE TO THE DIVISION BY NO LATER THAN SIXTY DAYS FOLLOWING THE ISSUANCE OF THE REQUEST FOR PROPOSALS.

(D) NO LATER THAN SIXTY DAYS FOLLOWING THE DEADLINE FOR THE RETURN OF REQUESTS FOR PROPOSALS PURSUANT TO PARAGRAPH (C) OF THIS SUBDIVISION, THE DIRECTOR, IN CONSULTATION WITH THE MANAGEMENT BOARD OF THE FIRST NEW YORK STATE VETERANS CEMETERY, SHALL SELECT A SITE FOR THE FIRST NEW YORK STATE VETERANS CEMETERY. IN SELECTING SUCH SITE, THE DIRECTOR SHALL CONSIDER:

(I) THE INVESTIGATION AND STUDY, AND THE REPORT PRODUCED BY THE SAME, PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION;

(II) THE SUBMITTED RESPONSES TO THE REQUESTS FOR PROPOSALS ISSUED PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION;

(III) THE GUIDELINES FOR RECEIPT OF FEDERAL FUNDING SPECIFIED IN SECTION 2408 OF TITLE 38 OF THE UNITED STATES CODE, PART 39 OF TITLE 38 OF THE CODE OF FEDERAL REGULATIONS, AND ANY OTHER RELEVANT FEDERAL STATUTE OR REGULATION;

(IV) THE POSSIBILITY OF FUNDING FROM PRIVATE INDIVIDUALS, CORPORATIONS OR FOUNDATIONS; AND

(V) ANY OTHER CONSIDERATION THAT WOULD FACILITATE THE SUCCESSFUL OPERATION OF THE FIRST NEW YORK STATE VETERANS CEMETERY.

(E) NO LATER THAN THIRTY DAYS FOLLOWING THE SELECTION OF THE SITE PURSUANT TO PARAGRAPH (D) OF THIS SUBDIVISION, THE DIRECTOR, IN CONSULTATION WITH THE MANAGEMENT BOARD OF THE FIRST NEW YORK STATE VETERANS CEMETERY, SHALL COMMENCE THE APPLICATION PROCESS FOR FUNDING FROM THE GOVERNMENT OF THE UNITED STATES, IN ACCORDANCE WITH THE GRANT REQUIRE-

MENTS SPECIFIED IN SECTION 2408 OF TITLE 38 OF THE UNITED STATES CODE, PART 39 OF TITLE 38 OF THE CODE OF FEDERAL REGULATIONS, AND ANY OTHER RELEVANT FEDERAL STATUTE OR REGULATION, FOR THE PURPOSE OF SEEKING FUNDS TO SUPPORT THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF NEW YORK STATE'S FIRST VETERANS CEMETERY. SUCH GRANT APPLICATION SHALL BE BASED ON A SITE SELECTED PURSUANT TO PARAGRAPH (D) OF THIS SUBDIVISION, AND SHALL BE CONSISTENT WITH THE GUIDELINES FOR RECEIPT OF FEDERAL FUNDING PURSUANT TO THE RELEVANT PROVISIONS OF FEDERAL LAW.

(F) A MANAGEMENT BOARD FOR THE FIRST NEW YORK STATE VETERANS CEMETERY SHALL BE APPOINTED PURSUANT TO SUBDIVISION THREE OF THIS SECTION.

(G) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO AUTHORIZE THE DIVISION OF VETERANS' AFFAIRS TO COMMENCE AN INVESTIGATION AND STUDY PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION, ISSUING A REQUEST FOR PROPOSALS PURSUANT TO PARAGRAPH (C) OF THIS SUBDIVISION, SELECTING A SITE FOR THE FIRST NEW YORK STATE VETERANS CEMETERY PURSUANT TO PARAGRAPH (D) OF THIS SUBDIVISION, OR SUBMITTING ANY APPLICATION FOR FUNDING FROM THE GOVERNMENT OF THE UNITED STATES IN ACCORDANCE WITH THE GRANT REQUIREMENTS SPECIFIED IN SECTION 2408 OF TITLE 38 OF THE UNITED STATES CODE, PART 30 OF TITLE 38 OF THE CODE OF FEDERAL REGULATIONS, AND OTHER RELEVANT FEDERAL STATUTES OR REGULATIONS, FOR THE PURPOSE OF SEEKING FUNDS TO SUPPORT THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF NEW YORK STATE'S FIRST VETERANS CEMETERY PURSUANT TO PARAGRAPH (E) OF THIS SUBDIVISION UNTIL THE FUNDS IN THE VETERANS REMEMBRANCE AND CEMETERY MAINTENANCE AND OPERATION FUND HAVE BEEN CERTIFIED PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION.

(H) THE DIRECTOR SHALL PROMULGATE RULES AND REGULATIONS GOVERNING:

(I) THE GUIDELINES AND STANDARDS FOR THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE FOR A STATE VETERANS CEMETERY. SUCH GUIDELINES SHALL INCLUDE, BUT NOT BE LIMITED TO:

(1) THE SIZE AND TERRAIN OF THE CEMETERY;

(2) THE MANAGEMENT AND OPERATION OF THE CEMETERY, INCLUDING BUT NOT LIMITED TO:

(A) HOURS OF OPERATION;

(B) EMPLOYEES, EMPLOYEE RELATIONS, AND EMPLOYEE DUTIES;

(C) THE CONDUCT AND PRACTICE OF EVENTS, CEREMONIES AND PROGRAMS;

(D) THE FILING AND COMPLIANCE OF THE CEMETERY WITH STATE AND FEDERAL REGULATORS; AND

(E) SUCH OTHER AND FURTHER OPERATIONAL AND MANAGEMENT PRACTICES AND PROCEDURES AS THE DIRECTOR SHALL DETERMINE TO BE NECESSARY FOR THE SUCCESSFUL OPERATION OF A STATE VETERANS CEMETERY.

(3) THE LAYOUT OF PLOTS;

(4) THE LOCATIONS OF BUILDING AND INFRASTRUCTURE, INCLUDING BUT NOT LIMITED TO:

(A) ELECTRICAL LINES AND FACILITIES;

(B) WATERLINES, IRRIGATION SYSTEMS, AND DRAINAGE FACILITIES;

(C) TREES, FLOWERS AND OTHER PLANTINGS;

(D) NON GRAVESITE MEMORIALS, GRAVESITE MEMORIALS, MAUSOLEUMS, COLUMBARIUM NICHES, HEADSTONES, GRAVE MARKERS, INDOOR INTERMENT FACILITIES, COMMITTAL-SERVICE SHELTERS, SIGNAGE, FLAG POLES, AND OTHER MEMORIAL GATHERING SPACES OR INFRASTRUCTURE;

(E) ROADWAYS, PEDESTRIAN PATHWAYS, PARKING SITES, CURBS AND CURB CUTS;

(F) PONDS, LAKES AND OTHER WATER SITES;

(G) RETAINING WALLS, GATES, FENCES, SECURITY SYSTEMS OR OTHER DEVICES FOR CEMETERY PROTECTION; AND

(H) ANY OTHER BUILDINGS, STRUCTURES OR INFRASTRUCTURE NECESSARY FOR THE SAFE, EFFICIENT AND EFFECTIVE OPERATION OF THE CEMETERY;

(5) THE QUALIFICATIONS FOR INTERMENT, CONSISTENT WITH THE PROVISIONS OF STATE AND FEDERAL LAW AND ANY REQUIREMENTS PURSUANT TO THE RECEIPT OF FEDERAL, STATE, LOCAL OR PRIVATE FUNDS;

(6) THE LOCATION AND PLACEMENT OF INTERMENTS;

(7) CONSISTENT WITH THE PROVISIONS OF STATE AND FEDERAL LAW AND ANY REQUIREMENTS PURSUANT TO THE RECEIPT OF FEDERAL, STATE, LOCAL OR PRIVATE FUNDS, THE FINANCIAL MANAGEMENT OF THE CEMETERY, INCLUDING BUT NOT LIMITED TO:

(A) THE PROCEDURES FOR THE PROTECTION AND IMPLEMENTATION OF THE CEMETERY'S ANNUAL BUDGET;

(B) THE SEEKING, COLLECTING, DEPOSIT AND EXPENDITURE OF OPERATING FUNDS PURSUANT TO THE CEMETERY'S BUDGET;

(C) THE SEEKING, COLLECTING, DEPOSIT AND EXPENDITURE OF CAPITAL FUNDS PURSUANT TO THE CEMETERY'S CAPITAL PLAN;

(D) THE SEEKING, COLLECTING, DEPOSIT AND EXPENDITURE OF EMERGENCY FUNDS TO ADDRESS AN UNEXPECTED EVENT;

(E) THE ASSESSMENT, CHARGING, COLLECTION AND DEPOSIT OF FEES AND CHARGES;

(F) THE MANAGEMENT OF CEMETERY FINANCES, BOTH CURRENT AND FUTURE, WITH RESPECT TO INVESTMENTS; AND

(G) SUCH OTHER AND FURTHER PROCEDURES AND ACTIVITIES CONCERNING THE FINANCIAL MANAGEMENT OF THE CEMETERY;

(8) THE PROVISION OF PERPETUAL CARE FOR THE CEMETERY, INCLUDING BUT NOT LIMITED TO:

(A) THE FREQUENCY, STANDARDS AND METHODS FOR THE BEAUTIFICATION AND MAINTENANCE OF GROUNDS, MEMORIALS, GRAVESITES, BUILDINGS, CEREMONIAL SITES, OR OTHER LOCATIONS WITHIN, OR UPON THE CURTILAGE OF THE CEMETERY;

(B) THE FREQUENCY, STANDARDS AND METHODS FOR THE PROVISION OF FLAGS, PATRIOTIC AND MILITARY SYMBOLS, AND OTHER HONORARY ITEMS, AT EACH GRAVESITE AND THROUGHOUT THE CEMETERY; AND

(C) SUCH OTHER AND FURTHER STANDARDS AS ARE NECESSARY TO ASSURE THE PROPER PERPETUAL CARE OF THE CEMETERY IN A MANNER BEFITTING THE HIGHEST LEVEL OF HONOR AND RESPECT DESERVING TO THOSE VETERANS AND THEIR FAMILIES INTERRED IN THE CEMETERY;

(9) GUIDELINES AND STANDARDS FOR THE PROCUREMENT OF LAND FOR THE CEMETERY PROVIDING THAT THE STATE VETERANS CEMETERY, AND ALL THE PROPERTY UPON WHICH IT RESIDES SHALL BE OWNED IN FEE SIMPLE ABSOLUTE BY THE STATE OF NEW YORK;

(10) GUIDELINES AND STANDARDS FOR THE PRACTICES AND PROCEDURES FOR THE CONSTRUCTION AND ESTABLISHMENT OF A STATE VETERANS CEMETERY, INCLUDING CONTRACTING AND PURCHASING FOR CONSTRUCTION SERVICES, PROFESSIONAL SERVICES, LEGAL SERVICES, ARCHITECTURAL SERVICES, CONSULTING SERVICES, AS WELL AS THE PROCUREMENT OF MATERIALS, ALL CONSISTENT WITH THE RELEVANT PROVISIONS OF FEDERAL, STATE AND LOCAL LAW, THE REGULATIONS PROMULGATED THEREUNDER, AND THE REQUIREMENTS CONTAINED IN THE GRANTS AWARDED OR PURSUED FROM THE FEDERAL GOVERNMENT, OR ANY SOURCE OF PRIVATE FUNDING;

(11) GUIDELINES AND STANDARDS FOR THE PRACTICES AND PROCEDURES FOR THE EXPANSION AND IMPROVEMENT OF A STATE VETERANS CEMETERY, INCLUDING CONTRACTING AND PURCHASING FOR CONSTRUCTION SERVICES, PROFESSIONAL SERVICES, LEGAL SERVICES, ARCHITECTURAL SERVICES, CONSULTING SERVICES, AS WELL AS THE PROCUREMENT OF MATERIALS, ALL CONSISTENT WITH THE RELE-

VANT PROVISIONS OF FEDERAL, STATE AND LOCAL LAW, THE REGULATIONS PROMULGATED THEREUNDER, AND THE REQUIREMENTS CONTAINED IN THE GRANTS AWARDED OR PURSUED FROM THE FEDERAL GOVERNMENT, OR ANY SOURCE OF PRIVATE FUNDING;

(12) ANY OTHER GUIDELINES AND STANDARDS THAT WOULD FACILITATE THE SUCCESSFUL CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE FOR THE STATE VETERANS CEMETERY;

(II) GUIDELINES AND STANDARDS FOR THE REQUEST FOR PROPOSALS FOR ANY LOCAL GOVERNMENT DESIRING TO HAVE THE FIRST STATE VETERANS CEMETERY LOCATED WITHIN ITS POLITICAL SUBDIVISION, PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION, INCLUDING, BUT NOT LIMITED TO:

(1) THE FORM, REQUIREMENTS AND STANDARDS REQUIRED FOR SUBMISSION OF A RESPONSE TO THE REQUEST FOR PROPOSALS;

(2) THE REQUIREMENT, IF THE DIRECTOR SO ELECTS, THAT A RESPONSE SHALL REQUIRE THE LOCAL GOVERNMENT TO AGREE TO CONTRACT WITH THE STATE OF NEW YORK THAT ALL COSTS FOR CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF THE VETERANS CEMETERY SHALL BE THE SOLE RESPONSIBILITY OF, AND PAID BY THE LOCAL GOVERNMENT, AND THAT TO THE EXTENT SUCH COSTS ARE NOT PAID OR REIMBURSED BY THE GOVERNMENT OF THE UNITED STATES, OR A PRIVATE INDIVIDUAL, CORPORATION OR FOUNDATION;

(3) THE REQUIREMENT THAT THE LOCAL GOVERNMENT WILL COMPLY WITH ALL STATE AND FEDERAL STATUTES AND REGULATIONS CONCERNING THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE OF THE STATE VETERANS CEMETERY, AND SHALL SATISFY ANY AND ALL APPLICABLE STATE AND FEDERAL STANDARDS AND REQUIREMENTS FOR THE PERPETUAL CARE OF THE STATE VETERANS CEMETERY;

(4) THAT THE STATE VETERANS CEMETERY, AND ALL THE PROPERTY UPON WHICH IT RESIDES SHALL BE OWNED IN FEE SIMPLE ABSOLUTE BY THE STATE OF NEW YORK;

(5) THAT ALL LANDS UPON WHICH SUCH CEMETERY IS CONSTRUCTED AND ESTABLISHED SHALL BE USED SOLELY FOR STATE VETERANS CEMETERY PURPOSES, AND FOR THE PURPOSE OF PROVIDING THE HONOR AND REMEMBRANCE OF VETERANS AND THEIR SERVICE THROUGH CEREMONIES AND PROGRAMS;

(6) THE REQUIREMENT THAT A RESPONSE SHALL REQUIRE THE LOCAL GOVERNMENT TO AGREE TO AUTHORIZE THE STATE OF NEW YORK, IN THE EVENT THAT THE LOCAL GOVERNMENT FAILS TO PERFORM ITS OBLIGATIONS UNDER THE CONTRACT WITH THE STATE OF NEW YORK, THAT THE STATE DIRECTOR OF THE DIVISION OF VETERANS' AFFAIRS SHALL CERTIFY TO THE COMPTROLLER ANY UNPAID AMOUNTS OR ANY AMOUNTS NECESSARY FOR THE STATE TO ASSUME THE OBLIGATIONS WHICH THE LOCAL GOVERNMENT FAILED TO PERFORM, AND THE COMPTROLLER SHALL, TO THE EXTENT NOT OTHERWISE PROHIBITED BY LAW, WITHHOLD SUCH AMOUNT FROM ANY STATE AID OR OTHER AMOUNT PAYABLE TO SUCH LOCAL GOVERNMENT; TO THE EXTENT THAT SUFFICIENT FUNDS ARE NOT AVAILABLE FOR SUCH WITHHOLDING, THE STATE MAY PURSUE ANY AND ALL AVAILABLE LEGAL REMEDIES TO ENFORCE THE TERMS OF THE CONTRACT ENTERED INTO BETWEEN THE STATE AND A LOCAL GOVERNMENT PURSUANT TO THIS SUBDIVISION; AND

(7) SUCH OTHER AND FURTHER REQUIREMENTS AS THE DIRECTOR MAY DEEM PRUDENT IN THE FACILITATION OF THE SUCCESSFUL SITING AND OPERATION OF A STATE VETERANS CEMETERY IN THE JURISDICTION OF THE LOCAL GOVERNMENT; AND

(III) SUCH OTHER AND FURTHER GUIDELINES AND STANDARDS AS ARE NECESSARY FOR THE SUCCESSFUL CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE FOR A STATE VETERANS CEMETERY;

(I) UPON THE APPROVAL OF THE APPLICATION FOR FUNDING FROM THE GOVERNMENT OF THE UNITED STATES, MADE PURSUANT TO PARAGRAPH (E) OF THIS SUBDIVISION, THE DIRECTOR, UPON CONSULTATION WITH THE MANAGEMENT BOARD, SHALL COMMENCE THE PROCESS OF CONSTRUCTION AND ESTABLISHMENT OF THE FIRST STATE VETERANS CEMETERY. SUCH PROCESS SHALL BE CONSISTENT WITH THE RELEVANT PROVISIONS OF LOCAL, STATE AND FEDERAL LAW, AND THE RULES AND REGULATIONS ESTABLISHED PURSUANT TO PARAGRAPH (H) OF THIS SUBDIVISION.

3. MANAGEMENT BOARDS OF NEW YORK STATE VETERANS CEMETERIES. (A) FOR EACH NEW YORK STATE VETERANS CEMETERY THERE SHALL BE A MANAGEMENT BOARD. EACH SUCH MANAGEMENT BOARD SHALL CONSIST OF NINE MEMBERS, INCLUDING THE DIRECTOR OF THE DIVISION WHO SHALL SERVE AS CHAIR, AND FOUR MEMBERS, APPOINTED BY THE GOVERNOR. OF SUCH FOUR MEMBERS, NOT FEWER THAN TWO SHALL BE A VETERAN OF THE UNITED STATES ARMY, THE UNITED STATES NAVY, THE UNITED STATES AIR FORCE, THE UNITED STATES MARINES, THE NEW YORK ARMY NATIONAL GUARD, THE NEW YORK AIR NATIONAL GUARD, THE NEW YORK NAVAL MILITIA, OR A MEMBER WHO HAS SERVED IN A THEATER OF COMBAT OPERATIONS OF THE UNITED STATES COAST GUARD OR THE UNITED STATES MERCHANT MARINE. TWO MEMBERS SHALL BE APPOINTED BY THE TEMPORARY PRESIDENT OF THE SENATE, AND TWO MEMBERS SHALL BE APPOINTED BY THE SPEAKER OF THE STATE ASSEMBLY. AT LEAST ONE OF THE MEMBERS APPOINTED BY THE TEMPORARY PRESIDENT OF THE SENATE AND AT LEAST ONE OF THE MEMBERS APPOINTED BY THE SPEAKER OF THE ASSEMBLY SHALL BE A VETERAN OF THE UNITED STATES ARMY, THE UNITED STATES NAVY, THE UNITED STATES AIR FORCE, THE UNITED STATES MARINES, THE NEW YORK ARMY NATIONAL GUARD, THE NEW YORK AIR NATIONAL GUARD, THE NEW YORK NAVAL MILITIA, OR A MEMBER WHO HAS SERVED IN A THEATER OF COMBAT OPERATIONS OF THE UNITED STATES COAST GUARD OR THE UNITED STATES MERCHANT MARINE. NO MEMBER SHALL RECEIVE ANY COMPENSATION FOR HIS OR HER SERVICE, BUT MEMBERS WHO ARE NOT STATE OFFICIALS MAY BE REIMBURSED FOR THEIR ACTUAL AND NECESSARY EXPENSES, INCLUDING TRAVEL EXPENSES INCURRED IN PERFORMANCE OF THEIR DUTIES. THE MANAGEMENT BOARD MAY CONSULT WITH ANY FEDERAL, STATE OR LOCAL ENTITY FOR THE PURPOSES OF ADVANCING ITS PURPOSES, MISSION AND DUTIES.

(B) THE MANAGEMENT BOARD SHALL ADVISE, BY MAJORITY VOTE, THE DIRECTOR ON ISSUES CONCERNING THE CONSTRUCTION, ESTABLISHMENT, EXPANSION, IMPROVEMENT, SUPPORT, OPERATION, MAINTENANCE AND THE PROVISION OF PERPETUAL CARE FOR THE VETERANS CEMETERY, INCLUDING BUT NOT LIMITED TO ISSUES OF FINANCIAL CONCERN, EMPLOYMENT RELATIONS, CEMETERY POLICY, CEMETERY EVENTS AND PROGRAMS, AND SUCH OTHER AND FURTHER ISSUES AS THE BOARD AND DIRECTOR SHALL DEEM IMPORTANT.

4. ADDITIONAL STATE VETERANS CEMETERIES. (A) NOT LATER THAN TEN YEARS AFTER THE CONSTRUCTION AND ESTABLISHMENT OF THE FIRST NEW YORK STATE VETERANS CEMETERY, AND EVERY TEN YEARS THEREAFTER, THE DIVISION, IN COOPERATION WITH THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS, SHALL CONDUCT AN INVESTIGATION AND STUDY ON THE ISSUE OF THE CONSTRUCTION AND ESTABLISHMENT OF ADDITIONAL NEW YORK STATE VETERANS CEMETERIES. SUCH INVESTIGATION AND STUDY SHALL CONSIDER, BUT NOT BE LIMITED TO, THE STUDY PARAMETERS ESTABLISHED PURSUANT TO PARAGRAPH (A) OF SUBDIVISION TWO OF THIS SECTION. A REPORT OF THE INVESTIGATION AND STUDY REQUIRED TO BE CONDUCTED PURSUANT TO THIS SUBDIVISION SHALL BE DELIVERED TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY AND THE CHAIR OF THE SENATE COMMITTEE ON VETERANS, HOMELAND SECURITY AND MILITARY AFFAIRS, AND THE CHAIR OF THE ASSEMBLY COMMITTEE ON VETERANS' AFFAIRS, BY NO LATER THAN NINETY DAYS AFTER THE DIVISION HAS COMMENCED THE CONDUCT OF THE INVESTIGATION AND STUDY;

(B) THE REPORT OF THE INVESTIGATION AND STUDY REQUIRED TO BE CONDUCTED PURSUANT TO THIS SUBDIVISION SHALL PROVIDE A DETERMINATION BY THE DIREC-

TOR AS TO WHETHER THE STATE SHOULD CONSTRUCT AND ESTABLISH ONE OR MORE ADDITIONAL VETERANS CEMETERIES, AND SHALL STATE THE REASONING AND BASIS FOR SUCH DETERMINATION; AND

(C) THE DIVISION MAY, AT THE DISCRETION OF THE DIRECTOR, AT ANY TIME AFTER FIVE YEARS FROM THE COMPLETION OF CONSTRUCTION OF THE MOST RECENTLY CONSTRUCTED AND ESTABLISHED STATE VETERANS CEMETERY, IN COOPERATION WITH THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS, CONDUCT AN INVESTIGATION AND STUDY ON THE ISSUE OF THE CONSTRUCTION AND ESTABLISHMENT OF ADDITIONAL NEW YORK STATE VETERANS CEMETERIES. A REPORT OF THE INVESTIGATION AND STUDY REQUIRED TO BE CONDUCTED SHALL BE DELIVERED TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY AND THE CHAIR OF THE SENATE COMMITTEE ON VETERANS, HOMELAND SECURITY AND MILITARY AFFAIRS, AND THE CHAIR OF THE ASSEMBLY COMMITTEE ON VETERANS' AFFAIRS, BY NO LATER THAN NINETY DAYS AFTER THE DIVISION HAS COMMENCED THE CONDUCT OF THE INVESTIGATION AND STUDY.

(D) IF THE DIRECTOR, PURSUANT TO THE INVESTIGATION AND STUDY CONDUCTED PURSUANT TO THIS SUBDIVISION, DETERMINES THAT THERE SHALL BE AN ADDITIONAL STATE VETERANS CEMETERY IN NEW YORK STATE, THE DIRECTOR SHALL PROVIDE FOR THE CONSTRUCTION AND ESTABLISHMENT OF SUCH NEW VETERANS CEMETERY PURSUANT TO THE SAME GUIDELINES AND STANDARDS FOR THE CONSTRUCTION AND ESTABLISHMENT OF THE FIRST STATE VETERANS CEMETERY UNDER THIS SECTION.

5. EXPANSION AND IMPROVEMENT OF EXISTING STATE VETERANS CEMETERIES. THE DIRECTOR, IN CONSULTATION WITH THE MANAGEMENT BOARD OF A STATE VETERANS CEMETERY, MAY PROVIDE FOR THE EXPANSION AND/OR IMPROVEMENT OF THE CEMETERY. SUCH EXPANSION AND IMPROVEMENT SHALL BE CONDUCTED IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE DIVISION UNDER PARAGRAPH (H) OF SUBDIVISION TWO OF THIS SECTION.

S 6. This act shall take effect immediately.

PART X

Section 1. Section 2 of the public service law is amended by adding a new subdivision 14 to read as follows:

14. THE TERM "COMBINATION GAS AND ELECTRIC CORPORATION," WHEN USED IN SECTIONS TWENTY-FIVE-A, SIXTY-FIVE AND SIXTY-SIX OF THIS CHAPTER, INCLUDES ANY GAS CORPORATION OPERATING IN NEW YORK UNDER COMMON OWNERSHIP WITH AN ELECTRIC CORPORATION OPERATING IN NEW YORK OR ANY ELECTRIC CORPORATION OPERATING IN NEW YORK UNDER COMMON OWNERSHIP WITH A GAS CORPORATION OPERATING IN NEW YORK, OR ANY SUCCESSOR OF EITHER SUCH CORPORATION; PROVIDED, HOWEVER, THAT SUCH TERM SHALL NOT INCLUDE MUNICIPALLY-OWNED UTILITIES, AND SHALL NOT INCLUDE ANY GENERATING FACILITIES OWNED OR OPERATED BY EITHER SUCH CORPORATION OR ANY COMMON OWNER THEREOF, OR ANY SUBSIDIARY OF SUCH COMMON OWNER.

S 2. The public service law is amended by adding a new section 25-a to read as follows:

S 25-A. COMBINATION GAS AND ELECTRIC CORPORATIONS; ADMINISTRATIVE SANCTIONS; RECOVERY OF PENALTIES. NOTWITHSTANDING SECTIONS TWENTY-FOUR AND TWENTY-FIVE OF THIS ARTICLE: 1. EVERY COMBINATION GAS AND ELECTRIC CORPORATION AND THE OFFICERS THEREOF SHALL ADHERE TO EVERY PROVISION OF THIS CHAPTER AND EVERY ORDER OR REGULATION ADOPTED UNDER AUTHORITY OF THIS CHAPTER SO LONG AS THE SAME SHALL BE IN FORCE.

2. (A) THE COMMISSION SHALL HAVE THE AUTHORITY TO ASSESS A CIVIL PENALTY AGAINST A COMBINATION GAS AND ELECTRIC CORPORATION AND THE OFFICERS THEREOF SUBJECT TO THE JURISDICTION, SUPERVISION, OR REGULATION PURSUANT TO THIS CHAPTER IN AN AMOUNT AS SET FORTH IN THIS SECTION. IN

DETERMINING THE AMOUNT OF ANY PENALTY TO BE ASSESSED PURSUANT TO THIS SECTION, THE COMMISSION SHALL CONSIDER: (I) THE SERIOUSNESS OF THE VIOLATION FOR WHICH A PENALTY IS SOUGHT; (II) THE NATURE AND EXTENT OF ANY PREVIOUS VIOLATIONS FOR WHICH PENALTIES HAVE BEEN ASSESSED AGAINST THE CORPORATION OR OFFICER; (III) WHETHER THERE WAS KNOWLEDGE OF THE VIOLATION; (IV) THE GROSS REVENUES AND FINANCIAL STATUS OF THE CORPORATION; AND (V) SUCH OTHER FACTORS AS THE COMMISSION MAY DEEM APPROPRIATE AND RELEVANT. THE REMEDIES PROVIDED BY THIS SUBDIVISION ARE IN ADDITION TO ANY OTHER REMEDIES PROVIDED IN LAW.

(B) WHENEVER THE COMMISSION HAS REASON TO BELIEVE THAT A COMBINATION GAS AND ELECTRIC CORPORATION OR SUCH OFFICERS THEREOF SHOULD BE SUBJECT TO IMPOSITION OF A CIVIL PENALTY AS SET FORTH IN THIS SUBDIVISION, IT SHALL NOTIFY SUCH CORPORATION OR OFFICER. SUCH NOTICE SHALL INCLUDE, BUT SHALL NOT BE LIMITED TO: (I) THE DATE AND A BRIEF DESCRIPTION OF THE FACTS AND NATURE OF EACH ACT OR FAILURE TO ACT FOR WHICH SUCH PENALTY IS PROPOSED; (II) A LIST OF EACH STATUTE, REGULATION OR ORDER THAT THE COMMISSION ALLEGES HAS BEEN VIOLATED; AND (III) THE AMOUNT OF EACH PENALTY THAT THE COMMISSION PROPOSES TO ASSESS.

(C) WHENEVER THE COMMISSION HAS REASON TO BELIEVE THAT A COMBINATION GAS AND ELECTRIC CORPORATION OR SUCH OFFICERS THEREOF SHOULD BE SUBJECT TO IMPOSITION OF A CIVIL PENALTY OR PENALTIES AS SET FORTH IN THIS SUBDIVISION, THE COMMISSION SHALL HOLD A HEARING TO DEMONSTRATE WHY THE PROPOSED PENALTY OR PENALTIES SHOULD BE ASSESSED AGAINST SUCH COMBINATION GAS AND ELECTRIC CORPORATION OR SUCH OFFICERS.

3. ANY COMBINATION GAS AND ELECTRIC CORPORATION DETERMINED BY THE COMMISSION TO HAVE FAILED TO REASONABLY COMPLY AS SHOWN BY A PREPONDERANCE OF THE EVIDENCE WITH A PROVISION OF THIS CHAPTER, REGULATION OR AN ORDER ADOPTED UNDER AUTHORITY OF THIS CHAPTER SO LONG AS THE SAME SHALL BE IN FORCE SHALL FORFEIT A SUM NOT EXCEEDING THE GREATER OF ONE HUNDRED THOUSAND DOLLARS OR TWO ONE-HUNDREDTHS OF ONE PERCENT OF THE ANNUAL INTRASTATE GROSS OPERATING REVENUE OF THE CORPORATION, NOT INCLUDING TAXES PAID TO AND REVENUES COLLECTED ON BEHALF OF GOVERNMENT ENTITIES, CONSTITUTING A CIVIL PENALTY FOR EACH AND EVERY OFFENSE AND, IN THE CASE OF A CONTINUING VIOLATION, EACH DAY SHALL BE DEEMED A SEPARATE AND DISTINCT OFFENSE.

4. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION THREE OF THIS SECTION, ANY SUCH COMBINATION GAS AND ELECTRIC CORPORATION DETERMINED BY THE COMMISSION TO HAVE FAILED TO REASONABLY COMPLY WITH A PROVISION OF THIS CHAPTER, OR AN ORDER OR REGULATION ADOPTED UNDER THE AUTHORITY OF THIS CHAPTER SPECIFICALLY FOR THE PROTECTION OF HUMAN SAFETY OR PREVENTION OF SIGNIFICANT DAMAGE TO REAL PROPERTY, INCLUDING, BUT NOT LIMITED TO, THE COMMISSION'S CODE OF GAS SAFETY REGULATIONS SHALL, IF IT IS DETERMINED BY THE COMMISSION BY A PREPONDERANCE OF THE EVIDENCE THAT SUCH SAFETY VIOLATION CAUSED OR CONSTITUTED A CONTRIBUTING FACTOR IN BRINGING ABOUT: (A) A DEATH OR PERSONAL INJURY; OR (B) DAMAGE TO REAL PROPERTY IN EXCESS OF FIFTY THOUSAND DOLLARS, FORFEIT A SUM NOT TO EXCEED THE GREATER OF:

(I) TWO HUNDRED FIFTY THOUSAND DOLLARS OR THREE ONE-HUNDREDTHS OF ONE PERCENT OF THE ANNUAL INTRASTATE GROSS OPERATING REVENUE OF THE CORPORATION, NOT INCLUDING TAXES PAID TO AND REVENUES COLLECTED ON BEHALF OF GOVERNMENT ENTITIES, WHICHEVER IS GREATER, CONSTITUTING A CIVIL PENALTY FOR EACH SEPARATE AND DISTINCT OFFENSE; PROVIDED, HOWEVER, THAT FOR PURPOSES OF THIS PARAGRAPH, EACH DAY OF A CONTINUING VIOLATION SHALL NOT BE DEEMED A SEPARATE AND DISTINCT OFFENSE. THE TOTAL PERIOD OF A CONTINUING VIOLATION, AS WELL AS EVERY DISTINCT VIOLATION, SHALL BE SIMILARLY

TREATED AS A SEPARATE AND DISTINCT OFFENSE FOR PURPOSES OF THIS PARAGRAPH; OR

(II) THE MAXIMUM FORFEITURE DETERMINED IN ACCORDANCE WITH SUBDIVISION THREE OF THIS SECTION.

5. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION THREE OR FOUR OF THIS SECTION, A COMBINATION GAS AND ELECTRIC CORPORATION DETERMINED BY THE COMMISSION TO HAVE FAILED TO REASONABLY COMPLY BY A PREPONDERANCE OF THE EVIDENCE WITH A PROVISION OF THIS CHAPTER, OR AN ORDER OR REGULATION ADOPTED UNDER AUTHORITY OF THIS CHAPTER, DESIGNED TO PROTECT THE OVERALL RELIABILITY AND CONTINUITY OF ELECTRIC SERVICE, INCLUDING BUT NOT LIMITED TO THE RESTORATION OF ELECTRIC SERVICE FOLLOWING A MAJOR OUTAGE EVENT OR EMERGENCY, SHALL FORFEIT A SUM NOT TO EXCEED THE GREATER OF:

(A) FIVE HUNDRED THOUSAND DOLLARS OR FOUR ONE-HUNDREDTHS OF ONE PERCENT OF THE ANNUAL INTRASTATE GROSS OPERATING REVENUE OF THE CORPORATION, NOT INCLUDING TAXES PAID TO AND REVENUES COLLECTED ON BEHALF OF GOVERNMENT ENTITIES, WHICHEVER IS GREATER, CONSTITUTING A CIVIL PENALTY FOR EACH SEPARATE AND DISTINCT OFFENSE; PROVIDED, HOWEVER, THAT FOR PURPOSES OF THIS PARAGRAPH EACH DAY OF A CONTINUING VIOLATION SHALL NOT BE DEEMED A SEPARATE AND DISTINCT OFFENSE. THE TOTAL PERIOD OF A CONTINUING VIOLATION, AS WELL AS EVERY DISTINCT VIOLATION SHALL BE SIMILARLY TREATED AS A SEPARATE AND DISTINCT OFFENSE FOR PURPOSES OF THIS PARAGRAPH; OR

(B) THE MAXIMUM FORFEITURE DETERMINED IN ACCORDANCE WITH SUBDIVISION THREE OF THIS SECTION.

6. ANY OFFICER OF ANY COMBINATION GAS AND ELECTRIC CORPORATION DETERMINED BY THE COMMISSION TO HAVE VIOLATED THE PROVISIONS OF SUBDIVISION THREE, FOUR, OR FIVE OF THIS SECTION, AND WHO KNOWINGLY VIOLATES A PROVISION OF THIS CHAPTER, REGULATION OR AN ORDER ADOPTED UNDER AUTHORITY OF THIS CHAPTER SO LONG AS THE SAME SHALL BE IN FORCE SHALL FORFEIT A SUM NOT TO EXCEED ONE HUNDRED THOUSAND DOLLARS CONSTITUTING A CIVIL PENALTY FOR EACH AND EVERY OFFENSE AND, IN THE CASE OF A CONTINUING VIOLATION, EACH DAY SHALL BE DEEMED A SEPARATE AND DISTINCT OFFENSE.

7. ANY SUCH ASSESSMENT MAY BE COMPROMISED OR DISCONTINUED BY THE COMMISSION. ALL MONEYS RECOVERED PURSUANT TO THIS SECTION, TOGETHER WITH THE COSTS THEREOF, SHALL BE REMITTED TO, OR FOR THE BENEFIT OF, THE RATEPAYERS IN A MANNER TO BE DETERMINED BY THE COMMISSION.

8. UPON A FAILURE BY A COMBINATION GAS AND ELECTRIC CORPORATION OR OFFICER TO REMIT ANY PENALTY ASSESSED BY THE COMMISSION PURSUANT TO THIS SECTION, THE COMMISSION, THROUGH ITS COUNSEL, MAY INSTITUTE AN ACTION OR SPECIAL PROCEEDING TO COLLECT THE PENALTY IN A COURT OF COMPETENT JURISDICTION.

9. ANY PAYMENT MADE BY A COMBINATION GAS AND ELECTRIC CORPORATION OR THE OFFICERS THEREOF AS A RESULT OF AN ASSESSMENT AS PROVIDED IN THIS SECTION, AND THE COST OF LITIGATION AND INVESTIGATION RELATED TO ANY SUCH ASSESSMENT, SHALL NOT BE RECOVERABLE FROM RATEPAYERS.

10. IN CONSTRUING AND ENFORCING THE PROVISIONS OF THIS CHAPTER RELATING TO PENALTIES, THE ACT OF ANY DIRECTOR, OFFICER, AGENT OR EMPLOYEE OF A COMBINED GAS AND ELECTRIC CORPORATION ACTING WITHIN THE SCOPE OF HIS OR HER OFFICIAL DUTIES OR EMPLOYMENT SHALL BE DEEMED TO BE THE ACT OF SUCH CORPORATION.

11. IT SHALL BE A VIOLATION OF THIS CHAPTER SHOULD A DIRECTOR, OFFICER OR EMPLOYEE OF A PUBLIC UTILITY COMPANY, CORPORATION, PERSON ACTING IN HIS OR HER OFFICIAL DUTIES OR EMPLOYMENT, OR AN AGENT ACTING ON BEHALF OF AN EMPLOYER TAKE RETALIATORY PERSONNEL ACTION SUCH AS DISCHARGE, SUSPENSION, DEMOTION, PENALIZATION OR DISCRIMINATION AGAINST AN EMPLOYEE FOR REPORTING A VIOLATION OF A PROVISION OF THIS CHAPTER OF AN ORDER OR

REGULATION ADOPTED UNDER THE AUTHORITY OF THIS CHAPTER, INCLUDING, BUT NOT LIMITED TO, THOSE GOVERNING SAFE AND ADEQUATE SERVICE, PROTECTION OF HUMAN SAFETY OR PREVENTION OF SIGNIFICANT DAMAGE TO REAL PROPERTY, INCLUDING, BUT NOT LIMITED TO, THE COMMISSION'S CODE OF GAS SAFETY. NOTHING IN THIS SUBDIVISION SHALL BE DEEMED TO DIMINISH THE RIGHTS, PRIVILEGES OR REMEDIES OF ANY EMPLOYEE UNDER ANY OTHER LAW OR REGULATION, INCLUDING BUT NOT LIMITED TO ARTICLE TWENTY-C OF THE LABOR LAW AND SECTION SEVENTY-FIVE-B OF THE CIVIL SERVICE LAW, OR UNDER ANY COLLECTIVE BARGAINING AGREEMENT OR EMPLOYMENT CONTRACT.

S 3. Section 65 of the public service law is amended by adding two new subdivisions 14 and 15 to read as follows:

14. IN CONJUNCTION WITH A MANAGEMENT AND OPERATIONS AUDIT UNDERTAKEN PURSUANT TO SUBDIVISION NINETEEN OF SECTION SIXTY-SIX OF THIS ARTICLE OR UPON ITS OWN MOTION, THE COMMISSION SHALL REVIEW THE CAPABILITY, INCLUDING BUT NOT LIMITED TO, THE CAPABILITY TO IMPLEMENT EMERGENCY RESPONSE PLANS AND RESTORATION, OF EACH ELECTRIC CORPORATION TO PROVIDE SAFE, ADEQUATE, AND RELIABLE SERVICE. UPON GOOD CAUSE SHOWN, AND AFTER A HEARING IN ACCORDANCE WITH THE COMMISSION'S RULES AND REGULATIONS, THE COMMISSION MAY DIRECT SUCH CORPORATION TO COMPLY WITH ADDITIONAL AND MORE STRINGENT TERMS AND CONDITIONS OF SERVICE THAN EXISTED PRIOR TO THE COMMENCEMENT OF THE MANAGEMENT AND OPERATIONS AUDIT, AND MAY, IN ADDITION, ASSESS THE CONTINUED OPERATION OF SUCH CORPORATION AS THE PROVIDER OF ELECTRIC SERVICE IN ITS SERVICE TERRITORY AND PROPOSE, AND ACT UPON, SUCH MEASURES AS ARE NECESSARY TO ENSURE SAFE AND ADEQUATE SERVICE; PROVIDED, HOWEVER, THAT NOTHING IN THIS SUBDIVISION LIMITS THE COMMISSION'S AUTHORITY TO UNDERTAKE THE ACTIONS SET FORTH PURSUANT TO SECTION TWENTY-FOUR, TWENTY-FIVE OR TWENTY-FIVE-A OF THIS CHAPTER.

15. THE CHIEF EXECUTIVE OFFICER OF EACH COMBINATION GAS AND ELECTRIC CORPORATION SHALL CERTIFY TO THE COMMISSION ON OR BEFORE MARCH FIFTEENTH OF EACH YEAR THAT SUCH CORPORATION HAS INTERNAL CONTROLS, POLICIES AND PROCEDURES DESIGNED TO ENSURE COMPLIANCE WITH THE REQUIREMENTS OF THIS CHAPTER AND ANY RULES, REGULATIONS, ORDERS AND PROCEDURES ADOPTED THERETO, INCLUDING THE OBLIGATION THAT SUCH CORPORATION PROVIDE SAFE AND ADEQUATE SERVICE.

S 4. Subdivisions 19 and 21 of section 66 of the public service law, subdivision 19 as added by chapter 556 of the laws of 1976 and the closing paragraph of subdivision 19 as added by chapter 586 of the laws of 1986 and subdivision 21 as added by chapter 718 of the laws of 1980, are amended and a new subdivision 1-a is added to read as follows:

1-A. REVIEW THE ANNUAL CAPITAL EXPENDITURE OF EACH COMBINATION GAS AND ELECTRIC CORPORATION AND MAY ORDER SUCH IMPROVEMENT IN THE MANUFACTURE, CONVEYING, TRANSPORTATION, DISTRIBUTION OR SUPPLY OF GAS, IN THE MANUFACTURE, TRANSMISSION OR SUPPLY OF ELECTRICITY, OR IN THE METHODS EMPLOYED BY SUCH CORPORATION AS IN THE COMMISSION'S JUDGMENT IS ADEQUATE, JUST AND REASONABLE.

19. (A) The commission shall have power to provide for management and operations audits of gas corporations and electric corporations. Such audits shall be performed at least once every five years for combination gas and electric [companies] CORPORATIONS, as well as for straight gas corporations having annual gross revenues in excess of two hundred million dollars. The audit shall include, but not be limited to, an investigation of the company's construction program planning in relation to the needs of its customers for reliable service [and], an evaluation of the efficiency of the company's operations, RECOMMENDATIONS WITH RESPECT TO SAME, AND THE TIMING WITH RESPECT TO THE IMPLEMENTATION OF

SUCH RECOMMENDATIONS. The commission shall have discretion to have such audits performed by its staff, or by independent auditors.

In every case in which the commission chooses to have the audit provided for in this subdivision OR PURSUANT TO SUBDIVISION FOURTEEN OF SECTION SIXTY-FIVE OF THIS ARTICLE performed by independent auditors, it shall have authority to select the auditors, and to require the company being audited to enter into a contract with the auditors providing for their payment by the company. Such contract shall provide further that the auditors shall work for and under the direction of the commission according to such terms as the commission may determine are necessary and reasonable[.

The commission shall have authority to direct the company to implement any recommendations resulting from such audits that it finds to be necessary and reasonable].

(B) EACH CORPORATION SUBJECT TO AN AUDIT UNDER THIS SUBDIVISION SHALL FILE A REPORT WITH THE COMMISSION WITHIN THIRTY DAYS AFTER ISSUANCE OF SUCH AUDIT DETAILING ITS PLAN TO IMPLEMENT THE RECOMMENDATIONS MADE IN THE AUDIT. AFTER REVIEW OF SUCH PLAN, THE COMMISSION MAY REQUIRE EACH COMBINED ELECTRIC AND GAS CORPORATION AMEND ITS PLAN IN A PARTICULAR MANNER. SUCH PLAN SHALL THEREAFTER BECOME ENFORCEABLE UPON APPROVAL BY THE COMMISSION. THE COMMISSION SHALL HAVE POWER TO COMMENCE A PROCEEDING TO EXAMINE ANY SUCH CORPORATION'S COMPLIANCE WITH THE RECOMMENDATIONS OF SUCH AUDIT.

(C) Upon the application of a gas or electric corporation for a major change in rates as defined in subdivision twelve of this section, the commission shall review that corporation's compliance with the directions and recommendations made previously by the commission, as a result of the most recently completed management and operations audit. The commission shall incorporate the findings of such review in its opinion or order, AND SUCH FINDINGS SHALL BE ENFORCEABLE BY THE COMMISSION.

21. [The commission shall require every electric corporation to submit storm plans to the commission for review and approval at such times and in such detail and form as the commission shall require, provided, however, that the same shall be filed at least annually.] (A) EACH ELECTRIC CORPORATION SUBJECT TO SECTION TWENTY-FIVE-A OF THIS CHAPTER SHALL ANNUALLY, ON OR BEFORE DECEMBER FIFTEENTH, SUBMIT TO THE COMMISSION AN EMERGENCY RESPONSE PLAN FOR REVIEW AND APPROVAL. THE EMERGENCY RESPONSE PLAN SHALL BE DESIGNED FOR THE REASONABLY PROMPT RESTORATION OF SERVICE IN THE CASE OF AN EMERGENCY EVENT, DEFINED FOR PURPOSES OF THIS SUBDIVISION AS AN EVENT WHERE WIDESPREAD OUTAGES HAVE OCCURRED IN THE SERVICE TERRITORY OF THE COMPANY DUE TO STORMS OR OTHER CAUSES BEYOND THE CONTROL OF THE COMPANY. THE EMERGENCY RESPONSE PLAN SHALL INCLUDE, BUT NEED NOT BE LIMITED TO, THE FOLLOWING: (I) THE IDENTIFICATION OF MANAGEMENT STAFF RESPONSIBLE FOR COMPANY OPERATIONS DURING AN EMERGENCY; (II) A COMMUNICATIONS SYSTEM WITH CUSTOMERS DURING AN EMERGENCY THAT EXTENDS BEYOND NORMAL BUSINESS HOURS AND BUSINESS CONDITIONS; (III) IDENTIFICATION OF AND OUTREACH PLANS TO CUSTOMERS WHO HAD DOCUMENTED THEIR NEED FOR ESSENTIAL ELECTRICITY FOR MEDICAL NEEDS; (IV) IDENTIFICATION OF AND OUTREACH PLANS TO CUSTOMERS WHO HAD DOCUMENTED THEIR NEED FOR ESSENTIAL ELECTRICITY TO PROVIDE CRITICAL TELECOMMUNICATIONS, CRITICAL TRANSPORTATION, CRITICAL FUEL DISTRIBUTION SERVICES OR OTHER LARGE-LOAD CUSTOMERS IDENTIFIED BY THE COMMISSION; (V) DESIGNATION OF COMPANY STAFF TO COMMUNICATE WITH LOCAL OFFICIALS AND APPROPRIATE REGULATORY AGENCIES; (VI) PROVISIONS REGARDING HOW THE COMPANY WILL ASSURE THE SAFETY OF ITS EMPLOYEES AND CONTRACTORS; (VII) PROCEDURES FOR DEPLOYING COMPANY AND

MUTUAL AID CREWS TO WORK ASSIGNMENT AREAS; (VIII) IDENTIFICATION OF ADDITIONAL SUPPLIES AND EQUIPMENT NEEDED DURING AN EMERGENCY; (IX) THE MEANS OF OBTAINING ADDITIONAL SUPPLIES AND EQUIPMENT; (X) PROCEDURES TO PRACTICE THE EMERGENCY RESPONSE PLAN; (XI) APPROPRIATE SAFETY PRECAUTIONS REGARDING ELECTRICAL HAZARDS, INCLUDING PLANS TO PROMPTLY SECURE DOWNED WIRES WITHIN THIRTY-SIX HOURS OF NOTIFICATION OF THE LOCATION OF SUCH DOWNED WIRES FROM A MUNICIPAL EMERGENCY OFFICIAL; AND (XII) SUCH OTHER ADDITIONAL INFORMATION AS THE COMMISSION MAY REQUIRE. EACH SUCH CORPORATION SHALL, ON AN ANNUAL BASIS, UNDERTAKE DRILLS IMPLEMENTING PROCEDURES TO PRACTICE ITS EMERGENCY MANAGEMENT PLAN. THE COMMISSION MAY ADOPT ADDITIONAL REQUIREMENTS CONSISTENT WITH ENSURING THE REASONABLY PROMPT RESTORATION OF SERVICE IN THE CASE OF AN EMERGENCY EVENT.

(B) AFTER REVIEW OF A CORPORATION'S EMERGENCY RESPONSE PLAN, THE COMMISSION MAY REQUIRE SUCH CORPORATION TO AMEND THE PLAN. THE COMMISSION MAY ALSO OPEN AN INVESTIGATION OF THE CORPORATION'S PLAN TO DETERMINE ITS SUFFICIENCY TO RESPOND ADEQUATELY TO AN EMERGENCY EVENT. IF, AFTER HEARINGS, THE COMMISSION FINDS A MATERIAL DEFICIENCY IN THE PLAN, IT MAY ORDER THE COMPANY TO MAKE SUCH MODIFICATIONS THAT IT DEEMS REASONABLY NECESSARY TO REMEDY THE DEFICIENCY.

(C) THE COMMISSION IS AUTHORIZED TO OPEN AN INVESTIGATION TO REVIEW THE PERFORMANCE OF ANY CORPORATION IN RESTORING SERVICE OR OTHERWISE MEETING THE REQUIREMENTS OF THE EMERGENCY RESPONSE PLAN DURING AN EMERGENCY EVENT. IF, AFTER EVIDENTIARY HEARINGS OR OTHER INVESTIGATORY PROCEEDINGS, THE COMMISSION FINDS THAT THE CORPORATION FAILED TO REASONABLY IMPLEMENT ITS EMERGENCY RESPONSE PLAN OR THE LENGTH OF SUCH CORPORATION'S OUTAGES WERE MATERIALLY LONGER THAN THEY WOULD HAVE BEEN, BECAUSE OF SUCH CORPORATION'S FAILURE TO REASONABLY IMPLEMENT ITS EMERGENCY RESPONSE PLAN, THE COMMISSION MAY DENY THE RECOVERY OF ANY PART OF THE SERVICE RESTORATION COSTS CAUSED BY SUCH FAILURE, COMMENSURATE WITH THE DEGREE AND IMPACT OF THE SERVICE OUTAGE; PROVIDED, HOWEVER, THAT NOTHING HEREIN LIMITS THE COMMISSION'S AUTHORITY TO OTHERWISE COMMENCE A PROCEEDING PURSUANT TO SECTIONS TWENTY-FOUR, TWENTY-FIVE AND TWENTY-FIVE-A OF THIS CHAPTER.

(D) THE COMMISSION SHALL CERTIFY TO THE DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY SERVICES THAT EACH SUCH CORPORATION'S EMERGENCY RESPONSE PLAN IS SUFFICIENT TO ENSURE TO THE GREATEST EXTENT FEASIBLE THE TIMELY AND SAFE RESTORATION OF ENERGY SERVICES AFTER AN EMERGENCY IN COMPLIANCE WITH THE REQUIREMENTS OF THIS CHAPTER.

(E) THE FILING OF EACH EMERGENCY RESPONSE PLAN REQUIRED UNDER PARAGRAPH (A) OF THIS SUBDIVISION SHALL ALSO INCLUDE A COPY OF ALL WRITTEN MUTUAL ASSISTANCE AGREEMENTS AMONG UTILITIES.

(F) EACH ELECTRIC CORPORATION SHALL FILE WITH THE COUNTY EXECUTIVE OR THE CHIEF ELECTED OFFICIAL OF A COUNTY FOR EACH COUNTY WITHIN ITS SERVICE TERRITORY THE MOST RECENT APPROVED COPY OF THE EMERGENCY RESPONSE PLAN REQUIRED PURSUANT TO THIS SECTION. FOR THE PURPOSES OF AN ELECTRIC CORPORATION OPERATING WITHIN THE CITY OF NEW YORK, SUCH CORPORATION SHALL FILE THE MOST RECENT APPROVED EMERGENCY RESPONSE PLAN WITH THE EMERGENCY MANAGEMENT OFFICE OF THE CITY OF NEW YORK.

(G) THE COMMISSION SHALL PROVIDE ACCESS TO SUCH EMERGENCY RESPONSE PLAN PURSUANT TO ARTICLE SIX OF THE PUBLIC OFFICERS LAW.

S 5. Section 68 of the public service law, as amended by chapter 52 of the laws of 1940, is amended to read as follows:

S 68. [Approval of incorporation and franchises; certificate] CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY. 1. CERTIFICATE REQUIRED. No gas corporation or electric corporation shall begin construction of a gas plant or electric plant without first having obtained the permission

and approval of the commission. No such corporation shall exercise any right or privilege under any franchise hereafter granted, or under any franchise heretofore granted but not heretofore actually exercised, or the exercise of which shall have been suspended for more than one year, without first having obtained [the permission and approval of] A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY ISSUED BY the commission. Before such certificate shall be issued a certified copy of the charter of such corporation shall be filed in the office of the commission, together with a verified statement of the president and secretary of the corporation, showing that it has received the required consent of the proper municipal authorities. The commission shall have power to grant the permission and approval herein specified whenever it shall after due hearing determine that such construction or such exercise of the right, privilege or franchise is [necessary or] convenient AND NECESSARY for the public service. IN MAKING SUCH A DETERMINATION, THE COMMISSION SHALL CONSIDER THE ECONOMIC FEASIBILITY OF THE CORPORATION, THE CORPORATION'S ABILITY TO FINANCE IMPROVEMENTS OF A GAS PLANT OR ELECTRIC PLANT, RENDER SAFE, ADEQUATE AND RELIABLE SERVICE, AND PROVIDE JUST AND REASONABLE RATES, AND WHETHER ISSUANCE OF A CERTIFICATE IS IN THE PUBLIC INTEREST. Except as provided in article [fourteen-a] FOURTEEN-A of the general municipal law, no municipality shall build, maintain and operate for other than municipal purposes any works or systems for the manufacture and supplying of gas or electricity for lighting purposes without a certificate of authority granted by the commission. If the certificate of authority is refused, no further proceedings shall be taken by such municipality before the commission, but a new application may be made therefor after one year from the date of such refusal.

2. REVOCATION OR MODIFICATION OF CERTIFICATE. THE COMMISSION MAY COMMENCE A PROCEEDING, CONDUCTED IN ACCORDANCE WITH THE COMMISSION'S RULES AND REGULATIONS, TO REVOKE OR MODIFY A COMBINED ELECTRIC AND GAS CORPORATION'S CERTIFICATE AS IT RELATES TO SUCH CORPORATION'S SERVICE TERRITORY OR ANY PORTION THEREOF BASED ON FINDINGS OF REPEATED VIOLATIONS OF THIS CHAPTER OR RULES OR REGULATIONS ADOPTED THERETO THAT DEMONSTRATE A FAILURE OF SUCH CORPORATION TO CONTINUE TO PROVIDE SAFE AND ADEQUATE SERVICE. WHENEVER THE COMMISSION HAS REASON TO BELIEVE THAT SUCH CORPORATION'S CERTIFICATE MAY BE SUBJECT TO REVOCATION OR MODIFICATION, IT SHALL NOTIFY SUCH CORPORATION OF THE FACTS AND NATURE OF EACH ACT OR FAILURE TO ACT ALLEGEDLY WARRANTING SUCH REVOCATION OR MODIFICATION, AND THE STATUTE, REGULATION OR ORDER ALLEGEDLY VIOLATED, AND OTHERWISE CONSIDER THE FOLLOWING FACTORS:

(A) THE FACTORS IDENTIFIED IN SUBDIVISION ONE OF THIS SECTION FOR ISSUANCE OF A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY;

(B) WHETHER ANOTHER PERSON, FIRM OR CORPORATION IS QUALIFIED, AVAILABLE, AND PREPARED TO PROVIDE ALTERNATIVE SERVICE THAT IS ADEQUATE TO SERVE THE PUBLIC CONVENIENCE AND NECESSITY, AND THAT THE TRANSITION TO SUCH ALTERNATIVE PERSON, FIRM OR CORPORATION IS IN THE PUBLIC INTEREST; AND

(C) UPON ANY OTHER STANDARDS AND PROCEDURES DEEMED NECESSARY BY THE COMMISSION TO ENSURE CONTINUITY OF SAFE AND ADEQUATE SERVICE, AND DUE PROCESS.

S 6. Paragraphs a and b of subdivision 1 of section 765 of the general business law, as amended by chapter 685 of the laws of 1994, are amended to read as follows:

a. Failure to comply with any provision of this article shall subject an excavator or an operator to a civil penalty of up to [one] TWO thousand FIVE HUNDRED dollars for the first violation and up to an addi-

tional [seven] TEN thousand [five hundred] dollars for each succeeding violation [which] THAT occurs [in connection with the entire self-same excavation or demolition activity] within a [two] TWELVE month period.

b. The penalties provided for by this article shall not apply to an excavator who damages an underground facility due to the failure of the operator to comply with any of the provisions of this article nor shall in such instance the excavator be liable for repairs as prescribed in subdivision [five] FOUR of this section.

S 7. This act shall take effect immediately.

PART Y

Section 1. Legislative intent. 1. Repowering existing power generation facilities can produce significant benefits in terms of enhanced system reliability, electric market competitiveness, and emissions reductions.

2. Retiring power plants that are not repowered may leave behind abandoned or underutilized land that would negatively affect surrounding communities and impede economic development.

3. In summary, it is in the public interest to develop clean power generation near energy demand to meet the needs of ratepayers, support local and state tax revenue stability, promote economic opportunity, and enhance the state's environment.

S 2. This hereby acknowledges and codifies the Public Service Commission Order Instituting Proceeding and Requiring Evaluation of Generation Repowering, as provided in Case 12-E-0577, regarding the examination of repowering alternatives to transmission reinforcements.

S 3. This act shall take effect immediately.

PART Z

Section 1. Paragraph (c) of subdivision 2 of section 591-a of the labor law, as added by chapter 413 of the laws of 2003, is amended to read as follows:

(c) individuals may receive the allowance described in paragraph (a) of this subdivision if such individuals:

(i) are eligible to receive regular unemployment benefits or would be eligible to receive such benefits except for the requirements set forth in subparagraphs (i) and (ii) of paragraph (b) of this subdivision. For purposes of this section, regular unemployment benefits means benefits payable under this article, including benefits payable to federal civilian employees and to ex-servicemen and servicewomen pursuant to 5 USC Chapter 85, AND BENEFITS AUTHORIZED TO BE USED FOR THE SELF-EMPLOYMENT ASSISTANCE PROGRAM PURSUANT TO THE FEDERAL-STATE EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 1970 but excluding additional [and extended] benefits;

(ii) are identified pursuant to a worker profiling system as individuals likely to exhaust regular unemployment benefits;

(iii) are participating in self-employment assistance activities approved by the department and by the department of economic development which include but need not be limited to entrepreneurial training, business counseling, and technical assistance, including financing assistance for qualified individuals as appropriate, offered by entrepreneurship support centers established pursuant to section two hundred twelve of the economic development law, state university of New York small business development centers, programs offered by community-based organizations, local development corporations, and boards of cooperative

educational services (BOCES) as established pursuant to section one thousand nine hundred fifty of the education law; AND, UNLESS OTHERWISE REQUIRED BY FEDERAL LAW OR REGULATION, NO INDIVIDUAL SHALL BE PROHIBITED FROM OR DISQUALIFIED FROM ELIGIBILITY FOR THE PROGRAM IF PRIOR TO APPLYING FOR THE PROGRAM, AN INDIVIDUAL HAS PRINTED BUSINESS CARDS OR HAS A WEBSITE THAT IS DESIGNED BUT NOT ACTIVE, AND NEITHER ARE BEING USED TO SOLICIT OR CONDUCT BUSINESS;

(iv) are actively engaged on a full-time basis in activities, which may include training, relating to the establishment of a business and becoming self-employed;

(v) are not individuals who have previously participated in self-employment assistance programs pursuant to this section; and

S 2. Section 10 of chapter 413 of the laws of 2003 amending the labor law relating to the self-employment assistance program and other matters, as amended by chapter 134 of the laws of 2011, is amended to read as follows:

S 10. This act shall take effect immediately; provided, however, that sections eight and nine of this act shall expire December 7, [2013] 2015 when upon such date the provisions of such sections shall be deemed repealed.

S 3. Paragraph (d) of subdivision 2 of section 601 of the labor law, as amended by chapter 35 of the laws of 2009, is amended to read as follows:

(d) has satisfied the conditions of this article, required to render a claimant eligible for regular benefits, which are applicable to extended benefits, including not being subject to a disqualification or suspension, OR HAS SATISFIED THE CONDITIONS OF THIS ARTICLE REQUIRED TO RENDER A CLAIMANT ELIGIBLE TO PARTICIPATE IN THE SELF-EMPLOYMENT ASSISTANCE PROGRAM PURSUANT TO SECTION FIVE HUNDRED NINETY-ONE-A OF THIS TITLE AND THE FEDERAL-STATE EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 1970;

S 4. This act shall take effect immediately; provided, however, that the amendments to section 591-a of the labor law made by section one of this act shall not affect the repeal of such section and shall be deemed repealed therewith.

PART AA

Section 1. Section 9 of chapter 420 of the laws of 2002 amending the education law relating to the profession of social work, as amended by chapter 132 of the laws of 2010, is amended to read as follows:

S 9. a. Nothing in this act shall prohibit or limit the activities or services on the part of any person in the employ of a program or service operated, regulated, funded, or approved by the department of mental hygiene, the office of children and family services, THE OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE, the department of [correctional services] CORRECTIONS AND COMMUNITY SUPERVISION, the state office for the aging, the department of health, or a local governmental unit as that term is defined in article 41 of the mental hygiene law or a social services district as defined in section 61 of the social services law, provided, however, this section shall not authorize the use of any title authorized pursuant to article 154 of the education law, except that this section shall be deemed repealed on July 1, [2013 provided, further, however, that on or before October 1, 2010, each state agency identified in this subdivision shall submit to the commissioner of education data, in such form and detail as requested by the commissioner of education, concerning the functions performed by its service provider

workforce and the service provider workforce of the local governmental units and social services districts as defined in this subdivision over which the agency has regulatory authority. After receipt of such data, the commissioner shall convene a workgroup of such state agencies for the purpose of reviewing such data and also to make recommendations regarding amendments to law, rule or regulation necessary to clarify which tasks and activities must be performed only by licensed or otherwise authorized personnel. No later than January 1, 2011, after consultation with such work group, the commissioner shall develop criteria for the report required pursuant to subdivision b of this section and shall work with such state agencies by providing advice and guidance regarding which tasks and activities must be performed only by licensed or otherwise authorized personnel.

b. On or before July 1, 2011, each such state agency, after consultation with local governmental units and social services districts as defined in subdivision a of this section over which the agency has regulatory authority, shall submit to the commissioner of education a report on the utilization of personnel subject to the provisions of this section. Such report shall include but not be limited to: identification of tasks and activities performed by such personnel categorized as tasks and functions restricted to licensed personnel and tasks and functions that do not require a license under article 154 of the education law; analysis of costs associated with employing only appropriately licensed or otherwise authorized personnel to perform tasks and functions that require licensure under such article 154, including salary costs and costs associated with providing support to unlicensed personnel in obtaining appropriate licensure. Such report shall also include an action plan detailing measures through which each such entity shall, no later than July 1, 2013, comply with professional licensure laws applicable to services provided and make recommendations on alternative pathways toward licensure.

c. The commissioner of education shall, after receipt of the report required under this section, and after consultation with state agencies, not-for-profit providers, professional associations, consumers, and other key stakeholders, submit a report to the governor, the speaker of the assembly, the temporary president of the senate, and the chairs of the senate and assembly higher education committees by July 1, 2012 to recommend any amendments to law, rule or regulation necessary to fully implement the requirements for licensure by July 1, 2013. Other state agency commissioners shall be provided an opportunity to include statements or alternative recommendations in such report] 2016.

B. ON OR BEFORE SEPTEMBER 1, 2014, EACH STATE AGENCY IDENTIFIED IN SUBDIVISION A OF THIS SECTION THAT OPERATES, REGULATES, APPROVES OR FUNDS PROGRAMS THAT EMPLOY INDIVIDUALS TO PROVIDE SERVICES THAT WOULD OTHERWISE BE RESTRICTED TO INDIVIDUALS LICENSED OR AUTHORIZED UNDER ARTICLE 153, 154 OR 163 OF THE EDUCATION LAW, SHALL SUBMIT TO THE COMMISSIONER OF EDUCATION, IN SUCH FORM AND DETAIL AS REQUESTED BY SUCH COMMISSIONER, DATA IN RELATION TO: THE NUMBER OF INDIVIDUALS EMPLOYED IN EXEMPT PROGRAMS OPERATED, FUNDED, REGULATED OR APPROVED BY EACH STATE AGENCY ON JULY 1, 2013 WHO ARE PROVIDING SERVICES THAT WOULD OTHERWISE BE RESTRICTED TO THOSE LICENSED OR AUTHORIZED UNDER ARTICLE 153, 154 OR 163 OF THE EDUCATION LAW; THE OCCUPATIONAL TITLE OF INDIVIDUALS WHO ON JULY 1, 2014 ARE NOT LICENSED OR OTHERWISE AUTHORIZED UNDER TITLE VIII OF THE EDUCATION LAW, AND WHO ARE ENGAGED IN: THE DIAGNOSIS OF MENTAL, EMOTIONAL, BEHAVIORAL, ADDICTIVE AND DEVELOPMENTAL DISORDERS AND DISABILITIES; PATIENT ASSESSMENT AND EVALUATION; THE PROVISION OF PSYCHOTH-

ERAPEUTIC TREATMENT; THE PROVISION OF TREATMENT OTHER THAN PSYCHOTHERAPEUTIC TREATMENT AND/OR THE DEVELOPMENT AND IMPLEMENTATION OF ASSESSMENT-BASED TREATMENT PLANS, AS DEFINED IN SECTION 7701 OF THE EDUCATION LAW OR AS AUTHORIZED IN ARTICLES 153, 154 AND 163 OF THE EDUCATION LAW. FOR PURPOSES OF THIS SECTION, THIS REPORTING SHALL NOT INCLUDE INDIVIDUALS THAT ARE PERFORMING TASKS THAT DO NOT REQUIRE LICENSURE AS IDENTIFIED IN SUBDIVISION 10 OF SECTION 7605, SUBDIVISION 7 OF SECTION 7706, AND SUBDIVISION 8 OF SECTION 8410 OF THE EDUCATION LAW.

C. THE COMMISSIONER OF EDUCATION, AFTER RECEIPT OF THIS DATA AND IN CONSULTATION WITH THE AFFECTED STATE AGENCIES, NOT-FOR-PROFIT PROVIDERS, PROFESSIONAL ASSOCIATIONS, CONSUMERS AND OTHER KEY STAKEHOLDERS, SHALL PREPARE A REPORT THAT RECOMMENDS CHANGES IN ANY LAWS, RULES OR REGULATIONS NECESSARY TO ENSURE APPROPRIATE LICENSURE OR OTHER AUTHORIZATION OF INDIVIDUALS PROVIDING SERVICES THAT ARE WITHIN THE RESTRICTED PRACTICE OF PROFESSIONS LICENSED OR OTHERWISE AUTHORIZED UNDER ARTICLE 153, 154 OR 163 OF THE EDUCATION LAW. THE REPORT SHALL INCLUDE AN ESTIMATE OF THE FISCAL IMPACT OF ANY SUCH RECOMMENDED CHANGES AND, TO THE EXTENT PRACTICABLE, HOW SUCH RECOMMENDATIONS WILL RESULT IN IMPROVED OUTCOMES. THE COMMISSIONER OF EDUCATION SHALL SUBMIT THE REPORT TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY, THE TEMPORARY PRESIDENT OF THE SENATE, AND THE CHAIRS OF THE SENATE AND ASSEMBLY HIGHER EDUCATION COMMITTEES BY JANUARY 1, 2015. OTHER STATE AGENCY COMMISSIONERS SHALL BE PROVIDED AN OPPORTUNITY TO INCLUDE STATEMENTS OR ALTERNATIVE RECOMMENDATIONS IN SUCH REPORT.

S 2. Section 17-a of chapter 676 of the laws of 2002 amending the education law relating to the practice of psychology, as amended by chapter 130 of the laws of 2010, subdivision b as amended by chapter 132 of the laws of 2010, is amended to read as follows:

S 17-a. a. In relation to activities and services provided under article 153 of the education law, nothing in this act shall prohibit or limit such activities or services on the part of any person in the employ of a program or service operated, regulated, funded, or approved by the department of mental hygiene or the office of children and family services, or a local governmental unit as that term is defined in article 41 of the mental hygiene law or a social services district as defined in section 61 of the social services law. In relation to activities and services provided under article 163 of the education law, nothing in this act shall prohibit or limit such activities or services on the part of any person in the employ of a program or service operated, regulated, funded, or approved by the department of mental hygiene, the office of children and family services, the department of [correctional services] CORRECTIONS AND COMMUNITY SUPERVISION, THE OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE, the state office for the aging and the department of health or a local governmental unit as that term is defined in article 41 of the mental hygiene law or a social services district as defined in section 61 of the social services law, pursuant to authority granted by law. This section shall not authorize the use of any title authorized pursuant to article 153 or 163 of the education law by any such employed person, except as otherwise provided by such articles respectively. THIS SECTION SHALL BE DEEMED REPEALED JULY 1, 2016.

[b. This section shall be deemed repealed July 1, 2013 provided, however, that on or before October 1, 2010, each state agency identified in subdivision a of this section shall submit to the commissioner of education data, in such form and detail as requested by the commissioner of education, concerning the functions performed by its service provider

workforce and the service provider workforce of the local governmental units and social services districts as defined in subdivision a of this section over which the agency has regulatory authority. After receipt of such data, the commissioner shall convene a workgroup of such state agencies for the purpose of reviewing such data and also to make recommendations regarding amendments to law, rule or regulation necessary to clarify which tasks and activities must be performed only by licensed or otherwise authorized personnel. No later than January 1, 2011, after consultation with such workgroup, the commissioner shall develop criteria for the report required pursuant to paragraph one of this subdivision and shall work with such state agencies by providing advice and guidance regarding which tasks and activities must be performed only by licensed or otherwise authorized personnel.

1. On or before July 1, 2011, each such state agency, after consultation with local governmental units and social services districts as defined in subdivision a of this section over which the agency has regulatory authority, shall submit to the commissioner of education a report on the utilization of personnel subject to the provisions of this section. Such report shall include but not be limited to: identification of tasks and activities performed by such personnel categorized as tasks and functions restricted to licensed personnel and tasks and functions that do not require a license under article 153 or 163 of the education law; analysis of costs associated with employing only appropriately licensed or otherwise authorized personnel to perform tasks and functions that require licensure under such article 153 or 163, including salary costs and costs associated with providing support to unlicensed personnel in obtaining appropriate licensure. Such report shall also include an action plan detailing measures through which each such entity shall, no later than July 1, 2013, comply with professional licensure laws applicable to services provided and make recommendations on alternative pathways toward licensure.

2. The commissioner of education shall, after receipt of the reports required under this section, and after consultation with state agencies, not-for-profit providers, professional associations, consumers, and other key stakeholders, submit a report to the governor, the speaker of the assembly, the temporary president of the senate, and the chairs of the senate and assembly higher education committees by July 1, 2012 to recommend any amendments to law, rule or regulation necessary to fully implement the requirements for licensure by July 1, 2013. Other state agency commissioners shall be provided an opportunity to include statements or alternative recommendations in such report.]

B. ON OR BEFORE SEPTEMBER 1, 2014, EACH STATE AGENCY IDENTIFIED IN SUBDIVISION A OF THIS SECTION THAT OPERATES, REGULATES, APPROVES OR FUNDS PROGRAMS THAT EMPLOY INDIVIDUALS TO PROVIDE SERVICES THAT WOULD OTHERWISE BE RESTRICTED TO INDIVIDUALS LICENSED OR AUTHORIZED UNDER ARTICLE 153, 154 OR 163 OF THE EDUCATION LAW, SHALL SUBMIT TO THE COMMISSIONER OF EDUCATION, IN SUCH FORM AND DETAIL AS REQUESTED BY SUCH COMMISSIONER, DATA IN RELATION TO: THE NUMBER OF INDIVIDUALS EMPLOYED IN EXEMPT PROGRAMS OPERATED, FUNDED, REGULATED OR APPROVED BY EACH STATE AGENCY ON JULY 1, 2013 WHO ARE PROVIDING SERVICES THAT WOULD OTHERWISE BE RESTRICTED TO THOSE LICENSED OR AUTHORIZED UNDER ARTICLE 153, 154 OR 163 OF THE EDUCATION LAW; THE OCCUPATIONAL TITLE OF INDIVIDUALS WHO ON JULY 1, 2014 ARE NOT LICENSED OR OTHERWISE AUTHORIZED UNDER TITLE VIII OF THE EDUCATION LAW, AND WHO ARE ENGAGED IN: THE DIAGNOSIS OF MENTAL, EMOTIONAL, BEHAVIORAL, ADDICTIVE AND DEVELOPMENTAL DISORDERS AND DISABILITIES; PATIENT ASSESSMENT AND EVALUATION; THE PROVISION OF PSYCHOTH-

ERAPEUTIC TREATMENT; THE PROVISION OF TREATMENT OTHER THAN PSYCHOTHERAPEUTIC TREATMENT AND/OR THE DEVELOPMENT AND IMPLEMENTATION OF ASSESSMENT-BASED TREATMENT PLANS, AS DEFINED IN SECTION 7701 OF THE EDUCATION LAW OR AS AUTHORIZED IN ARTICLES 153, 154 AND 163 OF THE EDUCATION LAW. FOR PURPOSES OF THIS SECTION, THIS REPORTING SHALL NOT INCLUDE INDIVIDUALS THAT ARE PERFORMING TASKS THAT DO NOT REQUIRE LICENSURE AS IDENTIFIED IN SUBDIVISION 10 OF SECTION 7605, SUBDIVISION 7 OF SECTION 7706, AND SUBDIVISION 8 OF SECTION 8410 OF THE EDUCATION LAW.

C. THE COMMISSIONER OF EDUCATION, AFTER RECEIPT OF THIS DATA AND IN CONSULTATION WITH THE AFFECTED STATE AGENCIES, NOT-FOR-PROFIT PROVIDERS, PROFESSIONAL ASSOCIATIONS, CONSUMERS AND OTHER KEY STAKEHOLDERS, SHALL PREPARE A REPORT THAT RECOMMENDS CHANGES IN ANY LAWS, RULES OR REGULATIONS NECESSARY TO ENSURE APPROPRIATE LICENSURE OR OTHER AUTHORIZATION OF INDIVIDUALS PROVIDING SERVICES THAT ARE WITHIN THE RESTRICTED PRACTICE OF PROFESSIONS LICENSED OR OTHERWISE AUTHORIZED UNDER ARTICLE 153, 154 OR 163 OF THE EDUCATION LAW. THE COMMISSIONER OF EDUCATION SHALL SUBMIT THE REPORT TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY, THE TEMPORARY PRESIDENT OF THE SENATE, AND THE CHAIRS OF THE SENATE AND ASSEMBLY HIGHER EDUCATION COMMITTEES BY JANUARY 1, 2015. OTHER STATE AGENCY COMMISSIONERS SHALL BE PROVIDED AN OPPORTUNITY TO INCLUDE STATEMENTS OR ALTERNATIVE RECOMMENDATIONS IN SUCH REPORT.

S 3. Section 16 of chapter 130 of the laws of 2010 amending the education law and other laws relating to the registration of entities providing certain professional services and the licensure of certain professions, as amended by chapter 132 of the laws of 2010, is amended to read as follows:

S 16. This act shall take effect immediately; provided that sections thirteen, fourteen and fifteen of this act shall take effect immediately and shall be deemed to have been in full force and effect on and after June 1, 2010 and such sections shall be deemed repealed July 1, [2013] 2016; provided further that the amendments to section 9 of chapter 420 of the laws of 2002 amending the education law relating to the profession of social work made by section thirteen of this act shall repeal on the same date as such section repeals; provided further that the amendments to section 17-a of chapter 676 of the laws of 2002 amending the education law relating to the practice of psychology made by section fourteen of this act shall repeal on the same date as such section repeals.

S 4. Section 7605 of the education law is amended by adding a new subdivision 10 to read as follows:

10. A PERSON WITHOUT A LICENSE FROM PERFORMING ASSESSMENTS SUCH AS BASIC INFORMATION COLLECTION, GATHERING OF DEMOGRAPHIC DATA, AND INFORMAL OBSERVATIONS, SCREENING AND REFERRAL USED FOR GENERAL ELIGIBILITY FOR A PROGRAM OR SERVICE AND DETERMINING THE FUNCTIONAL STATUS OF AN INDIVIDUAL FOR THE PURPOSE OF DETERMINING NEED FOR SERVICES UNRELATED TO A BEHAVIORAL HEALTH DIAGNOSIS OR TREATMENT PLAN. SUCH LICENSURE SHALL NOT BE REQUIRED TO CREATE, DEVELOP OR IMPLEMENT A SERVICE PLAN UNRELATED TO A BEHAVIORAL HEALTH DIAGNOSIS OR TREATMENT PLAN. SUCH SERVICE PLANS SHALL INCLUDE, BUT ARE NOT LIMITED TO, JOB TRAINING AND EMPLOYABILITY, HOUSING, GENERAL PUBLIC ASSISTANCE, IN HOME SERVICES AND SUPPORTS OR HOME-DELIVERED MEALS, INVESTIGATIONS CONDUCTED OR ASSESSMENTS MADE BY ADULT OR CHILD PROTECTIVE SERVICES, ADOPTION HOME STUDIES AND ASSESSMENTS, FAMILY SERVICE PLANS, TRANSITION PLANS AND PERMANENCY PLANNING ACTIVITIES, DE-ESCALATION TECHNIQUES, PEER SERVICES OR SKILL DEVELOPMENT. A LICENSE UNDER THIS ARTICLE SHALL NOT BE REQUIRED FOR PERSONS TO PARTICIPATE AS A MEMBER OF A MULTI-DISCIPLINARY TEAM TO IMPLEMENT A

BEHAVIORAL HEALTH SERVICES OR TREATMENT PLAN; PROVIDED HOWEVER, THAT SUCH TEAM SHALL INCLUDE ONE OR MORE PROFESSIONALS LICENSED UNDER THIS ARTICLE OR ARTICLES ONE HUNDRED THIRTY-ONE, ONE HUNDRED FIFTY-FOUR OR ONE HUNDRED SIXTY-THREE OF THIS CHAPTER; AND PROVIDED, FURTHER, THAT THE ACTIVITIES PERFORMED BY MEMBERS OF THE TEAM SHALL BE CONSISTENT WITH THE SCOPE OF PRACTICE FOR EACH TEAM MEMBER LICENSED OR AUTHORIZED UNDER TITLE VIII OF THIS CHAPTER, AND THOSE WHO ARE NOT SO AUTHORIZED MAY NOT ENGAGE IN THE FOLLOWING RESTRICTED PRACTICES: THE DIAGNOSIS OF MENTAL, EMOTIONAL, BEHAVIORAL, ADDICTIVE AND DEVELOPMENTAL DISORDERS AND DISABILITIES; PATIENT ASSESSMENT AND EVALUATING; THE PROVISION OF PSYCHOTHERAPEUTIC TREATMENT; THE PROVISION OF TREATMENT OTHER THAN PSYCHOTHERAPEUTIC TREATMENT; AND/OR THE DEVELOPMENT AND IMPLEMENTATION OF ASSESSMENT-BASED TREATMENT PLANS AS DEFINED IN SECTION SEVENTY-SEVEN HUNDRED ONE OF THIS CHAPTER. PROVIDED, FURTHER, THAT NOTHING IN THIS SUBDIVISION SHALL BE CONSTRUED AS REQUIRING A LICENSE FOR ANY PARTICULAR ACTIVITY OR FUNCTION BASED SOLELY ON THE FACT THAT THE ACTIVITY OR FUNCTION IS NOT LISTED IN THIS SUBDIVISION.

S 5. Section 7706 of the education law is amended by adding a new subdivision 7 to read as follows:

7. PREVENT A PERSON WITHOUT A LICENSE FROM PERFORMING ASSESSMENTS SUCH AS BASIC INFORMATION COLLECTION, GATHERING OF DEMOGRAPHIC DATA, AND INFORMAL OBSERVATIONS, SCREENING AND REFERRAL USED FOR GENERAL ELIGIBILITY FOR A PROGRAM OR SERVICE AND DETERMINING THE FUNCTIONAL STATUS OF AN INDIVIDUAL FOR THE PURPOSE OF DETERMINING NEED FOR SERVICES UNRELATED TO A BEHAVIORAL HEALTH DIAGNOSIS OR TREATMENT PLAN. SUCH LICENSURE SHALL NOT BE REQUIRED TO CREATE, DEVELOP OR IMPLEMENT A SERVICE PLAN UNRELATED TO A BEHAVIORAL HEALTH DIAGNOSIS OR TREATMENT PLAN. SUCH SERVICE PLANS SHALL INCLUDE, BUT ARE NOT LIMITED TO, JOB TRAINING AND EMPLOYABILITY, HOUSING, GENERAL PUBLIC ASSISTANCE, IN HOME SERVICES AND SUPPORTS OR HOME-DELIVERED MEALS, INVESTIGATIONS CONDUCTED OR ASSESSMENTS MADE BY ADULT OR CHILD PROTECTIVE SERVICES, ADOPTION HOME STUDIES AND ASSESSMENTS, FAMILY SERVICE PLANS, TRANSITION PLANS AND PERMANENCY PLANNING ACTIVITIES, DE-ESCALATION TECHNIQUES, PEER SERVICES OR SKILL DEVELOPMENT. A LICENSE UNDER THIS ARTICLE SHALL NOT BE REQUIRED FOR PERSONS TO PARTICIPATE AS A MEMBER OF A MULTI-DISCIPLINARY TEAM TO IMPLEMENT A BEHAVIORAL HEALTH SERVICES OR TREATMENT PLAN; PROVIDED HOWEVER, THAT SUCH TEAM SHALL INCLUDE ONE OR MORE PROFESSIONALS LICENSED UNDER THIS ARTICLE OR ARTICLES ONE HUNDRED THIRTY-ONE, ONE HUNDRED FIFTY-THREE OR ONE HUNDRED SIXTY-THREE OF THIS CHAPTER; AND PROVIDED, FURTHER, THAT THE ACTIVITIES PERFORMED BY MEMBERS OF THE TEAM SHALL BE CONSISTENT WITH THE SCOPE OF PRACTICE FOR EACH TEAM MEMBER LICENSED OR AUTHORIZED UNDER TITLE VIII OF THIS CHAPTER, AND THOSE WHO ARE NOT SO AUTHORIZED MAY NOT ENGAGE IN THE FOLLOWING RESTRICTED PRACTICES: THE DIAGNOSIS OF MENTAL, EMOTIONAL, BEHAVIORAL, ADDICTIVE AND DEVELOPMENTAL DISORDERS AND DISABILITIES; PATIENT ASSESSMENT AND EVALUATING; THE PROVISION OF PSYCHOTHERAPEUTIC TREATMENT; THE PROVISION OF TREATMENT OTHER THAN PSYCHOTHERAPEUTIC TREATMENT; AND/OR THE DEVELOPMENT AND IMPLEMENTATION OF ASSESSMENT-BASED TREATMENT PLANS AS DEFINED IN SECTION SEVENTY-SEVEN HUNDRED ONE OF THIS ARTICLE. PROVIDED, FURTHER, THAT NOTHING IN THIS SUBDIVISION SHALL BE CONSTRUED AS REQUIRING A LICENSE FOR ANY PARTICULAR ACTIVITY OR FUNCTION BASED SOLELY ON THE FACT THAT THE ACTIVITY OR FUNCTION IS NOT LISTED IN THIS SUBDIVISION.

S 6. Section 8410 of the education law is amended by adding a new subdivision 8 to read as follows:

8. PREVENT A PERSON WITHOUT A LICENSE FROM PERFORMING ASSESSMENTS SUCH AS BASIC INFORMATION COLLECTION, GATHERING OF DEMOGRAPHIC DATA, AND

INFORMAL OBSERVATIONS, SCREENING AND REFERRAL USED FOR GENERAL ELIGIBILITY FOR A PROGRAM OR SERVICE AND DETERMINING THE FUNCTIONAL STATUS OF AN INDIVIDUAL FOR THE PURPOSE OF DETERMINING NEED FOR SERVICES UNRELATED TO A BEHAVIORAL HEALTH DIAGNOSIS OR TREATMENT PLAN. SUCH LICENSURE SHALL NOT BE REQUIRED TO CREATE, DEVELOP OR IMPLEMENT A SERVICE PLAN UNRELATED TO A BEHAVIORAL HEALTH DIAGNOSIS OR TREATMENT PLAN. SUCH SERVICE PLANS SHALL INCLUDE, BUT ARE NOT LIMITED TO, JOB TRAINING AND EMPLOYABILITY, HOUSING, GENERAL PUBLIC ASSISTANCE, IN HOME SERVICES AND SUPPORTS OR HOME-DELIVERED MEALS, INVESTIGATIONS CONDUCTED OR ASSESSMENTS MADE BY ADULT OR CHILD PROTECTIVE SERVICES, ADOPTION HOME STUDIES AND ASSESSMENTS, FAMILY SERVICE PLANS, TRANSITION PLANS AND PERMANENCY PLANNING ACTIVITIES, DE-ESCALATION TECHNIQUES, PEER SERVICES OR SKILL DEVELOPMENT. A LICENSE UNDER THIS ARTICLE SHALL NOT BE REQUIRED FOR PERSONS TO PARTICIPATE AS A MEMBER OF A MULTI-DISCIPLINARY TEAM TO IMPLEMENT A BEHAVIORAL HEALTH SERVICES OR TREATMENT PLAN; PROVIDED HOWEVER, THAT SUCH TEAM SHALL INCLUDE ONE OR MORE PROFESSIONALS LICENSED UNDER THIS ARTICLE OR ARTICLES ONE HUNDRED THIRTY-ONE, ONE HUNDRED FIFTY-THREE OR ONE HUNDRED FIFTY-FOUR OF THIS CHAPTER; AND PROVIDED, FURTHER, THAT THE ACTIVITIES PERFORMED BY MEMBERS OF THE TEAM SHALL BE CONSISTENT WITH THE SCOPE OF PRACTICE FOR EACH TEAM MEMBER LICENSED OR AUTHORIZED UNDER TITLE VIII OF THIS CHAPTER, AND THOSE WHO ARE NOT SO AUTHORIZED MAY NOT ENGAGE IN THE FOLLOWING RESTRICTED PRACTICES: THE DIAGNOSIS OF MENTAL, EMOTIONAL, BEHAVIORAL, ADDICTIVE AND DEVELOPMENTAL DISORDERS AND DISABILITIES; PATIENT ASSESSMENT AND EVALUATING; THE PROVISION OF PSYCHOTHERAPEUTIC TREATMENT; THE PROVISION OF TREATMENT OTHER THAN PSYCHOTHERAPEUTIC TREATMENT; AND/OR THE DEVELOPMENT AND IMPLEMENTATION OF ASSESSMENT-BASED TREATMENT PLANS AS DEFINED IN SECTION SEVENTY-SEVEN HUNDRED ONE OF THIS CHAPTER. PROVIDED, FURTHER, THAT NOTHING IN THIS SUBDIVISION SHALL BE CONSTRUED AS REQUIRING A LICENSE FOR ANY PARTICULAR ACTIVITY OR FUNCTION BASED SOLELY ON THE FACT THAT THE ACTIVITY OR FUNCTION IS NOT LISTED IN THIS SUBDIVISION.

S 7. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2013; provided, however, that the provisions of this act shall apply only to actions and proceedings commenced on or after such effective date; provided that the amendments to section 9 of chapter 420 of the laws of 2002 and section 17-a of chapter 676 of the laws of 2002 made by sections one and two of this act, respectively, shall not affect the repeal of such sections and shall expire and be deemed repealed therewith.

PART BB

Section 1. Legislative findings and intent. The legislature finds that local governments and school districts are facing increased stress from rising costs including employee pension obligations. Last year, the legislature took action to aid local governments and school districts in controlling future pension obligations by making changes to the benefit structure for employees hired after April 1, 2012. Now the legislature finds that it is desirable to provide local governments and school districts with more stability and predictability for current pension obligations, while simultaneously ensuring the adequacy of pension system funding.

It is the intent of the legislature to authorize the comptroller and the New York state teachers' retirement system board to establish, subject to their discretion, additional contribution options designed to

provide stability and predictability to employers, while ensuring adequate pension system funding over the term of these options.

S 2. Section 19-a of the retirement and social security law, as added by section 1 of part TT of chapter 57 of the laws of 2010, is amended to read as follows:

S 19-a. Employer contributions for the two thousand ten - two thousand eleven fiscal year and subsequent fiscal years. a. In addition to the definitions in section two of this article, when used in this section:

(1) "Amortizing employer" shall mean an employer that elects to amortize a portion of the employer's annual bill pursuant to paragraph one of subdivision d of this section for the two thousand ten - two thousand eleven fiscal year, or any subsequent fiscal year, PURSUANT TO THE SYSTEM GRADED CONTRIBUTION RATE regardless of whether the employer has subsequently paid in full all such amortized amounts, AND THAT DOES NOT ELECT TO AMORTIZE AS AN ALTERNATIVE AMORTIZING EMPLOYER FOR THE TWO THOUSAND THIRTEEN - TWO THOUSAND FOURTEEN FISCAL YEAR.

(1-A) "ALTERNATIVE AMORTIZING EMPLOYER" SHALL MEAN A COUNTY, CITY, TOWN, VILLAGE, SCHOOL DISTRICT, BOARD OF COOPERATIVE EDUCATIONAL SERVICES, OR PUBLIC BENEFIT CORPORATION THAT OPERATES A PUBLIC GENERAL HOSPITAL LOCATED IN THE COUNTY OF WESTCHESTER, THE COUNTY OF ERIE, OR THE COUNTY OF NASSAU THAT, ON A FORM PREPARED BY THE COMPTROLLER, ELECTS TO AND DOES AMORTIZE A PORTION OF THE EMPLOYER'S ANNUAL BILL PURSUANT TO PARAGRAPH ONE OF SUBDIVISION D OF THIS SECTION FOR THE TWO THOUSAND THIRTEEN - TWO THOUSAND FOURTEEN FISCAL YEAR PURSUANT TO THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE, REGARDLESS OF WHETHER THE EMPLOYER HAS SUBSEQUENTLY PAID IN FULL ALL SUCH AMORTIZED AMOUNTS.

(2) "Amount eligible for amortization" for a given fiscal year shall mean the amount by which an employer's actuarial contribution for such fiscal year exceeds the employer's graded contribution for the same fiscal year, less any amount from the employer contribution reserve fund applied to reduce the employer's payment to the retirement system for the fiscal year, provided, however, that if the employer's average actuarial contribution rate for the fiscal year is less than nine and one-half percent, then the amount eligible for amortization shall be zero.

(3) "Employer's actuarial contribution" for a given fiscal year shall mean an employer's annual bill for such fiscal year exclusive of deficiency contributions and payments on account of group term life insurance, adjustments relating to prior fiscal years' obligations, retirement incentives and prior amortizations.

(4) "Employer's annual bill" shall mean for a given fiscal year the sum of the following amounts: (i) an employer's normal contributions for the fiscal year determined in accordance with paragraph one of subdivision b of section twenty-three of this article and the comprehensive structural reform program implemented pursuant to subdivision b of section twenty-three-a of this article, including the provisions of subdivision b of section twenty-three-a of this article relating to the required minimum annual contribution of four and one-half percent of pensionable salaries; (ii) the employer's deficiency contributions and administration contributions for the fiscal year determined in accordance with paragraphs two and three of subdivision b of section twenty-three of this article; and (iii) any payments by the employer due in the fiscal year on account of group term life insurance, adjustments relating to prior fiscal years' obligations, retirement incentives and prior amortizations.

(5) "Employer's average actuarial contribution rate" for a given fiscal year shall mean an employer's actuarial contribution for such

fiscal year divided by the employer's projected payroll for the same fiscal year.

(6) "Employer contribution reserve fund" or "fund" shall mean the employer contribution reserve fund established pursuant to subdivision e of this section.

(7) "Employer's graded contribution" for a given fiscal year shall mean the amount determined by applying the system graded contribution rate OR THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE for such fiscal year to an employer's projected payroll for the same fiscal year.

(8) "Employer's graded payment" for a given fiscal year shall mean the amount by which an employer's graded contribution for such fiscal year exceeds the employer's actuarial contribution for the same fiscal year.

(9) "Prior amortization" shall mean with respect to a given fiscal year any payment due in such fiscal year on account of an obligation from a prior fiscal year that an employer is permitted to pay to the retirement system on an amortized basis.

(10) "System average actuarial contribution rate" for a given fiscal year shall mean the sum of all employers' actuarial contributions for such fiscal year divided by the sum of all employers' projected payroll for the same fiscal year.

(11) "System graded contribution rate" for a given fiscal year shall mean the graded contribution rate for the retirement system as a whole determined for such fiscal year pursuant to subdivision c of this section.

(12) "ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE" FOR A GIVEN FISCAL YEAR SHALL MEAN THE GRADED CONTRIBUTION RATE FOR THE RETIREMENT SYSTEM AS A WHOLE DETERMINED FOR SUCH FISCAL YEAR PURSUANT TO SUBDIVISION C-1 OF THIS SECTION.

b. Notwithstanding the provisions of this chapter or any other law to the contrary, the comptroller, in his or her discretion, shall have authority to implement this section. If the comptroller elects to implement this section, the provisions of this section shall apply to the payment of employer contributions for the fiscal year commencing on April first, two thousand ten, and for subsequent fiscal years. IF THE COMPTROLLER, WITHIN HIS OR HER DISCRETION, ELECTS TO IMPLEMENT THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE AS PROVIDED BY SUBDIVISION C-1 OF THIS SECTION, THE PROVISIONS OF PARAGRAPH ONE-A OF SUBDIVISION D OF THIS SECTION SHALL APPLY TO THE PAYMENT OF EMPLOYER CONTRIBUTIONS FOR THE FISCAL YEAR COMMENCING ON APRIL FIRST, TWO THOUSAND THIRTEEN, AND FOR SUBSEQUENT FISCAL YEARS.

c. For each fiscal year to which the provisions of this section apply, the comptroller shall determine a graded contribution rate for the retirement system as a whole in the manner provided in this subdivision.

(1) For the two thousand ten - two thousand eleven fiscal year the system graded contribution rate shall be nine and one-half percent.

(2) For the two thousand eleven - two thousand twelve fiscal year, and subsequent fiscal years, system graded contribution rates shall be determined as follows:

(i) if the system average actuarial contribution rate for a given fiscal year is at least nine and one-half percent and exceeds the system graded contribution rate for the immediately preceding fiscal year by more than one percentage point, then the system graded contribution rate for the given fiscal year shall equal the system graded contribution rate for the immediately preceding fiscal year plus one percentage point, provided, however, that in no event shall the system graded contribution rate be less than nine and one-half percent;

(ii) if the system average actuarial contribution rate for a given fiscal year is at least nine and one-half percent and either equals the system graded contribution rate for the immediately preceding fiscal year or exceeds the system graded contribution rate for the immediately preceding fiscal year by one percentage point or less, then the system graded contribution rate for the given fiscal year shall equal the system average actuarial contribution rate for such fiscal year, provided, however, that in no event shall the system graded contribution rate be less than nine and one-half percent;

(iii) if the system average actuarial contribution rate for a given fiscal year is less than nine and one-half percent and greater than the system graded contribution rate for the immediately preceding fiscal year, then the system graded contribution rate for the given fiscal year shall equal the system actuarial contribution rate for such fiscal year;

(iv) if the system average actuarial contribution rate for a given fiscal year is smaller than the system graded contribution rate for the immediately preceding fiscal year by more than one percentage point, then the system graded contribution rate for the given fiscal year shall equal the system graded contribution rate for the immediately preceding fiscal year minus one percentage point; and

(v) if the system average actuarial contribution rate for a given fiscal year either equals the system graded contribution rate for the immediately preceding fiscal year or is smaller than the system graded contribution rate for the immediately preceding fiscal year by one percentage point or less, then the system graded contribution rate for the given fiscal year shall equal the system actuarial contribution rate for such fiscal year.

C-1. FOR EACH FISCAL YEAR TO WHICH THE PROVISIONS OF THIS SECTION APPLY, THE COMPTROLLER SHALL DETERMINE AN ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE RETIREMENT SYSTEM AS A WHOLE IN THE MANNER PROVIDED IN THIS SUBDIVISION.

(1) FOR THE TWO THOUSAND THIRTEEN - TWO THOUSAND FOURTEEN FISCAL YEAR AND THE TWO THOUSAND FOURTEEN - TWO THOUSAND FIFTEEN FISCAL YEAR, THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE SHALL BE TWELVE PERCENT.

(2) FOR THE TWO THOUSAND FIFTEEN - TWO THOUSAND SIXTEEN FISCAL YEAR AND FOR SUBSEQUENT FISCAL YEARS, THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATES SHALL BE DETERMINED AS FOLLOWS:

(I) IF THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR A GIVEN FISCAL YEAR IS AT LEAST NINE AND ONE-HALF PERCENT AND EXCEEDS THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR BY MORE THAN ONE-HALF PERCENTAGE POINT, THEN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE GIVEN FISCAL YEAR SHALL EQUAL THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR PLUS ONE-HALF PERCENTAGE POINT, PROVIDED, HOWEVER, THAT IN NO EVENT SHALL THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE BE LESS THAN NINE AND ONE-HALF PERCENT;

(II) IF THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR A GIVEN FISCAL YEAR IS AT LEAST NINE AND ONE-HALF PERCENT AND EITHER EQUALS THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR OR EXCEEDS THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR BY ONE-HALF PERCENTAGE POINT OR LESS, THEN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE GIVEN FISCAL YEAR SHALL EQUAL THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR SUCH FISCAL YEAR, PROVIDED, HOWEVER, THAT IN NO EVENT SHALL THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE BE LESS THAN NINE AND ONE-HALF PERCENT;

(III) IF THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR A GIVEN FISCAL YEAR IS LESS THAN NINE AND ONE-HALF PERCENT AND GREATER THAN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR, THEN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE GIVEN FISCAL YEAR SHALL EQUAL THE SYSTEM ACTUARIAL CONTRIBUTION RATE FOR SUCH FISCAL YEAR;

(IV) IF THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR A GIVEN FISCAL YEAR IS SMALLER THAN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR BY MORE THAN ONE-HALF PERCENTAGE POINT, THEN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE GIVEN FISCAL YEAR SHALL EQUAL THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR MINUS ONE-HALF PERCENTAGE POINT; AND

(V) IF THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR A GIVEN FISCAL YEAR EITHER EQUALS THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR OR IS SMALLER THAN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR BY ONE-HALF PERCENTAGE POINT OR LESS, THEN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE GIVEN FISCAL YEAR SHALL EQUAL THE SYSTEM ACTUARIAL CONTRIBUTION RATE FOR SUCH FISCAL YEAR.

d. (1) For any given fiscal year for which an employer's average actuarial contribution rate exceeds the system graded contribution rate, the employer shall pay to the retirement system an amount equal to the employer's annual bill for such year or, in lieu of paying the entire annual bill, the employer may pay an amount equal to the employer's annual bill less all or a portion of the employer's amount eligible for amortization for the fiscal year. If in accordance with this paragraph the employer's payment to the retirement system is less than the entire amount of the employer's annual bill, then the difference between the employer's annual bill, and the amount actually paid by the employer to the retirement system exclusive of any amount from the employer contribution reserve fund applied to reduce the employer's payment, shall be the amount amortized for the fiscal year. The amount amortized for the fiscal year shall be paid to the retirement system in equal annual installments over a ten-year period, with interest on the unpaid balance at a rate determined by the comptroller which approximates a market rate of return on taxable fixed rate securities with similar terms issued by comparable issuers, and with the first installment due in the immediately succeeding fiscal year.

(1-A) FOR ANY GIVEN FISCAL YEAR FOR WHICH AN EMPLOYER'S AVERAGE ACTUARIAL CONTRIBUTION RATE EXCEEDS THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE, THE EMPLOYER SHALL PAY TO THE RETIREMENT SYSTEM AN AMOUNT EQUAL TO THE EMPLOYER'S ANNUAL BILL FOR SUCH YEAR OR, IN LIEU OF PAYING THE ENTIRE ANNUAL BILL, THE EMPLOYER MAY PAY AN AMOUNT EQUAL TO THE EMPLOYER'S ANNUAL BILL LESS ALL OR A PORTION OF THE EMPLOYER'S AMOUNT ELIGIBLE FOR AMORTIZATION FOR THE FISCAL YEAR. IF IN ACCORDANCE WITH THIS PARAGRAPH THE EMPLOYER'S PAYMENT TO THE RETIREMENT SYSTEM IS LESS THAN THE ENTIRE AMOUNT OF THE EMPLOYER'S ANNUAL BILL, THEN THE DIFFERENCE BETWEEN THE EMPLOYER'S ANNUAL BILL, AND THE AMOUNT ACTUALLY PAID BY THE EMPLOYER TO THE RETIREMENT SYSTEM EXCLUSIVE OF ANY AMOUNT FROM THE EMPLOYER CONTRIBUTION RESERVE FUND APPLIED TO REDUCE THE EMPLOYER'S PAYMENT, SHALL BE THE AMOUNT AMORTIZED FOR THE FISCAL YEAR. THE AMOUNT AMORTIZED FOR THE FISCAL YEAR SHALL BE PAID TO THE RETIREMENT SYSTEM IN EQUAL ANNUAL INSTALLMENTS OVER A TWELVE YEAR PERIOD, WITH INTEREST ON THE UNPAID BALANCE AT A RATE DETERMINED BY THE COMPTROLLER WHICH SHALL BE THE TWELVE YEAR INTERPOLATED RATE BASED ON THE MOST RECENTLY

PUBLISHED YIELD TO MATURITY OF A TEN YEAR AND TWENTY YEAR U.S. TREASURY SECURITY PLUS ONE HUNDRED BASIS POINTS.

(2) For any given fiscal year for which the system graded contribution rate equals or exceeds an amortizing employer's average actuarial contribution rate, the amortizing employer shall pay to the retirement system an amount equal to the employer's annual bill for such year plus the employer's graded payment for the fiscal year.

(i) If the amortizing employer's annual bill for the fiscal year does not include an amount attributable to a prior amortization, then the employer's graded payment shall be paid into the employer contribution reserve fund provided for in subdivision e of this section and credited to an account within such fund established for the employer.

(ii) If the amortizing employer's annual bill for the fiscal year includes an amount attributable to a prior amortization, the employer's graded payment shall be used first to eliminate the amount of the employer's unpaid prior amortization balances in chronological order starting with the oldest prior amortization balance. When in any fiscal year the employer's graded payment eliminates all balances owed on the employer's prior amortizations, any remaining portion of the employer's graded payment for such fiscal year, and the employer's graded payment in any subsequent fiscal year in which the amortizing employer has no unpaid prior amortizations, shall be paid into the employer contribution reserve fund provided for in subdivision e of this section and credited to an account within such fund established for the employer.

(2-A) FOR ANY GIVEN FISCAL YEAR FOR WHICH THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE EQUALS OR EXCEEDS AN ALTERNATIVE AMORTIZING EMPLOYER'S AVERAGE ACTUARIAL CONTRIBUTION RATE, THE ALTERNATIVE AMORTIZING EMPLOYER SHALL PAY TO THE RETIREMENT SYSTEM AN AMOUNT EQUAL TO THE EMPLOYER'S ANNUAL BILL FOR SUCH YEAR PLUS THE EMPLOYER'S GRADED PAYMENT FOR THE FISCAL YEAR.

(I) IF THE ALTERNATIVE AMORTIZING EMPLOYER'S ANNUAL BILL FOR THE FISCAL YEAR DOES NOT INCLUDE AN AMOUNT ATTRIBUTABLE TO A PRIOR AMORTIZATION, THEN THE EMPLOYER'S GRADED PAYMENT SHALL BE PAID INTO THE EMPLOYER CONTRIBUTION RESERVE FUND PROVIDED FOR IN SUBDIVISION E OF THIS SECTION AND CREDITED TO AN ACCOUNT WITHIN SUCH FUND ESTABLISHED FOR THE EMPLOYER.

(II) IF THE ALTERNATIVE AMORTIZING EMPLOYER'S ANNUAL BILL FOR THE FISCAL YEAR INCLUDES AN AMOUNT ATTRIBUTABLE TO A PRIOR AMORTIZATION, THE EMPLOYER'S GRADED PAYMENT SHALL BE USED FIRST TO ELIMINATE THE AMOUNT OF THE EMPLOYER'S UNPAID PRIOR AMORTIZATION BALANCES IN CHRONOLOGICAL ORDER STARTING WITH THE OLDEST PRIOR AMORTIZATION BALANCE. WHEN IN ANY FISCAL YEAR THE EMPLOYER'S GRADED PAYMENT ELIMINATES ALL BALANCES OWED ON THE EMPLOYER'S PRIOR AMORTIZATIONS, ANY REMAINING PORTION OF THE EMPLOYER'S GRADED PAYMENT FOR SUCH FISCAL YEAR, AND THE EMPLOYER'S GRADED PAYMENT IN ANY SUBSEQUENT FISCAL YEAR IN WHICH THE AMORTIZING EMPLOYER HAS NO UNPAID PRIOR AMORTIZATIONS, SHALL BE PAID INTO THE EMPLOYER CONTRIBUTION RESERVE FUND PROVIDED FOR IN SUBDIVISION E OF THIS SECTION AND CREDITED TO AN ACCOUNT WITHIN SUCH FUND ESTABLISHED FOR THE EMPLOYER.

(3) Nothing in this subdivision shall be construed as prohibiting an employer from pre-paying any prior amortization.

e. (1) Notwithstanding any law to the contrary, there shall be maintained separate and apart from the other funds of the retirement system an employer contribution reserve fund, the assets of which shall not be used or invested in a manner contrary to the provisions of this subdivision. The fund shall consist of all employer contributions required to be deposited into the fund pursuant to subdivision d of this section.

Within such fund there shall be a separate account for each employer making such contributions and payments.

(2) For any given fiscal year for which (i) the system actuarial contribution rate exceeds nine and one-half percent of payroll, and (ii) an employer's average actuarial contribution rate exceeds the system graded contribution rate OR THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE, the balance in the employer's account within such fund shall be applied to reduce the employer's payment to the retirement system for such fiscal year in an amount not to exceed the difference between the employer's actuarial contribution and the employer's graded contribution for the fiscal year.

(3) Notwithstanding the provisions of paragraph two of this subdivision, if at the close of any given fiscal year the balance of an employer's account within the fund exceeds one hundred percent of the employer's payroll for such fiscal year, the excess shall be applied to reduce the employer's payment to the retirement system for the next succeeding fiscal year.

(4) The assets of the fund shall be invested in only the following types of investments:

(i) obligations of the United States of America or in obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America or in obligations of the state of New York;

(ii) general obligation bonds and notes of any state other than this state, provided that such bonds and notes receive the highest rating of at least one independent rating agency;

(iii) obligations of, or instruments issued by or fully guaranteed as to principal and interest by, any agency or instrumentality of the United States acting pursuant to a grant of authority from the congress of the United States, including, but not limited to, any federal home loan bank or banks, the Tennessee valley authority, the federal national mortgage association, the federal home loan mortgage corporation and the United States postal service;

(iv) certificate of deposits that are fully secured by the issuer by depositing with the comptroller direct or indirect obligations of the United States or its agencies or a letter of credit issued by the Federal Home Loan Bank; and

(v) obligations of any corporation organized under the laws of any state in the United States maturing within two hundred seventy days provided that such obligations receive the highest rating of two independent rating services designated by the comptroller.

(5) At the close of each fiscal year, the amount of interest and earnings attributable to each employer's account shall be computed by the actuary and certified to the comptroller, who shall thereupon credit each employer's account in accordance therewith.

(6) The assets of the fund shall be excluded from the annual valuation of the assets and liabilities of the funds of the retirement system required by section eleven of this title. The assets of the fund shall not be used to finance increases in pension benefits.

S 3. Section 319-a of the retirement and social security law, as added by section 3 of part TT of chapter 57 of the laws of 2010, is amended to read as follows:

S 319-a. Employer contributions for the two thousand ten - two thousand eleven fiscal year and subsequent fiscal years. a. In addition to the definitions in section three hundred two of this article, when used in this section:

(1) "Amortizing employer" shall mean an employer that elects to amortize a portion of the employer's annual bill pursuant to paragraph one of subdivision d of this section for the two thousand ten - two thousand eleven fiscal year, or any subsequent fiscal year, PURSUANT TO THE SYSTEM GRADED CONTRIBUTION RATE regardless of whether the employer has subsequently paid in full all such amortized amounts, AND THAT DOES NOT ELECT TO AMORTIZE AS AN ALTERNATIVE AMORTIZING EMPLOYER FOR THE TWO THOUSAND THIRTEEN - TWO THOUSAND FOURTEEN FISCAL YEAR.

(1-A) "ALTERNATIVE AMORTIZING EMPLOYER" SHALL MEAN A COUNTY, CITY, TOWN OR VILLAGE THAT, ON A FORM PREPARED BY THE COMPTROLLER, ELECTS TO AND DOES AMORTIZE A PORTION OF THE EMPLOYER'S ANNUAL BILL PURSUANT TO PARAGRAPH ONE OF SUBDIVISION D OF THIS SECTION FOR THE TWO THOUSAND THIRTEEN - TWO THOUSAND FOURTEEN FISCAL YEAR PURSUANT TO THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE, REGARDLESS OF WHETHER THE EMPLOYER HAS SUBSEQUENTLY PAID IN FULL ALL SUCH AMORTIZED AMOUNTS.

(2) "Amount eligible for amortization" for a given fiscal year shall mean the amount by which an employer's actuarial contribution for such fiscal year exceeds the employer's graded contribution for the same fiscal year, less any amount from the employer contribution reserve fund applied to reduce the employer's payment to the retirement system for the fiscal year, provided, however, that if the employer's average actuarial contribution rate for the fiscal year is less than seventeen and one-half percent, then the amount eligible for amortization shall be zero.

(3) "Employer's actuarial contribution" for a given fiscal year shall mean an employer's annual bill for such fiscal year exclusive of the deficiency contributions and payments on account of group term life insurance, adjustments relating to prior fiscal years' obligations, retirement incentives and prior amortizations.

(4) "Employer's annual bill" shall mean for a given fiscal year the sum of the following amounts: (i) an employer's normal contributions for the fiscal year determined in accordance with paragraph one of subdivision b of section three hundred twenty-three of this article and the comprehensive structural reform program implemented pursuant to subdivision b of section three hundred twenty-three-a of this article, including the provisions of subdivision b of section three hundred twenty-three-a of this article relating to the required minimum annual contribution of four and one-half percent of pensionable salaries; (ii) the employer's deficiency contributions and administration contributions for the fiscal year determined in accordance with paragraphs two and three of subdivision b of section three hundred twenty-three of this article; and (iii) any payments by the employer due in the fiscal year on account of group term life insurance, adjustments relating to prior fiscal years' obligations, retirement incentives and prior amortizations.

(5) "Employer's average actuarial contribution rate" for a given fiscal year shall mean an employer's actuarial contribution for such fiscal year divided by the employer's projected payroll for the same fiscal year.

(6) "Employer contribution reserve fund" or "fund" shall mean the employer contribution reserve fund established pursuant to subdivision e of this section.

(7) "Employer's graded contribution" for a given fiscal year shall mean the amount determined by applying the employer's graded contribution rate OR THE ALTERNATIVE AMORTIZING EMPLOYER'S GRADED CONTRIBUTION

RATE for such fiscal year to an employer's projected payroll for the same fiscal year.

(8) "Employer's graded contribution rate" for a given fiscal year shall mean (i) the system graded contribution rate for such fiscal year, or (ii) in the case of an individual employer for which a graded contribution rate has been determined pursuant to paragraph three of subdivision c of this section, the graded contribution rate for the individual employer for such fiscal year.

(9) "Employer's graded payment" for a given fiscal year shall mean the amount by which an employer's graded contribution for such fiscal year exceeds the employer's actuarial contribution for the same fiscal year.

(10) "Prior amortization" shall mean with respect to a given fiscal year any payment due in such fiscal year on account of an obligation from a prior fiscal year that an employer is permitted to pay to the retirement system on an amortized basis.

(11) "System average actuarial contribution rate" for a given fiscal year shall mean the sum of all employers' actuarial contributions for such fiscal year, divided by the sum of all employers' projected payroll for the same fiscal year.

(12) "System graded contribution rate" for a given fiscal year shall mean the graded contribution rate for the retirement system as a whole determined for such fiscal year pursuant to paragraph one or two of subdivision c of this section.

(13) "ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE" FOR A GIVEN FISCAL YEAR SHALL MEAN THE GRADED CONTRIBUTION RATE FOR THE RETIREMENT SYSTEM AS A WHOLE DETERMINED FOR SUCH FISCAL YEAR PURSUANT TO PARAGRAPH ONE OR TWO OF SUBDIVISION C-1 OF THIS SECTION.

b. Notwithstanding the provisions of this chapter or any other law to the contrary, the comptroller, in his or her discretion, shall have authority to implement this section. If the comptroller elects to implement this section, the provisions of this section shall apply to the payment of employer contributions for the fiscal year commencing on April first, two thousand ten, and for subsequent fiscal years. IF THE COMPTROLLER, WITHIN HIS OR HER DISCRETION, ELECTS TO IMPLEMENT THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE AS PROVIDED BY SUBDIVISION C-1 OF THIS SECTION, THE PROVISIONS OF PARAGRAPH ONE-A OF SUBDIVISION D OF THIS SECTION SHALL APPLY TO THE PAYMENT OF EMPLOYER CONTRIBUTIONS FOR THE FISCAL YEAR COMMENCING ON APRIL FIRST, TWO THOUSAND THIRTEEN, AND FOR SUBSEQUENT FISCAL YEARS.

c. For each fiscal year to which the provisions of this section apply, the comptroller shall determine a graded contribution rate for the retirement system as a whole in the manner provided in this subdivision.

(1) For the two thousand ten - two thousand eleven fiscal year the system graded contribution rate shall be seventeen and one-half percent.

(2) For the two thousand eleven - two thousand twelve fiscal year, and subsequent fiscal years, system graded contribution rates shall be determined as follows:

(i) if the system average actuarial contribution rate for a given fiscal year is at least seventeen and one-half percent and exceeds the system graded contribution rate for the immediately preceding fiscal year by more than one percentage point, then the system graded contribution rate for the given fiscal year shall equal the system graded contribution rate for the immediately preceding fiscal year plus one percentage point, provided however, that in no event shall the system graded contribution rate be less than seventeen and one-half percent;

(ii) if the system average actuarial contribution rate for a given fiscal year is at least seventeen and one-half percent and either equals the system graded contribution rate for the immediately preceding fiscal year or exceeds the system graded contribution rate for the immediately preceding fiscal year by one percentage point or less, then the system graded contribution rate for the given fiscal year shall equal the system average actuarial contribution rate for such fiscal year, provided, however, that in no event shall the system graded contribution rate be less than seventeen and one-half percent;

(iii) if the system average actuarial contribution rate for a given fiscal year is less than seventeen and one-half percent and greater than the system graded contribution rate for the immediately preceding fiscal year, then the system graded contribution rate for the given fiscal year shall equal the system actuarial contribution rate for such fiscal year;

(iv) if the system average actuarial contribution rate for a given fiscal year is smaller than the system graded contribution rate for the immediately preceding fiscal year by more than one percentage point, then the system graded contribution rate for the given fiscal year shall equal the system graded contribution rate for the immediately preceding fiscal year minus one percentage point; and

(v) if the system average actuarial contribution rate for a given fiscal year either equals the system graded contribution rate for the immediately preceding fiscal year or is smaller than the system graded contribution rate for the immediately preceding fiscal year by one percentage point or less, then the system graded contribution rate for the given fiscal year shall equal the system actuarial contribution rate for such fiscal year.

(3) The comptroller shall determine a graded contribution rate for individual employers as provided in this paragraph.

(i) If the actuarial contribution rate for an employer for a given fiscal year is equal to or greater than fifty percent of the system actuarial contribution rate for such year, and less than or equal to seventy-five percent of such system actuarial contribution rate, then the graded contribution rate for the employer for the fiscal year shall equal seventy-five percent of the system graded contribution RATE for such year.

(ii) If the actuarial contribution rate for an employer for a given fiscal year is less than fifty percent of the system actuarial contribution rate for such year, then the graded contribution rate for the employer for the fiscal year shall equal fifty percent of the system graded contribution rate for such year.

C-1. FOR EACH FISCAL YEAR TO WHICH THE PROVISIONS OF THIS SECTION APPLY, THE COMPTROLLER SHALL DETERMINE AN ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE RETIREMENT SYSTEM AS A WHOLE IN THE MANNER PROVIDED IN THIS SUBDIVISION.

(1) FOR THE TWO THOUSAND THIRTEEN - TWO THOUSAND FOURTEEN FISCAL YEAR AND THE TWO THOUSAND FOURTEEN - TWO THOUSAND FIFTEEN FISCAL YEAR, THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE SHALL BE TWENTY PERCENT.

(2) FOR THE TWO THOUSAND FIFTEEN - TWO THOUSAND SIXTEEN FISCAL YEAR AND THE SUBSEQUENT FISCAL YEARS, ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATES SHALL BE DETERMINED AS FOLLOWS:

(I) IF THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR A GIVEN FISCAL YEAR IS AT LEAST SEVENTEEN AND ONE-HALF PERCENT AND EXCEEDS THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR BY MORE THAN ONE-HALF PERCENTAGE POINT, THEN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE GIVEN FISCAL YEAR SHALL

EQUAL THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR PLUS ONE-HALF PERCENTAGE POINT, PROVIDED, HOWEVER, THAT IN NO EVENT SHALL THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE BE LESS THAN SEVENTEEN AND ONE-HALF PERCENT;

(II) IF THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR A GIVEN FISCAL YEAR IS AT LEAST SEVENTEEN AND ONE-HALF PERCENT AND EITHER EQUALS THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR OR EXCEEDS THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR BY ONE-HALF PERCENTAGE POINT OR LESS, THEN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE GIVEN FISCAL YEAR SHALL EQUAL THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR SUCH FISCAL YEAR, PROVIDED, HOWEVER, THAT IN NO EVENT SHALL THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE BE LESS THAN SEVENTEEN AND ONE-HALF PERCENT;

(III) IF THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR A GIVEN FISCAL YEAR IS LESS THAN SEVENTEEN AND ONE-HALF PERCENT AND GREATER THAN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR, THEN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE GIVEN FISCAL YEAR SHALL EQUAL THE SYSTEM ACTUARIAL CONTRIBUTION RATE FOR SUCH FISCAL YEAR;

(IV) IF THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR A GIVEN FISCAL YEAR IS SMALLER THAN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR BY MORE THAN ONE-HALF PERCENTAGE POINT, THEN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE GIVEN FISCAL YEAR SHALL EQUAL THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR MINUS ONE-HALF PERCENTAGE POINT; AND

(V) IF THE SYSTEM AVERAGE ACTUARIAL CONTRIBUTION RATE FOR A GIVEN FISCAL YEAR EITHER EQUALS THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR OR IS SMALLER THAN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE IMMEDIATELY PRECEDING FISCAL YEAR BY ONE-HALF PERCENTAGE POINT OR LESS, THEN THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE FOR THE GIVEN FISCAL YEAR SHALL EQUAL THE SYSTEM ACTUARIAL CONTRIBUTION RATE FOR SUCH FISCAL YEAR.

d. (1) For any given fiscal year for which an employer's average actuarial contribution rate exceeds the EMPLOYER graded contribution rate, the employer shall pay to the retirement system an amount equal to the employer's annual bill for such year or, in lieu of paying the entire annual bill, the employer may pay an amount equal to the employer's annual bill less all or a portion of the employer's amount eligible for amortization for the fiscal year. If in accordance with this paragraph the employer's payment to the retirement system is less than the entire amount of the employer's annual bill, then the difference between the employer's annual bill, and the amount actually paid by the employer to the retirement system exclusive of any amount from the employer contribution reserve fund applied to reduce the employer's payment, shall be the amount amortized for the fiscal year. The amount amortized for the fiscal year shall be paid to the retirement system in equal annual installments over a ten-year period, with interest on the unpaid balance at a rate determined by the comptroller which approximates a market rate of return on taxable fixed rate securities with similar terms issued by comparable issuers, and with the first installment due in the immediately succeeding fiscal year.

(1-A) FOR ANY GIVEN FISCAL YEAR FOR WHICH AN EMPLOYER'S AVERAGE ACTUARIAL CONTRIBUTION RATE EXCEEDS THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE, THE EMPLOYER SHALL PAY TO THE RETIREMENT SYSTEM AN AMOUNT

EQUAL TO THE EMPLOYER'S ANNUAL BILL FOR SUCH YEAR OR, IN LIEU OF PAYING THE ENTIRE ANNUAL BILL, THE EMPLOYER MAY PAY AN AMOUNT EQUAL TO THE EMPLOYER'S ANNUAL BILL LESS ALL OR A PORTION OF THE EMPLOYER'S AMOUNT ELIGIBLE FOR AMORTIZATION FOR THE FISCAL YEAR. IF IN ACCORDANCE WITH THIS PARAGRAPH THE EMPLOYER'S PAYMENT TO THE RETIREMENT SYSTEM IS LESS THAN THE ENTIRE AMOUNT OF THE EMPLOYER'S ANNUAL BILL, THEN THE DIFFERENCE BETWEEN THE EMPLOYER'S ANNUAL BILL, AND THE AMOUNT ACTUALLY PAID BY THE EMPLOYER TO THE RETIREMENT SYSTEM EXCLUSIVE OF ANY AMOUNT FROM THE EMPLOYER CONTRIBUTION RESERVE FUND APPLIED TO REDUCE THE EMPLOYER'S PAYMENT, SHALL BE THE AMOUNT AMORTIZED FOR THE FISCAL YEAR. THE AMOUNT AMORTIZED FOR THE FISCAL YEAR SHALL BE PAID TO THE RETIREMENT SYSTEM IN EQUAL ANNUAL INSTALLMENTS OVER A TWELVE YEAR PERIOD, WITH INTEREST ON THE UNPAID BALANCE AT A RATE DETERMINED BY THE COMPTROLLER WHICH SHALL BE THE TWELVE YEAR INTERPOLATED RATE BASED ON THE MOST RECENTLY PUBLISHED YIELD TO MATURITY OF A TEN YEAR AND TWENTY YEAR U.S. TREASURY SECURITY PLUS ONE HUNDRED BASIS POINTS.

(2) For any given fiscal year for which the system graded contribution rate equals or exceeds an amortizing employer's average actuarial contribution rate, the amortizing employer shall pay to the retirement system an amount equal to the employer's annual bill for such year plus the employer's graded payment for the fiscal year.

(i) If the amortizing employer's annual bill for the fiscal year does not include an amount attributable to a prior amortization, then the employer's graded payment shall be paid into the employer contribution reserve fund provided for in subdivision e of this section and credited to an account within such fund established for the employer.

(ii) If the amortizing employer's annual bill for the fiscal year includes an amount attributable to a prior amortization, the employer's graded payment shall be used first to eliminate the amount of the employer's unpaid prior amortization balances in chronological order starting with oldest prior amortization balance. When in any fiscal year the employer's graded payment eliminates all balances owed on the employer's prior amortizations, any remaining portion of the employer's graded payment for such fiscal year, and the employer's graded payment in any subsequent fiscal year in which the amortizing employer has no unpaid prior amortizations, shall be paid into the employer contribution reserve fund provided for in subdivision e of this section and credited to an account within such fund established for the employer.

(2-A) FOR ANY GIVEN FISCAL YEAR FOR WHICH THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE EQUALS OR EXCEEDS AN ALTERNATIVE AMORTIZING EMPLOYER'S AVERAGE ACTUARIAL CONTRIBUTION RATE, THE ALTERNATIVE AMORTIZING EMPLOYER SHALL PAY TO THE RETIREMENT SYSTEM AN AMOUNT EQUAL TO THE EMPLOYER'S ANNUAL BILL FOR SUCH YEAR PLUS THE EMPLOYER'S GRADED PAYMENT FOR THE FISCAL YEAR.

(I) IF THE ALTERNATIVE AMORTIZING EMPLOYER'S ANNUAL BILL FOR THE FISCAL YEAR DOES NOT INCLUDE AN AMOUNT ATTRIBUTABLE TO A PRIOR AMORTIZATION, THEN THE EMPLOYER'S GRADED PAYMENT SHALL BE PAID INTO THE EMPLOYER CONTRIBUTION RESERVE FUND PROVIDED FOR IN SUBDIVISION E OF THIS SECTION AND CREDITED TO AN ACCOUNT WITHIN SUCH FUND ESTABLISHED FOR THE EMPLOYER.

(II) IF THE ALTERNATIVE AMORTIZING EMPLOYER'S ANNUAL BILL FOR THE FISCAL YEAR INCLUDES AN AMOUNT ATTRIBUTABLE TO A PRIOR AMORTIZATION, THE EMPLOYER'S GRADED PAYMENT SHALL BE USED FIRST TO ELIMINATE THE AMOUNT OF THE EMPLOYER'S UNPAID PRIOR AMORTIZATION BALANCES IN CHRONOLOGICAL ORDER STARTING WITH OLDEST PRIOR AMORTIZATION BALANCE. WHEN IN ANY FISCAL YEAR THE EMPLOYER'S GRADED PAYMENT ELIMINATES ALL BALANCES OWED ON THE

EMPLOYER'S PRIOR AMORTIZATIONS, ANY REMAINING PORTION OF THE EMPLOYER'S GRADED PAYMENT FOR SUCH FISCAL YEAR, AND THE EMPLOYER'S GRADED PAYMENT IN ANY SUBSEQUENT FISCAL YEAR IN WHICH THE AMORTIZING EMPLOYER HAS NO UNPAID PRIOR AMORTIZATIONS, SHALL BE PAID INTO THE EMPLOYER CONTRIBUTION RESERVE FUND PROVIDED FOR IN SUBDIVISION E OF THIS SECTION AND CREDITED TO AN ACCOUNT WITHIN SUCH FUND ESTABLISHED FOR THE EMPLOYER.

(3) Nothing in this subdivision shall be construed as prohibiting an employer from pre-paying any prior amortization.

e. (1) Notwithstanding any law to the contrary, there shall be maintained separate and apart from the other funds of the retirement system an employer contribution reserve fund, the assets of which shall not be used or invested in a manner contrary to the provisions of this subdivision. The fund shall consist of all employer contributions required to be deposited into the fund pursuant to subdivision d of this section. Within such fund there shall be a separate account for each employer making such contributions and payments.

(2) For any given fiscal year for which (i) the system actuarial contribution rate exceeds seventeen and one-half percent of payroll, and (ii) for which an employer's average actuarial contribution rate exceeds the graded contribution rate OR THE ALTERNATIVE SYSTEM GRADED CONTRIBUTION RATE, the balance in the employer's account within such fund shall be applied to reduce the employer's payment to the retirement system for such fiscal year in an amount not to exceed the difference between the employer's actuarial contribution and the employer's graded contribution for the fiscal year.

(3) Notwithstanding the provisions of paragraph two of this subdivision, if at the close of any given fiscal year the balance of an employer's account within the fund exceeds one hundred percent of the employer's payroll for such fiscal year, the excess shall be applied to reduce the employer's payment to the retirement system for the next succeeding fiscal year.

(4) The assets of the fund shall be invested in only the following types of investments:

(i) obligations of the United States of America or in obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America or in obligations of the state of New York;

(ii) general obligation bonds and notes of any state other than this state, provided that such bonds and notes receive the highest rating of at least one independent rating agency;

(iii) obligations of, or instruments issued by or fully guaranteed as to principal and interest by, any agency or instrumentality of the United States acting pursuant to a grant of authority from the congress of the United States, including, but not limited to, any federal home loan bank or banks, the Tennessee valley authority, the federal national mortgage association, the federal home loan mortgage corporation and the United States postal service;

(iv) certificate of deposits that are fully secured by the issuer by depositing with the comptroller direct or indirect obligations of the United States or its agencies or a letter of credit issued by the Federal Home Loan Bank; and

(v) obligations of any corporation organized under the laws of any state in the United States maturing within two hundred seventy days provided that such obligations receive the highest rating of two independent rating services designated by the comptroller.

(5) At the close of each fiscal year, the amount of interest and earnings attributable to each employer's account shall be computed by the actuary and certified to the comptroller, who shall thereupon credit each employer's account in accordance therewith.

(6) The assets of the fund shall be excluded from the annual valuation of the assets and liabilities of the funds of the retirement system required by section three hundred eleven of this title. The assets of the fund shall not finance increases in pension benefits.

S 4. Section 521 of the education law is amended by adding a new subdivision 3 to read as follows:

3. STABLE CONTRIBUTION OPTION FOR PARTICIPATING EDUCATIONAL EMPLOYERS FOR THE TWO THOUSAND THIRTEEN - TWO THOUSAND FOURTEEN PLAN YEAR. A. IN ADDITION TO THE DEFINITIONS IN SECTION FIVE HUNDRED ONE OF THIS ARTICLE, WHEN USED IN THIS SUBDIVISION:

(1) "PARTICIPATING EDUCATIONAL EMPLOYER" SHALL MEAN A SCHOOL DISTRICT OR BOARD OF COOPERATIVE EDUCATIONAL SERVICES WHICH ELECTS TO PAY THE STABLE CONTRIBUTION AMOUNT IN THE MANNER PROVIDED IN THIS SUBDIVISION;

(2) "STABLE CONTRIBUTION AMOUNT" SHALL MEAN AN AMOUNT EQUAL TO THE STABLE CONTRIBUTION RATE MULTIPLIED BY THE PENSIONABLE SALARY BASE (EXCLUSIVE OF PAYMENTS FOR GROUP TERM LIFE INSURANCE, DEFICIENCY CONTRIBUTIONS, ADJUSTMENTS RELATING TO PRIOR FISCAL YEARS' OBLIGATIONS, OBLIGATIONS PERTAINING TO RETIREMENT INCENTIVES OR ANY OTHER OBLIGATIONS THAT A PARTICIPATING EDUCATIONAL EMPLOYER IS PERMITTED TO PAY ON AN AMORTIZED BASIS);

(3) "STABLE CONTRIBUTION RATE" SHALL MEAN FOURTEEN PERCENT FOR THE TWO THOUSAND THIRTEEN - TWO THOUSAND FOURTEEN PLAN YEAR AND THE TWO THOUSAND FOURTEEN - TWO THOUSAND FIFTEEN PLAN YEAR AND THE RATE AS ADOPTED BY THE RETIREMENT BOARD IN ACCORDANCE WITH PARAGRAPH H OF THIS SUBDIVISION; AND

(4) "DEFERRED EMPLOYER CONTRIBUTION AMOUNT" SHALL MEAN AN AMOUNT ADEQUATE TO FUND THE BENEFITS FOR ACTIVE AND RETIRED MEMBERS ASSOCIATED WITH SUCH PARTICIPATING EDUCATIONAL EMPLOYER HAD SUCH PARTICIPATING EDUCATIONAL EMPLOYER NOT ELECTED THE PROVISIONS OF THIS SUBDIVISION. SUCH DEFERRED EMPLOYER CONTRIBUTION AMOUNT SHALL BE CALCULATED FOR EACH YEAR OF PARTICIPATION IN THE STABLE CONTRIBUTION OPTION WITH ASSOCIATED INTEREST DETERMINED SPECIFIC TO EACH APPLICABLE PLAN YEAR'S DEFERRED AMOUNT.

B. NOTWITHSTANDING THE PROVISIONS OF THIS CHAPTER OR ANY OTHER LAW TO THE CONTRARY, THE RETIREMENT BOARD, IN ITS DISCRETION, SHALL HAVE AUTHORITY TO IMPLEMENT THE PROVISIONS OF THIS SUBDIVISION. IF THE RETIREMENT BOARD ELECTS TO IMPLEMENT THE PROVISIONS OF THIS SUBDIVISION, THE PROVISIONS SHALL APPLY TO THE PAYMENT OF PARTICIPATING EDUCATIONAL EMPLOYER CONTRIBUTIONS IN THE PLAN YEAR COMMENCING JULY FIRST, TWO THOUSAND THIRTEEN, FOR THE PENSION BILL PAID ON SEPTEMBER FIFTEENTH, OCTOBER FIFTEENTH, AND NOVEMBER FIFTEENTH OF TWO THOUSAND FOURTEEN, AND FOR THE SUBSEQUENT SIX PLAN YEARS. IF A PARTICIPATING EDUCATIONAL EMPLOYER DOES NOT ELECT THE STABLE CONTRIBUTION OPTION IN THE FISCAL YEAR COMMENCING ON JULY FIRST, TWO THOUSAND THIRTEEN FOR THE PENSION BILL PAID ON SEPTEMBER FIFTEENTH, OCTOBER FIFTEENTH, AND NOVEMBER FIFTEENTH OF TWO THOUSAND FOURTEEN, IT SHALL NOT BE ELIGIBLE TO ELECT THE STABLE CONTRIBUTION OPTION IN ANY SUCCEEDING PLAN YEAR.

C. FOR EACH OF THE SEVEN PLAN YEARS TO WHICH THE PROVISIONS OF THIS SUBDIVISION APPLY, THE RETIREMENT BOARD SHALL USE A STABLE CONTRIBUTION RATE ESTABLISHED BY THE RETIREMENT BOARD FOR PARTICIPATING EDUCATIONAL EMPLOYERS.

D. IF THE RETIREMENT BOARD, IN ITS DISCRETION, DECIDES TO ADOPT A STABLE CONTRIBUTION OPTION PURSUANT TO THIS SUBDIVISION, THE RETIREMENT

BOARD SHALL DETERMINE THE STABLE CONTRIBUTION AMOUNT IN EACH PLAN YEAR FOR A PARTICIPATING EDUCATIONAL EMPLOYER PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH A OF THIS SUBDIVISION. SUCH STABLE CONTRIBUTION AMOUNT SHALL BE IN LIEU OF A PARTICIPATING EDUCATIONAL EMPLOYER'S ACTUARIALLY REQUIRED CONTRIBUTION RATE OF NORMAL AND ADMINISTRATIVE CONTRIBUTIONS PURSUANT TO SECTIONS FIVE HUNDRED SEVENTEEN AND FIVE HUNDRED NINETEEN OF THIS ARTICLE FOR THE PLAN YEAR COMMENCING JULY FIRST, TWO THOUSAND THIRTEEN, AND FOR THE NEXT SIX SUBSEQUENT PLAN YEARS.

E. ANY PARTICIPATING EDUCATIONAL EMPLOYER WHICH ELECTS TO PAY THE STABLE CONTRIBUTION AMOUNT PURSUANT TO THIS SUBDIVISION SHALL PAY THE AMOUNT BASED ON THE STABLE CONTRIBUTION RATE FOR A PERIOD OF SEVEN YEARS AND SUCH OPTION SHALL BE AVAILABLE TO PARTICIPATING EDUCATIONAL EMPLOYERS FROM THE TWO THOUSAND THIRTEEN - TWO THOUSAND FOURTEEN PLAN YEAR THROUGH THE TWO THOUSAND NINETEEN - TWO THOUSAND TWENTY PLAN YEAR. IN THE SIXTH PLAN YEAR, THE TWO THOUSAND EIGHTEEN - TWO THOUSAND NINETEEN PLAN YEAR, THE PARTICIPATING EDUCATIONAL EMPLOYER SHALL PAY THE STABLE CONTRIBUTION RATE AND, IN ADDITION, COMMENCE PAYMENT FOR DEFERRED EMPLOYER CONTRIBUTIONS IN ACCORDANCE WITH PARAGRAPH J OF THIS SUBDIVISION. COMMENCING WITH THE PLAN YEAR BEGINNING JULY FIRST, TWO THOUSAND TWENTY, THE PARTICIPATING EDUCATIONAL EMPLOYER SHALL RESUME PAYMENT OF THE ACTUARIALLY REQUIRED CONTRIBUTION RATE OF NORMAL AND ADMINISTRATIVE CONTRIBUTIONS PURSUANT TO SECTIONS FIVE HUNDRED SEVENTEEN AND FIVE HUNDRED NINETEEN OF THIS ARTICLE AND, IN ADDITION, ANY PAYMENT FOR DEFERRED EMPLOYER CONTRIBUTION AMOUNTS IN ACCORDANCE WITH PARAGRAPHS J AND K OF THIS SUBDIVISION.

F. A PARTICIPATING EDUCATIONAL EMPLOYER PAYING A STABLE CONTRIBUTION AMOUNT SHALL REMIT, COMMENCING WITH THE JULY FIRST, TWO THOUSAND THIRTEEN PLAN YEAR, AN AMOUNT DETERMINED BY THE RETIREMENT BOARD BY ADDING THE FOLLOWING TWO AMOUNTS TOGETHER:

(1) THE STABLE CONTRIBUTION AMOUNT CALCULATED PURSUANT TO THIS SUBDIVISION; AND

(2) PAYMENTS FOR GROUP TERM LIFE INSURANCE, DEFICIENCY PAYMENTS, ADJUSTMENTS RELATING TO PRIOR FISCAL YEARS' OBLIGATIONS AND OBLIGATIONS PERTAINING TO RETIREMENT INCENTIVES OR ANY OTHER OBLIGATIONS THAT A PARTICIPATING EDUCATIONAL EMPLOYER IS PERMITTED TO PAY ON AN AMORTIZED BASIS.

G. THE STABLE CONTRIBUTION AMOUNT MUST BE PAID IN FULL BY PARTICIPATING EDUCATIONAL EMPLOYERS ON THE DATES SPECIFIED IN PARAGRAPH H OF SUBDIVISION TWO OF THIS SECTION.

H. PRIOR TO JULY FIRST, TWO THOUSAND FIFTEEN AND JULY FIRST, TWO THOUSAND SEVENTEEN THE RETIREMENT BOARD IS AUTHORIZED TO EVALUATE THE STABLE CONTRIBUTION RATE USED TO CALCULATE PARTICIPATING EDUCATIONAL EMPLOYER STABLE CONTRIBUTION AMOUNTS. SUCH EVALUATION SHALL BE BASED ON A PROJECTION OF ASSETS AND LIABILITIES SO AS TO ENSURE THAT CONTRIBUTIONS BY PARTICIPATING EDUCATIONAL EMPLOYERS WHICH PARTICIPATE IN THE STABLE CONTRIBUTION OPTION ARE ADEQUATE TO ENSURE THAT SYSTEM ASSETS ARE SUFFICIENT TO FUND BENEFITS FOR ACTIVE AND RETIRED MEMBERS. THE RETIREMENT BOARD IS AUTHORIZED TO INCREASE THE STABLE CONTRIBUTION RATE BY UP TO TWO PERCENTAGE POINTS ON JULY FIRST, TWO THOUSAND FIFTEEN AND ON JULY FIRST, TWO THOUSAND SEVENTEEN. THE REVISED STABLE CONTRIBUTION RATE RESULTING FROM THE FOREGOING EVALUATIONS AND JULY FIRST, TWO THOUSAND FIFTEEN AND JULY FIRST, TWO THOUSAND SEVENTEEN STABLE RATE INCREASES MAY NOT, IN COMBINATION, EXCEED EIGHTEEN PERCENT. THE RETIREMENT BOARD IS AUTHORIZED TO DECREASE THE STABLE CONTRIBUTION RATE, IF WARRANTED, BUT IN NO EVENT SHALL THE STABLE CONTRIBUTION RATE BE LESS THAN FOURTEEN PERCENT.

I. A PARTICIPATING EDUCATIONAL EMPLOYER MAY ELECT TO TERMINATE PARTICIPATION IN THE STABLE CONTRIBUTION OPTION AND RESUME PAYMENT OF THE ACTUARIALLY REQUIRED CONTRIBUTION OF NORMAL AND ADMINISTRATIVE CONTRIBUTIONS IN ACCORDANCE WITH SECTIONS FIVE HUNDRED SEVENTEEN AND FIVE HUNDRED NINETEEN OF THIS ARTICLE. PROVIDED, HOWEVER, THAT SUCH PARTICIPATING EDUCATIONAL EMPLOYER WHICH ELECTS TO TERMINATE PARTICIPATION SHALL MAKE A RECONCILIATION CONTRIBUTION TO THE RETIREMENT SYSTEM, AT AN AMOUNT TO BE DETERMINED BY THE RETIREMENT BOARD, ADEQUATE TO FUND THE BENEFITS FOR ACTIVE AND RETIRED MEMBERS ASSOCIATED WITH SUCH PARTICIPATING EDUCATIONAL EMPLOYER HAD SUCH PARTICIPATING EDUCATIONAL EMPLOYER NOT ELECTED THE PROVISIONS OF THIS SUBDIVISION. SUCH RECONCILIATION CONTRIBUTION SHALL BE MADE OVER A PERIOD NOT TO EXCEED FIVE YEARS AND SHALL BE MADE IN ADDITION TO THE NORMAL AND ADMINISTRATIVE CONTRIBUTIONS PURSUANT TO SECTIONS FIVE HUNDRED SEVENTEEN AND FIVE HUNDRED NINETEEN OF THIS ARTICLE FOR THE PLAN YEAR IN WHICH SUCH PARTICIPATING EDUCATIONAL EMPLOYER CHOOSES TO RESUME PAYMENT OF THE NORMAL AND ADMINISTRATIVE CONTRIBUTIONS PURSUANT TO SECTIONS FIVE HUNDRED SEVENTEEN AND FIVE HUNDRED NINETEEN OF THIS ARTICLE. FOR THE PURPOSES OF DETERMINING THE RECONCILIATION CONTRIBUTION AMOUNT, THE RETIREMENT BOARD SHALL ASSUME INTEREST ON THE DEFERRED EMPLOYER CONTRIBUTION AMOUNT AT A RATE WHICH APPROXIMATES THE MONTHLY AVERAGE YIELD ON UNITED STATES TREASURY SECURITIES AT TEN-YEAR CONSTANT MATURITY FOR THE TWELVE-MONTH PERIOD PRECEDING AUGUST FIRST OF EACH YEAR PLUS ONE PERCENTAGE POINT. THE INTEREST RATE ASSOCIATED WITH SUCH DEFERRED EMPLOYER CONTRIBUTION AMOUNT SHALL BE SPECIFIC TO EACH APPLICABLE PLAN YEAR'S DEFERRED AMOUNT.

J. IN THE SIXTH PLAN YEAR, COMMENCING JULY FIRST, TWO THOUSAND EIGHTEEN, ALL PARTICIPATING EDUCATIONAL EMPLOYERS HAVING ELECTED THE STABLE CONTRIBUTION OPTION SHALL CONTINUE TO CONTRIBUTE THE STABLE CONTRIBUTION AMOUNT TO THE RETIREMENT SYSTEM AND REMIT TO THE RETIREMENT SYSTEM THE ACCRUED DEFERRED EMPLOYER CONTRIBUTIONS ACCUMULATED IN THE FIRST FIVE PLAN YEARS. THE STABLE PAYMENT OF THE DEFERRED EMPLOYER CONTRIBUTION ACCRUED BY THE PARTICIPATING EDUCATIONAL EMPLOYER SHALL BE PAID TO THE RETIREMENT SYSTEM IN EQUAL ANNUAL INSTALLMENTS OVER A FIVE-YEAR PERIOD, WITH INTEREST ON THE UNPAID PORTION TO BE BASED ON THE MONTHLY AVERAGE YIELD ON UNITED STATES TREASURY SECURITIES AT A TEN-YEAR CONSTANT MATURITY FOR THE TWELVE-MONTH PERIOD PRECEDING AUGUST FIRST OF EACH YEAR PLUS ONE PERCENTAGE POINT. THE INTEREST RATE ASSOCIATED WITH SUCH DEFERRED EMPLOYER CONTRIBUTION AMOUNT SHALL BE SPECIFIC TO THE RATE AS MEASURED ON AUGUST FIRST OF THE APPLICABLE PLAN YEAR TO SUCH DEFERRED AMOUNT. PAYMENTS OF THE STABLE INSTALLMENTS SHALL BE MADE IN THE SAME MANNER AS OTHER EMPLOYER CONTRIBUTIONS AS PRESCRIBED IN THIS ARTICLE. NOTHING IN THIS SUBDIVISION SHALL BE CONSTRUED AS PROHIBITING SUCH PARTICIPATING EDUCATIONAL EMPLOYER FROM MAKING A RECONCILIATION CONTRIBUTION IN ACCORDANCE WITH PARAGRAPH I OF THIS SUBDIVISION.

K. IN THE EIGHTH PLAN YEAR, COMMENCING JULY FIRST, TWO THOUSAND TWENTY, ALL PARTICIPATING EDUCATIONAL EMPLOYERS HAVING ELECTED THE STABLE CONTRIBUTION OPTION SHALL RESUME PAYMENT OF THE ACTUARIALLY REQUIRED CONTRIBUTION RATE OF NORMAL AND ADMINISTRATIVE CONTRIBUTIONS IN ACCORDANCE WITH SECTION FIVE HUNDRED SEVENTEEN AND FIVE HUNDRED NINETEEN OF THIS ARTICLE. ADDITIONALLY, SUCH EMPLOYER WILL REMIT TO THE RETIREMENT SYSTEM THE ACCRUED DEFERRED EMPLOYER CONTRIBUTIONS ACCUMULATED DURING THE PLAN YEARS COMMENCING JULY FIRST, TWO THOUSAND EIGHTEEN AND JULY FIRST, TWO THOUSAND NINETEEN OF THE STABLE CONTRIBUTION OPTION. THE STABLE PAYMENT OF THE DEFERRED EMPLOYER CONTRIBUTION ACCRUED BY THE PARTICIPATING EDUCATIONAL EMPLOYER SHALL BE PAID TO THE RETIREMENT SYSTEM IN EQUAL ANNUAL INSTALLMENTS OVER A FIVE-YEAR PERIOD WITH INTER-

EST ON THE UNPAID PORTION TO BE BASED ON THE MONTHLY AVERAGE YIELD ON UNITED STATES TREASURY SECURITIES AT A TEN-YEAR CONSTANT MATURITY FOR THE TWELVE-MONTH PERIOD PRECEDING AUGUST FIRST OF EACH YEAR PLUS ONE PERCENTAGE POINT. THE INTEREST RATE ASSOCIATED WITH SUCH DEFERRED EMPLOYER CONTRIBUTION AMOUNT SHALL BE SPECIFIC TO THE RATE AS MEASURED ON AUGUST FIRST OF THE APPLICABLE PLAN YEAR TO SUCH DEFERRED AMOUNT. PAYMENTS OF THE STABLE INSTALLMENTS SHALL BE MADE IN THE SAME MANNER AS OTHER EMPLOYER CONTRIBUTIONS AS PRESCRIBED IN THIS ARTICLE. NOTHING IN THIS SUBDIVISION SHALL BE CONSTRUED AS PROHIBITING SUCH PARTICIPATING EDUCATIONAL EMPLOYER FROM MAKING A RECONCILIATION CONTRIBUTION IN ACCORDANCE WITH PARAGRAPH I OF THIS SUBDIVISION.

L. NOTWITHSTANDING THE PROVISIONS OF THIS SUBDIVISION, IF THE RETIREMENT BOARD DECIDES TO ADOPT A STABLE CONTRIBUTION OPTION, IN ACCORDANCE WITH THIS SUBDIVISION, AND THE FUNDED STATUS OF THE RETIREMENT SYSTEM REACHES A THRESHOLD BELOW EIGHTY PERCENT AT THE END OF ANY PLAN YEAR DURING THE SEVEN PLAN YEAR TERM OF THIS OPTION, THE OPTION SHALL CEASE AND PARTICIPATING EDUCATIONAL EMPLOYERS WHO HAVE ELECTED THE STABLE CONTRIBUTION OPTION SHALL RESUME PAYMENT OF THE ACTUARIALLY REQUIRED CONTRIBUTION RATE OF NORMAL AND ADMINISTRATIVE CONTRIBUTIONS IN ACCORDANCE WITH SECTION FIVE HUNDRED SEVENTEEN AND FIVE HUNDRED NINETEEN OF THIS ARTICLE. ADDITIONALLY, SUCH EMPLOYER WILL MAKE A RECONCILIATION CONTRIBUTION TO THE RETIREMENT SYSTEM, AT AN AMOUNT TO BE DETERMINED BY THE RETIREMENT BOARD, ADEQUATE TO FUND THE BENEFITS FOR ACTIVE AND RETIRED MEMBERS ASSOCIATED WITH SUCH PARTICIPATING EDUCATIONAL EMPLOYER HAD SUCH PARTICIPATING EDUCATIONAL EMPLOYER NOT ELECTED THE PROVISIONS OF THIS SECTION. THE PAYMENT OF THE DEFERRED EMPLOYER CONTRIBUTION ACCRUED BY THE PARTICIPATING EDUCATIONAL EMPLOYER SHALL BE PAID TO THE RETIREMENT SYSTEM IN EQUAL ANNUAL INSTALLMENTS OVER A FIVE-YEAR PERIOD WITH INTEREST ON THE UNPAID PORTION TO BE BASED ON THE MONTHLY AVERAGE YIELD ON UNITED STATES TREASURY SECURITIES AT A TEN-YEAR CONSTANT MATURITY FOR THE TWELVE-MONTH PERIOD PRECEDING AUGUST FIRST OF EACH YEAR PLUS ONE PERCENTAGE POINT. THE INTEREST RATE ASSOCIATED WITH SUCH DEFERRED EMPLOYER CONTRIBUTION AMOUNT SHALL BE SPECIFIC TO THE RATE AS MEASURED ON AUGUST FIRST OF THE APPLICABLE PLAN YEAR TO SUCH DEFERRED AMOUNT. PAYMENTS OF THE STABLE INSTALLMENTS SHALL BE MADE IN THE SAME MANNER AS OTHER EMPLOYER CONTRIBUTIONS AS PRESCRIBED IN THIS ARTICLE.

M. THE RETIREMENT BOARD IS AUTHORIZED TO PROMULGATE RULES AND REGULATIONS FOR IMPLEMENTATION OF THIS SUBDIVISION.

S 5. This act shall take effect immediately.

FISCAL NOTE.--Pursuant to Legislative Law, Section 50:

This bill would amend Section 19-a and Section 319-a of the Retirement and Social Security Law as it pertains to employer bills of the New York State and Local Employees Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS). Eligible employers would be allowed to irrevocably elect an alternative amortization program which specifies:

1. The graded rate for contributions payable in fiscal years ending 2014 and 2015 will be 12.0% for employers in the New York State and Local Employees Retirement System (ERS) and 20.0% for employers in the New York State and Local Police and Fire Retirement System (PFRS).

2. The graded rate will move toward the actuarially required rate by no more than 0.5% per year from the prior year's graded rate.

3. Electing employers may amortize contributions based on the difference between the actuarially required rate and the graded rate over a 12 year period at the 10 year treasury rate interpolated to 12 years plus 100 basis points.

This bill puts in place a program that allows ERS and PFRS employers, if they choose to participate, to amortize a larger portion of their bill with their respective Retirement System than they are currently eligible under Section 19-a and Section 319-a. If they do this, then when rates are falling below certain levels and they have paid off all outstanding amortizations, the employer will be required to pay additional monies into a reserve fund that will be used when employer contribution rates begin to rise in the future.

If this bill is enacted, we estimate that there would be a small administrative cost to the System to revise the current billing and business communication processes.

Summary of relevant resources:

Data: March 31, 2012 Actuarial Year End File with distributions of membership and other statistics displayed in the 2012 Report of the Actuary and 2012 Comprehensive Annual Financial Report.

Assumptions and Methods: 2010, 2011 and 2012 Annual Report to the Comptroller on Actuarial Assumptions, Codes Rules and Regulations of the State of New York: Audit and Control.

Market Assets and GASB Disclosures: March 31, 2012 New York State and Local Retirement System Financial Statements and Supplementary Information.

Valuations of Benefit Liabilities and Actuarial Assets: summarized in the 2012 Actuarial Valuations report.

I am a member of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained.

This estimate, dated March 19, 2013 and intended for use only during the 2013 Legislative Session, is Fiscal Note No. 2013-70, prepared by the Actuary for the ERS and PFRS.

FISCAL NOTE.-- Pursuant to Legislative Law, Section 50:

This fiscal note was requested by the New York State Division of the Budget. Pursuant to Section 50 of the Legislative Law, the fiscal note that must be appended in its entirety to this bill is:

This bill would amend the Education Law to add an optional payment program for payment of employer contributions to the New York State Teachers' Retirement System (NYSTRS). The bill would add a new subdivision 3 to Section 521 which would permit the Retirement Board to allow employers of members of NYSTRS to elect to pay a stable contribution rate in lieu of the annually calculated actuarially-required contributions due for each of the next seven plan years beginning with the July first, two thousand thirteen through June thirtieth, two thousand fourteen plan year.

The stable contribution rate shall be fourteen percent of such employer's pensionable compensation paid during the plan year, for the term of the program beginning with the July first, two thousand thirteen through June thirtieth, two thousand fourteen plan year. This stable contribution rate shall be exclusive of payments for group term life insurance, deficiency contributions, adjustments relating to prior fiscal years' obligations, obligations pertaining to retirement incentives or any other obligation that the employer is permitted to pay on an amortized basis.

The Retirement Board is authorized to increase the stable contribution rate by up to two percentage points in plan years beginning July first, two thousand fifteen and July first, two thousand seventeen. The stable contribution rate may not exceed eighteen percent and it may not be less than fourteen percent.

In the sixth year, the fiscal year commencing July first, two thousand eighteen, employers who elected program participation shall continue to contribute the stable contribution rate and in addition shall contribute a stable payment to the retirement system to pay back the accrued deferred employer contributions accumulated in the first five years. The stable payment shall be paid to the retirement system in equal annual installments over a five-year period, with interest on the unpaid portion to be based on the monthly average yield on United States treasury securities at a ten-year constant maturity for the twelve month period preceding August first of each year plus one percentage point.

In the eighth year, the fiscal year commencing July first, two thousand twenty, all employers having elected program participation shall resume payment of the annually calculated actuarially-required contribution. Additionally there will be a payment to the retirement system to pay back the deferred employer contributions accumulated in years six and seven. The stable payment shall be paid to the retirement system in equal annual installments over a five-year period with interest on the unpaid portion to be based on the monthly average yield on United States treasury securities at a ten-year constant maturity for the twelve month period preceding August first of each year plus one percentage point.

An employer must elect to participate in the program in the plan year beginning July first, two thousand thirteen. An employer may subsequently elect to terminate participation in the program and resume payment of the annually calculated actuarially-required contribution. Additionally such employer will make a reconciliation payment intended to fund any deficiencies that have accrued along with interest due to the actuarially-required contributions being in excess of the contributions paid by the employer during participation in the program. The reconciliation payment shall be made over a period not to exceed five years.

Should the funded status of the retirement system become less than eighty percent at the end of any plan year, the program shall end and employers who have elected the program shall contribute the annually calculated actuarially-required contributions in the succeeding plan year, along with a reconciliation payment intended to fund any deficiencies that have accrued along with interest due to the actuarially-required contributions being in excess of the contributions paid by the employer during participation in the program. The reconciliation payment shall be made over a period not to exceed five years.

Cost Impact - This bill would permit a change in the manner in which employer contributions are to be collected over the next seven years. Employer contributions would continue to be determined in accordance with an annual actuarial valuation, but employers who elect to participate would be permitted to defer payment of a portion of their required contribution above a fixed amount (14% increased by 2.0% in years three and five, as needed, to a maximum of 18%). The annual deficiency amounts will be accumulated with an interest rate to be based on the monthly average yield on United States treasury securities at a ten-year constant maturity plus one percentage point. Deficiencies accumulated in program years one through five will be paid back over a five year period with the first payment due for the fiscal year beginning July first, two thousand eighteen and deficiencies accumulated in program years six and seven will be paid back over a five year period with the first payment due for the fiscal year beginning July first, two thousand twenty. There could be a cost to the System to the extent that the System could have achieved a higher investment return on the deficiency amounts than the interest that employers will pay.

According to a stochastic analysis of this proposed plan, the probability of System failure, with failure being defined as the System's funded ratio falling to 30% or lower, is only slightly higher under this proposal than it is under the current annually adjusting actuarial-funding method, with both probabilities less than 1.5%. This analysis assumes contributions are made as required and after the seven years the System returns to collecting the annual actuarially-required employer contribution on time and in full from all employers.

The actuarially-required employer contribution rates which will be applicable to the next seven fiscal years are as yet unknown, except for the first year. The actuarially-determined rate to be applicable to member compensation paid during the '13-'14 plan year is estimated to be equal to 16.25%.

The source of this estimate is Fiscal Note 2013-15 dated March 19, 2013 prepared by the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2013 Legislative Session. I, Richard A. Young, am the Actuary for the New York State Teachers' Retirement System. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

PART CC

Section 1. State agencies including but not limited to the department of health, the office of children and family services and the division of criminal justice services are authorized to enter into contracts for services and expenses of pay for success initiatives to improve program outcomes in the program areas of health care, early childhood development, child welfare and public safety. Such services and expenses shall include contract payments to intermediary organizations responsible for raising funds to support project costs and managing the delivery of services by direct service providers, contract payments for the verification and validation of program outcomes achieved, and payments based on the achievement and validation of specific performance targets as agreed upon in contracts and other agreements that are a part of pay for success initiatives, subject to appropriation. Intermediary organizations shall be selected through a competitive process pursuant to sections 112 and 163 of the state finance law and awarded according to best value. Direct service providers shall not include any for-profit corporation or other for-profit entity or organization.

S 2. No pay for success initiatives shall be undertaken pursuant to this act unless the director of budget determines that there is a reasonable expectation that the initiative and related administration costs will generate savings to the state and or local governments net of any payments pursuant to any appropriation authorizing funding under this act. Funding provided for pay for success initiatives shall not supplant any other funding for services in such program areas.

S 3. Any state agency authorized under section one of this act to undertake a pay for success initiative pursuant to this act shall submit a report on pay for success initiative activities and outcomes to the temporary president of the senate, the speaker of the assembly, the minority leader of the senate, the minority leader of the assembly and the governor by August 1, 2017. Such report shall include, but not be limited to, a description of the program, the names of participating organizations, the types of services provided, characteristics of the

population served, performance targets, outcomes and an analysis of savings achieved in particular program areas.

S 4. This act shall take effect April 1, 2013, provided however that no new program or contract may be established after March 31, 2018.

PART DD

Section 1. The private housing finance law is amended by adding a new article 27 to read as follows:

ARTICLE XXVII

RURAL AND URBAN COMMUNITY INVESTMENT FUND PROGRAM

SECTION 1230. STATEMENT OF LEGISLATIVE FINDINGS AND PURPOSE.
1231. DEFINITIONS.
1232. RURAL AND URBAN COMMUNITY INVESTMENT FUND.

S 1230. STATEMENT OF LEGISLATIVE FINDINGS AND PURPOSE. THE LEGISLATURE FINDS AND DECLARES THAT THERE EXISTS IN NEW YORK STATE A SERIOUS NEED TO ASSIST COMMUNITIES WITH THE CREATION AND IMPROVEMENT OF AFFORDABLE HOUSING, AND THE COMMERCIAL, RETAIL AND COMMUNITY FACILITIES RELATED TO MIXED USE AFFORDABLE RESIDENTIAL DEVELOPMENTS. LOCALLY BASED NOT-FOR-PROFIT ORGANIZATIONS PLAY A SIGNIFICANT ROLE IN ADDRESSING THE UNIQUE CHARACTERISTICS OF RURAL AND URBAN COMMUNITIES. PARTNERSHIPS, ALLIANCES AND COLLABORATIONS WITH CORPORATE ENTITIES, TO THE EXTENT PRACTICABLE, WILL FOSTER CROSS-SECTOR COLLABORATION IN ORDER TO BUILD A DIVERSE COMMUNITY SUPPORT SYSTEM. THE LEGISLATURE FINDS THAT, IN BOTH RURAL AND URBAN AREAS OF THE STATE, A PROGRAM SHOULD BE ESTABLISHED TO FUND THE CREATION, PRESERVATION AND/OR IMPROVEMENT OF AFFORDABLE HOUSING; OR THE CREATION, PRESERVATION OR IMPROVEMENT OF THE COMMERCIAL, RETAIL OR COMMUNITY FACILITIES COMPONENT OF MIXED USE AFFORDABLE RESIDENTIAL DEVELOPMENTS.

S 1231. DEFINITIONS. 1. "CORPORATION" SHALL MEAN THE HOUSING TRUST FUND CORPORATION ESTABLISHED IN SECTION FORTY-FIVE-A OF THIS CHAPTER.

2. "RURAL AND URBAN COMMUNITY INVESTMENT FUND PROGRAM" SHALL MEAN ACTIVITIES BY AN ELIGIBLE APPLICANT FOR A SPECIFIC WORK OR SERIES OF WORKS FOR THE CREATION, PRESERVATION OR IMPROVEMENT OF AFFORDABLE HOUSING, OR THE CREATION, PRESERVATION OR IMPROVEMENT OF THE COMMERCIAL, RETAIL OR COMMUNITY FACILITIES COMPONENT OF MIXED USE AFFORDABLE RESIDENTIAL DEVELOPMENTS, IN RURAL AND URBAN AREAS OF THE STATE.

3. "RURAL AREA OF THE STATE" SHALL MEAN CITIES, TOWNS AND VILLAGES HAVING A POPULATION OF LESS THAN TWENTY-FIVE THOUSAND AS DETERMINED BY THE LAST FEDERAL DECENNIAL CENSUS.

4. "URBAN AREA OF THE STATE" SHALL MEAN ANY UNIT OF LOCAL GOVERNMENT WITHIN THE STATE WITH A POPULATION OF MORE THAN OR EQUAL TO TWENTY-FIVE THOUSAND PERSONS AS DETERMINED BY THE LAST FEDERAL DECENNIAL CENSUS.

5. "ELIGIBLE APPLICANT" SHALL INCLUDE A NOT-FOR-PROFIT CORPORATION OR CHARITABLE ORGANIZATION, OR A WHOLLY-OWNED SUBSIDIARY OF SUCH A CORPORATION OR ORGANIZATION, OR A PRIVATE FOR-PROFIT DEVELOPER SUCH AS A PERSON, CORPORATION, PARTNERSHIP OR LIMITED LIABILITY COMPANY.

6. "AFFORDABLE RESIDENTIAL DEVELOPMENT" SHALL INCLUDE RESIDENTIAL UNITS THAT ARE RENT RESTRICTED AND OCCUPIED BY PERSONS AND FAMILIES WHOSE INCOME DOES NOT EXCEED NINETY PERCENT OF AREA MEDIAN INCOME FOR THE COUNTY IN WHICH A PROJECT IS LOCATED AS CALCULATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

S 1232. RURAL AND URBAN COMMUNITY INVESTMENT FUND. 1. WITHIN AMOUNTS APPROPRIATED OR OTHERWISE AVAILABLE THEREFOR, THE HOUSING TRUST FUND CORPORATION SHALL DEVELOP AND ADMINISTER A RURAL AND URBAN COMMUNITY INVESTMENT FUND PROGRAM WHICH SHALL PROVIDE ASSISTANCE IN THE FORM OF

PAYMENTS, GRANTS AND LOANS FOR REASONABLE AND NECESSARY EXPENSES, TO AN ELIGIBLE APPLICANT FOR THE CREATION, PRESERVATION OR IMPROVEMENT OF AFFORDABLE HOUSING; OR THE CREATION, PRESERVATION OR IMPROVEMENT OF THE COMMERCIAL, RETAIL OR COMMUNITY FACILITIES COMPONENT OF MIXED USE AFFORDABLE RESIDENTIAL DEVELOPMENTS, IN RURAL AND URBAN AREAS OF THE STATE.

2. PROGRAM CRITERIA. THE CORPORATION SHALL DEVELOP PROCEDURES, CRITERIA AND REQUIREMENTS RELATED TO THE APPLICATION AND AWARD OF PROJECTS PURSUANT TO THIS SECTION WHICH SHALL INCLUDE: ELIGIBILITY, MARKET DEMAND, FEASIBILITY AND FUNDING CRITERIA; THE FUNDING DETERMINATION PROCESS; SUPERVISION AND EVALUATION OF CONTRACTING APPLICANTS; REPORTING, BUDGETING AND RECORD-KEEPING REQUIREMENTS; PROVISIONS FOR MODIFICATION AND TERMINATION OF CONTRACTS; AND SUCH OTHER MATTERS NOT INCONSISTENT WITH THE PURPOSES AND PROVISIONS OF THIS ARTICLE AS THE CORPORATION SHALL DEEM NECESSARY OR APPROPRIATE.

3. FUND ALLOCATION. SIXTY PERCENT OF THE TOTAL FUNDS AWARDED PURSUANT TO THIS ARTICLE IN ANY FISCAL YEAR SHALL BE ALLOCATED TO PROJECTS LOCATED IN URBAN AREAS OF THE STATE. FORTY PERCENT OF THE TOTAL FUNDS AWARDED PURSUANT TO THIS ARTICLE IN ANY FISCAL YEAR SHALL BE ALLOCATED TO PROJECTS LOCATED IN RURAL AREAS OF THE STATE.

4. FUNDING CRITERIA. A ONE-THIRD MATCH REQUIREMENT SHALL BE REQUIRED OF ANY ELIGIBLE APPLICANT, WHICH MAY INCLUDE DONATED PROPERTY, MATERIALS OR LABOR AND OTHER RESOURCES, AND MAY BE REDUCED OR ELIMINATED FOR PROJECTS LOCATED WITHIN A DECLARED DISASTER AREA.

5. FUNDING AND ANNUAL REPORT. THE CORPORATION IN ITS SOLE DISCRETION SHALL AUTHORIZE ALL FUNDING DECISIONS AND MAKE ALL AWARD ANNOUNCEMENTS. THE CORPORATION SHALL, ON OR BEFORE DECEMBER THIRTY-FIRST IN EACH YEAR SUBMIT A REPORT TO THE LEGISLATURE ON THE IMPLEMENTATION OF THIS ARTICLE. SUCH REPORT SHALL INCLUDE, BUT NOT BE LIMITED TO, FOR EACH AWARD MADE TO A GRANTEE UNDER THIS ARTICLE: A DESCRIPTION OF SUCH AWARD; CONTRACT AMOUNT AND CUMULATIVE TOTAL; THE SPECIFIC ACTIVITIES IN RURAL AND URBAN AREAS PERFORMED BY SUCH GRANTEE; THE AMOUNTS OF MATCH MONIES RECEIVED BY THE GRANTEE FROM SOURCES OTHER THAN PAYMENTS MADE PURSUANT TO THIS ARTICLE; AND SUCH OTHER INFORMATION AS THE CORPORATION DEEMS PERTINENT.

S 2. This act shall take effect immediately.

PART EE

Section 1. Paragraph b of subdivision 2 of section 54-l of the state finance law, as added by section 1 of part J of chapter 57 of the laws of 2011, is amended to read as follows:

b. Within the amounts appropriated therefor, eligible municipalities shall receive an amount equal to [forty-five] FIFTY-FIVE percent of the state aid payment received in the state fiscal year commencing April first, two thousand eight from an appropriation for aid to municipalities with video lottery gaming facilities[, rounded up to the next thousand dollars].

S 2. This act shall take effect immediately.

PART FF

Section 1. The opening paragraph of subdivision a of section 265.20 of the penal law, as amended by chapter 496 of the laws of 1991, is amended to read as follows:

[Sections] PARAGRAPH (H) OF SUBDIVISION TWENTY-TWO OF SECTION 265.00 AND SECTIONS 265.01, 265.01-A, SUBDIVISION ONE OF SECTION 265.01-B, 265.02, 265.03, 265.04, 265.05, 265.10, 265.11, 265.12, 265.13, 265.15, 265.36, 265.37 and 270.05 shall not apply to:

S 2. Section 265.37 of the penal law, as added by chapter 1 of the laws of 2013, is amended to read as follows:

S 265.37 Unlawful possession of certain ammunition feeding devices.

It shall be unlawful for a person to knowingly possess an ammunition feeding device [that such person lawfully possessed before the effective date of the chapter of the laws of two thousand thirteen which added this section, that has a capacity of, or that can be readily restored or converted to accept more than seven but less than ten rounds of ammunition,] where such device contains more than seven rounds of ammunition.

If such device containing more than seven rounds of ammunition is possessed within the home of the possessor, the person so possessing the device shall, for a first offense, be guilty of a violation and subject to a fine of two hundred dollars, and for [a second] EACH SUBSEQUENT offense, be guilty of a class B misdemeanor and subject to a fine of two hundred dollars and a term of up to three months imprisonment.

If such device containing more than seven rounds of ammunition is possessed in any location other than the home of the possessor, the person so possessing the device shall, for a first offense, be guilty of a class B misdemeanor and subject to a fine of two hundred dollars and a term of up to six months imprisonment, and for [a second] EACH SUBSEQUENT offense, be guilty of a class A misdemeanor.

S 3. Section 265.45 of the penal law, as added by chapter 1 of the laws of 2013, is amended to read as follows:

S 265.45 Safe storage of rifles, shotguns, and firearms.

No person who owns or is custodian of a rifle, shotgun or firearm who resides with an individual who such person knows or has reason to know is prohibited from possessing a firearm pursuant to 18 U.S.C. S 922(g)(1), (4), (8) or (9) shall store or otherwise leave such rifle, shotgun or firearm out of his or her immediate possession or control without having first securely locked such rifle, shotgun or firearm in an appropriate safe storage depository or rendered it incapable of being fired by use of a gun locking device appropriate to that weapon. For purposes of this section "safe storage depository" shall mean a safe or other secure container which, when locked, is incapable of being opened without the key, combination or other unlocking mechanism and is capable of preventing an unauthorized person from obtaining access to and possession of the weapon contained therein. With respect to a person who is prohibited from possessing a firearm pursuant to 18 USC S 922(g)(9), for purposes of this section, this section applies only if such person has been convicted of a crime included in subdivision one of section 370.15 of the criminal procedure law and such gun is possessed within five years from the later of the date of conviction or completion of sentence. NOTHING IN THIS SECTION SHALL BE DEEMED TO AFFECT, IMPAIR OR SUPERSEDE ANY SPECIAL OR LOCAL ACT RELATING TO THE SAFE STORAGE OF RIFLES, SHOTGUNS OR FIREARMS WHICH IMPOSE ADDITIONAL REQUIREMENTS ON THE OWNER OR CUSTODIAN OF SUCH WEAPONS.

A violation of this section shall constitute a class A misdemeanor.

S 4. Subdivision b of section 58 of chapter 1 of the laws of 2013 amending the criminal procedure law and other laws relating to suspension and revocation of firearms licenses, is amended to read as follows:

b. The amendments to subdivision 23 of section 265.00 of the penal law made by section thirty-eight of this act shall take effect on the nine-

tieth day after this act shall have become a law, except that the amendments [made to] DESIGNATING paragraph (a) of subdivision 23 shall take effect immediately; AND PROVIDED FURTHER THAT THE EFFECTIVE DATE OF THE AMENDMENTS ADDING PARAGRAPHS (B) AND (C) TO SUCH SUBDIVISION SHALL BE SUSPENDED AND NOT EFFECTIVE;

S 5. This act shall take effect immediately; provided, however, that sections one and four of this act shall be deemed to have been in full force and effect on the same date as chapter 1 of the laws of 2013 took effect.

PART GG

Section 1. Subdivision 18 of section 2 of the workers' compensation law is REPEALED.

S 2. Subdivision 9 of section 13-l of the workers' compensation law, as added by chapter 940 of the laws of 1973, is amended to read as follows:

9. The [chairman] CHAIR shall appoint for and with jurisdiction in the entire state of New York a single chiropractic practice committee composed of [one duly licensed physician and two] THREE duly registered and licensed chiropractors of the state of New York. Each member of said committee shall receive compensation either on an annual basis or on a per diem basis to be fixed by the [chairman] CHAIR within amounts appropriated therefor. One of said chiropractic members shall be designated by the [chairman] CHAIR as a [chairman] CHAIR of said chiropractic practice committee. No member of said committee shall render chiropractic treatment under this section nor be employed or accept or participate in any fee from any insurance company authorized to write [workmen's] WORKERS' compensation insurance in this state or from any self-insurer, whether such employment or fee relates to a [workmen's] WORKERS' compensation claim or otherwise. The [attorney-general] ATTORNEY GENERAL, upon request, shall advise and assist such committee.

S 3. Subdivision 10 of section 13-m of the workers' compensation law, as added by chapter 589 of the laws of 1989, is amended to read as follows:

10. The [chairman] CHAIR shall appoint for and with jurisdiction in the entire state of New York a single psychology practice committee composed of [two] THREE duly registered and licensed psychologists, at least one of whom shall be a member in good standing of the New York state psychological association recommended by the president of such organization[, and one duly licensed physician of the state of New York]. Each member of said committee shall receive compensation either on an annual basis or on a per diem basis to be fixed by the [chairman] CHAIR within amounts appropriated therefor. One of said psychologists shall be designated by the [chairman] CHAIR as a [chairman] CHAIR of said psychology practice committee. No member of said committee shall render psychological treatment under this section nor be an employer or accept or participate in any fee from any insurance company authorized to write workers' compensation insurance in this state or from any self-insurer, whether such employment or fee relates to a workers' compensation claim or otherwise. The attorney general, upon request, shall advise and assist such committee.

S 4. Subdivisions 2, 3 and 4 of section 13-g of the workers' compensation law, subdivision 2 as amended by chapter 649 of the laws of 1985, subdivision 3 as amended by chapter 674 of the laws of 1994, and subdi-

vision 4 as amended by chapter 639 of the laws of 1996, are amended to read as follows:

(2) (A) IF THE PARTIES FAIL TO AGREE TO THE VALUE OF MEDICAL AID RENDERED UNDER THIS CHAPTER AND THE AMOUNT OF THE DISPUTED BILL IS ONE THOUSAND DOLLARS OR LESS, OR IF THE AMOUNT OF THE DISPUTED MEDICAL BILL EXCEEDS ONE THOUSAND DOLLARS AND THE HEALTH CARE PROVIDER EXPRESSLY SO REQUESTS, SUCH VALUE SHALL BE DECIDED BY A SINGLE ARBITRATOR PROCESS, PURSUANT TO RULES PROMULGATED BY THE CHAIR. THE CHAIR SHALL APPOINT A PHYSICIAN WHO IS A MEMBER IN GOOD STANDING OF THE MEDICAL SOCIETY OF THE STATE OF NEW YORK TO DETERMINE THE VALUE OF SUCH DISPUTED MEDICAL BILL. WHERE THE PHYSICIAN WHOSE CHARGES ARE BEING ARBITRATED IS A MEMBER IN GOOD STANDING OF THE NEW YORK OSTEOPATHIC SOCIETY, THE VALUE OF SUCH DISPUTED BILL SHALL BE DETERMINED BY A MEMBER IN GOOD STANDING OF THE NEW YORK OSTEOPATHIC SOCIETY APPOINTED BY THE CHAIR. WHERE THE PHYSICIAN WHOSE CHARGES ARE BEING ARBITRATED IS A MEMBER IN GOOD STANDING OF THE NEW YORK HOMEOPATHIC SOCIETY, THE VALUE OF SUCH DISPUTED BILL SHALL BE DETERMINED BY A MEMBER IN GOOD STANDING OF THE NEW YORK HOMEOPATHIC SOCIETY APPOINTED BY THE CHAIR. WHERE THE VALUE OF PHYSICAL THERAPY SERVICES OR OCCUPATIONAL THERAPY SERVICES IS AT ISSUE, SUCH VALUE SHALL BE DETERMINED BY A MEMBER IN GOOD STANDING OF A RECOGNIZED PROFESSIONAL ASSOCIATION REPRESENTING ITS RESPECTIVE PROFESSION IN THE STATE OF NEW YORK APPOINTED BY THE CHAIR. DECISIONS RENDERED UNDER THE SINGLE ARBITRATOR PROCESS SHALL BE CONCLUSIVE UPON THE PARTIES AS TO THE VALUE OF THE SERVICES IN DISPUTE.

(B) If the parties fail to agree as to the value of medical aid rendered under this chapter AND THE AMOUNT OF THE DISPUTED BILL EXCEEDS ONE THOUSAND DOLLARS, such value shall be decided by an arbitration committee [consisting] UNLESS THE HEALTH CARE PROVIDER EXPRESSLY REQUESTS A SINGLE ARBITRATOR PROCESS IN ACCORDANCE WITH PARAGRAPH (A) OF THIS SUBDIVISION. THE ARBITRATION COMMITTEE SHALL CONSIST of one physician designated by the president of the medical society of the county in which the medical services were rendered, one physician who is a member of the medical society of the state of New York, appointed by the employer or carrier, and one physician, also a member of the medical society of the state of New York, appointed by the [chairman] CHAIR of the workers' compensation board. [The majority decision of any such committee shall be conclusive upon the parties as to the value of the services rendered.] If the physician whose charges are being arbitrated is a member in good standing of the New York osteopathic society or the New York homeopathic society, the members of such arbitration committee shall be physicians of such organization, one to be appointed by the president of that organization, one by the employer or carrier and the third by the [chairman] CHAIR of the workers' compensation board. Where the value of physical therapy services is at issue AND THE AMOUNT OF THE DISPUTED BILL EXCEEDS ONE THOUSAND DOLLARS, the arbitration committee shall consist of a member in good standing of a recognized professional association representing physical therapists in the state of New York appointed by the president of such organization, a physician designated by the employer or carrier and a physician designated by the [chairman] CHAIR of the workers' compensation board provided however, that the [chairman] CHAIR finds that there are a sufficient number of physical therapy arbitrations in a geographical area comprised of one or more counties to warrant a committee so comprised. In all other cases where the value of physical therapy services is at issue AND THE AMOUNT OF THE DISPUTED BILL EXCEEDS ONE THOUSAND DOLLARS, the arbitration committee shall be similarly selected and identical in composition, provided that

the physical therapist member shall serve without remuneration, and provided further that in the event a physical therapist is not available, the committee shall be comprised of three physicians designated in the same manner as in cases where the value of medical aid is at issue.

(C) Where the value of occupational therapy services is at issue the arbitration committee shall consist of a member in good standing of a recognized professional association representing occupational therapists in the state of New York appointed by the president of such organization; a physician designated by the employer or carrier and a physician designated by the [chairman] CHAIR of the workers' compensation board provided, however, that the [chairman] CHAIR finds that there are a sufficient number of occupational therapy arbitrations in a geographical area comprised of one or more counties to warrant a committee so comprised. In all other cases where the value of occupational therapy services is at issue AND THE AMOUNT OF THE DISPUTED BILL EXCEEDS ONE THOUSAND DOLLARS, the arbitration committee shall be similarly selected and identical in composition, provided that the occupational therapist member shall serve without remuneration, and provided further that in the event an occupational therapist is not available, the committee shall be comprised of three physicians designated in the same manner as in cases where the value of medical aid is at issue. THE MAJORITY DECISION OF ANY SUCH ARBITRATION COMMITTEE SHALL BE CONCLUSIVE UPON THE PARTIES AS TO THE VALUE OF THE SERVICES IN DISPUTE.

(3) (A) IF AN EMPLOYER SHALL HAVE NOTIFIED THE HOSPITAL IN WRITING, AS PROVIDED IN SUBDIVISION ONE OF THIS SECTION, WHY THE BILL HAS NOT BEEN PAID, IN PART OR IN FULL, AND THE AMOUNT OF THE DISPUTED BILL IS ONE THOUSAND DOLLARS OR LESS, OR WHERE THE AMOUNT OF THE DISPUTED MEDICAL BILL EXCEEDS ONE THOUSAND DOLLARS AND THE HOSPITAL EXPRESSLY SO REQUESTS, SUCH VALUE SHALL BE DECIDED BY A SINGLE ARBITRATOR PROCESS, PURSUANT TO RULES PROMULGATED BY THE CHAIR. THE CHAIR SHALL APPOINT A PHYSICIAN IN GOOD STANDING LICENSED TO PRACTICE IN NEW YORK STATE TO DETERMINE THE VALUE OF SUCH DISPUTED BILL. DECISIONS RENDERED UNDER THE ADMINISTRATIVE RESOLUTION PROCEDURE SHALL BE CONCLUSIVE UPON THE PARTIES AS TO THE VALUE OF THE SERVICES IN DISPUTE.

(B) If an employer shall have notified the hospital in writing, as provided in subdivision one of this section, why the bill has not been paid, in part or in full, AND THE AMOUNT OF THE DISPUTED BILL EXCEEDS ONE THOUSAND DOLLARS, the value of such bill shall be determined by an arbitration committee appointed by the chair for that purpose, which committee shall consider all of the charges of the hospital, UNLESS THE HOSPITAL EXPRESSLY REQUESTS A SINGLE ARBITRATOR PROCESS PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION. The committee shall consist of three physicians. One member of the committee may be nominated [to] BY the chair [by] UPON RECOMMENDATION OF the president of the hospital association of New York state and one member may be nominated by the employer or insurance carrier. The majority decision of any such committee shall be conclusive upon the parties as to the value of the services rendered. The chair may make reasonable rules and regulations consistent with the provisions of this section.

(4) A provider initiating an arbitration, INCLUDING A SINGLE ARBITRATOR PROCESS, pursuant to this section shall pay a fee as determined by regulations promulgated by the chair, to be used to cover the costs related to the conduct of such arbitration. Upon resolution in favor of such party, the amount due, based upon the bill in dispute, shall be increased by the amount of the fee paid by such party. Where a partial award is made, the amount due, based upon the bill in dispute, shall be

increased by a part of such fee. Each member of an arbitration committee for medical bills, and each member of an arbitration committee for hospital bills shall be entitled to receive and shall be paid a fee for each day's attendance at an arbitration session in any one count in an amount fixed by the chair of the workers' compensation board.

S 5. Subdivision 6 of section 13-k of the workers' compensation law, as amended by chapter 639 of the laws of 1996, is amended to read as follows:

6. (A) The provisions of subdivisions one and three of section thirteen-g of this article with respect to the conditions under which a hospital, physician or self-employed physical or occupational therapist may request payment or arbitration of a bill, or under which an award may be made for payment of such bill, shall be applicable to bills rendered by a podiatrist for services rendered to an injured employee.

(B) IF THE PARTIES FAIL TO AGREE AS TO THE VALUE OF PODIATRY CARE RENDERED UNDER THIS CHAPTER TO A CLAIMANT, AND THE AMOUNT OF THE DISPUTED BILL IS ONE THOUSAND DOLLARS OR LESS, OR WHERE THE AMOUNT OF THE DISPUTED BILL EXCEEDS ONE THOUSAND DOLLARS AND THE PODIATRIST EXPRESSLY SO REQUESTS, SUCH VALUE SHALL BE DECIDED BY A SINGLE ARBITRATOR PROCESS, PURSUANT TO RULES PROMULGATED BY THE CHAIR. THE CHAIR SHALL APPOINT A MEMBER IN GOOD STANDING OF A RECOGNIZED PROFESSIONAL ASSOCIATION REPRESENTING PODIATRISTS IN THE STATE OF NEW YORK TO DETERMINE THE VALUE OF SUCH DISPUTED BILL. DECISIONS RENDERED UNDER THE SINGLE ARBITRATOR PROCESS SHALL BE CONCLUSIVE UPON THE PARTIES AS TO THE VALUE OF THE SERVICES IN DISPUTE.

(C) If the parties fail to agree as to the value of podiatry care rendered under this chapter to a claimant AND THE AMOUNT OF THE DISPUTED BILL EXCEEDS ONE THOUSAND DOLLARS AND THE PODIATRIST DOES NOT EXPRESSLY REQUEST A SINGLE ARBITRATOR PROCESS IN ACCORDANCE WITH PARAGRAPH (B) OF THIS SUBDIVISION, such value shall be decided by an arbitration committee consisting of three duly registered and licensed podiatrists who are members of a recognized professional association representing podiatrists in the state of New York, one to be appointed by the president of such an association, one to be appointed by the employer or carrier and one to be appointed by the chair of the workers' compensation board and the majority decision of such committee shall be conclusive upon the parties as to the value of the services rendered.

(D) The board or the chair may make an award not in excess of the established fee schedules for any such bill or part thereof which remains unpaid in the same manner as an award for bills rendered under subdivisions one and three of section thirteen-g of this article, and such award may be collected in like manner as an [aware] AWARD of compensation. Where a podiatrist's bill has been determined to be due and owing in accordance with the provisions of this section the board shall include in the amount of the award interest of not more than one and one-half percent (1 1/2%) per month payable to the podiatrist in accordance with the rules and regulations promulgated by the board. The chair shall assess the sum of fifty dollars against the employer for each such award made by the board, which sum shall be paid into the state treasury.

(E) A provider initiating an arbitration, INCLUDING A SINGLE ARBITRATION PROCESS, pursuant to this section shall pay a fee, as determined by regulations promulgated by the chair, to be used to cover the costs related to the conduct of such arbitration. Upon resolution in favor of such party, the amount due, based upon the bill in dispute, shall be increased by the amount of the fee paid by such party. Where a partial

award is made, the amount due, based upon the bill in dispute shall be increased by a part of such fee. Each member of the arbitration committee shall be entitled to receive and shall be paid a fee for each day's attendance at an arbitration session in an amount fixed by the chair of the workers' compensation board.

S 6. Subdivision 6 of section 13-l of the workers' compensation law, as amended by chapter 639 of the laws of 1996, is amended to read as follows:

6. (A) The provisions of subdivisions one and three of section thirteen-g of this article with respect to the conditions under which a hospital, physician or self-employed physical or occupational therapist may request payment or arbitration of a bill, or under which an award may be made for payment of such bill, shall be applicable to bills rendered by a chiropractor for services rendered to an injured employee.

(B) IF THE PARTIES FAIL TO AGREE AS TO THE CHIROPRACTIC CARE RENDERED UNDER THIS CHAPTER TO A CLAIMANT, AND THE AMOUNT OF THE DISPUTED BILL IS ONE THOUSAND DOLLARS OR LESS, OR WHERE THE AMOUNT OF THE DISPUTED BILL EXCEEDS ONE THOUSAND DOLLARS AND THE CHIROPRACTOR EXPRESSLY SO REQUESTS, SUCH VALUE SHALL BE DECIDED BY A SINGLE ARBITRATOR PROCESS, PURSUANT TO RULES PROMULGATED BY THE CHAIR. THE CHAIR SHALL APPOINT A MEMBER IN GOOD STANDING OF A RECOGNIZED PROFESSIONAL ASSOCIATION REPRESENTING CHIROPRACTORS IN THE STATE OF NEW YORK TO DETERMINE THE VALUE OF SUCH DISPUTED BILL. DECISIONS RENDERED UNDER THE SINGLE ARBITRATOR PROCESS SHALL BE CONCLUSIVE UPON THE PARTIES AS TO THE VALUE OF THE SERVICES IN DISPUTE.

(C) If the parties fail to agree as to the chiropractic care rendered under this chapter to a claimant, AND THE AMOUNT OF THE DISPUTED BILL EXCEEDS ONE THOUSAND DOLLARS AND THE CHIROPRACTOR DOES NOT EXPRESSLY REQUEST A SINGLE ARBITRATOR PROCESS IN ACCORDANCE WITH PARAGRAPH (B) OF THIS SUBDIVISION, such value shall be decided by the chiropractic practice committee and the majority decision of such committee shall be conclusive upon the parties as to the value of the services rendered.

(D) The board or the chair may make an award not in excess of the established fee schedules for any such bill or part thereof which remains unpaid in the same manner as an award for bills rendered under subdivisions one and three of section thirteen-g of this article, and such award may be collected in like manner as an award of compensation. Where a chiropractor's bill has been determined to be due and owing in accordance with the provisions of this section the board shall include in the amount of the award interest of not more than one and one-half percent (1 1/2%) per month payable to the chiropractor in accordance with the rules and regulations promulgated by the board. The chair shall assess the sum of fifty dollars against the employer for each such award made by the board, which sum shall be paid into the state treasury.

(E) A provider initiating an arbitration, INCLUDING A SINGLE ARBITRATOR PROCESS, pursuant to this section shall pay a fee, as determined by regulations promulgated by the chair, to be used to cover the costs related to the conduct of such arbitration. Upon resolution in favor of such party, the amount due, based upon the bill in dispute, shall be increased by the amount of the fee paid by such party. Where a partial award is made, the amount due, based upon the bill in dispute, shall be increased by a part of such fee.

S 7. Subdivision 7 of section 13-m of the workers' compensation law, as amended by chapter 674 of the laws of 1994, paragraph (c) as amended by chapter 639 of the laws of 1996, is amended to read as follows:

7. (a) The provisions of subdivisions one and three of section thirteen-g of this article with respect to the conditions under which a hospital, physician or self-employed physical or occupational therapist may request payment or arbitration of a bill, or under which an award may be made for payment of such bill, shall be applicable to bills rendered by a psychologist for services rendered to an injured employee.

(B) IF THE PARTIES FAIL TO AGREE AS TO THE PSYCHOLOGICAL CARE RENDERED UNDER THIS CHAPTER TO A CLAIMANT, AND THE AMOUNT OF THE DISPUTED BILL IS ONE THOUSAND DOLLARS OR LESS, OR WHERE THE AMOUNT OF THE DISPUTED BILL EXCEEDS ONE THOUSAND DOLLARS AND THE PSYCHOLOGIST EXPRESSLY SO REQUESTS, SUCH VALUE SHALL BE DECIDED BY A SINGLE ARBITRATOR PROCESS, PURSUANT TO RULES PROMULGATED BY THE CHAIR. THE CHAIR SHALL APPOINT A MEMBER IN GOOD STANDING OF A RECOGNIZED PROFESSIONAL ASSOCIATION REPRESENTING PSYCHOLOGISTS IN THE STATE OF NEW YORK TO DETERMINE THE VALUE OF SUCH DISPUTED BILL. DECISIONS RENDERED UNDER THE SINGLE ARBITRATOR PROCESS SHALL BE CONCLUSIVE UPON THE PARTIES AS TO THE VALUE OF THE SERVICES IN DISPUTE.

(C) If the parties fail to agree as to the psychological care rendered under this chapter to a claimant, AND THE AMOUNT OF THE DISPUTED BILL EXCEEDS ONE THOUSAND DOLLARS AND THE PSYCHOLOGIST DOES NOT EXPRESSLY REQUEST A SINGLE ARBITRATOR PROCESS IN ACCORDANCE WITH PARAGRAPH (B) OF THIS SUBDIVISION, such value shall be decided by the psychology practice committee and the majority decision of such committee shall be conclusive upon the parties as to the value of the services rendered.

(D) The board or the chair may make an award not in excess of the established fee schedules for any such bill or part thereof which remains unpaid in the same manner as an award for bills rendered under subdivisions one and three of section thirteen-g of this article, and such award may be collected in like manner as an award of compensation. The chair shall assess the sum of fifty dollars against the employer for each such award made by the board, which sum shall be paid into the state treasury. [(b)] Where a psychologist's bill has been determined to be due and owing in accordance with the provisions of this section the board shall include in the amount of the award interest of not more than one and one-half percent per month payable to the psychologist in accordance with the rules and regulations promulgated by the board.

[(c)] (E) A provider initiating an arbitration, INCLUDING A SINGLE ARBITRATOR PROCESS, pursuant to this section shall pay a fee, as determined by regulations promulgated by the chair, to be used to cover the costs related to the conduct of such arbitration. Upon resolution in favor of such party, the amount due, based upon the bill in dispute, shall be increased by the amount of the fee paid by such party. Where a partial award is made, the amount due, based upon the bill in dispute, shall be increased by a part of such fee.

S 7-a. Paragraph (a) of subdivision 6 of section 15 of the workers' compensation law, as amended by chapter 689 of the laws of 2007, is amended to read as follows:

(a) Compensation for permanent or temporary total disability due to an accident or disablement resulting from an occupational disease that occurs, (1) on or after January first, nineteen hundred seventy-eight, shall not exceed one hundred twenty-five dollars per week, that occurs (2) on or after July first, nineteen hundred seventy-eight, shall not exceed one hundred eighty dollars per week, that occurs (3) on or after January first, nineteen hundred seventy-nine, shall not exceed two hundred fifteen dollars per week, that occurs (4) on or after July first, nineteen hundred eighty-three, shall not exceed two hundred fifty-five dollars per week, that occurs (5) on or after July first,

nineteen hundred eighty-four, shall not exceed two hundred seventy-five dollars per week, that occurs (6) on or after July first, nineteen hundred eighty-five, shall not exceed three hundred dollars per week, that occurs (7) on or after July first, nineteen hundred ninety, shall not exceed three hundred forty dollars per week; and in the case of temporary total disability shall not be less than thirty dollars per week and in the case of permanent total disability shall not be less than twenty dollars per week except that if the employee's wages at the time of injury are less than thirty or twenty dollars per week respectively, he or she shall receive his or her full weekly wages. Compensation for permanent or temporary partial disability due to an accident or disablement resulting from an occupational disease that occurs (1) on or after January first, nineteen hundred seventy-eight, shall not exceed one hundred five dollars per week, that occurs (2) on or after July first, nineteen hundred eighty-three, shall not exceed one hundred twenty-five dollars per week, that occurs (3) on or after July first, nineteen hundred eighty-four, shall not exceed one hundred thirty-five dollars per week, that occurs (4) on or after July first, nineteen hundred eighty-five, shall not exceed one hundred fifty dollars per week, that occurs (5) on or after July first, nineteen hundred ninety, shall not exceed two hundred eighty dollars per week; nor be less than twenty dollars per week; except that if the employee's wages at the time of injury are less than twenty dollars per week, he or she shall receive his or her full weekly wages. In no event shall compensation when combined with decreased earnings or earning capacity exceed the amount of wages which the employee was receiving at the time the injury occurred. Compensation for permanent or temporary partial disability, or for permanent or temporary total disability due to an accident or disablement resulting from an occupational disease that occurs (1) on or after July first, nineteen hundred ninety-one and prior to July first, nineteen hundred ninety-two, shall not exceed three hundred fifty dollars per week; (2) on or after July first, nineteen hundred ninety-two, shall not exceed four hundred dollars per week; nor be less than forty dollars per week except that if the employee's wages at the time of injury are less than forty dollars per week, the employee shall receive his or her full wages. Compensation for permanent or temporary partial disability, or for permanent or temporary total disability due to an accident or disablement resulting from an occupational disease that occurs (1) on or after July first, two thousand seven shall not exceed five hundred dollars per week, (2) on or after July first, two thousand eight shall not exceed five hundred fifty dollars per week, (3) on or after July first, two thousand nine shall not exceed six hundred dollars per week, and (4) on or after July first, two thousand ten, and on or after July first of each succeeding year, shall not exceed two-thirds of the New York state average weekly wage for the year in which it is reported. Compensation for permanent or temporary partial disability, or for permanent or temporary total disability due to an accident or disablement resulting from an occupational disease that occurs on or after July first, two thousand seven shall not be less than one hundred dollars per week except that if the employee's wages at the time of injury are less than one hundred dollars per week, the employee shall receive his or her full wages. COMPENSATION FOR PERMANENT OR TEMPORARY PARTIAL DISABILITY, OR FOR PERMANENT OR TEMPORARY TOTAL DISABILITY DUE TO AN ACCIDENT OR DISABLEMENT RESULTING FROM AN OCCUPATIONAL DISEASE THAT OCCURS ON OR AFTER MAY FIRST, TWO THOUSAND THIRTEEN SHALL NOT BE LESS THAN ONE HUNDRED FIFTY DOLLARS PER WEEK EXCEPT THAT IF THE EMPLOY-

EE'S WAGES AT THE TIME OF INJURY ARE LESS THAN ONE HUNDRED FIFTY DOLLARS PER WEEK, THE EMPLOYEE SHALL RECEIVE HIS OR HER FULL WAGES. In no event shall compensation when combined with decreased earnings or earning capacity exceed the amount of wages the employee was receiving at the time the injury occurred. Compensation for permanent or temporary partial disability, or for permanent or temporary total disability due to an accident or disablement resulting from an occupational disease or injury that occurred as a result of World Trade Center rescue activity by an employee of a private voluntary hospital, who passed a physical examination upon employment as a rescue worker that failed to reveal evidence of a condition that was the proximate cause of disablement or occupational disease or injury, shall not exceed three-quarters of a claimant's wage on September eleventh, two thousand one. In no event shall compensation when combined with decreased earnings or earning capacity exceed the amount of wages the employee was receiving on September eleventh, two thousand one.

S 8. Paragraph (h) of subdivision 8 of section 15 of the workers' compensation law, as amended by chapter 6 of the laws of 2007, subparagraph 4 as amended by section 1 of part QQ of chapter 56 of the laws of 2009, the opening paragraph and clauses (A) and (B) of subparagraph 4 as amended by section 1 of part G of chapter 57 of the laws of 2011, and clause (B) of subparagraph 4 as further amended by section 104 of part A of chapter 62 of the laws of 2011, is amended to read as follows:

(h) Special disability fund. (1) The fund heretofore maintained and provided for by and pursuant to former subdivision eight of this section, is hereby continued and shall retain the liabilities heretofore charged or chargeable thereto under the provisions of such former subdivision eight of this section as it existed immediately prior to the time this subdivision, as hereby added, takes effect, and the liabilities chargeable thereto under the provisions of former subdivision eight-a of this section as added by chapter seven hundred forty-nine of the laws of nineteen hundred forty-four and repealed at the same time this subdivision, as heretofore added, takes effect, and payments therefrom on account of such liabilities shall continue to be made as provided herein. The said fund shall be known as the special disability fund and shall be available only for the purposes stated in this subdivision, and the assets thereof shall not at any time be appropriated or diverted to any other use or purpose.

(2) (A) No carrier or employer, or the state insurance fund, may file a claim for reimbursement from the special disability fund, for an injury or illness with a date of accident or date of disablement on or after July first, two thousand seven. No carrier or employer, or the state insurance fund, may file a claim for reimbursement from the special disability fund after July first, two thousand ten, and no written submissions or evidence in support of such a claim may be submitted after that date.

(B) All requests for reimbursement from the special disability fund with a date of injury or date of disablement prior to July first, two thousand seven as to which the board has determined that the special disability fund is liable must be submitted to the special disability fund by the later of (i) one year after the expense has been paid, or (ii) one year from the effective date of this paragraph.

[(C) All claims for reimbursement from the special disability fund must be accompanied by a filing fee of two hundred fifty dollars, to be deposited in the special disability fund. Upon any final ruling that a

claim is eligible for reimbursement from the fund, the fund will return two hundred dollars of this fee to the claimant.]

(3) [The chair of the board shall, as soon as practicable after April first, nineteen hundred forty-five, assess upon and collect from each insurance carrier, including the state insurance fund and any county, city, town, village or other political subdivision failing to secure compensation pursuant to subdivision one or two of section fifty of this chapter, a sum equal to one per centum of the total compensation paid by such carrier in the year ending March thirty-first next preceding the date of such assessment.

(4) As soon as practicable after May first in the year nineteen hundred fifty-eight, and annually thereafter as soon as practicable after January first in each succeeding year,] EFFECTIVE THE FIRST DAY OF JANUARY, TWO THOUSAND FOURTEEN, AND ANNUALLY THEREAFTER, the chair of the board shall [assess upon and] collect from all [self-insurers, the state insurance fund, and all insurance carriers] AFFECTED EMPLOYERS (A) a sum equal to one hundred fifty per centum of the total EXPECTED disbursements made from the special disability fund during the [preceding calendar] year (not including any disbursements made on account of anticipated liabilities or waiver agreements funded by bond proceeds and related earnings), less the ESTIMATED amount of the net assets in such fund EXPECTED as of December thirty-first [of said preceding calendar year,] and (B) a sum sufficient to cover debt service, and associated costs (the "debt service assessment") to be paid during the calendar year by the dormitory authority, as calculated in accordance with subparagraph [five] FOUR of this paragraph. Such assessments shall be [allocated to (i) self-insurers and the state insurance fund based upon the proportion that the total compensation payments made by all self-insurers and the state insurance fund bore to the total compensation payments made by all self-insurers, the state insurance fund, and all insurance carriers, and (ii) insurance carriers based upon the proportion that the total compensation payments made by all insurance carriers bore to the total compensation payments by all self-insurers, the state insurance fund and all insurance carriers during the fiscal year which ended within said preceding calendar year. Insurance carriers and self-insurers shall be liable for all such assessments regardless of the date on which they came into existence, or whether they have made any claim for reimbursement from the special disability fund. The portion of such sum allocated to self-insurers and the state insurance fund that shall be collected from each self-insurer and the state insurance fund shall be a sum equal to the proportion of the amount which the total compensation payments of each such self-insurer or the state insurance fund bore to the total compensation payments made by all self-insurers and the state insurance fund during the fiscal year which ended within said preceding calendar year. The portion of such sum allocated to insurance carriers that shall be collected from each insurance carrier shall be a sum equal to that proportion of the amount which the total standard premium by each such insurance carrier bore to the total standard premium reported by all insurance carriers during the calendar year which ended within said preceding fiscal year. The payments from the debt service assessment, unless otherwise set forth in the special disability fund financing agreement, are hereby pledged therefor and shall be deemed the first monies received on account of assessments in each year. For the purposes of this paragraph, "standard premium" shall mean the premium as defined for the purposes of this assessment by the superintendent of financial services, in consultation with the chair of the

board and the workers' compensation rating board. An employer who has ceased to be a self-insurer shall continue to be liable for any assessments into said fund on account of any compensation payments made by him or her on his or her account during such fiscal year, and the security fund, created under the provisions of section one hundred seven of this chapter, shall, in the event of the insolvency of any insurance company, be liable for any assessments that would have been made against such company except for its insolvency. No assessment shall be payable from the aggregate trust fund, created under the provisions of section twenty-seven of this article, but such fund shall continue to be liable for all compensation that shall be payable under any award or order of the board, the commuted value of which has been paid into such fund. Such assessments when collected shall be deposited with the commissioner of taxation and finance for the benefit of such fund. Unless otherwise provided, such assessments, shall not constitute an element of loss for the purpose of establishing rates for compensation insurance but shall for the purpose of collection be treated as separate costs by carriers. All insurance carriers and the state insurance fund, shall collect such assessments, from their policyholders through a surcharge based on premiums in accordance with rules set forth by the superintendent of financial services in consultation with the New York workers' compensation rating board and the chair of the board. Such surcharge shall be considered as part of premium for purposes prescribed by law including, but not limited to, computing premium tax, reporting to the superintendent of financial services pursuant to section ninety-nine of this chapter and section three hundred seven of the insurance law, determining the limitation of expenditures for the administration of the state insurance fund pursuant to section eighty-eight of this chapter and the cancellation by an insurance carrier, including the state insurance fund, of a policy for non-payment of premium. The provisions of this paragraph shall not apply with respect to policies containing coverage pursuant to subsection (j) of section three thousand four hundred twenty of the insurance law relating to every policy providing comprehensive personal liability insurance on a one, two, three or four family owner-occupied dwelling. The state insurance fund shall notify its insureds that such assessments, shall be, for the purpose of recoupment, treated as separate costs, for the purpose of premiums billed on or after October first, nineteen hundred ninety-four. For the purposes of this section, a "self-insurer" shall be: (i) an employer authorized to self-insure under subdivision three of section fifty of this chapter, active groups authorized pursuant to subdivision three-a of section fifty of this chapter or a group of employers authorized to self-insure under paragraph ten of subdivision three-a of section fifty of this chapter; or (ii) a public employer authorized as set forth in paragraph a of subdivision four of section fifty of this chapter to self-insure under subdivision three, three-a or four of such section or article five of this chapter, whether individually or as a group.

For the purposes of this paragraph, except as otherwise provided: the term "insurance carrier" shall include only stock corporations, mutual corporations and reciprocal insurers authorized to transact the business of workers' compensation insurance in this state; the term "self-insurer" shall include any employer or group of employers permitted to pay compensation directly under the provisions of subdivision three, three-a or four of section fifty of this chapter.

The board is hereby authorized to issue credits or refunds as necessary, in the case of overpayments made to the fund. An insurance carrier

that knowingly underreports premiums for the purposes of this section shall be guilty of a class E felony] INCLUDED IN THE ASSESSMENT RATE ESTABLISHED PURSUANT TO SUBDIVISION TWO OF SECTION ONE HUNDRED FIFTY-ONE OF THIS CHAPTER. SUCH ASSESSMENTS SHALL BE DEPOSITED WITH THE COMMISSIONER OF TAXATION AND FINANCE AND TRANSFERRED TO THE BENEFIT OF SUCH FUND FOLLOWING PAYMENT OF DEBT SERVICE AND ASSOCIATED COSTS, IF ANY, PURSUANT TO SECTION ONE HUNDRED FIFTY-ONE OF THIS CHAPTER.

[(5) (A)] (4) The chair and the commissioner of taxation and finance are authorized and directed to enter into a financing agreement with the dormitory authority, to be known as the "special disability fund financing agreement." Such agreement shall set forth the process for calculating the annual debt service of the bonds issued by the dormitory authority and any other associated costs. For purposes of this section, "associated costs" may include a coverage factor, reserve fund requirements, all costs of any nature incurred by the dormitory authority in connection with the special disability fund financing agreement or pursuant thereto, the operating costs of the waiver agreement management office, the costs of any independent audits undertaken under this section, and any other costs for the implementation of this subparagraph and the issuance of bonds by the dormitory authority, including interest rate exchange payments, rebate payments, liquidity fees, credit provider fees, fiduciary fees, remarketing, dealer, auction agent and related fees and other similar bond-related expenses, unless otherwise funded. By January first of each year, the dormitory authority shall provide to the chair the calculation of the amount expected to be paid by the dormitory authority in debt service and associated costs for purposes of calculating the debt service assessment as set forth in subparagraph [four] THREE of this paragraph. All monies received on account of any assessment under subparagraph [four] THREE of this paragraph and this subparagraph shall be applied in accordance with this subparagraph and in accordance with the financing agreement until the financial obligations of the dormitory authority in respect to its contract with its bondholders are met and all associated costs payable to the dormitory authority have been paid, notwithstanding any other provision of law respecting secured transactions. This provision may be included by the dormitory authority in any contract of the dormitory authority with its bondholders.

The special disability fund financing agreement may restrict disbursements, investments, or rebates, and may prescribe a system of accounts applicable to the special disability fund, including custody of an account with a trust indenture trustee that may be prescribed by the dormitory authority as part of its contract with the bondholders. For purposes of this paragraph, the term "bonds" shall include notes issued in anticipation of the issuance of bonds, or notes issued pursuant to a commercial paper program.

[(B) The chair may conduct periodic audits of any self-insurer, insurance carrier and the state insurance fund concerning any information or payment required under this paragraph including any information relevant to the payment or calculation of any assessments. The self-insurer, insurance carrier and the state insurance fund shall provide all necessary documents and information in relation to an audit in a manner prescribed by the chair. Upon the determination of the chair that a self-insurer, insurance carrier or the state insurance fund has underpaid an assessment as a result of its inaccurate reporting, the self-insurer, insurance carrier or the state insurance fund upon notice from the chair, shall pay the full amount of the underpaid assessment, along

with interest at the rate of nine per cent per annum on the unpaid assessment due not later than thirty days after such notice.

(6)] (5) The commissioner of taxation and finance is hereby authorized to receive and credit to such special disability fund any sum or sums that may at any time be contributed to the state by the United States of America under any act of congress, or otherwise, to which the state may be or become entitled by reason of any payments made out of such fund.

[(7)] (6) The commissioner of taxation and finance shall be the custodian of said fund and, unless otherwise provided for in the special disability fund financing agreement, shall invest any surplus or reserve moneys thereof in securities which constitute legal investments for savings banks under the laws of this state and in interest bearing certificates of deposit of a bank or trust company located and authorized to do business in this state or of a national bank located in this state secured by a pledge of direct obligations of the United States or of the state of New York in an amount equal to the amount of such certificates of deposit, and may sell any of the securities or certificates of deposit in which such fund is invested if necessary for the proper administration or in the best interest of such fund. Disbursements from such fund as provided by this subdivision shall be made by the commissioner of taxation and finance upon vouchers signed by the chair of the board unless the financing agreement provides for some other means of authorizing such disbursements that is no less protective of the fund.

The commissioner of taxation and finance, as custodian of such fund, annually as soon as practicable after January first, shall furnish to the chair of the workers' compensation board a statement of the fund, setting forth the balance of moneys in the said fund as of the beginning of the calendar year, the income of the fund, the summary of payments out of the fund on account of reimbursements and other charges ordered to be paid by the board, and all other charges against the fund, and setting forth the balance of the fund remaining to its credit on December thirty-first. Such statement shall be open to public inspection in the office of the secretary of the board. The chair, not less than ninety days after the issuance of the dormitory authority's annual audit, shall furnish to the temporary president of the senate and the speaker of the assembly the following reports on the special disability fund: a revenue and operating expense statement; a financing plan; a report concerning the assets and liabilities; the number of waiver agreements entered into by the waiver agreement management office; the number of claimants remaining in the fund; the estimated current unfunded liability of the fund with respect to such claims; and a debt issuance report including but not limited to (i) pledged assessment revenue and securitization coverage, (ii) debt service maturities, (iii) interest rate exchange or similar agreements, and (iv) financing and issuance costs.

The commissioner of taxation and finance may establish within the special disability fund such accounts and sub-accounts as he or she deems useful for the operation of the fund, or as necessary to segregate moneys within the fund, subject to the provisions of the financing agreement. The waiver agreement management office, as defined in section thirty-two of this article, shall make application to the chair on a quarterly basis for any administrative costs incurred by the office.

S 9. Paragraph (i) of subdivision 8 of section 15 of the workers' compensation law, as amended by chapter 635 of the laws of 1996, is amended to read as follows:

(i) When an application for apportionment of compensation is made under this subdivision, the chair of the workers' compensation board shall appoint [a representative of] AN ATTORNEY TO REPRESENT AND DEFEND such fund in such proceedings[, but whenever it shall appear that, through any committee, board or organization representative of the interest of employers or insurance carriers, an attorney has been appointed to act for and on behalf of such employers and insurance carriers generally to represent such fund in any proceedings brought hereunder, the chair of the board may designate such attorney as the representative of such special disability fund in proceedings involving claims against such fund]. Such [representative] ATTORNEY shall thereafter be given notice of all proceedings involving the rights or obligations of such fund. Such [representative] ATTORNEY may apply to the chair of the board for authority to hire such medical and other experts and to defray the expense thereof and of such witnesses as may be necessary to a proper defense of any claim, within an amount in the discretion of the chair and, if authorized, such amount shall be a charge against such special disability fund.

The provisions of this chapter with respect to procedure, except as may be otherwise provided in this subdivision, and the right of appeal shall be preserved to the claimant and to the employer or his insurance carrier and to such fund through its [representative and] attorney as herein provided.

S 10. Section 23 of the workers' compensation law, as amended by chapter 6 of the laws of 2007, is amended to read as follows:

S 23. Appeals. An award or decision of the board shall be final and conclusive upon all questions within its jurisdiction, as against the state fund or between the parties, unless reversed or modified on appeal therefrom as hereinafter provided. Any party may within thirty days after notice of the filing of an award or decision of a referee, file with the board an application in writing for a modification or rescission or review of such award or decision, as provided in this chapter. The board shall render its decision upon such application in writing and shall include in such decision a statement of the facts which formed the basis of its action on the issues raised before it on such application. Within thirty days after notice of the decision of the board upon such application has been served upon the parties, or within thirty days after notice of an administrative redetermination review decision by the chair pursuant to subdivision five of section fifty-two, section one hundred thirty-one or section one hundred forty-one-a of this chapter has been served upon any party in interest, an appeal may be taken therefrom to the appellate division of the supreme court, third department, by any party in interest, including an employer insured in the state fund; provided, however, that [if the decision or determination was that of a panel of the board and there was a dissent from such decision or determination other than a dissent the sole basis of which is to refer the case to an impartial specialist,] any party in interest may within thirty days after notice of the filing of the board panel's decision with the secretary of the board, make application in writing for review thereof by the full board[, and]. IF THE DECISION OR DETERMINATION WAS THAT OF A PANEL OF THE BOARD AND THERE WAS A DISSENT FROM SUCH DECISION OR DETERMINATION OTHER THAN A DISSENT THE SOLE BASIS OF WHICH IS TO REFER THE CASE TO AN IMPARTIAL SPECIALIST, the full board shall review and affirm, modify or rescind such decision or determination in the same manner as herein above provided for an award or decision of a referee. IF THE DECISION OR DETERMINATION WAS THAT OF A UNANIMOUS PANEL OF THE

BOARD, OR THERE WAS A DISSENT FROM SUCH DECISION OR DETERMINATION THE SOLE BASIS OF WHICH IS TO REFER THE CASE TO AN IMPARTIAL SPECIALIST, THE BOARD MAY IN ITS SOLE DISCRETION REVIEW AND AFFIRM, MODIFY OR RESCIND SUCH DECISION OR DETERMINATION IN THE SAME MANNER AS HEREIN ABOVE PROVIDED FOR AN AWARD OR DECISION OF A REFEREE. Failure to apply for review by the full board shall not bar any party in interest from taking an appeal directly to the court as above provided. The board may also, in its discretion certify to such appellate division of the supreme court, questions of law involved in its decision. Such appeals and the question so certified shall be heard in a summary manner and shall have precedence over all other civil cases in such court. The board shall be deemed a party to every such appeal from its decision upon such application, and the chair shall be deemed a party to every such appeal from an administrative redetermination review decision pursuant to subdivision five of section fifty-two of this chapter. The attorney general shall represent the board and the chair thereon. An appeal may also be taken to the court of appeals in the same manner and subject to the same limitations not inconsistent herewith as is now provided in the civil practice law and rules. It shall not be necessary to file exceptions to the rulings of the board. An appeal to the appellate division of the supreme court, third department, or to the court of appeals, shall not operate as a stay of the payment of compensation required by the terms of the award or of the payment of the cost of such medical, dental, surgical, optometric or other attendance, treatment, devices, apparatus or other necessary items the employer is required to provide pursuant to section thirteen of this article which are found to be fair and reasonable. Where such award is modified or rescinded upon appeal, the appellant shall be entitled to reimbursement in a sum equal to the compensation in dispute paid to the respondent in addition to a sum equal to the cost of such medical, dental, surgical, optometric or other attendance, treatment, devices, apparatus or other necessary items the employer is required to provide pursuant to section thirteen of this article paid by the appellant pending adjudication of the appeal. Such reimbursement shall be paid from administration expenses as provided in section one hundred fifty-one of this chapter upon audit and warrant of the comptroller upon vouchers approved by the chair. Where such award is subject to the provisions of section twenty-seven of this article, the appellant shall pay directly to the claimant all compensation as it becomes due during the pendency of the appeal, and upon affirmance shall be entitled to credit for such payments. Neither the chair, the board, the commissioners of the state insurance fund nor the claimant shall be required to file a bond upon an appeal to the court of appeals. Upon final determination of such an appeal, the board or chair, as the case may be, shall enter an order in accordance therewith. Whenever a notice of appeal is served or an application made to the board by the employer or insurance carrier for a modification or rescission or review of an award or decision, and the board shall find that such notice of appeal was served or such application was made for the purpose of delay or upon frivolous grounds, the board shall impose a penalty in the amount of five hundred dollars upon the employer or insurance carrier, which penalty shall be added to the compensation and paid to the claimant. The penalties provided herein shall be collected in like manner as compensation. A party against whom an award of compensation shall be made may appeal from a part of such award. In such a case the payment of such part of the award as is not appealed from shall not prejudice any rights of such party on appeal, nor be taken as an admission against such

party. Any appeal by an employer from an administrative redetermination review decision pursuant to subdivision five of section fifty-two of this chapter shall in no way serve to relieve the employer from the obligation to timely pay compensation and benefits otherwise payable in accordance with the provisions of this chapter.

Nothing [herein] contained IN THIS SECTION shall be construed to inhibit the continuing jurisdiction of the board as provided in section one hundred twenty-three of this chapter.

S 11. Intentionally omitted.

S 12. The opening paragraph of subdivision 2 of section 142 of the workers' compensation law, as amended by chapter 608 of the laws of 1989, is amended to read as follows:

Any review, hearing, rehearing, inquiry or investigation required or authorized to be conducted or made by the workers' compensation board may be conducted or made by any panel of the board consisting of not less than three members thereof, and the order, decision or determination of a majority of the members of a panel shall be deemed the order, decision or determination of the board from the date of filing thereof with the secretary of the board, unless the board on its own motion, or on application by a party in interest for a full board review MADE IN ACCORDANCE WITH SECTION TWENTY-THREE OF THIS CHAPTER, shall modify or rescind such order, decision or determination. Four panels shall be constituted at all times, and the chair shall assign the members to the panels upon which they shall serve. At least one member on each panel shall be an attorney and counsellor-at-law, but the absence of an attorney on any panel shall not invalidate the order, decision or determination of a majority of the members of the panel if at least two affirmative votes are cast in favor of such action. The panels shall be constituted so that the members of the board shall alternate in their periods of service together thereon. Whenever a number of proceedings remains pending before the board for a period in excess of thirty days, members of the board shall hold hearings and otherwise act in the discharge of their duties evenings and at other convenient times on all days of the week except Sundays, in addition to the times when they would perform such duties in the ordinary conduct of the business of the board, in order to expedite the disposal thereof. The chair may and shall, when directed by the governor, prescribe the hours and the times for such additional performance of duty by the members of the board and the period or periods for the continuance thereof.

S 13. Subdivisions 1, 3 and 5 of section 25-a of the workers' compensation law, subdivisions 1 and 5 as amended by chapter 113 of the laws of 1946, subdivision 3 as amended by chapter 6 of the laws of 2007, and the second and third undesignated paragraphs of subdivision 3 as further amended by section 104 of part A of chapter 62 of the laws of 2011, are amended to read as follows:

1. Notwithstanding other provisions of this chapter, when an application for compensation is made by an employee or for death benefits in behalf of the dependents of a deceased employee, and the employer has secured the payment of compensation in accordance with section fifty of this chapter, (1) after a lapse of seven years from the date of the injury or death and claim for compensation previously has been disallowed or claim has been otherwise disposed of without an award of compensation, or (2) after a lapse of seven years from the date of the injury or death and also a lapse of three years from the date of the last payment of compensation, or (3) where death resulting from the

injury shall occur after the time limited by the foregoing provisions of (1) or (2) shall have elapsed, subject to the provisions of section one hundred [and] twenty-three of this chapter, testimony may be taken, either directly or through a referee and if an award is made it shall be against the special fund provided by this section. Such an application for compensation or death benefits must be made on a form prescribed by the [chairman] CHAIR for that purpose and must, if a change in condition is claimed, be accompanied by a verified medical or surgical report setting forth facts on which the board may order a hearing.

1-A. Any award which shall be made against such special fund after the effective date of this act upon such an application for compensation or death benefits shall not be retroactive for a period of disability or for death benefits longer than the two years immediately preceding the date of filing of such application. NO APPLICATION BY A SELF-INSURED EMPLOYER OR AN INSURANCE CARRIER FOR TRANSFER OF LIABILITY OF A CLAIM TO THE FUND FOR REOPENED CASES SHALL BE ACCEPTED BY THE BOARD ON OR AFTER THE FIRST DAY OF JANUARY, TWO THOUSAND FOURTEEN EXCEPT THAT THE BOARD MAY MAKE A FINDING AFTER SUCH DATE PURSUANT TO SECTION TWENTY-THREE OF THIS ARTICLE UPON A TIMELY APPLICATION FOR REVIEW.

3. Any awards so made shall be payable out of the special fund heretofore created for such purpose, which fund is hereby continued and shall be known as the fund for reopened cases. The employer, or, if insured, his insurance carrier shall pay into such fund, or, in the case of awards made on or after July first, nineteen hundred sixty-nine, either into such fund or the uninsured employers' fund under section twenty-six-a of this article in accordance with the provisions thereof, for every case of injury causing death for which there are no persons entitled to compensation the sum of three hundred dollars where such injury occurred prior to July first, nineteen hundred forty and the sum of one thousand dollars where such injury shall occur on or after said date and prior to April first, nineteen hundred forty-five, and the sum of fifteen hundred dollars where such injury shall occur on or after April first, nineteen hundred forty-five and prior to September first, nineteen hundred seventy-eight and the sum of three thousand dollars where such injury shall occur on or after September first, nineteen hundred seventy-eight, and in each case of death resulting from injury sustained on or after July first, nineteen hundred forty and prior to September first, nineteen hundred seventy-eight, where there are persons entitled to compensation but the total amount of such compensation is less than two thousand dollars exclusive of funeral benefits, the employer, or, if insured, his insurance carrier, shall pay into such fund, or, in the case of awards made on or after July first, nineteen hundred sixty-nine and prior to September first, nineteen hundred seventy-eight, either into such fund or the uninsured employers' fund under section twenty-six-a of this article in accordance with the provisions thereof, the difference between the sum of two thousand dollars and the compensation, exclusive of funeral benefits, and in each case of death resulting from injury sustained on or after September first, nineteen hundred seventy-eight, the employer, or if insured, his insurance carrier shall pay into such fund or the uninsured employers' fund under section twenty-six-a of this article in accordance with the provisions thereof, the difference between the sum of five thousand dollars and the compensation, exclusive of funeral benefits actually paid to or for the dependents of the deceased employee together with any expense charge required by section twenty-seven of this article; provided, however, that where death shall occur subsequent to the periods limited by subdivision one of this

section no payment into such special fund nor to the special fund provided by subdivision nine of section fifteen nor to the uninsured employers' fund provided by section twenty-six-a of this article shall be required. In addition to the assessments made against all insurance carriers for the expenses of administering this chapter provided for under the provisions of section one hundred fifty-one of this chapter, and the payments above provided, the employer, or, if insured, his insurance carrier, shall pay the sum of five dollars into said fund for each case in which an award is made pursuant to the provisions of paragraphs a to s inclusive of subdivision three of section fifteen of this chapter, by reason of injury sustained between July first, nineteen hundred forty and June thirtieth, nineteen hundred forty-two, both dates inclusive, and the sum of ten dollars for each such case by reason of injury sustained between July first, nineteen hundred forty-two and June thirtieth, nineteen hundred fifty, both dates inclusive, which payment shall be in addition to any payment of compensation to the injured employee as provided in this chapter.

There shall be maintained in the special fund at all times assets at least equal in value to the sum of (1) the value of awards charged against such fund, (2) the value of all claims that have been reopened by the board as a charge against such fund but as to which awards have not yet been made, (3) effective January first, nineteen hundred seventy-one, the VALUE OF total supplemental benefits TO BE paid from such fund as reimbursement pursuant to subdivision nine of this section [during the calendar year immediately preceding], and (4) a reserve equal to ten per cent of the sum of items (1) [and], (2) AND (3) of this paragraph. [For the purpose of accumulating funds for the payment of supplemental benefits pursuant to subdivision nine of this section, the chairman shall impose against all carriers an assessment in the sum of five million dollars to be collected in the respective proportions established in the fiscal year commencing April first, nineteen hundred sixty-eight, under the provisions of section one hundred fifty-one of this chapter for each carrier.] Annually, as soon as practicable after January first in each year, the [chairman] CHAIR shall ascertain the condition of the fund and whenever the assets shall fall below the prescribed minimum as herein provided the [chairman] CHAIR shall [assess and] collect [from all insurance carriers, in the respective proportions established in the prior fiscal year under the provisions of section one hundred fifty-one of this chapter for each carrier,] an amount sufficient to restore the fund to the prescribed minimum. [The chairman before making an assessment as provided in this section shall give thirty days' notice to the representative of the fund, designated pursuant to subdivision five of this section, that an itemized statement of the condition of the fund is open for his inspection. The superintendent of financial services may examine into the condition of the fund at any time on his own initiative or on request of the chairman or representative of the fund.

Such assessment and the payments made into said fund shall not constitute an element of loss for the purpose of establishing rates for workers' compensation insurance as provided in the insurance law but shall for the purpose of recoupment be treated as separate costs by carriers. Carriers shall assess such costs on their policyholders in accordance with rules set forth by the New York workers' compensation rating board, as approved by the superintendent of financial services.] COMMENCING ON THE FIRST OF JANUARY, TWO THOUSAND FOURTEEN, THE AMOUNT COLLECTED FROM ALL EMPLOYERS REQUIRED TO OBTAIN WORKERS' COMPENSATION COVERAGE TO MAIN-

TAIN THE FINANCIAL INTEGRITY OF THE FUND MAY BE PAID OVER A PERIOD OF TIME AT THE DISCRETION OF THE CHAIR BASED UPON AN ANALYSIS OF THE FINANCIAL CONDITION OF THE FUND. SUCH PAYMENT AS DETERMINED BY THE CHAIR SHALL BE INCLUDED IN THE ASSESSMENT RATE ESTABLISHED PURSUANT TO SUBDIVISION TWO OF SECTION ONE HUNDRED FIFTY-ONE OF THIS CHAPTER. THE CHAIR SHALL PROMULGATE REGULATIONS TO ADMINISTER CLAIMS WHOSE LIABILITY HAS BEEN TRANSFERRED TO THE FUND FOR REOPENED CASES. SUCH REGULATIONS MAY INCLUDE EXERCISE OF THE CHAIR'S AUTHORITY TO ADMINISTER EXISTING CLAIMS, TO PROCURE MANAGEMENT FOR THOSE CLAIMS, OR TO SELL SUCH LIABILITY. THE CHAIR MAY EXAMINE INTO THE CONDITION OF THE FUND AT ANY TIME ON HIS OR HER OWN INITIATIVE OR ON REQUEST OF THE ATTORNEY OF THE FUND.

The provisions of this subdivision shall not apply with respect to policies containing coverage pursuant to section thirty-four hundred twenty of the insurance law relating to every policy providing comprehensive personal liability insurance on a one, two, three or four family owner-occupied dwelling.

5. [When an application] FOR APPLICATIONS BY SELF-INSURED EMPLOYERS OR INSURANCE CARRIERS FOR TRANSFER OF LIABILITY for compensation [is made] TO THE FUND FOR REOPENED CASES under this section, RECEIVED BY THE BOARD PRIOR TO THE FIRST DAY OF JANUARY, TWO THOUSAND FOURTEEN, the [chairman] CHAIR shall appoint [a representative of such fund] AN ATTORNEY in such proceedings [and, insofar as practicable, such representative shall be a person designated by the employer originally liable for the payment of compensation, or his insurance carrier, but whenever it shall appear to the chairman that through any committee, board or organization or representative of the interest of the insurance carriers an attorney has been appointed to act for and on behalf of such carriers generally to represent such fund in any proceedings brought hereunder, the chairman shall designate such attorney as the representative of the] TO REPRESENT SUCH fund in proceedings brought to enforce a claim against such fund. Such [representative] ATTORNEY may apply to the [chairman] CHAIR for authority to hire such medical or other experts and to defray the expense thereof and of such witnesses as are necessary to a proper defense of the application within an amount in the discretion of the [chairman] CHAIR and, if authorized, it shall be a charge against the special fund provided herein.

S 14. Intentionally omitted.

S 15. Intentionally omitted.

S 16. Subdivision (e) of section 32 of the workers' compensation law, as added by chapter 6 of the laws of 2007, is amended to read as follows:

(e) The chair shall establish an office under his or her supervision to be known as the "waiver agreement management office," to negotiate and seek board approval for waiver agreements on behalf of the special disability fund. The office shall operate in accordance with guidelines or directives that the chair may issue, as approved by the special disability fund advisory committee, or in the absence of such guidelines or directives, using such discounting factors as the office determines are in the financial interest of the special disability fund. The waiver agreement management office on behalf of the special disability fund may enter into a waiver agreement with a claimant only when the special disability fund has been found liable by the board to reimburse the claimant's employer, insurance carrier or the state insurance fund. Notwithstanding any other provisions of law, no consultation or approval of any employer, insurance carrier, self-insurer[,] OR the state insurance fund[, or the special funds conservation committee] shall be

required before such office may enter into any waiver agreement, or before the board may approve such waiver agreement. The chair may, in his or her discretion, and as approved by the special disability fund advisory committee, terminate the operation of the waiver agreement management office, if he or she believes it no longer serves the interest of the special disability fund.

S 17. Clause 2 of subparagraph (a) of paragraph 10 of subdivision 3-a of section 50 of the workers' compensation law, as added by section 4 of part G of chapter 57 of the laws of 2011, is amended to read as follows:

(2) The members of the group, through the administrator, (a) jointly deposit sufficient securities in accordance with subdivision three of this section [as] OR IN A TRUST GOVERNED IN ACCORDANCE WITH PART 126 OF TITLE 11 OF THE NEW YORK CODE OF RULES AND REGULATIONS to secure the liability of the members of the group to pay for all existing claims obligations, provided such deposit shall be made by November first, two thousand eleven, (b) jointly deposit sufficient securities in accordance with subdivision three of this section [as] OR IN A TRUST GOVERNED IN ACCORDANCE WITH PART 126 OF TITLE 11 OF THE NEW YORK CODE OF RULES AND REGULATIONS to secure all anticipated present and future claims of the members of the group, by November first, two thousand fourteen, provided annual deposits are made in accordance with a schedule set by the chair on or before November first of each year, and provided that the deposit shall be deemed an asset of the group for the purpose of determining its funding status, and (c) by November first, two thousand eleven and thereafter, shall maintain funds sufficient for all other liabilities besides claims[, including reserves for all assessment liabilities,] in a trust governed in accordance with Part 126 of title 11 of the New York code of rules and regulations, of which the board shall be the sole beneficiary, and the terms of the trust agreement, and the trustee, shall be approved by the chair in his or her sole discretion, and provided that any group self-insurer that does not hold such funds in a trust that meets the terms of this paragraph shall post them with the board;

S 18. Section 50-a of the workers' compensation law, as added by chapter 139 of the laws of 2008, subdivision 2 as amended by section 1 of part R of chapter 56 of the laws of 2010 and subdivision 3 as amended by section 1 of part R of chapter 55 of the laws of 2012, is amended to read as follows:

S 50-a. [Group self-insurer default] SELF-INSURER offset fund. 1. The chair shall [create] MAINTAIN a fund to be known as the [group] self-insurer [default] offset fund and such fund shall be held in the sole custody of the chair. The chair may transfer the money in such fund to the administrative account as necessary to effectuate the purpose of this section. The chair shall use the money in the fund to pay UNMET claims for [defaulted group] self-insurers[, where sufficient moneys for such payment have not been collected or are not anticipated to be collected from members of a defaulted group self-insurer, or to offset such amount against any assessment it would otherwise impose against private individual and group self-insurers under paragraph (g) of subdivision five of section fifty of this article].

2. At any time prior to April first, two thousand eleven, the chair may withdraw funds from the uninsured employers fund provided for under section twenty-six-a of this chapter, up to such amount as the chair determines is sufficient to fund any anticipated additional expenses of such fund, taking into account anticipated available revenues, but in no

event to exceed seventy-five million dollars in the aggregate. Such funds shall be deposited into the [group] self-insurer offset fund, and used in accordance with subdivision one of this section. As consistent with this section, the chair may set the timing of such withdrawals in its discretion.

3. Beginning in two thousand fifteen, and each year thereafter, the chair shall add to the total of each annual assessment made under paragraph g of subdivision five of section fifty of this article the sum of up to three million dollars, to be allocated to private group and individual self-insurers in accordance with such paragraph. The chair shall assess additional funds under this paragraph as necessary to insure that there are sufficient funds in the fund for uninsured employers to meet its liabilities, or if necessary in accordance with section one hundred fifty-one of this chapter. Such funds as are collected pursuant to this subdivision shall be deposited into the uninsured employer fund until all funds withdrawn therefrom under subdivision one of this section are returned with interest calculated at an annual rate equal to the rate of return on funds in the fund for uninsured employers from the prior year.

4. At such time as the board is not obligated to pay any UNMET claims [arising out] of a [defaulted] self-insurer, the fund created under this section shall be closed, and any money remaining in the fund shall be deposited into the uninsured employer fund.

S 19. Subdivision 5 of section 52 of the workers' compensation law, as amended by chapter 139 of the laws of 2008, is amended to read as follows:

5. The chair, upon finding that an employer has failed for a period of not less than ten consecutive days to make the provision for payment of compensation required by section fifty of this article, may impose upon such employer, in addition to all other penalties, fines or assessments provided for in this chapter, a penalty of UP TO two thousand dollars for each ten day period of non-compliance or a sum not in excess of two times the cost of compensation for its payroll for the period of such failure, which sum shall be paid into the uninsured employers' fund created under section twenty-six-a of this chapter. When an employer fails to provide business records sufficient to enable the chair to determine the employer's payroll for the period requested for the calculation of the penalty provided in this section, the imputed weekly payroll for each employee, corporate officer, sole proprietor, or partner shall be the New York state average weekly wage, multiplied by 1.5. Where the employer is a corporation, the president, secretary and treasurer thereof shall be liable for the penalty. If the employer shall within thirty days after notice of the imposition of a penalty by the chair pursuant to this subdivision make an application in affidavit form for a redetermination review of such penalty the [chairman] CHAIR shall make a decision in writing on the issues raised on such application.

S 20. Section 87 of the workers' compensation law, as amended by chapter 635 of the laws of 1996, subdivision 1 as amended by chapter 6 of the laws of 2007, subdivision 1, paragraph (a) of subdivision 2 and subdivision 3 as further amended by section 104 of part A of chapter 62 of the laws of 2011, is amended to read as follows:

S 87. Investment of surplus or reserve. 1. Any of the [surplus or] reserve funds belonging to the state insurance fund, by order of the commissioners, approved by the superintendent of financial services, may be invested in the types of securities described in subdivisions one, two, three, four, five, six, eleven, twelve, twelve-a, thirteen, fourteen, fifteen, nineteen, twenty, twenty-one, twenty-one-a, twenty-four,

twenty-four-a, twenty-four-b, twenty-four-c and twenty-five of section two hundred thirty-five of the banking law or[, up to fifty percent of such surplus or reserve funds, in the types of securities or investments described] in [paragraphs] PARAGRAPH two[, three, eight and ten] of subsection (a) of section one thousand four hundred four of the insurance law except that up to [ten] FIVE percent of [the surplus and] SUCH reserve funds [belonging to the state insurance fund that] may be invested in the securities of any solvent American institution [or of an investment company] as described in such [paragraphs may be invested] PARAGRAPH irrespective of the rating of such institution's obligations or other similar qualitative standards described [in paragraphs two, three, eight and ten of such subsection, but shall not include any derivative instrument or derivative transaction or any investment found by the superintendent of financial services to be against public policy. Any of the surplus or reserve funds belonging to the state insurance fund, upon like approval of the superintendent of financial services, may be loaned on the pledge of any such securities. The commissioners, upon like approval of the superintendent of financial services, may also sell any of such securities or investments] THEREIN.

2. ANY OF THE SURPLUS FUNDS BELONGING TO THE STATE INSURANCE FUND, BY ORDER OF THE COMMISSIONERS, APPROVED BY THE SUPERINTENDENT OF FINANCIAL SERVICES, MAY BE INVESTED IN THE TYPES OF SECURITIES DESCRIBED IN SUBDIVISIONS ONE, TWO, THREE, FOUR, FIVE, SIX, ELEVEN, TWELVE, TWELVE-A, THIRTEEN, FOURTEEN, FIFTEEN, NINETEEN, TWENTY, TWENTY-ONE, TWENTY-ONE-A, TWENTY-FOUR, TWENTY-FOUR-A, TWENTY-FOUR-B, TWENTY-FOUR-C AND TWENTY-FIVE OF SECTION TWO HUNDRED THIRTY-FIVE OF THE BANKING LAW OR, UP TO FIFTY PERCENT OF SURPLUS FUNDS, IN THE TYPES OF SECURITIES OR INVESTMENTS DESCRIBED IN PARAGRAPHS TWO, THREE, EIGHT AND TEN OF SUBSECTION (A) OF SECTION ONE THOUSAND FOUR HUNDRED FOUR OF THE INSURANCE LAW, EXCEPT THAT UP TO TEN PERCENT OF SURPLUS FUNDS MAY BE INVESTED IN THE SECURITIES OF ANY SOLVENT AMERICAN INSTITUTION AS DESCRIBED IN SUCH PARAGRAPHS IRRESPECTIVE OF THE RATING OF SUCH INSTITUTION'S OBLIGATIONS OR OTHER SIMILAR QUALITATIVE STANDARDS DESCRIBED THEREIN, AND UP TO FIFTEEN PERCENT OF SURPLUS FUNDS IN SECURITIES OR INVESTMENTS WHICH DO NOT OTHERWISE QUALIFY FOR INVESTMENT UNDER THIS SECTION AS SHALL BE MADE WITH THE CARE, PRUDENCE AND DILIGENCE UNDER THE CIRCUMSTANCES THEN PREVAILING THAT A PRUDENT PERSON ACTING IN A LIKE CAPACITY AND FAMILIAR WITH SUCH MATTERS WOULD USE IN THE CONDUCT OF AN ENTERPRISE OF A LIKE CHARACTER AND WITH LIKE AIMS AS PROVIDED FOR THE STATE INSURANCE FUND UNDER THIS ARTICLE, BUT SHALL NOT INCLUDE ANY DIRECT DERIVATIVE INSTRUMENT OR DERIVATIVE TRANSACTION EXCEPT FOR HEDGING PURPOSES. NOTWITHSTANDING ANY OTHER PROVISION IN THIS SUBDIVISION, THE AGGREGATE AMOUNT THAT THE STATE INSURANCE FUND MAY INVEST IN THE TYPES OF SECURITIES OR INVESTMENTS DESCRIBED IN PARAGRAPHS THREE, EIGHT AND TEN OF SUBSECTION (A) OF SECTION ONE THOUSAND FOUR HUNDRED FOUR OF THE INSURANCE LAW AND AS A PRUDENT PERSON ACTING IN A LIKE CAPACITY WOULD INVEST AS PROVIDED IN THIS SUBDIVISION SHALL NOT EXCEED FIFTY PERCENT OF SUCH SURPLUS FUNDS.

3. ANY OF THE SURPLUS OR RESERVE FUNDS BELONGING TO THE STATE INSURANCE FUND, UPON LIKE APPROVAL OF THE SUPERINTENDENT OF FINANCIAL SERVICES, MAY BE LOANED ON THE PLEDGE OF ANY SUCH SECURITIES. THE COMMISSIONERS, UPON LIKE APPROVAL OF THE SUPERINTENDENT OF FINANCIAL SERVICES, MAY ALSO SELL ANY OF SUCH SECURITIES OR INVESTMENTS.

[2.] 4. (a) Any securities belonging to the state insurance fund may, by order of the commissioners, approved by the superintendent of financial services, be loaned under a security loan agreement, as defined in paragraph (b) of this subdivision, entered into with a registered brok-

er-dealer, or a New York state or national bank or trust company, with the custodial bank of the state insurance fund or another person or entity, approved by the commissioner of taxation and finance, which specializes in security loan transactions acting as the agent in arranging such agreement. The commissioners shall monitor the market value of the loaned securities daily. In no event shall the commissioners allow the value of the collateral posted to fall below the market value of the loaned securities.

(b) For purposes of this section, "security loan agreement" shall mean a written contract, the terms of which have been approved by the commissioner of taxation and finance, whereby the state insurance fund (the lender) agrees to lend securities to a broker-dealer, bank or trust company described in paragraph (a) of this subdivision (the borrower) for a period not to exceed one year. However, such agreement shall be subject to the following limitations: (i) the lender must retain the right to collect from the borrower all dividends, interest, premiums, rights, and any other distributions to which the lender would otherwise have been entitled; (ii) the lender may waive the right to vote the securities during the term of such agreement; (iii) the lender must retain the right to terminate such agreement upon not more than five business days' notice; (iv) the borrower shall provide as collateral to the lender cash or direct obligations of the United States of America or any agency or instrumentality thereof or obligations fully guaranteed by the United States of America that are eligible for investment by the state insurance fund under subdivision one of this section, provided that such obligations may in no event consist of derivative securities; and (v) such agreement shall provide for payment of additional collateral on a daily basis, or at such time as the value of the loaned securities increases to agreed upon ratios.

[3.] 5. All such securities or evidences of indebtedness shall be placed in the hands of the commissioner of taxation and finance who shall be the custodian thereof. He or she shall collect the principal and interest thereof, when due, and pay the same into the state insurance fund. The commissioner of taxation and finance shall pay all vouchers drawn on the state insurance fund for the making of such investments when signed by the chair of the commissioners, the executive director or a deputy executive director of the state insurance fund upon delivery of such securities or evidences of indebtedness to him or her, when there is attached to such vouchers the approval of the state superintendent of financial services.

6. FOR THE PURPOSES OF THIS SECTION, THE TERM "RESERVES" DOES NOT INCLUDE THE ESTIMATED VALUE OF FUTURE DISCRETIONARY PAYMENTS THAT MAY BE MADE BY THE STATE INSURANCE FUND UNDER SECTION NINETY OF THIS ARTICLE.

7. NOTWITHSTANDING ANY PROVISION IN THIS SECTION, THE SURPLUS AND RESERVE FUNDS OF THE STATE INSURANCE FUND SHALL NOT BE INVESTED IN ANY INVESTMENT THAT HAS BEEN FOUND BY THE SUPERINTENDENT OF FINANCIAL SERVICES TO BE AGAINST PUBLIC POLICY OR IN ANY INVESTMENT PROHIBITED BY THE PROVISIONS OF PARAGRAPH SIX OF SUBSECTION (A) OF SECTION ONE THOUSAND FOUR HUNDRED FOUR OF THE INSURANCE LAW OR BY THE PROVISIONS OF PARAGRAPH ONE, TWO, THREE, FOUR, SIX, EIGHT, NINE OR TEN OF SUBSECTION (A) OF SECTION ONE THOUSAND FOUR HUNDRED SEVEN OF THE INSURANCE LAW.

S 21. Intentionally omitted.

S 22. Section 151 of the workers' compensation law is REPEALED and a new section 151 is added to read as follows:

S 151. ASSESSMENTS FOR ANNUAL EXPENSES. 1. THE ANNUAL EXPENSES NECESSARY FOR THE BOARD TO ADMINISTER THE PROVISIONS OF THIS CHAPTER, THE

VOLUNTEER AMBULANCE WORKERS' BENEFIT LAW, THE VOLUNTEER FIREFIGHTERS' BENEFIT LAW, THE DISABILITY BENEFITS LAW, AND THE WORKMEN'S COMPENSATION ACT FOR CIVIL DEFENSE VOLUNTEERS SHALL BE BORNE BY AFFECTED EMPLOYERS SECURING COMPENSATION FOR THEIR EMPLOYEES PURSUANT TO SECTION FIFTY OF THIS CHAPTER. THE BOARD SHALL COLLECT SUCH ANNUAL EXPENSES FROM AFFECTED EMPLOYERS THROUGH ASSESSMENTS AS PROVIDED BY THE PROVISIONS OF THIS SECTION, INCLUDING FOR PURPOSES OF THIS SUBDIVISION: (A) THE AGGREGATE ASSESSMENT AMOUNT DESCRIBED IN SUBPARAGRAPH FOUR OF PARAGRAPH (H) OF SUBDIVISION EIGHT OF SECTION FIFTEEN OF THIS CHAPTER FOR THE SPECIAL DISABILITY FUND IN ACCORDANCE WITH EACH FINANCING AGREEMENT DESCRIBED IN SUCH SUBPARAGRAPH, (B) THE AGGREGATE ASSESSMENT AMOUNT DESCRIBED IN SECTION FIFTY-C OF THIS CHAPTER FOR THE SELF-INSURER OFFSET FUND IN ACCORDANCE WITH EACH FINANCING AGREEMENT DESCRIBED IN SUCH SECTION, (C) THE ASSESSMENT AMOUNT DESCRIBED IN SUBDIVISION THREE OF SECTION TWENTY-FIVE-A OF THIS CHAPTER FOR THE FUND FOR REOPENED CASES AND (D) THE ASSESSMENT AMOUNT DESCRIBED IN SECTION TWO HUNDRED FOURTEEN OF THIS CHAPTER FOR THE SPECIAL FUND FOR DISABILITY BENEFITS; PROVIDED, THAT THE FOREGOING AND ANY OTHER PROVISION OF THIS CHAPTER TO THE CONTRARY NOTWITHSTANDING, ASSESSMENT RECEIPTS SHALL BE APPLIED FIRST TO FULLY FUND THE AMOUNT DESCRIBED IN SUBPARAGRAPH FOUR OF PARAGRAPH (H) OF SUBDIVISION EIGHT OF SECTION FIFTEEN OF THIS CHAPTER AND THEN TO FULLY FUND THE AMOUNT DESCRIBED IN SECTION FIFTY-C OF THIS CHAPTER IN ACCORDANCE WITH EACH THEN APPLICABLE FINANCING AGREEMENT PURSUANT TO SUCH PROVISIONS PRIOR TO APPLICATION TO ANY OTHER PURPOSE OTHER THAN TO PAY ANY ACTUAL COSTS OF COLLECTING SUCH ASSESSMENT THAT ARE NOT OTHERWISE FUNDED. FOR PURPOSES OF THIS SECTION, AFFECTED EMPLOYER MEANS ALL EMPLOYERS REQUIRED TO OBTAIN WORKERS' COMPENSATION COVERAGE PURSUANT TO THIS CHAPTER.

2. ON THE FIRST DAY OF NOVEMBER, TWO THOUSAND THIRTEEN, AND ANNUALLY THEREAFTER, THE CHAIR SHALL ESTABLISH AN ASSESSMENT RATE FOR ALL AFFECTED EMPLOYERS IN THE STATE OF NEW YORK IN AN AMOUNT EXPECTED TO BE SUFFICIENT TO PRODUCE ASSESSMENT RECEIPTS AT LEAST SUFFICIENT TO FUND ALL ESTIMATED ANNUAL EXPENSES PURSUANT TO SUBDIVISION ONE OF THIS SECTION EXCEPT THOSE EXPENSES FOR WHICH AN ASSESSMENT IS AUTHORIZED FOR SELF-INSURANCE PURSUANT TO SUBDIVISION FIVE OF SECTION FIFTY OF THIS CHAPTER. SUCH RATE SHALL BE ASSESSED EFFECTIVE THE FIRST OF JANUARY OF THE SUCCEEDING YEAR AND SHALL BE BASED UPON A SINGLE METHODOLOGY DETERMINED BY THE CHAIR. THE CHAIR MAY ALSO ESTABLISH AN ADDITIONAL ASSESSMENT RATE, NOT TO EXCEED THIRTY PERCENT OF ANNUAL PREMIUMS, FOR THOSE AFFECTED EMPLOYERS WHO ARE IN DEFAULT IN THE PAYMENT OF THEIR COMPENSATION PURSUANT TO SUBPARAGRAPH (B) OF PARAGRAPH SEVEN OF SUBDIVISION THREE-A OF SECTION 50 OF THIS CHAPTER. SUCH ADDITIONAL ASSESSMENT SHALL BE COLLECTED AND REMITTED TO THE CHAIR CONSISTENT WITH SUBDIVISIONS FOUR AND FIVE OF THIS SECTION. THE CHAIR SHALL MAKE AVAILABLE FOR PUBLIC INSPECTION AN ITEMIZED STATEMENT OF THE ESTIMATED ANNUAL EXPENSES IN THE OFFICE OF THE BOARD FOR THIRTY DAYS IMMEDIATELY AFTER THE RATE IS ESTABLISHED.

3. THE CHAIR AND DEPARTMENT OF AUDIT AND CONTROL ANNUALLY AS SOON AS PRACTICABLE AFTER THE FIRST OF APRIL OF EACH YEAR SHALL ASCERTAIN THE ACTUAL TOTAL AMOUNT OF EXPENSES, INCLUDING IN ADDITION TO THE DIRECT COSTS OF PERSONAL SERVICE, THE COST OF MAINTENANCE AND OPERATION, THE COST OF RETIREMENT CONTRIBUTIONS MADE AND WORKERS' COMPENSATION PREMIUMS PAID BY THE STATE FOR OR ON ACCOUNT OF PERSONNEL, RENTALS FOR SPACE OCCUPIED IN STATE OWNED OR STATE LEASED BUILDINGS, SUCH ADDITIONAL SUM AS MAY BE CERTIFIED TO THE CHAIR AND THE DEPARTMENT OF AUDIT AND CONTROL AS A REASONABLE COMPENSATION FOR SERVICES RENDERED BY THE DEPARTMENT OF

LAW AND EXPENSES INCURRED BY SUCH DEPARTMENT, FOR TRANSFER INTO THE TRAINING AND EDUCATIONAL PROGRAM ON OCCUPATIONAL SAFETY AND HEALTH FUND CREATED PURSUANT TO CHAPTER EIGHT HUNDRED EIGHTY-SIX OF THE LAWS OF NINETEEN HUNDRED EIGHTY-FIVE AND SECTION NINETY-SEVEN-C OF THE STATE FINANCE LAW, FOR THE NEW YORK STATE OCCUPATIONAL HEALTH CLINICS NETWORK, FOR THE DEPARTMENT OF LABOR OCCUPATIONAL SAFETY AND HEALTH PROGRAM AND FOR TRANSFER INTO THE UNINSURED EMPLOYERS' FUND PURSUANT TO SUBDIVISION TWO OF SECTION TWENTY-SIX-A OF THIS CHAPTER, AND ALL OTHER DIRECT OR INDIRECT COSTS, INCURRED BY THE BOARD IN CONNECTION WITH THE ADMINISTRATION OF THIS CHAPTER, EXCEPT THOSE EXPENSES FOR WHICH AN ASSESSMENT IS AUTHORIZED FOR SELF-INSURANCE PURSUANT TO SUBDIVISION FIVE OF SECTION FIFTY OF THIS CHAPTER. ASSESSMENTS PURSUANT TO SUBPARAGRAPH FOUR OF PARAGRAPH (H) OF SUBDIVISION EIGHT OF SECTION FIFTEEN OF THIS CHAPTER FOR THE SPECIAL DISABILITY FUND, PURSUANT TO SECTION FIFTY-C OF THIS CHAPTER FOR THE SELF INSURER OFFSET FUND, PURSUANT TO SUBDIVISION THREE OF SECTION TWENTY-FIVE-A OF THIS CHAPTER FOR THE FUND FOR REOPENED CASES, AND PURSUANT TO SECTION TWO HUNDRED FOURTEEN OF THIS CHAPTER FOR THE SPECIAL FUND FOR DISABILITY BENEFITS SHALL BE INCLUDED IN THE TOTAL AMOUNT OF EXPENSES FOR THE PURPOSES OF THIS SUBDIVISION. ANY OVERPAYMENT OF ANNUAL ASSESSMENTS RESULTING FROM THE REQUIREMENTS OF THIS SUBDIVISION SHALL BE APPLIED AS A CREDIT AGAINST THE FUTURE ASSESSMENT RATE PROVIDED THE FUND BALANCE SHALL NOT BE REDUCED BELOW TEN PERCENT OF THE TOTAL AMOUNT ASSESSED.

4. FOR THOSE AFFECTED EMPLOYERS OBTAINING COVERAGE:

(A) BY INSURING WITH THE STATE FUND PURSUANT TO SUBDIVISION ONE OF SECTION FIFTY OF THIS CHAPTER; OR (B) THROUGH A POLICY PURSUANT TO SUBDIVISION TWO OF SECTION FIFTY OF THIS CHAPTER; OR (C) THROUGH A COUNTY SELF-INSURANCE PLAN UNDER ARTICLE FIVE OF THIS CHAPTER; OR (D) THROUGH A GROUP PRIVATE OR PUBLIC SELF-INSURER PURSUANT TO SUBDIVISION THREE-A OF SECTION FIFTY OF THIS CHAPTER, SUCH ASSESSMENT AMOUNTS SHALL BE COLLECTED AND REMITTED TO THE CHAIR BY THE CARRIER OR THE STATE INSURANCE FUND, OR COUNTY PLAN, OR GROUP PRIVATE OR PUBLIC SELF-INSURER, ON BEHALF OF THE EMPLOYER(S) UNTIL SUCH TIME AS THE BOARD ESTABLISHES A DIRECT EMPLOYER PAYMENT PROCESS. AFFECTED PRIVATE OR PUBLIC EMPLOYERS PROVIDING COMPENSATION THROUGH SELF INSURANCE PURSUANT TO SUBDIVISION THREE OF SECTION FIFTY OF THIS CHAPTER SHALL PAY ASSESSMENT AMOUNTS DIRECTLY TO THE CHAIR.

5. INSURANCE CARRIERS AS DEFINED IN SECTION TWO OF THIS CHAPTER INCLUDING THE STATE INSURANCE FUND AND SELF-INSURERS, SHALL COLLECT FROM AFFECTED EMPLOYERS AND PERIODICALLY REMIT TO THE BOARD SUCH ASSESSMENTS AND SHALL BE RESPONSIBLE FOR ENSURING THEIR EMPLOYERS/POLICYHOLDERS ARE CURRENT ON THEIR ASSESSMENTS. (A) FAILURE TO ENSURE POLICYHOLDERS OR EMPLOYERS ARE CURRENT ON THEIR ASSESSMENTS WILL RESULT IN THE INSURANCE CARRIER; OR SELF-INSURER; BEING LIABLE FOR SUCH ASSESSMENTS.

(B) IN THE EVENT THE EMPLOYER; INSURANCE CARRIER; OR SELF-INSURER; KNEW OR SHOULD HAVE KNOWN THAT THE EMPLOYER MISREPORTED ANY DATA RELATED TO THE ASSESSMENT PROCESS, THEY MAY BE SUBJECT TO ANY APPLICABLE PENALTIES OR SANCTIONS PROVIDED BY THIS CHAPTER.

6. (A) EFFECTIVE THE FIRST DAY OF JANUARY, TWO THOUSAND FOURTEEN, ALL ASSESSMENT CYCLES IN PROGRESS WILL BE REPLACED WITH THE ASSESSMENT RATE DETERMINED HEREIN. HOWEVER, SUCH NEW ASSESSMENT RATE SHALL NOT RELIEVE ANY CARRIER OR SELF-INSURER FOR OUTSTANDING AMOUNTS DUE AS OF THE FIRST DAY OF JANUARY TWO THOUSAND FOURTEEN.

(B) ALL ASSESSMENT AMOUNTS COLLECTED BY INSURANCE CARRIERS, EXCEPT THE STATE FUND, AND NOT YET REMITTED TO THE BOARD PRIOR TO THE FIRST DAY OF

JANUARY, TWO THOUSAND FOURTEEN MUST BE REMITTED TO THE CHAIR NO LATER THAN THE FIRST DAY OF FEBRUARY, TWO THOUSAND FOURTEEN.

7. ASSESSMENTS FOR THE EXPENSES OF THE BOARD INCLUDING ASSESSMENTS PURSUANT TO PARAGRAPH (H) OF SUBDIVISION EIGHT OF SECTION FIFTEEN OF THIS CHAPTER FOR THE SPECIAL DISABILITY FUND AND PURSUANT TO SUBDIVISION THREE OF SECTION TWENTY-FIVE-A OF THIS CHAPTER FOR THE FUND FOR REOPENED CASES SHALL NOT CONSTITUTE ELEMENTS OF LOSS.

7-A. NOTWITHSTANDING ANY LAW TO THE CONTRARY, WHEN THERE IS A DEFAULT ON THE PAYMENT OF PREMIUM, INCLUDING ANY ASSESSMENTS PAYABLE UNDER SUBDIVISION SEVEN OF THIS SECTION, ANY ACTION BY THE CARRIER, INCLUDING THE STATE INSURANCE FUND, TO COLLECT ANY UNPAID PREMIUM SHALL INCLUDE AN ACTION SEEKING RECOVERY OF SUCH ASSESSMENTS ON BEHALF OF THE BOARD. THE CARRIER SHALL REMIT THE AMOUNT OF ANY SUCH UNPAID ASSESSMENTS COLLECTED EITHER PURSUANT TO A JUDGMENT OR BY SETTLEMENT TO THE BOARD.

8. THE FOREGOING AND EVERY OTHER PREVISION OF LAW TO THE CONTRARY NOTWITHSTANDING, ALL MONEYS RECEIVED ON ACCOUNT OF THE ASSESSMENT AUTHORIZED BY THIS SECTION SHALL BE DEPOSITED UPON RECEIPT INTO THE ADMINISTRATIVE CLEARING ACCOUNT HELD BY THE COMMISSIONER OF TAXATION AND FINANCE AND APPLIED, AS PLEDGED ASSESSMENTS FOR PURPOSES OF SECTIONS SIXTEEN HUNDRED EIGHTY-L AND SIXTEEN HUNDRED EIGHTY-Q OF THE PUBLIC AUTHORITIES LAW AND PRIOR TO ANY OTHER APPLICATION: FIRST, IN ACCORDANCE WITH ANY OTHER PROVISION OF ANY SPECIAL DISABILITY FUND FINANCING AGREEMENT ENTERED INTO PRIOR TO MARCH THIRTY-FIRST, TWO THOUSAND THIRTEEN, TO THE EXTENT REQUIRED TO FULLY FUND THE THEN CURRENT PAYMENT AND RESERVE REQUIREMENTS UNDER SUCH FINANCING AGREEMENT; AND SECOND, IN ACCORDANCE WITH EACH SPECIAL DISABILITY FUND FINANCING AGREEMENT AND EACH SELF-INSURED BOND FINANCING AGREEMENT, TO THE EXTENT REQUIRED TO FULLY FUND THE THEN CURRENT PAYMENT AND RESERVE REQUIREMENTS UNDER EACH SUCH FINANCING AGREEMENT ENTERED INTO AFTER MARCH THIRTY-FIRST, TWO THOUSAND THIRTEEN WITH RESPECT TO BONDS ISSUED BY THE DORMITORY AUTHORITY PURSUANT TO EITHER SECTION SIXTEEN HUNDRED EIGHTY-L OR SECTION SIXTEEN HUNDRED EIGHTY-Q OF THE PUBLIC AUTHORITIES LAW, ON A PARI PASSU BASIS WITHOUT PREFERENCE OR PRIORITY AMONG ALL SUCH OTHER BONDS. SUCH MONIES SHALL NOT BE COMMINGLED WITH ANY OTHER MONIES IN THE COMMISSIONER'S CUSTODY PRIOR TO THE COMPLETION OF SUCH APPLICATION AND SHALL NOT BE DEEMED TO BE PART OF THE STATE TREASURY OR OF ANY FUNDS UNDER MANAGEMENT OF THE STATE. THIS SECTION SHALL NOT BE DEEMED TO AUTHORIZE ANY INFRINGEMENT UPON THE RIGHTS OF HOLDERS OF SUCH BONDS ISSUED OR TO BE ISSUED UNDER SUCH SECTIONS OF THE PUBLIC AUTHORITIES LAW. THE PROVISIONS OF THIS SECTION MAY BE INCLUDED BY THE DORMITORY AUTHORITY IN ANY CONTRACT WITH THE HOLDERS OF ANY SUCH BONDS. THE OPERATION OF THIS SECTION AND THE APPLICATION OF THE RECEIPTS OF THE ASSESSMENT AUTHORIZED BY THIS SECTION SHALL BE SUBJECT TO THE PROVISIONS OF EACH FINANCING AGREEMENT AUTHORIZED PURSUANT TO SUBPARAGRAPH FOUR OF PARAGRAPH (H) OF SUBDIVISION EIGHT OF SECTION FIFTEEN OR TO SECTION FIFTY-C OF THIS CHAPTER AND THIS SECTION SHALL NOT BE DEEMED TO AUTHORIZE ANY INFRINGEMENT UPON THE RIGHTS OF HOLDERS OF BONDS ISSUED OR TO BE ISSUED PURSUANT TO EITHER SUCH PROVISION.

9. THE PROVISIONS OF THIS SECTION SHALL NOT APPLY WITH RESPECT TO POLICIES CONTAINING COVERAGE PURSUANT TO PARAGRAPH ONE OF SUBSECTION (J) OF SECTION THREE THOUSAND FOUR HUNDRED TWENTY OF THE INSURANCE LAW RELATING TO EVERY POLICY PROVIDING COMPREHENSIVE PERSONAL LIABILITY INSURANCE ON A ONE, TWO, THREE OR FOUR FAMILY OWNER-OCCUPIED DWELLING.

10. IF THE ASSESSMENTS COLLECTED PURSUANT TO THIS SECTION ARE INSUFFICIENT TO MEET THE OBLIGATIONS FINANCED BY THE ASSESSMENTS, THE CHAIR, FOR A PERIOD OF THREE YEARS, MAY BORROW ANY SHORTFALL FROM THE STATE

INSURANCE FUND WITH ANY BORROWING TO BE ADDED TO THE ASSESSMENTS UNDER THIS SECTION AND REPAID THE FOLLOWING YEAR TO THE STATE INSURANCE FUND WITH INTEREST AT THE STATE INSURANCE FUND'S THEN CURRENT RATE OF RETURN.

11. EFFECTIVE IMMEDIATELY, NOTWITHSTANDING ANY LAW TO THE CONTRARY, PURSUANT TO THE PROVISIONS OF THIS CHAPTER, THE ASSESSMENT RESERVES HELD BY THE STATE INSURANCE FUND FOR THE PAYMENT OF FUTURE ASSESSMENTS ARE NO LONGER REQUIRED AND ALL FUNDS AND INVESTMENTS HELD BY THE STATE INSURANCE FUND RELATED TO THE ASSESSMENT RESERVES SHALL BE TRANSFERRED TO THE CHAIR OF THE WORKERS' COMPENSATION BOARD AS SOON AS PRACTICABLE. THE COMMISSIONER OF TAXATION AND FINANCE SHALL BE CUSTODIAN OF SUCH FUNDS, WHICH SHALL NOT BE COMMINGLED WITH OTHER FUNDS OF THE WORKERS' COMPENSATION BOARD, AND MAY INVEST SUCH FUNDS IN THE SAME MANNER AS SURPLUS FUNDS HELD BY THE STATE INSURANCE FUND PURSUANT TO SUBDIVISION TWO OF SECTION EIGHTY-SEVEN OF THIS CHAPTER. DISBURSEMENTS OF SUCH FUNDS SHALL BE MADE BY SUCH COMMISSIONER UPON WRITTEN WARRANT OF THE CHAIR OF THE WORKERS' COMPENSATION BOARD OR THE CHAIR'S DESIGNEE.

AT THE REQUEST OF THE DIRECTOR OF THE BUDGET, SUCH MONEYS TRANSFERRED TO THE CHAIR OF THE WORKERS' COMPENSATION BOARD SHALL BE DISTRIBUTED AS FOLLOWS:

(A) AS SOON AS PRACTICABLE AFTER APRIL FIRST, TWO THOUSAND THIRTEEN, THE CHAIR OF THE WORKERS' COMPENSATION BOARD SHALL TRANSFER TWO HUNDRED FIFTY MILLION DOLLARS TO THE GENERAL FUND FOR DEBT MANAGEMENT OR FISCAL UNCERTAINTIES.

(B) AS SOON AS PRACTICABLE AFTER APRIL FIRST, TWO THOUSAND FOURTEEN, THE CHAIR OF THE WORKERS' COMPENSATION BOARD SHALL TRANSFER ONE BILLION DOLLARS TO THE GENERAL FUND FOR THE PURPOSE OF REDUCING BUDGET GAPS.

(C) AS SOON AS PRACTICABLE AFTER APRIL FIRST, TWO THOUSAND FIFTEEN, THE CHAIR OF THE WORKERS' COMPENSATION BOARD SHALL TRANSFER TWO HUNDRED FIFTY MILLION DOLLARS TO THE GENERAL FUND FOR THE PURPOSE OF REDUCING BUDGET GAPS.

(D) AS SOON AS PRACTICABLE AFTER APRIL FIRST, TWO THOUSAND SIXTEEN, THE CHAIR OF THE WORKERS' COMPENSATION BOARD SHALL TRANSFER TWO HUNDRED FIFTY MILLION DOLLARS TO THE GENERAL FUND FOR THE PURPOSE OF REDUCING BUDGET GAPS.

(E) ANY AND ALL FUNDS REMAINING AFTER ACCOUNTING FOR THE TRANSFERS SET FORTH ABOVE MAY, AT THE DISCRETION OF THE DIRECTOR OF THE BUDGET, EITHER REMAIN WITH THE WORKERS' COMPENSATION BOARD OR BE TRANSFERRED TO THE GENERAL FUND FOR THE PURPOSE OF REDUCING BUDGET GAPS OR TO THE STATE INSURANCE FUND. THE BUDGET DIRECTOR, ACTING IN CONSULTATION WITH THE CHAIR OF THE WORKERS' COMPENSATION BOARD, SHALL DETERMINE WHETHER ANY MONEY RETURNED TO THE STATE INSURANCE FUND IS A LOAN OR A TRANSFER AND THE TERMS AND CONDITIONS THEREIN. ANY FUNDS TRANSFERRED OR LOANED TO THE STATE INSURANCE FUND UPON THE BUDGET DIRECTOR'S REQUEST MAY BE INVESTED IN A MANNER CONSISTENT WITH INVESTMENT GUIDELINES PURSUANT TO SUBDIVISION TWO OF SECTION EIGHTY-SEVEN OF THE WORKERS' COMPENSATION LAW.

ANNUALLY, THE STATE INSURANCE FUND AND THE WORKERS' COMPENSATION BOARD WILL PROVIDE TO THE DIRECTOR OF THE BUDGET, THE CHAIR OF THE SENATE FINANCE COMMITTEE, AND THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, AN ACCOUNTING OF SUCH FUNDS AND ALL ASSOCIATED INCOME RECEIVED. SUCH ACCOUNTING WILL CONTINUE UNTIL MARCH THIRTY-FIRST, TWO THOUSAND SEVENTEEN.

12. THE CHAIR SHALL PROMULGATE REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION.

13. TO EFFECTUATE AN EFFICIENT ASSESSMENT PROCESS AND THE PROPER MANAGEMENT OF THE WORKERS' COMPENSATION SYSTEM ALL DATA IN POSSESSION OF

THE COMPENSATION INSURANCE RATING BOARD SHALL BE MADE AVAILABLE TO THE BOARD AND THE DEPARTMENT OF FINANCIAL SERVICES UPON REQUEST.

14. THE CHAIR MAY CONDUCT PERIODIC AUDITS OF ANY EMPLOYER, SELF-INSURER, INSURANCE CARRIER AND THE STATE INSURANCE FUND CONCERNING ANY INFORMATION OR PAYMENT REQUIRED UNDER THIS SECTION, INCLUDING ANY INFORMATION RELEVANT TO THE PAYMENT OR CALCULATION OF ANY ASSESSMENTS. THE EMPLOYER, SELF-INSURER, INSURANCE CARRIER AND THE STATE INSURANCE FUND SHALL PROVIDE ALL NECESSARY DOCUMENTS AND INFORMATION IN RELATION TO AN AUDIT IN A MANNER PRESCRIBED BY THE CHAIR. UPON THE DETERMINATION OF THE CHAIR THAT AN EMPLOYER, SELF-INSURER, INSURANCE CARRIER OR THE STATE INSURANCE FUND HAS UNDERPAID AN ASSESSMENT AS A RESULT OF ITS INACCURATE REPORTING, THE EMPLOYER, SELF-INSURER, INSURANCE CARRIER OR THE STATE INSURANCE FUND UPON NOTICE FROM THE CHAIR, SHALL PAY THE FULL AMOUNT OF THE UNDERPAID ASSESSMENT, ALONG WITH INTEREST AT THE RATE OF NINE PER CENT PER ANNUM ON THE UNPAID ASSESSMENT DUE NOT LATER THAN THIRTY DAYS AFTER SUCH NOTICE. AN INSURANCE CARRIER OR EMPLOYER THAT KNOWINGLY MAKES A MATERIAL MISREPRESENTATION OF INFORMATION REQUIRED FOR THE PURPOSE OF EFFECTUATING THIS SECTION SHALL BE GUILTY OF A CLASS E FELONY.

S 23. Subdivision 5 of section 54 of the workers' compensation law, as amended by chapter 164 of the laws of 1992 and the closing paragraph as added by chapter 322 of the laws of 2008, is amended to read as follows:

5. Cancellation and termination of insurance contracts. No contract of insurance issued by an insurance carrier against liability arising under this chapter shall be cancelled within the time limited in such contract for its expiration unless notice is given as required by this section. When cancellation is due to non-payment of premiums AND ASSESSMENTS, such cancellation shall not be effective until at least ten days after a notice of cancellation of such contract, on a date specified in such notice, shall be filed in the office of the chair and also served on the employer. When cancellation is due to any reason other than non-payment of premiums AND ASSESSMENTS, such cancellation shall not be effective until at least thirty days after a notice of cancellation of such contract, on a date specified in such notice, shall be filed in the office of the chair and also served on the employer; provided, however, in either case, that if the employer has secured insurance with another insurance carrier which becomes effective prior to the expiration of the time stated in such notice, the cancellation shall be effective as of the date of such other coverage. No insurer shall refuse to renew any policy insuring against liability arising under this chapter unless at least thirty days prior to its expiration notice of intention not to renew has been filed in the office of the chair and also served on the employer.

Such notice shall be served on the employer by delivering it to him, her or it or by sending it by mail, by certified or registered letter, return receipt requested, addressed to the employer at his, her or its last known place of business; provided that, if the employer be a partnership, then such notice may be so given to any of one of the partners, and if the employer be a corporation then the notice may be given to any agent or officer of the corporation upon whom legal process may be served; and further provided that an employer may designate any person or entity at any address to receive such notice including the designation of one person or entity to receive notice on behalf of multiple entities insured under one insurance policy and that service of notice at the address so designated upon the person or entity so designated by delivery or by mail, by certified or registered letter, return receipt requested, shall satisfy the notice requirement of this section.

Provided, however, the right to cancellation of a policy of insurance in the state fund shall be exercised only for non-payment of premiums AND ASSESSMENTS or as provided in section ninety-four of this chapter.

The provisions of this subdivision shall not apply with respect to policies containing coverage pursuant to subsection (j) of section three thousand four hundred twenty of the insurance law relating to every policy providing comprehensive personal liability insurance on a one, two, three or four family owner-occupied dwelling.

In the event such cancellation or termination notice is not filed with the chair within the required time period, the chair shall impose a penalty in the amount of up to five hundred dollars for each ten-day period the insurance carrier or state insurance fund failed to file the notification. All penalties collected pursuant to this subdivision shall be deposited in the uninsured employers' fund.

S 24. Section 93 of the workers' compensation law, as amended by chapter 94 of the laws of 1988 and subdivisions b and c as amended by chapter 635 of the laws of 1996, is amended to read as follows:

S 93. Collection of premium in case of default. a. If a policyholder shall default in any payment required to be made by him to the state insurance fund after due notice, his insurance in the state fund may be cancelled and the amount due from him shall be collected by civil action brought against him in any county wherein the state insurance fund maintains an office in the name of the commissioners of the state insurance fund and the same when collected, shall be paid into the state insurance fund, and such policyholder's compliance with the provisions of this chapter requiring payments to be made to the state insurance fund shall date from the time of the payment of said money to the state insurance fund.

b. An employer, whose policy of insurance has been cancelled by the state insurance fund for non-payment of premium AND ASSESSMENTS or withdraws pursuant to section ninety-four of this article, is ineligible to contract for a subsequent policy of insurance with the state insurance fund while the billed premium on the cancelled policy remains uncollected.

c. The state insurance fund shall not be required to write a policy of insurance for any employer which is owned or controlled or the majority interest of which is owned or controlled, directly or indirectly, by any person who directly or indirectly owns or controls or owned or controlled at the time of cancellation an employer whose former policy of insurance with the state insurance fund was cancelled for non-payment of premium AND ASSESSMENTS or withdraws pursuant to section ninety-four of this article or who is or was at the time of cancellation the president, vice-president, secretary or treasurer of such an employer until the billed premium on the cancelled policy is paid.

For purposes of this subdivision, "person" shall include individuals, partnerships, corporations, and other associations.

S 25. Section 146 of the workers' compensation law, as added by chapter 74 of the laws of 1945, is amended to read as follows:

S 146. Offices of the board. [The principal office of the board shall be in the city of Albany.] There shall be [also] an office OF THE BOARD in the city of New York and at such other place or places in the state as may be required properly and conveniently to transact the business of the board. The board may meet and exercise any or all of its powers at any place in the state.

S 26. Section 214 of the workers' compensation law, as added by chapter 600 of the laws of 1949, the opening paragraph as amended by chapter

653 of the laws of 1958, subdivision 2 as amended by chapter 187 of the laws of 1983, subdivision 3 as amended by chapter 629 of the laws of 1958, subdivision 4 as amended by chapter 727 of the laws of 1950 and as further amended by section 104 of part A of chapter 62 of the laws of 2011, and subdivision 5 as added by chapter 18 of the laws of 2010, is amended to read as follows:

S 214. Special fund for disability benefits. There is hereby created a fund which shall be known as the special fund for disability benefits to provide for the payment of disability benefits under sections two hundred seven, two hundred thirteen and attendance fees under [subdivision two of] section two hundred thirty-two of this article.

1. [For the purpose of accumulating funds for payment of benefits to the disabled unemployed, there is hereby assessed a contribution at the rate of two-tenths of one per centum of the wages paid during the period from January first, nineteen hundred fifty to June thirtieth, nineteen hundred fifty inclusive, to employees in the employment of covered employers on or after January first, nineteen hundred fifty, but not in excess of twelve cents per week as to each such employee, of which the employee shall contribute one-tenth of one per centum of his wages but not in excess of six cents per week, and the employer shall make an equal contribution. The contributions of the employee shall be deducted from his wages in the same manner as provided in section two hundred nine. On or before April thirtieth, nineteen hundred fifty, the employer shall pay to the chairman the contributions with respect to wages paid during the quarterly period ending March thirty-first, nineteen hundred fifty, and on or before July thirty-first, nineteen hundred fifty, the employer shall pay to the chairman the contributions with respect to wages paid during the quarterly period ending June thirtieth, nineteen hundred fifty.

2.] As promptly as practicable after April first, [nineteen hundred fifty-eight and thereafter annually as soon as practicable after April first] in each year, the chairman shall ascertain the condition of the fund, and if as of any such date the net assets of the fund shall be one million dollars or more below the sum of twelve million dollars, the chairman shall assess and collect [from all carriers hereinafter specified] an amount sufficient to restore the fund to an amount equal to twelve million dollars. [Carriers subject to this assessment shall be such carriers as shall have covered employees in employment during the preceding three calendar years or any portion or portions thereof. The proportion of the total assessment to be assessed upon and collected from each carrier shall be that proportion thereof that the total of the payrolls covered by such carrier during said three calendar years bears to the total of all such payrolls covered by all such carriers during said three calendar years, except that the term "payrolls" as used herein shall be deemed limited to the first seven thousand dollars of earnings of each employee during any calendar year and except that there shall be excluded the payroll of employees of a class or classes for whom plan benefits provided under this article are payable during unemployment for a period not less than the period provided in section two hundred seven under an agreement between the employer or an association of employers and an association of the employees which has been accepted as a plan under section two hundred eleven. The chairman, before making an assessment as herein provided, shall give thirty days notice to all such carriers, in the same manner provided in section two hundred twenty-eight, that an itemized statement of the condition of the fund is open for inspection]. SUCH ASSESSMENT SHALL BE INCLUDED IN THE ASSESS-

MENT RATE ESTABLISHED PURSUANT TO SUBDIVISION TWO OF SECTION ONE HUNDRED FIFTY-ONE OF THIS CHAPTER. SUCH ASSESSMENTS SHALL BE DEPOSITED WITH THE COMMISSIONER OF TAXATION AND FINANCE AND TRANSFERRED TO THE BENEFIT OF SUCH FUND UPON PAYMENT OF DEBT SERVICE, IF ANY, PURSUANT TO SECTION ONE HUNDRED FIFTY-ONE OF THIS CHAPTER.

[3.] 2. Whenever the net assets of the fund shall be less than three million dollars and the disability claims currently being paid shall indicate the necessity of supplementing the assets of the fund [before the next annual assessment can be made,] the chairman may [assess and collect for all such carriers, in the same proportions established for the last preceding annual assessment,] TRANSFER FROM MONIES COLLECTED PURSUANT TO SUBDIVISION TWO OF SECTION ONE HUNDRED FIFTY-ONE OF THIS CHAPTER an amount sufficient in the discretion of the chairman for the needs of the fund, but not in excess of an amount sufficient to restore the fund to twelve million dollars. [Before making any such emergency assessment the chairman shall give thirty days notice to such carriers in the same manner as provided with respect to annual assessments, and an itemized statement of the condition of the fund shall, in like manner, be open for inspection.]

[4.] 3. All contributions and assessments received by the chairman under the provisions of this section shall be credited to the fund herein established and deposited by the chairman to the credit of the commissioner of taxation and finance for the benefit of the fund. The superintendent of financial services may examine into the condition of the fund at any time on his own initiative or upon the request of the chairman.

[5. Notwithstanding any inconsistent provision of law to the contrary, effective April first, two thousand nine, any amounts available in excess of the maximum net asset balance of twelve million dollars pursuant to subdivision two of this section, shall be transferred by the comptroller to the general fund, at the request of the director of the budget.]

S 27. Section 228 of the workers' compensation law is REPEALED and a new section 228 is added to read as follows:

S 228. ADMINISTRATIVE EXPENSES. 1. THE ESTIMATED ANNUAL EXPENSES NECESSARY FOR THE WORKERS' COMPENSATION BOARD TO ADMINISTER THE PROVISIONS OF THE DISABILITY BENEFITS LAW SHALL BE BORNE BY ALL AFFECTED EMPLOYERS AND INCLUDED AS PART OF THE ASSESSMENT RATE GENERATED PURSUANT TO SUBDIVISION TWO OF SECTION ONE HUNDRED FIFTY-ONE OF THIS CHAPTER.

2. ANNUALLY, AS SOON AS PRACTICABLE AFTER THE FIRST DAY OF APRIL, THE CHAIR AND DEPARTMENT OF AUDIT AND CONTROL SHALL ASCERTAIN THE TOTAL AMOUNT OF ACTUAL EXPENSES.

S 28. Subdivision 6 of section 3 of the volunteer firefighters' benefit law is amended to read as follows:

6. "Surviving spouse" means the legal [wife of a deceased male volunteer fireman or the legal husband of a deceased female volunteer fireman, as the case may be,] SPOUSE OF A DECEASED VOLUNTEER FIREFIGHTER, but shall not include a spouse who has abandoned the deceased. The term "abandoned", as used in this subdivision, means such an abandonment as would be sufficient under section [eleven hundred sixty-one of the civil practice act] TWO HUNDRED OF THE DOMESTIC RELATIONS LAW to sustain a judgment of separation on that ground.

S 29. Section 60 of the volunteer firefighters' benefit law is REPEALED and a new section 60 is added to read as follows:

S 60. ASSESSMENT FOR EXPENSES. 1. THE ESTIMATED ANNUAL EXPENSES NECESSARY FOR THE WORKERS' COMPENSATION BOARD TO ADMINISTER THE PROVISIONS OF

THE VOLUNTEER FIREFIGHTERS' BENEFIT LAW SHALL BE BORNE BY ALL AFFECTED EMPLOYERS AND INCLUDED AS PART OF THE ASSESSMENT RATE GENERATED PURSUANT TO SUBDIVISION TWO OF SECTION ONE HUNDRED FIFTY-ONE OF THE WORKERS' COMPENSATION LAW.

2. ANNUALLY, THE CHAIR OF THE DEPARTMENT OF AUDIT AND CONTROL, AS SOON AS PRACTICABLE AFTER THE FIRST OF APRIL, SHALL ASCERTAIN THE TOTAL AMOUNT OF ACTUAL EXPENSES.

S 30. Subdivision 6 of section 3 of the volunteer ambulance workers' benefit law is amended to read as follows:

6. "Surviving spouse" means the legal [wife of a deceased male volunteer ambulance worker or the legal husband of a deceased female] SPOUSE OF A DECEASED volunteer ambulance worker[, as the case may be], but shall not include a spouse who has abandoned the deceased. The term "abandoned", as used in this subdivision, means such an abandonment as would be sufficient under section two hundred of the domestic relations law to sustain a judgment of separation on that ground.

S 31. Section 60 of the volunteer ambulance workers' benefit law is REPEALED and a new section 60 is added to read as follows:

S 60. ASSESSMENT FOR EXPENSES. 1. THE ESTIMATED ANNUAL EXPENSES NECESSARY FOR THE WORKERS' COMPENSATION BOARD TO ADMINISTER THE PROVISIONS OF THE VOLUNTEER AMBULANCE WORKERS' BENEFIT LAW SHALL BE BORNE BY ALL AFFECTED EMPLOYERS AND INCLUDED AS PART OF THE ASSESSMENT RATE GENERATED PURSUANT TO SUBDIVISION TWO OF SECTION ONE HUNDRED FIFTY-ONE OF THE WORKERS' COMPENSATION LAW.

2. ANNUALLY, THE CHAIR OF THE DEPARTMENT OF AUDIT AND CONTROL, AS SOON AS PRACTICABLE AFTER THE FIRST OF APRIL, SHALL ASCERTAIN THE TOTAL AMOUNT OF ACTUAL EXPENSES.

S 32. Section 50 of the workers' compensation law is amended by adding a new subdivision 12 to read as follows:

12. THE CHAIR, WITH THE APPROVAL OF THE DIRECTOR OF THE BUDGET, MAY REQUEST THE ISSUANCE OF BONDS BY THE DORMITORY AUTHORITY FOR ONE OR MORE OF THE PURPOSES AUTHORIZED BY SECTION SIXTEEN HUNDRED EIGHTY-Q OF THE PUBLIC AUTHORITIES LAW AND BY A SELF-INSURED BOND FINANCING AGREEMENT AUTHORIZED BY SECTION FIFTY-C OF THIS ARTICLE. THE NET PROCEEDS OF SUCH BONDS SHALL BE DEPOSITED INTO THE SELF-INSURER OFFSET FUND OR AS OTHERWISE PROVIDED BY THE APPLICABLE SELF-INSURED BOND FINANCING AGREEMENT.

S 33. Subdivision 4 of section 50-a of the workers' compensation law is renumbered subdivision 5 and a new subdivision 4 is added to read as follows:

4. TO THE EXTENT PROVIDED BY THE SELF-INSURER BOND FINANCING AGREEMENT THE CHAIR MAY REQUEST THE DORMITORY AUTHORITY TO TRANSFER BOND PROCEEDS INTO SUCH ACCOUNT FOR THE PURPOSES OUTLINED IN THE BOND FINANCING AGREEMENT.

S 34. The workers' compensation law is amended by adding a new section 50-c to read as follows:

S 50-C. SELF-INSURED BONDS. 1. THE CHAIR, WITH THE COMMISSIONER OF TAXATION AND FINANCE, IS AUTHORIZED TO ENTER INTO A FINANCING AGREEMENT WITH THE DORMITORY AUTHORITY, TO BE KNOWN AS THE "SELF-INSURED BOND FINANCING AGREEMENT". SUCH AGREEMENT SHALL SET FORTH THE PROCESS FOR CALCULATING THE ANNUAL DEBT SERVICE OF BONDS ISSUED BY THE DORMITORY AUTHORITY AND ANY OTHER ASSOCIATED COSTS IN CONNECTION WITH THE SELF-INSURER OFFSET FUND, AS SET FORTH IN SECTION SIXTEEN HUNDRED EIGHTY-Q OF THE PUBLIC AUTHORITIES LAW. FOR PURPOSES OF THIS SECTION, "ASSOCIATED COSTS" MAY INCLUDE A COVERAGE FACTOR, RESERVE FUND REQUIREMENTS, ALL COSTS OF ANY NATURE INCURRED BY THE DORMITORY AUTHORITY IN CONNECTION WITH THE SELF-INSURED BOND FINANCING AGREEMENT OR PURSUANT THERETO, THE

COSTS OF ANY INDEPENDENT AUDITS UNDERTAKEN UNDER THIS SECTION, AND ANY OTHER COSTS FOR THE IMPLEMENTATION OF THIS SUBDIVISION AND THE ISSUANCE OF BONDS BY THE DORMITORY AUTHORITY, INCLUDING INTEREST RATE EXCHANGE PAYMENTS, REBATE PAYMENTS, LIQUIDITY FEES, CREDIT PROVIDER FEES, FIDUCIARY FEES, REMARKETING, DEALER, AUCTION AGENT AND RELATED FEES AND OTHER SIMILAR BOND-RELATED EXPENSES, UNLESS OTHERWISE FUNDED. BY SEPTEMBER FIRST OF EACH YEAR, THE DORMITORY AUTHORITY SHALL PROVIDE TO THE CHAIR THE CALCULATION OF THE AMOUNT EXPECTED TO BE PAID BY THE DORMITORY AUTHORITY IN DEBT SERVICE AND ASSOCIATED COSTS FOR PURPOSES OF CALCULATING THE ASSESSMENTS FOR THE DEBT SERVICE PORTION OF THE ASSESSMENT PROVIDED FOR UNDER THIS CHAPTER. ALL MONIES RECEIVED ON ACCOUNT OF SUCH ASSESSMENTS SHALL BE APPLIED IN ACCORDANCE WITH THIS CHAPTER AND WITH THE SELF-INSURED BOND FINANCING AGREEMENT UNTIL THE FINANCIAL OBLIGATIONS OF THE DORMITORY AUTHORITY IN RESPECT TO ITS CONTRACT WITH ITS BONDHOLDERS ARE MET AND ALL ASSOCIATED COSTS PAYABLE TO OR BY THE DORMITORY AUTHORITY HAVE BEEN PAID, NOTWITHSTANDING ANY OTHER PROVISION OF LAW RESPECTING SECURED TRANSACTIONS. THIS PROVISION MAY BE INCLUDED BY THE DORMITORY AUTHORITY IN ANY CONTRACT OF THE DORMITORY AUTHORITY WITH ITS BONDHOLDERS. THE SELF-INSURED BOND FINANCING AGREEMENT MAY RESTRICT DISBURSEMENTS, INVESTMENTS, OR REBATES, AND MAY PRESCRIBE A SYSTEM OF ACCOUNTS APPLICABLE TO THE SELF-INSURER OFFSET FUND AS CONSISTENT WITH THE PROVISIONS OF THIS CHAPTER GOVERNING SUCH FUND, INCLUDING CUSTODY OF FUNDS AND ACCOUNTS WITH A TRUSTEE THAT MAY BE PRESCRIBED BY THE DORMITORY AUTHORITY AS PART OF ITS CONTRACT WITH THE BONDHOLDERS. FOR PURPOSES OF THIS SUBDIVISION, THE TERM "BONDS" SHALL INCLUDE NOTES ISSUED IN ANTICIPATION OF THE ISSUANCE OF BONDS, OR NOTES ISSUED PURSUANT TO A COMMERCIAL PAPER PROGRAM.

2. THE CHAIR IS HEREBY AUTHORIZED TO RECEIVE AND CREDIT TO THE SELF-INSURER OFFSET FUND ANY SUM OR SUMS THAT MAY AT ANY TIME BE CONTRIBUTED TO THE STATE BY THE UNITED STATES OF AMERICA UNDER ANY ACT OF CONGRESS, OR OTHERWISE, TO WHICH THE STATE MAY BE OR BECOME ENTITLED BY REASON OF ANY PAYMENTS MADE OUT OF SUCH FUND.

3. NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE CHAIR SHALL BE THE CUSTODIAN OF THE SELF-INSURER OFFSET FUND AND, UNLESS OTHERWISE PROVIDED FOR IN THE SELF-INSURED BOND FINANCING AGREEMENT, THE COMMISSIONER OF TAXATION AND FINANCE SHALL INVEST ANY SURPLUS OR RESERVE MONEYS THEREOF IN SECURITIES WHICH CONSTITUTE LEGAL INVESTMENTS FOR SAVINGS BANKS UNDER THE LAWS OF THIS STATE AND IN INTEREST BEARING CERTIFICATES OF DEPOSIT OF A BANK OR TRUST COMPANY LOCATED AND AUTHORIZED TO DO BUSINESS IN THIS STATE OR OF A NATIONAL BANK LOCATED IN THIS STATE SECURED BY A PLEDGE OF DIRECT OBLIGATIONS OF THE UNITED STATES OR OF THE STATE OF NEW YORK IN AN AMOUNT EQUAL TO THE AMOUNT OF SUCH CERTIFICATES OF DEPOSIT, AND MAY SELL ANY OF THE SECURITIES OR CERTIFICATES OF DEPOSIT IN WHICH SUCH FUND IS INVESTED IF NECESSARY FOR THE PROPER ADMINISTRATION OR IN THE BEST INTEREST OF SUCH FUND. DISBURSEMENTS FROM SUCH FUND AS PROVIDED BY THIS SUBDIVISION SHALL BE MADE BY THE COMMISSIONER OF TAXATION AND FINANCE UNLESS THE SELF-INSURED BOND FINANCING AGREEMENT PROVIDES FOR SOME OTHER MEANS OF AUTHORIZING SUCH DISBURSEMENTS THAT IS NO LESS PROTECTIVE OF THE FUND. THE COMMISSIONER OF TAXATION AND FINANCE AS SOON AS PRACTICABLE AFTER JANUARY FIRST OF EACH YEAR, SHALL FURNISH TO THE CHAIR A STATEMENT OF THE FUND, SETTING FORTH THE BALANCE OF MONEYS IN THE SAID FUND AS OF THE BEGINNING OF THE CALENDAR YEAR, THE INCOME OF THE FUND, THE SUMMARY OF PAYMENTS OUT OF THE FUND ON ACCOUNT OF REIMBURSEMENTS AND OTHER CHARGES ORDERED TO BE PAID BY THE BOARD, AND ALL OTHER CHARGES AGAINST THE FUND AND SETTING FORTH THE BALANCE OF THE FUND REMAINING TO ITS CREDIT ON THE PRIOR

DECEMBER THIRTY-FIRST OF EACH YEAR. SUCH STATEMENT SHALL BE OPEN TO PUBLIC INSPECTION IN THE OFFICE OF THE SECRETARY OF THE BOARD. THE CHAIR SHALL INCLUDE IN THE REPORTS TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY AND THE TEMPORARY PRESIDENT OF THE SENATE AS REQUIRED BY SECTION NINE OF PART G OF CHAPTER FIFTY-SEVEN OF THE LAWS OF TWO THOUSAND ELEVEN, A SUMMARY OF THE STATUS OF THE BONDING PROGRAM AUTHORIZED BY THIS SECTION. THE COMMISSIONER OF TAXATION AND FINANCE MAY ESTABLISH WITHIN THE SELF-INSURER OFFSET FUND SUCH ACCOUNTS AND SUB-ACCOUNTS AS HE OR SHE DEEMS USEFUL FOR THE OPERATION OF THE FUND, OR AS NECESSARY TO SEGREGATE MONEYS WITHIN THE FUND, SUBJECT TO THE PROVISIONS OF THE SELF-INSURED BOND FINANCING AGREEMENT AND OF THIS CHAPTER.

S 35. The public authorities law is amended by adding a new section 1680-q to read as follows:

S 1680-Q. SELF-INSURED BOND FINANCING. 1. AS USED IN THIS SECTION THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(A) "ANCILLARY BOND FACILITY" MEANS ANY INTEREST RATE EXCHANGE OR SIMILAR AGREEMENT OR ANY BOND INSURANCE POLICY, LETTER OF CREDIT OR OTHER CREDIT ENHANCEMENT FACILITY, LIQUIDITY FACILITY, GUARANTEED INVESTMENT OR REINVESTMENT AGREEMENT, OR OTHER SIMILAR AGREEMENT, ARRANGEMENT OR CONTRACT.

(B) "BENEFITED PARTY" MEANS ANY PERSON, FIRM OR CORPORATION THAT ENTERS INTO AN ANCILLARY BOND FACILITY WITH THE AUTHORITY ACCORDING TO THE PROVISIONS OF THIS SECTION.

(C) "BONDS" MEANS ANY BONDS, NOTES, CERTIFICATES OF PARTICIPATION AND OTHER EVIDENCE OF INDEBTEDNESS ISSUED BY THE AUTHORITY PURSUANT TO SUBDIVISION FIVE OF THIS SECTION.

(D) "BOND OWNERS OR OWNERS OF BONDS" MEANS ANY REGISTERED OWNERS OF BONDS.

(E) "CHAIR" MEANS THE CHAIR OF THE WORKERS' COMPENSATION BOARD.

(F) "CODE" MEANS THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED.

(G) "COSTS OF ISSUANCE" MEANS ANY ITEM OF EXPENSE DIRECTLY OR INDIRECTLY PAYABLE OR REIMBURSABLE BY THE AUTHORITY AND RELATED TO THE AUTHORIZATION, SALE, OR ISSUANCE OF BONDS, INCLUDING, BUT NOT LIMITED TO, UNDERWRITING FEES AND FEES AND EXPENSES OF PROFESSIONAL CONSULTANTS AND FIDUCIARIES.

(H) "DEBT SERVICE" MEANS ACTUAL DEBT SERVICE, COMPRISED OF PRINCIPAL, INTEREST AND ASSOCIATED COSTS, AS DEFINED IN SECTION FIFTY-C OF THE WORKERS' COMPENSATION LAW.

(I) "DIRECTOR OF THE BUDGET" OR "DIRECTOR" MEANS THE DIRECTOR OF THE BUDGET OF THE STATE OF NEW YORK.

(J) "FINANCING COSTS" MEANS ALL COSTS OF ISSUANCE, CAPITALIZED INTEREST, CAPITALIZED OPERATING EXPENSES OF THE AUTHORITY AND, PURSUANT TO THE SELF-INSURED BOND FINANCING AGREEMENT, FEES, COST OF ANY ANCILLARY BOND FACILITY, AND ANY OTHER FEES, DISCOUNTS, EXPENSES AND COSTS RELATED TO ISSUING, SECURING AND MARKETING THE BONDS INCLUDING, WITHOUT LIMITATION, ANY NET ORIGINAL ISSUE DISCOUNT.

(K) "INVESTMENT SECURITIES" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION ONE THOUSAND SIX HUNDRED EIGHTY-L OF THIS TITLE.

(L) "INTEREST RATE EXCHANGE OR SIMILAR AGREEMENT" MEANS A WRITTEN CONTRACT ENTERED INTO IN CONNECTION WITH THE ISSUANCE OF BONDS OR WITH SUCH BONDS OUTSTANDING WITH A COUNTERPARTY TO PROVIDE FOR AN EXCHANGE OR SWAP OF PAYMENTS BASED UPON FIXED AND/OR VARIABLE INTEREST RATES, AND SHALL BE FOR EXCHANGES IN CURRENCY OF THE UNITED STATES OF AMERICA ONLY.

(M) "NET PROCEEDS" MEANS THE AMOUNT OF PROCEEDS REMAINING FOLLOWING EACH SALE OF BONDS WHICH ARE NOT REQUIRED BY THE AUTHORITY FOR PURPOSES

OF THIS SECTION TO PAY OR PROVIDE FOR DEBT SERVICE OR FINANCING COSTS, AS PROVIDED IN THE SELF-INSURED BOND FINANCING AGREEMENT.

(N) "OPERATING EXPENSES" MEANS THE REASONABLE OR NECESSARY OPERATING EXPENSES OF THE AUTHORITY FOR PURPOSES OF THIS SECTION, INCLUDING, WITHOUT LIMITATION, THE COSTS OF: RETENTION OF AUDITORS, PREPARATION OF ACCOUNTING AND OTHER REPORTS, MAINTENANCE OF THE RATINGS ON THE BONDS, ANY OPERATING EXPENSE RESERVE FUND, INSURANCE PREMIUMS, ANCILLARY BOND FACILITIES, REBATE PAYMENTS, ANNUAL MEETINGS OR OTHER REQUIRED ACTIVITIES OF THE AUTHORITY, AND PROFESSIONAL CONSULTANTS AND FIDUCIARIES.

(O) "OUTSTANDING", WHEN USED WITH RESPECT TO BONDS, SHALL EXCLUDE BONDS THAT SHALL HAVE BEEN PAID IN FULL AT MATURITY, OR SHALL HAVE OTHERWISE BEEN REFUNDED, REDEEMED, DEFEASED OR DISCHARGED, OR THAT MAY BE DEEMED NOT OUTSTANDING PURSUANT TO AGREEMENTS WITH THE HOLDERS THEREOF.

(P) "PLEDGED ASSESSMENTS REVENUES", "PLEDGED REVENUES" OR "PLEDGED ASSESSMENTS" MEANS RECEIPTS OF THE ASSESSMENTS IMPOSED PURSUANT TO SECTION ONE HUNDRED FIFTY-ONE OF THE WORKERS' COMPENSATION LAW AND PLEDGED FOR THE PAYMENT OF DEBT SERVICE ON THE BONDS OR AMOUNTS DUE PURSUANT TO AN ANCILLARY BOND FACILITY, INCLUDING THE RIGHT TO RECEIVE SAME.

(Q) "SELF-INSURER OFFSET FUND" SHALL MEAN THE FUND COMPOSED OF REVENUES, INCLUDING THOSE OBTAINED BY THE BONDS ISSUED UNDER THIS SECTION, WHICH SHALL BE USED SOLELY FOR THE PURPOSES DESCRIBED IN SUBDIVISION FOUR OF THIS SECTION.

(R) "SELF-INSURED EMPLOYER" MEANS INDIVIDUAL AND GROUP SELF-INSURED EMPLOYERS ESTABLISHED IN ACCORDANCE WITH SECTION FIFTY OF THE WORKERS' COMPENSATION LAW.

(S) "STATE" MEANS THE STATE OF NEW YORK.

(T) "SELF-INSURED BOND FINANCING AGREEMENT" OR "FINANCING AGREEMENT" MEANS AN AGREEMENT AUTHORIZED AND CREATED PURSUANT TO SUBDIVISION FOUR OF THIS SECTION AND SECTION FIFTY-C OF THE WORKERS' COMPENSATION LAW, AS SAME BY ITS TERMS AND BOND PROCEEDINGS, MAY BE AMENDED.

2. THE AUTHORITY IS HEREBY AUTHORIZED TO ISSUE BONDS TO REDUCE ASSESSMENTS IMPOSED ON SELF-INSURED EMPLOYERS UNDER SECTION FIFTY OF THE WORKERS' COMPENSATION LAW AS A RESULT OF THE UNFUNDED CLAIMS OF INDIVIDUAL AND GROUP SELF-INSURERS. THE AUTHORITY MAY ENTER INTO ONE OR MORE SELF-INSURED BOND FINANCING AGREEMENTS DESCRIBED IN SECTION FIFTY-C OF THE WORKERS' COMPENSATION LAW. ALL OF THE PROVISIONS OF THE PUBLIC AUTHORITIES LAW RELATING TO BONDS AND NOTES OF THE DORMITORY AUTHORITY WHICH ARE NOT INCONSISTENT WITH THE PROVISIONS OF THIS SECTION SHALL APPLY TO OBLIGATIONS AUTHORIZED BY THIS SECTION, INCLUDING BUT NOT LIMITED TO THE POWER TO ESTABLISH ADEQUATE RESERVES THEREFOR AND TO ISSUE RENEWAL NOTES OR REFUNDING BONDS THEREOF. THE PROVISIONS OF THIS SECTION SHALL APPLY SOLELY TO OBLIGATIONS AUTHORIZED BY THIS SECTION.

3. IT IS FOUND AND DECLARED THAT UNFUNDED CLAIMS IN EITHER THE INDIVIDUAL OR GROUP SELF-INSURANCE TRUST PROGRAM WILL, ABSENT PROVISION FOR LONG-TERM FINANCING, RESULT IN IMPOSITION OF COSTS ON ALL SELF-INSURERS THROUGH ASSESSMENTS; THAT SUCH UNFUNDED CLAIMS AND ASSESSMENTS MAY HAVE A DETRIMENTAL IMPACT ON BUSINESSES AND NOT-FOR-PROFIT CORPORATIONS IN NEW YORK STATE AND ON THE PROVISION OF SERVICES TO NEW YORK RESIDENTS; THAT WITHOUT FINANCING THE BOARD MAY BE REQUIRED TO IMPOSE HIGHER ASSESSMENTS TO PAY SUCH UNFUNDED CLAIMS; THAT FINANCING WILL ALLOW THE WORKERS' COMPENSATION BOARD TO PURCHASE ONE OR MORE ASSUMPTIONS OF WORKERS' COMPENSATION LIABILITY POLICIES THAT WILL LIMIT THE LONG TERM LOSSES FROM THESE UNFUNDED CLAIMS; THAT THE BONDS WILL PROVIDE A MORE EFFICIENT MEANS OF COVERING UNFUNDED CLAIMS THAN THE CURRENT SYSTEM OF

ASSESSMENT ON ALL SELF-INSUREDS; THAT BONDS ISSUED BY THE AUTHORITY AND SECURED BY ASSESSMENTS LEVIED, FOR THE GOVERNMENTAL PURPOSE OF FUNDING ASSUMPTION OF WORKERS' COMPENSATION LIABILITY POLICIES, AMORTIZED OVER A SUBSTANTIAL PERIOD WOULD ALLOW THE STATE TO LIMIT LIABILITIES AND THE ASSESSMENTS NEEDED TO PAY THEM, THEREBY FURTHERING THE POLICY OF THE STATE TO REDUCE THE COSTS OF WORKERS' COMPENSATION AND TO IMPROVE THE BUSINESS CLIMATE IN THE STATE AND THE ABILITY OF NOT-FOR-PROFIT CORPORATIONS TO PERFORM ESSENTIAL SERVICES WHILE COMPENSATING INJURED WORKERS; THAT ALL COSTS OF THE AUTHORITY IN RELATION TO THIS SECTION SHALL BE PAID FROM ASSESSMENTS PROVIDED FOR IN THE WORKERS' COMPENSATION LAW; AND THAT, THEREFORE, THE PROVISIONS OF THIS SECTION ARE FOR THE PUBLIC BENEFIT AND GOOD AND THE AUTHORIZATION AS PROVIDED IN THIS SECTION FOR THE ISSUANCE OF REVENUE OBLIGATIONS OF THE AUTHORITY IS DECLARED TO BE FOR A PUBLIC PURPOSE AND THE EXERCISE OF AN ESSENTIAL GOVERNMENTAL FUNCTION.

4. (A) THE AUTHORITY, THE COMMISSIONER OF TAXATION AND FINANCE AND THE CHAIR, IN CONSULTATION WITH THE DIRECTOR OF THE BUDGET SHALL EXECUTE A FINANCING AGREEMENT PRIOR TO THE ISSUANCE OF ANY BONDS. SUCH AGREEMENT SHALL CONTAIN SUCH TERMS AND CONDITIONS AS ARE NECESSARY TO CARRY OUT AND EFFECTUATE THE PURPOSES OF THIS SECTION, INCLUDING COVENANTS WITH RESPECT TO THE ASSESSMENTS AND ENFORCEMENT OF THE ASSESSMENTS, THE APPLICATION AND USE OF THE PROCEEDS OF THE SALE OF BONDS TO PRESERVE THE TAX EXEMPTION ON THE BONDS, THE INTEREST ON WHICH IS INTENDED TO BE EXEMPT FROM TAXATION. THE STATE SHALL NOT BE AUTHORIZED TO MAKE ANY COVENANT, PLEDGE, PROMISE OR AGREEMENT PURPORTING TO BIND THE STATE WITH RESPECT TO PLEDGED REVENUES, EXCEPT AS OTHERWISE SPECIFICALLY AUTHORIZED BY THIS SECTION.

(B) THE NET PROCEEDS OF THE BONDS SHALL BE DEPOSITED IN ACCORDANCE WITH THE SELF-INSURED BOND FINANCING AGREEMENT AND THIS SECTION. THE SELF-INSURED BOND FINANCING AGREEMENT SHALL PROVIDE FOR THE APPLICATION OF THE NET BOND PROCEEDS, AND SUCH BOND PROCEEDS SHALL BE USED, FOR ANY OF THE FOLLOWING PURPOSES: (I) TO PAY UNMET COMPENSATION OR BENEFITS OF INDIVIDUAL AND GROUP SELF-INSURED EMPLOYERS; (II) TO PURCHASE ONE OR MORE ASSUMPTION OF WORKERS' COMPENSATION LIABILITY POLICIES TO DISCHARGE THE LIABILITIES INCURRED OR TO BE INCURRED UNDER SUBDIVISION THREE OR THREE-A OF SECTION FIFTY OF THE WORKERS' COMPENSATION LAW; OR (III) TO PAY FINANCING COSTS OF THE BONDS ISSUED UNDER THIS SECTION. NOT INCONSISTENT WITH THIS SECTION, THE AUTHORITY MAY PROVIDE RESTRICTIONS ON THE USE AND INVESTMENT OF NET PROCEEDS OF THE BONDS AND OTHER AMOUNTS IN THE SELF-INSURED BOND FINANCING AGREEMENT OR OTHERWISE IN A TAX REGULATORY AGREEMENT AS NECESSARY OR DESIRABLE TO ASSURE THAT THEY ARE EXEMPT FROM TAXATION.

5. (A) (I) THE AUTHORITY SHALL HAVE POWER AND IS HEREBY AUTHORIZED TO ISSUE ITS BONDS AT SUCH TIMES AND IN SUCH AGGREGATE PRINCIPAL AMOUNTS NOT TO EXCEED AN AMOUNT TO BE DETERMINED BY THE CHAIR AS NECESSARY TO FUND THE PURPOSES OF THIS SECTION, BUT IN NO CASE EXCEEDING NINE HUNDRED MILLION DOLLARS EXCLUSIVE OF ANY BONDS ISSUED TO REFUND BONDS PREVIOUSLY ISSUED PURSUANT TO THIS CHAPTER AND ANY BONDS ISSUED TO FUND ANY RESERVE FUNDS COST OF ISSUANCE OR ORIGINAL ISSUE PREMIUM. THE BONDS SHALL BE ISSUED FOR THE FOLLOWING CORPORATE PURPOSES: (A) TO PAY CURRENT UNMET COMPENSATION OR BENEFITS OF INDIVIDUAL AND GROUP SELF-INSURED EMPLOYERS; (B) TO PURCHASE ONE OR MORE ASSUMPTIONS OF WORKERS' COMPENSATION LIABILITY POLICIES TO DISCHARGE THE LIABILITIES INCURRED OR TO BE INCURRED UNDER SUBDIVISION THREE OR THREE-A OF SECTION FIFTY OF THE WORKERS' COMPENSATION LAW; OR (C) TO PAY FINANCING COSTS OF THE BONDS ISSUED UNDER THIS SECTION.

(II) EACH ISSUANCE OF BONDS SHALL BE AUTHORIZED BY A RESOLUTION OF THE AUTHORITY, PROVIDED, HOWEVER, THAT ANY SUCH RESOLUTION MAY DELEGATE TO AN OFFICER OF THE AUTHORITY THE POWER TO ISSUE SUCH BONDS FROM TIME TO TIME AND TO FIX THE DETAILS OF ANY SUCH ISSUES OF BONDS BY AN APPROPRIATE CERTIFICATE OF SUCH AUTHORIZED OFFICER. EVERY ISSUE OF THE BONDS OF THE AUTHORITY FOR THE SELF-INSURER OFFSET FUND SHALL BE SPECIAL REVENUE OBLIGATIONS PAYABLE FROM AND SECURED BY A PLEDGE OF REVENUES AND OTHER ASSETS, INCLUDING THOSE PROCEEDS OF SUCH BONDS DEPOSITED IN A RESERVE FUND FOR THE BENEFIT OF BONDHOLDERS, EARNINGS ON SUCH FUNDS AND SUCH OTHER FUNDS AND ASSETS AS MAY BECOME AVAILABLE, UPON SUCH TERMS AND CONDITIONS AS SPECIFIED BY THE AUTHORITY IN THE RESOLUTION UNDER WHICH THE BONDS ARE ISSUED OR IN A RELATED TRUST INDENTURE.

(III) THE AUTHORITY SHALL HAVE THE POWER AND IS HEREBY AUTHORIZED FROM TIME TO TIME TO ISSUE BONDS, IN CONSULTATION WITH THE CHAIR, THE COMMISSIONER OF TAXATION AND FINANCE AND THE DIRECTOR OF THE BUDGET, TO REFUND ANY BONDS ISSUED UNDER THIS SECTION BY THE ISSUANCE OF NEW BONDS, WHETHER THE BONDS TO BE REFUNDED HAVE OR HAVE NOT MATURED, AND TO ISSUE BONDS PARTLY TO REFUND BONDS THEN OUTSTANDING AND PARTLY FOR ANY OF ITS OTHER CORPORATE PURPOSES UNDER THIS SECTION. THE REFUNDING BONDS MAY BE EXCHANGED FOR THE BONDS TO BE REFUNDED OR SOLD AND THE PROCEEDS APPLIED TO THE PURCHASE, REDEMPTION OR PAYMENT OF SUCH BONDS.

(B) THE BONDS OF THE AUTHORITY OF EACH ISSUE SHALL BE DATED, SHALL BEAR INTEREST (WHICH, IN THE OPINION OF BOND COUNSEL TO THE AUTHORITY, MAY BE INCLUDABLE IN OR EXCLUDABLE FROM THE GROSS INCOME OF THE OWNERS FOR FEDERAL INCOME TAX PURPOSES) AT SUCH FIXED OR VARIABLE RATES, PAYABLE AT OR PRIOR TO MATURITY, AND SHALL MATURE AT SUCH TIME OR TIMES, AS MAY BE DETERMINED BY THE AUTHORITY AND MAY BE MADE REDEEMABLE BEFORE MATURITY, AT THE OPTION OF THE AUTHORITY, AT SUCH PRICE OR PRICES AND UNDER SUCH TERMS AND CONDITIONS AS MAY BE FIXED BY THE AUTHORITY. THE PRINCIPAL AND INTEREST OF SUCH BONDS MAY BE MADE PAYABLE IN ANY LAWFUL MEDIUM. THE RESOLUTION OR THE CERTIFICATE OF THE AUTHORIZED OFFICER SHALL DETERMINE THE FORM OF THE BONDS, EITHER REGISTERED OR BOOK-ENTRY FORM, AND THE MANNER OF EXECUTION OF THE BONDS AND SHALL FIX THE DENOMINATION OR DENOMINATIONS OF THE BONDS AND THE PLACE OR PLACES OF PAYMENT OF PRINCIPAL AND INTEREST THEREOF, WHICH MAY BE AT ANY BANK OR TRUST COMPANY WITHIN OR OUTSIDE THE STATE. IF ANY OFFICER WHOSE SIGNATURE OR A FACSIMILE THEREOF APPEARS ON ANY BONDS SHALL CEASE TO BE SUCH OFFICER BEFORE THE DELIVERY OF SUCH BONDS, SUCH SIGNATURE OR FACSIMILE SHALL NEVERTHELESS BE VALID AND SUFFICIENT FOR ALL PURPOSES THE SAME AS IF SUCH OFFICER HAD REMAINED IN OFFICE UNTIL SUCH DELIVERY. THE AUTHORITY MAY ALSO PROVIDE FOR TEMPORARY BONDS AND FOR THE REPLACEMENT OF ANY BOND THAT SHALL BECOME MUTILATED OR SHALL BE DESTROYED OR LOST.

(C) THE AUTHORITY MAY SELL SUCH BONDS, EITHER AT A PUBLIC OR PRIVATE SALE AND EITHER ON A COMPETITIVE OR NEGOTIATED BASIS, PROVIDED NO SUCH BONDS MAY BE SOLD BY THE AUTHORITY AT PRIVATE SALE UNLESS SUCH SALE AND THE TERMS THEREOF HAVE BEEN APPROVED IN WRITING BY THE COMPTROLLER OF THE STATE OF NEW YORK. THE PROCEEDS OF SUCH BONDS SHALL BE DISBURSED FOR THE PURPOSES FOR WHICH SUCH BONDS WERE ISSUED UNDER SUCH RESTRICTIONS AS THE FINANCING AGREEMENT AND THE RESOLUTION AUTHORIZING THE ISSUANCE OF SUCH BONDS OR THE RELATED TRUST INDENTURE MAY PROVIDE. SUCH BONDS SHALL BE ISSUED WITHOUT ANY OTHER APPROVALS, FILINGS, PROCEEDINGS OR THE HAPPENING OF ANY OTHER CONDITIONS OTHER THAN ANY APPROVALS, FINDINGS, PROCEEDINGS, OR OTHER CONDITIONS THAT ARE SPECIFIED AND EXPRESSLY REQUIRED BY THIS SECTION; PROVIDED, HOWEVER, THAT ANY ISSUANCE OF BONDS UNDER THE AUTHORITY OF THIS SECTION SHALL BE CONSIDERED A PROJECT FOR

THE PURPOSES OF SECTION FIFTY-ONE OF THIS CHAPTER AND SUBJECT TO APPROVAL UNDER SUCH SECTION.

(D) ANY PLEDGE MADE BY THE AUTHORITY SHALL BE VALID AND BINDING AT THE TIME THE PLEDGE IS MADE. THE ASSETS, PROPERTY, REVENUES, RESERVES OR EARNINGS SO PLEDGED SHALL IMMEDIATELY BE SUBJECT TO THE LIEN OF SUCH PLEDGE WITHOUT ANY PHYSICAL DELIVERY THEREOF OR FURTHER ACT AND THE LIEN OF ANY SUCH PLEDGE SHALL BE VALID AND BINDING AS AGAINST ALL PARTIES HAVING CLAIMS OF ANY KIND AGAINST THE AUTHORITY, IRRESPECTIVE OF WHETHER SUCH PARTIES HAVE NOTICE THEREOF. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, NEITHER THE BOND RESOLUTION NOR ANY INDENTURE OR OTHER INSTRUMENT, INCLUDING THE FINANCING AGREEMENT, BY WHICH A PLEDGE IS CREATED OR BY WHICH THE AUTHORITY'S INTEREST IN PLEDGED ASSETS, PROPERTY, REVENUES, RESERVES OR EARNINGS THEREON IS ASSIGNED NEED BE FILED, PERFECTED OR RECORDED IN ANY PUBLIC RECORDS IN ORDER TO PROTECT THE PLEDGE THEREOF OR PERFECT THE LIEN THEREOF AS AGAINST THIRD PARTIES, EXCEPT THAT A COPY THEREOF SHALL BE FILED IN THE RECORDS OF THE AUTHORITY.

(E) WHETHER OR NOT THE BONDS OF THE AUTHORITY ARE OF SUCH FORM AND CHARACTER AS TO BE NEGOTIABLE INSTRUMENTS UNDER THE TERMS OF THE UNIFORM COMMERCIAL CODE, THE BONDS ARE HEREBY MADE NEGOTIABLE INSTRUMENTS FOR ALL PURPOSES, SUBJECT ONLY TO THE PROVISIONS OF THE BONDS FOR REGISTRATION.

(F) AT THE SOLE DISCRETION OF THE AUTHORITY, ANY BONDS ISSUED BY THE AUTHORITY AND ANY ANCILLARY BOND FACILITY MADE UNDER THE PROVISIONS OF THIS SUBDIVISION MAY BE SECURED BY A RESOLUTION OR TRUST INDENTURE BY AND BETWEEN THE AUTHORITY AND THE TRUST INDENTURE TRUSTEE, WHICH MAY BE ANY TRUST COMPANY OR BANK HAVING THE POWERS OF A TRUST COMPANY, WHETHER LOCATED WITHIN OR OUTSIDE THE STATE, PROVIDED IT IS CARRIED OUT IN ACCORDANCE WITH SECTION SIXTY-NINE-D OF THE STATE FINANCE LAW. SUCH TRUST INDENTURE OR RESOLUTION PROVIDING FOR THE ISSUANCE OF SUCH BONDS MAY PROVIDE FOR THE CREATION AND MAINTENANCE OF SUCH RESERVES AS THE AUTHORITY SHALL DETERMINE TO BE PROPER AND MAY INCLUDE COVENANTS SETTING FORTH THE DUTIES OF THE AUTHORITY IN RELATION TO THE BONDS, OR THE FINANCING AGREEMENT. SUCH TRUST INDENTURE OR RESOLUTION MAY CONTAIN PROVISIONS: (I) RESPECTING THE CUSTODY, SAFE-GUARDING AND APPLICATION OF ALL MONEYS AND SECURITIES; (II) PROTECTING AND ENFORCING THE RIGHTS AND REMEDIES (PURSUANT TO THE TRUST INDENTURE AND THE FINANCING AGREEMENT) OF THE OWNERS OF THE BONDS AND ANY OTHER BENEFITED PARTY AS MAY BE REASONABLE AND PROPER AND NOT IN VIOLATION OF LAW; (III) CONCERNING THE RIGHTS, POWERS AND DUTIES OF THE TRUSTEE APPOINTED BY BONDHOLDERS PURSUANT TO PARAGRAPH (G) OF THIS SUBDIVISION; OR (IV) LIMITING OR ABROGATING THE RIGHT OF THE BONDHOLDERS TO APPOINT A TRUSTEE. IT SHALL BE LAWFUL FOR ANY BANK OR TRUST COMPANY WHICH MAY ACT AS DEPOSITORY OF THE PROCEEDS OF BONDS OR OF ANY OTHER FUNDS OR OBLIGATIONS RECEIVED ON BEHALF OF THE AUTHORITY TO FURNISH SUCH INDEMNIFYING BONDS OR TO PLEDGE SUCH SECURITIES AS MAY BE REQUIRED BY THE AUTHORITY. ANY SUCH TRUST INDENTURE OR RESOLUTION MAY CONTAIN SUCH OTHER PROVISIONS AS THE AUTHORITY MAY DEEM REASONABLE AND PROPER FOR PRIORITIES AND SUBORDINATION AMONG THE OWNERS OF THE BONDS AND OTHER BENEFICIARIES. FOR PURPOSES OF THIS SECTION, A "RESOLUTION" OF THE AUTHORITY SHALL INCLUDE ANY TRUST INDENTURE AUTHORIZED THEREBY.

(G) THE AUTHORITY MAY ENTER INTO, AMEND OR TERMINATE, AS IT DETERMINES TO BE NECESSARY OR APPROPRIATE, ANY ANCILLARY BOND FACILITY IN CONSULTATION WITH THE CHAIR AND DIRECTOR OF THE BUDGET (I) TO FACILITATE THE ISSUANCE, SALE, RESALE, PURCHASE, REPURCHASE OR PAYMENT OF BONDS, INTEREST RATE SAVINGS OR MARKET DIVERSIFICATION OR THE MAKING OR PERFORMANCE

OF INTEREST RATE EXCHANGE OR SIMILAR AGREEMENTS, INCLUDING WITHOUT LIMITATION BOND INSURANCE, LETTERS OF CREDIT AND LIQUIDITY FACILITIES, (II) TO ATTEMPT TO MANAGE OR HEDGE RISK OR ACHIEVE A DESIRABLE EFFECTIVE INTEREST RATE OR CASH FLOW, OR (III) TO PLACE THE OBLIGATIONS OR INVESTMENTS OF THE AUTHORITY, AS REPRESENTED BY THE BONDS OR THE INVESTMENT OF RESERVED BOND PROCEEDS OR OTHER PLEDGED REVENUES OR OTHER ASSETS, IN WHOLE OR IN PART, ON THE INTEREST RATE, CASH FLOW OR OTHER BASIS DECIDED IN CONSULTATION WITH THE CHAIR AND DIRECTOR OF THE BUDGET, WHICH FACILITY MAY INCLUDE WITHOUT LIMITATION CONTRACTS COMMONLY KNOWN AS INTEREST RATE EXCHANGE OR SIMILAR AGREEMENTS, FORWARD PURCHASE CONTRACTS OR GUARANTEED INVESTMENT CONTRACTS AND FUTURES OR CONTRACTS PROVIDING FOR PAYMENTS BASED ON LEVELS OF, OR CHANGES IN, INTEREST RATES. THESE CONTRACTS OR ARRANGEMENTS MAY BE ENTERED INTO BY THE AUTHORITY IN CONNECTION WITH, OR INCIDENTAL TO, ENTERING INTO, OR MAINTAINING ANY AGREEMENT WHICH SECURES BONDS OF THE AUTHORITY OR INVESTMENT, OR CONTRACT PROVIDING FOR INVESTMENT OF RESERVES OR SIMILAR FACILITY GUARANTEEING AN INVESTMENT RATE FOR A PERIOD OF YEARS NOT TO EXCEED THE UNDERLYING TERM OF THE BONDS. THE DETERMINATION BY THE AUTHORITY THAT AN ANCILLARY BOND FACILITY OR THE AMENDMENT OR TERMINATION THEREOF IS NECESSARY OR APPROPRIATE AS AFORESAID SHALL BE CONCLUSIVE. ANY ANCILLARY BOND FACILITY MAY CONTAIN SUCH PAYMENT, SECURITY, DEFAULT, REMEDY, AND TERMINATION PROVISIONS AND PAYMENTS AND OTHER TERMS AND CONDITIONS AS DETERMINED BY THE AUTHORITY, AFTER GIVING DUE CONSIDERATION TO THE CREDITWORTHINESS OF THE COUNTERPARTY OR OTHER OBLIGATED PARTY, INCLUDING ANY RATING BY ANY NATIONALLY RECOGNIZED RATING AGENCY, AND ANY OTHER CRITERIA AS MAY BE APPROPRIATE.

(H) THE AUTHORITY, SUBJECT TO SUCH AGREEMENTS WITH BONDHOLDERS AS MAY THEN EXIST (INCLUDING PROVISIONS WHICH RESTRICT THE POWER OF THE AUTHORITY TO PURCHASE BONDS), OR WITH THE PROVIDERS OF ANY APPLICABLE ANCILLARY BOND FACILITY, SHALL HAVE THE POWER OUT OF ANY FUNDS AVAILABLE THEREFOR TO PURCHASE BONDS OF THE AUTHORITY, WHICH MAY OR MAY NOT THEREUPON BE CANCELLED, AT A PRICE NOT SUBSTANTIALLY EXCEEDING:

(I) IF THE BONDS ARE THEN REDEEMABLE, THE REDEMPTION PRICE THEN APPLICABLE, INCLUDING ANY ACCRUED INTEREST; OR

(II) IF THE BONDS ARE NOT THEN REDEEMABLE, THE REDEMPTION PRICE AND ACCRUED INTEREST APPLICABLE ON THE FIRST DATE AFTER SUCH PURCHASE UPON WHICH THE BONDS BECOME SUBJECT TO REDEMPTION.

(I) NEITHER THE MEMBERS OF THE AUTHORITY NOR ANY OTHER PERSON EXECUTING THE BONDS OR AN ANCILLARY BOND FACILITY OF THE AUTHORITY SHALL BE SUBJECT TO ANY PERSONAL LIABILITY BY REASON OF THE ISSUANCE OR EXECUTION AND DELIVERY THEREOF.

(J) THE MATURITIES OF THE BONDS SHALL NOT EXCEED THIRTY YEARS FROM THEIR RESPECTIVE ISSUANCE.

6. NEITHER ANY BOND ISSUED PURSUANT TO THIS SECTION NOR ANY ANCILLARY BOND FACILITY OF THE AUTHORITY SHALL CONSTITUTE A DEBT OR MORAL OBLIGATION OF THE STATE OR A STATE SUPPORTED OBLIGATION WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR OF THE TAXING POWER OF THE STATE, AND THE STATE SHALL NOT BE LIABLE TO MAKE ANY PAYMENTS THEREON NOR SHALL ANY BOND OR ANY ANCILLARY BOND FACILITY BE PAYABLE OUT OF ANY FUNDS OR ASSETS OTHER THAN PLEDGED REVENUES AND OTHER ASSETS OF THE AUTHORITY AND OTHER FUNDS AND ASSETS OF OR AVAILABLE TO THE AUTHORITY PLEDGED THEREFOR, AND THE BONDS AND ANY ANCILLARY BOND FACILITY OF THE AUTHORITY SHALL CONTAIN ON THE FACE THEREOF OR OTHER PROMINENT PLACE THEREON A STATEMENT TO THE FOREGOING EFFECT.

7. (A) SUBJECT TO THE PROVISIONS OF SUBDIVISION FIVE OF THIS SECTION IN THE EVENT THAT THE AUTHORITY SHALL DEFAULT IN THE PAYMENT OF PRINCIPAL OF, OR INTEREST ON, OR SINKING FUND PAYMENT ON, ANY ISSUE OF BONDS AFTER THE SAME SHALL BECOME DUE, WHETHER AT MATURITY OR UPON CALL FOR REDEMPTION, OR IN THE EVENT THAT THE AUTHORITY OR THE STATE SHALL FAIL TO COMPLY WITH ANY AGREEMENT MADE WITH THE HOLDERS OF ANY ISSUE OF BONDS, THE HOLDERS OF TWENTY-FIVE PERCENT IN AGGREGATE PRINCIPAL AMOUNT OF THE BONDS OF SUCH ISSUE THEN OUTSTANDING, BY INSTRUMENT OR INSTRUMENTS FILED IN THE OFFICE OF THE CLERK OF THE COUNTY OF ALBANY AND PROVED OR ACKNOWLEDGED IN THE SAME MANNER AS A DEED TO BE RECORDED, MAY APPOINT A TRUSTEE TO REPRESENT THE HOLDERS OF SUCH BONDS FOR THE PURPOSES HEREIN PROVIDED.

(B) SUCH TRUSTEE, MAY, AND UPON WRITTEN REQUEST OF THE HOLDERS OF TWENTY-FIVE PERCENT IN PRINCIPAL AMOUNT OF SUCH BONDS THEN OUTSTANDING SHALL, IN HIS OR ITS OWN NAME:

(I) BY SUIT, ACTION OR PROCEEDING IN ACCORDANCE WITH THE CIVIL PRACTICE LAW AND RULES, ENFORCE ALL RIGHTS OF THE BONDHOLDERS, INCLUDING THE RIGHT TO REQUIRE THE AUTHORITY TO CARRY OUT ANY AGREEMENT WITH SUCH HOLDERS AND TO PERFORM ITS DUTIES UNDER THIS SECTION;

(II) BRING SUIT UPON SUCH BONDS;

(III) BY ACTION OR SUIT, REQUIRE THE AUTHORITY TO ACCOUNT AS IF IT WERE THE TRUSTEE OF AN EXPRESS TRUST FOR THE HOLDERS OF SUCH BONDS;

(IV) BY ACTION OR SUIT, ENJOIN ANY ACTS OR THINGS WHICH MAY BE UNLAWFUL OR IN VIOLATION OF THE RIGHTS OF THE HOLDERS OF SUCH BONDS; AND

(V) DECLARE ALL SUCH BONDS DUE AND PAYABLE, AND IF ALL DEFAULTS SHALL BE MADE GOOD, THEN, WITH THE CONSENT OF THE HOLDERS OF TWENTY-FIVE PERCENT OF THE PRINCIPAL AMOUNT OF SUCH BONDS THEN OUTSTANDING, ANNUL SUCH DECLARATION AND ITS CONSEQUENCES, PROVIDED, HOWEVER, THAT NOTHING IN THIS SUBDIVISION SHALL PRECLUDE THE AUTHORITY FROM AGREEING THAT CONSENT OF THE PROVIDER OF AN ANCILLARY BOND FACILITY IS REQUIRED FOR AN ACCELERATION OF RELATED BONDS IN THE EVENT OF A DEFAULT OTHER THAN A FAILURE TO PAY PRINCIPAL OF OR INTEREST ON THE BONDS WHEN DUE.

(C) THE SUPREME COURT SHALL HAVE JURISDICTION OF ANY SUIT, ACTION OR PROCEEDING BY THE TRUSTEE ON BEHALF OF SUCH BONDHOLDERS. THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING SHALL BE LAID IN THE COUNTY OF ALBANY.

(D) BEFORE DECLARING THE PRINCIPAL OF BONDS DUE AND PAYABLE, THE TRUSTEE SHALL FIRST GIVE THIRTY DAYS NOTICE IN WRITING TO THE AUTHORITY.

8. ALL MONIES OF THE AUTHORITY FROM WHATEVER SOURCE DERIVED SHALL BE PAID TO THE TREASURER OF THE AUTHORITY AND SHALL BE DEPOSITED FORTHWITH IN A BANK OR BANKS DESIGNATED BY THE AUTHORITY. THE MONIES IN SUCH ACCOUNTS SHALL BE PAID OUT OR WITHDRAWN ON THE ORDER OF SUCH PERSON OR PERSONS AS THE AUTHORITY MAY AUTHORIZE TO MAKE SUCH REQUISITIONS. ALL DEPOSITS OF SUCH MONIES SHALL EITHER BE SECURED BY OBLIGATIONS OF THE UNITED STATES OR OF THE STATE OR OF ANY MUNICIPALITY OF A MARKET VALUE EQUAL AT ALL TIMES TO THE AMOUNT ON DEPOSIT, OR MONIES OF THE AUTHORITY MAY BE DEPOSITED IN MONEY MARKET FUNDS RATED IN THE HIGHEST SHORT-TERM OR LONG-TERM RATING CATEGORY BY AT LEAST ONE NATIONALLY RECOGNIZED RATING AGENCY. TO THE EXTENT PRACTICABLE, AND CONSISTENT WITH THE REQUIREMENTS OF THE AUTHORITY, ALL SUCH MONIES SHALL BE DEPOSITED IN INTEREST BEARING ACCOUNTS. THE AUTHORITY SHALL HAVE POWER, NOTWITHSTANDING THE PROVISIONS OF THIS SECTION, TO CONTRACT WITH THE HOLDERS OF ANY BONDS AS TO THE CUSTODY, COLLECTION, SECURITY, INVESTMENT AND PAYMENT OF ANY MONIES OF THE AUTHORITY OR ANY MONIES HELD IN TRUST OR OTHERWISE FOR THE PAYMENT OF BONDS OR ANY WAY TO SECURE BONDS, AND CARRY OUT ANY SUCH CONTRACT NOTWITHSTANDING THAT SUCH CONTRACT MAY BE INCONSISTENT WITH THE

PROVISIONS OF THIS SECTION. MONIES HELD IN TRUST OR OTHERWISE FOR THE PAYMENT OF BONDS OR IN ANY WAY TO SECURE BONDS AND DEPOSITS OF SUCH MONEYS MAY BE SECURED IN THE SAME MANNER AS MONIES OF THE AUTHORITY AND ALL BANKS AND TRUST COMPANIES ARE AUTHORIZED TO GIVE SUCH SECURITY FOR SUCH DEPOSITS. ANY MONIES OF THE AUTHORITY NOT REQUIRED FOR IMMEDIATE USE OR DISBURSEMENT MAY, AT THE DISCRETION OF THE AUTHORITY, BE INVESTED IN ACCORDANCE WITH LAW AND SUCH GUIDELINES AS ARE APPROVED BY THE AUTHORITY.

9. (A) IT IS HEREBY DETERMINED THAT THE CARRYING OUT BY THE AUTHORITY OF ITS CORPORATE PURPOSES UNDER THIS SECTION ARE IN ALL RESPECTS FOR THE BENEFIT OF THE PEOPLE OF THE STATE OF NEW YORK AND ARE PUBLIC PURPOSES. ACCORDINGLY, THE AUTHORITY SHALL BE REGARDED AS PERFORMING AN ESSENTIAL GOVERNMENTAL FUNCTION IN THE EXERCISE OF THE POWERS CONFERRED UPON IT BY THIS SECTION. THE PROPERTY OF THE AUTHORITY, ITS INCOME AND ITS OPERATIONS SHALL BE EXEMPT FROM TAXATION, ASSESSMENTS, SPECIAL ASSESSMENTS AND AD VALOREM LEVIES. THE AUTHORITY SHALL NOT BE REQUIRED TO PAY ANY FEES, TAXES, SPECIAL AD VALOREM LEVIES OR ASSESSMENTS OF ANY KIND, WHETHER STATE OR LOCAL, INCLUDING, BUT NOT LIMITED TO, REAL PROPERTY TAXES, FRANCHISE TAXES, SALES TAXES OR OTHER TAXES, UPON OR WITH RESPECT TO ANY PROPERTY OWNED BY IT OR UNDER ITS JURISDICTION, CONTROL OR SUPERVISION, OR UPON THE USES THEREOF, OR UPON OR WITH RESPECT TO ITS ACTIVITIES OR OPERATIONS IN FURTHERANCE OF THE POWERS CONFERRED UPON IT BY THIS SECTION, OR UPON OR WITH RESPECT TO ANY ASSESSMENTS, RATES, CHARGES, FEES, REVENUES OR OTHER INCOME RECEIVED BY THE AUTHORITY.

(B) ANY BONDS ISSUED PURSUANT TO THIS SECTION, THEIR TRANSFER AND THE INCOME THEREFROM SHALL, AT ALL TIMES, BE EXEMPT FROM TAXATION EXCEPT FOR ESTATE OR GIFT TAXES AND TAXES ON TRANSFERS.

(C) THE STATE HEREBY COVENANTS WITH THE PURCHASERS AND WITH ALL SUBSEQUENT HOLDERS AND TRANSFEREES OF BONDS ISSUED BY THE AUTHORITY PURSUANT TO THIS SECTION, IN CONSIDERATION OF THE ACCEPTANCE OF AND PAYMENT FOR THE BONDS, THAT THE BONDS OF THE AUTHORITY ISSUED PURSUANT TO THIS SECTION AND THE INCOME THEREFROM AND ALL ASSESSMENTS, REVENUES, MONEYS, AND OTHER PROPERTY RECEIVED BY THE AUTHORITY AND PLEDGED TO PAY OR TO SECURE THE PAYMENT OF SUCH BONDS SHALL AT ALL TIMES BE EXEMPT FROM TAXATION.

(D) IN THE CASE OF ANY BONDS OF THE AUTHORITY, INTEREST ON WHICH IS INTENDED TO BE EXEMPT FROM FEDERAL INCOME TAX, THE AUTHORITY SHALL PRESCRIBE RESTRICTIONS ON THE USE OF THE PROCEEDS THEREOF AND RELATED MATTERS ONLY AS ARE NECESSARY OR DESIRABLE TO ASSURE SUCH EXEMPTION, AND THE RECIPIENTS OF SUCH PROCEEDS SHALL BE BOUND THEREBY TO THE EXTENT SUCH RESTRICTIONS SHALL BE MADE APPLICABLE TO THEM. ANY SUCH RECIPIENT, INCLUDING, BUT NOT LIMITED TO, THE STATE, THE STATE INSURANCE FUND, A PUBLIC BENEFIT CORPORATION, AND A SCHOOL DISTRICT OR MUNICIPALITY IS AUTHORIZED TO EXECUTE A TAX REGULATORY AGREEMENT WITH THE AUTHORITY OR THE STATE, AS THE CASE MAY BE, AND THE EXECUTION OF SUCH AN AGREEMENT MAY BE TREATED BY THE AUTHORITY OR THE STATE AS A CONDITION TO RECEIVING ANY SUCH PROCEEDS.

10. (A) THE STATE, SOLELY WITH RESPECT TO THE RESOURCES OF THE SELF-INSURER OFFSET FUND AND AS SET FORTH IN THE SELF-INSURED BOND FINANCING AGREEMENT, COVENANTS WITH THE PURCHASERS AND ALL SUBSEQUENT OWNERS AND TRANSFEREES OF BONDS ISSUED BY THE AUTHORITY PURSUANT TO THIS SECTION IN CONSIDERATION OF THE ACCEPTANCE OF THE PAYMENT OF THE BONDS, UNTIL THE BONDS, TOGETHER WITH THE INTEREST THEREON, WITH INTEREST ON ANY UNPAID INSTALLMENT OF INTEREST AND ALL COSTS AND EXPENSES IN CONNECTION WITH ANY ACTION OR PROCEEDING ON BEHALF OF THE OWNERS, ARE FULLY MET AND DISCHARGED OR UNLESS EXPRESSLY PERMITTED OR OTHERWISE

AUTHORIZED BY THE TERMS OF EACH FINANCING AGREEMENT AND ANY CONTRACT MADE OR ENTERED INTO BY THE AUTHORITY WITH OR FOR THE BENEFIT OF SUCH OWNERS:

(I) THAT IN THE EVENT BONDS OF THE AUTHORITY ARE SOLD AS FEDERALLY TAX-EXEMPT BONDS, THE STATE SHALL NOT TAKE ANY ACTION OR FAIL TO TAKE ACTION THAT WOULD RESULT IN THE LOSS OF SUCH FEDERAL TAX EXEMPTION ON SAID BONDS;

(II) THAT THE STATE WILL CAUSE THE WORKERS' COMPENSATION BOARD TO IMPOSE, CHARGE, RAISE, LEVY, COLLECT AND APPLY THE PLEDGED ASSESSMENTS FOR THE PAYMENT OF DEBT SERVICE REQUIREMENTS IN EACH YEAR IN WHICH BONDS ARE OUTSTANDING; AND

(III) THAT THE STATE, SUBSEQUENT TO THE ISSUANCE OF BONDS UNDER THIS SECTION:

(A) WILL NOT MATERIALLY LIMIT OR ALTER THE DUTIES IMPOSED ON THE WORKERS' COMPENSATION BOARD, THE AUTHORITY, AND OTHER OFFICERS OF THE STATE BY THE SELF-INSURED BOND FINANCING AGREEMENT AND THE BOND PROCEEDINGS AUTHORIZING THE ISSUANCE OF BONDS WITH RESPECT TO APPLICATION OF PLEDGED ASSESSMENTS FOR THE PAYMENT OF DEBT SERVICE REQUIREMENTS;

(B) WILL NOT ISSUE ANY BONDS, NOTES OR OTHER EVIDENCES OF INDEBTEDNESS, OTHER THAN THE BONDS AUTHORIZED BY THIS SECTION, HAVING ANY RIGHTS ARISING OUT OF SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDIVISION FIVE OF SECTION FIFTY OF THE WORKERS' COMPENSATION LAW OR THIS SECTION OR SECURED BY ANY PLEDGE OF OR OTHER LIEN OR CHARGE ON THE REVENUES PLEDGED FOR THE PAYMENT OF DEBT SERVICE REQUIREMENTS; EXCEPT FOR BONDS AUTHORIZED UNDER SUBDIVISION EIGHT OF SECTION FIFTEEN OF THE WORKERS' COMPENSATION LAW.

(C) WILL NOT CREATE OR CAUSE TO BE CREATED ANY LIEN OR CHARGE ON THE PLEDGED REVENUES, OTHER THAN A LIEN OR PLEDGE CREATED THEREON PURSUANT TO SAID SECTIONS;

(D) WILL CARRY OUT AND PERFORM, OR CAUSE TO BE CARRIED OUT AND PERFORMED, EACH AND EVERY PROMISE, COVENANT, AGREEMENT OR CONTRACT MADE OR ENTERED INTO BY THE FINANCING AGREEMENT, BY THE AUTHORITY OR ON ITS BEHALF WITH THE BOND OWNERS OF ANY BONDS;

(E) WILL NOT IN ANY WAY IMPAIR THE RIGHTS, EXEMPTIONS OR REMEDIES OF THE BOND OWNERS; AND

(F) WILL NOT LIMIT, MODIFY, RESCIND, REPEAL OR OTHERWISE ALTER THE RIGHTS OR OBLIGATIONS OF THE APPROPRIATE OFFICERS OF THE STATE TO IMPOSE, MAINTAIN, CHARGE OR COLLECT THE ASSESSMENTS CONSTITUTING THE PLEDGED REVENUES AS MAY BE NECESSARY TO PRODUCE SUFFICIENT REVENUES TO FULFILL THE TERMS OF THE PROCEEDINGS AUTHORIZING THE ISSUANCE OF THE BONDS, INCLUDING PLEDGED REVENUE COVERAGE REQUIREMENTS.

(B) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDIVISION:

(I) THE REMEDIES AVAILABLE TO THE AUTHORITY AND THE BONDHOLDERS FOR ANY BREACH OF THE PLEDGES AND AGREEMENTS OF THE STATE SET FORTH IN THIS SUBDIVISION SHALL BE LIMITED TO INJUNCTIVE RELIEF;

(II) NOTHING IN THIS SUBDIVISION SHALL PREVENT THE AUTHORITY FROM ISSUING EVIDENCES OF INDEBTEDNESS:

(A) WHICH ARE SECURED BY A PLEDGE OR LIEN WHICH IS, AND SHALL ON THE FACE THEREOF, BE EXPRESSLY SUBORDINATE AND JUNIOR IN ALL RESPECTS TO EVERY LIEN AND PLEDGE CREATED BY OR PURSUANT TO SAID SECTIONS; OR

(B) WHICH ARE SECURED BY A PLEDGE OF OR LIEN ON MONEYS OR FUNDS DERIVED ON OR AFTER THE DATE EVERY PLEDGE OR LIEN THEREON CREATED BY OR PURSUANT TO SAID SECTIONS SHALL BE DISCHARGED AND SATISFIED; AND

(III) NOTHING IN THIS SUBDIVISION SHALL PRECLUDE THE STATE FROM EXERCISING ITS POWER, THROUGH A CHANGE IN LAW, TO LIMIT, MODIFY, RESCIND,

REPEAL OR OTHERWISE ALTER THE CHARACTER OF THE PLEDGED ASSESSMENTS OR REVENUES OR TO SUBSTITUTE LIKE OR DIFFERENT SOURCES OF ASSESSMENTS, TAXES, FEES, CHARGES OR OTHER RECEIPTS AS PLEDGED REVENUES IF AND WHEN ADEQUATE PROVISION SHALL BE MADE BY LAW FOR THE PROTECTION OF THE HOLDERS OF OUTSTANDING BONDS PURSUANT TO THE PROCEEDINGS UNDER WHICH THE BONDS ARE ISSUED, INCLUDING CHANGING OR ALTERING THE METHOD OF ESTABLISHING THE SPECIAL ASSESSMENTS.

(C) THE AUTHORITY IS AUTHORIZED TO INCLUDE THIS COVENANT OF THE STATE, AS A CONTRACT OF THE STATE, IN ANY AGREEMENT WITH THE OWNER OF ANY BONDS ISSUED PURSUANT TO THIS SECTION AND IN ANY CREDIT FACILITY OR REIMBURSEMENT AGREEMENT WITH RESPECT TO SUCH BONDS. NOTWITHSTANDING THESE PLEDGES AND AGREEMENTS BY THE STATE, THE ATTORNEY GENERAL MAY IN HIS OR HER DISCRETION ENFORCE ANY AND ALL PROVISIONS RELATED TO THE SELF-INSURED BOND FUND, WITHOUT LIMITATION.

(D) PRIOR TO THE DATE WHICH IS ONE YEAR AND ONE DAY AFTER THE AUTHORITY NO LONGER HAS ANY BONDS ISSUED PURSUANT TO THIS SECTION OUTSTANDING, THE AUTHORITY SHALL HAVE NO AUTHORITY TO FILE A VOLUNTARY PETITION UNDER CHAPTER NINE OF THE FEDERAL BANKRUPTCY CODE OR SUCH CORRESPONDING CHAPTER OR SECTIONS AS MAY BE IN EFFECT, AND NEITHER ANY PUBLIC OFFICER NOR ANY ORGANIZATION, ENTITY OR OTHER PERSON SHALL AUTHORIZE THE AUTHORITY TO BE OR BECOME A DEBTOR UNDER CHAPTER NINE OR ANY SUCCESSOR OR CORRESPONDING CHAPTER OR SECTIONS DURING SUCH PERIOD. THE STATE HEREBY COVENANTS WITH THE OWNERS OF THE BONDS OF THE AUTHORITY THAT THE STATE WILL NOT LIMIT OR ALTER THE DENIAL OF AUTHORITY UNDER THIS SUBDIVISION DURING THE PERIOD REFERRED TO IN THE PRECEDING SENTENCE. THE AUTHORITY IS AUTHORIZED TO INCLUDE THIS COVENANT OF THE STATE, AS A CONTRACT OF THE STATE, IN ANY AGREEMENT WITH THE OWNER OF ANY BONDS ISSUED PURSUANT TO THIS SECTION.

(E) TO THE EXTENT DEEMED APPROPRIATE BY THE AUTHORITY ANY PLEDGE AND AGREEMENT OF THE STATE WITH RESPECT TO THE BONDS AS PROVIDED IN THIS SECTION MAY BE EXTENDED TO, AND INCLUDED IN, ANY ANCILLARY BOND FACILITY AS A PLEDGE AND AGREEMENT OF THE STATE WITH THE AUTHORITY AND THE BENEFITED PARTY.

11. THE BONDS OF THE AUTHORITY ARE HEREBY MADE SECURITIES IN WHICH ALL PUBLIC OFFICERS AND BODIES OF THIS STATE AND ALL MUNICIPALITIES AND POLITICAL SUBDIVISIONS, ALL INSURANCE COMPANIES AND ASSOCIATIONS AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS, ALL BANKS, BANKERS, TRUST COMPANIES, SAVINGS BANKS AND SAVINGS ASSOCIATIONS, INCLUDING SAVINGS AND LOAN ASSOCIATIONS, BUILDING AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES AND OTHER PERSONS CARRYING ON A BANKING BUSINESS, ALL ADMINISTRATORS, GUARDIANS, EXECUTORS, TRUSTEES AND OTHER FIDUCIARIES, AND ALL OTHER PERSONS WHATSOEVER WHO ARE NOW OR MAY HEREAFTER BE AUTHORIZED TO INVEST IN BONDS OR IN OTHER OBLIGATIONS OF THE STATE, MAY PROPERLY AND LEGALLY INVEST FUNDS, INCLUDING CAPITAL, IN THEIR CONTROL OR BELONGING TO THEM. THE BONDS ARE ALSO HEREBY MADE SECURITIES WHICH MAY BE DEPOSITED WITH AND MAY BE RECEIVED BY ALL PUBLIC OFFICERS AND BODIES OF THE STATE AND ALL MUNICIPALITIES, POLITICAL SUBDIVISIONS AND PUBLIC CORPORATIONS FOR ANY PURPOSE FOR WHICH THE DEPOSIT OF BONDS OR OTHER OBLIGATIONS OF THE STATE IS NOW OR MAY HEREAFTER BE AUTHORIZED.

12. (A) AN ACTION AGAINST THE AUTHORITY FOR DEATH, PERSONAL INJURY OR PROPERTY DAMAGE OR FOUNDED ON TORT SHALL NOT BE COMMENCED MORE THAN ONE YEAR AND NINETY DAYS AFTER THE CAUSE OF ACTION THEREOF SHALL HAVE ACCRUED NOR UNLESS A NOTICE OF CLAIM SHALL HAVE BEEN SERVED ON A MEMBER OF THE AUTHORITY OR OFFICER OR EMPLOYEE THEREOF DESIGNATED BY THE AUTHORITY FOR SUCH PURPOSE, WITHIN THE TIME LIMITED BY, AND IN COMPLI-

ANCE WITH THE REQUIREMENTS OF SECTION FIFTY-E OF THE GENERAL MUNICIPAL LAW.

(B) THE VENUE OF EVERY ACTION, SUIT OR SPECIAL PROCEEDING BROUGHT AGAINST THE AUTHORITY OR CONCERNING THE VALIDITY OF THIS SECTION SHALL BE LAID IN THE COUNTY OF ALBANY.

(C) THE BONDS, AND ANY OBLIGATION OF THE AUTHORITY UNDER ANY ANCILLARY BOND FACILITY, MAY CONTAIN A RECITAL THAT THEY ARE ISSUED OR EXECUTED, RESPECTIVELY, PURSUANT TO THIS SECTION, WHICH RECITAL SHALL BE CONCLUSIVE EVIDENCE OF THE VALIDITY OF THE BONDS AND ANY SUCH OBLIGATION, RESPECTIVELY, AND THE REGULARITY OF THE PROCEEDINGS OF THE AUTHORITY RELATING THERETO.

13. ANY ACTION OR PROCEEDING TO WHICH THE AUTHORITY OR THE PEOPLE OF THE STATE MAY BE PARTIES, IN WHICH ANY QUESTION ARISES AS TO THE VALIDITY OF THIS SECTION, SHALL BE PREFERRED OVER ALL OTHER CIVIL CAUSES OF ACTION OR CASES, EXCEPT ELECTION CAUSES OF ACTION OR CASES, IN ALL COURTS OF THE STATE AND SHALL BE HEARD AND DETERMINED IN PREFERENCE TO ALL OTHER CIVIL BUSINESS PENDING THEREIN, EXCEPT ELECTION CAUSES, IRRESPECTIVE OF POSITION ON THE CALENDAR. THE SAME PREFERENCE SHALL BE GRANTED UPON APPLICATION OF THE AUTHORITY OR ITS COUNSEL IN ANY ACTION OR PROCEEDING QUESTIONING THE VALIDITY OF THIS SECTION IN WHICH THE AUTHORITY MAY BE ALLOWED TO INTERVENE.

14. NOTWITHSTANDING ANY LAW TO THE CONTRARY, NO FUNDS OF THE SELF-INSURER OFFSET FUND MAY BE USED FOR ANY PURPOSE OTHER THAN THOSE SET FORTH IN THIS SECTION AND SECTION FIFTY-A OF THE WORKERS' COMPENSATION LAW.

S 36. Subdivision 1 of section 17 of the public officers law is amended by adding a new paragraph (x) to read as follows:

(X) FOR THE PURPOSES OF THIS SECTION, THE TERM "EMPLOYEE" SHALL INCLUDE THE MEMBERS OF THE BOARD, OFFICERS AND EMPLOYEES OF THE DORMITORY AUTHORITY FOR PURPOSES OF SECTION SIXTEEN HUNDRED EIGHTY-Q OF THE PUBLIC AUTHORITIES LAW.

S 37. This act shall take effect immediately, provided, however that section ten of this act shall take effect on the ninetieth day after it shall have become a law.

PART HH

Section 1. The state comptroller is hereby authorized and directed to loan money in accordance with the provisions set forth in subdivision 5 of section 4 of the state finance law to the following funds and/or accounts:

1. Tuition reimbursement fund:
a. Tuition reimbursement account (20451).
b. Proprietary vocational school supervision account (20452).
2. Local government records management improvement fund:
a. Local government records management account (20501).
3. Dedicated highway and bridge trust fund:
a. Highway and bridge capital account (30051).
4. State university residence hall rehabilitation fund.
5. State parks infrastructure trust fund:
a. State parks infrastructure account (30351).
6. Clean water/clean air implementation fund.
7. Employees health insurance fund.
a. Employees health insurance account (60201).
8. State lottery fund:
a. Education - New (20901).
b. VLT - Sound basic education fund (20904).

9. Medicaid management information system escrow fund.
10. Sewage treatment program management and administration fund.
11. Environmental conservation special revenue fund:
a. Waste cleanup and management account (21053).
b. Hazardous bulk storage account (21061).
c. Great lakes restoration initiative account (21087).
d. Low level radioactive waste siting account (21066).
e. Recreation account (21067).
f. Public safety recovery account (21077).
g. Conservationist magazine account (21080).
h. Environmental regulatory account (21081).
i. Natural resource account (21082).
j. Mined land reclamation program account (21084).
k. Federal grants indirect cost recovery account (21065).
12. Environmental protection and oil spill compensation fund.
13. Hazardous waste remedial fund:
a. Hazardous waste remedial cleanup account (31506).
14. Mass transportation operating assistance fund:
a. Public transportation systems account (21401).
b. Metropolitan mass transportation (21402).
15. Clean air fund:
a. Operating permit program account (21451).
b. Mobile source account (21452).
16. Centralized services fund.
17. State exposition special fund.
18. Agency enterprise fund:
a. OGS convention center account (50318).
19. Agencies internal service fund:
a. Archives records management account (55052).
b. Federal single audit account (55053).
c. Civil service law: sec 11 admin account (55055).
d. Civil service EHS occupational health program account (55056).
e. Banking services account (55057).
f. Cultural resources survey account (55058).
g. Neighborhood work project (55059).
h. Automation & printing chargeback account (55060).
i. OFT NYT account (55061).
j. Data center account (55062).
k. Human service telecom account (55063).
l. Centralized technology services account (55069).
m. OPWDD copy center account (55065).
n. Intrusion detection account (55066).
o. Domestic violence grant account (55067).
p. Learning management system account (55070).
q. Tax contact center account.
r. Human services contact center account.
s. Labor contact center account.
20. Miscellaneous special revenue fund:
a. Statewide planning and research cooperative system account (21902).
b. OPWDD provider of service account (21903).
c. New York state thruway authority account (21905).
d. Mental hygiene patient income account (21909).
e. Financial control board account (21911).
f. Regulation of racing account (21912).
g. New York metropolitan transportation council account (21913).
h. Cyber upgrade account (21919).

i. State university dormitory income reimbursable account (21937).
j. Energy research account (21943).
k. Criminal justice improvement account (21945).
l. Fingerprint identification and technology account (21950).
m. Environmental laboratory reference fee account (21959).
n. Clinical laboratory reference system assessment account (21962).
o. Public employment relations board account (21964).
p. Cable television account (21971).
q. Indirect cost recovery account (21978).
r. High school equivalency program account (21979).
s. Rail safety inspection account (21983).
t. Multi-agency training account (21989).
u. Critical infrastructure account (21992).
v. Bell jar collection account (22003).
w. Industry and utility service account (22004).
x. Real property disposition account (22006).
y. Parking account (22007).
z. Asbestos safety training program account (22009).
aa. Public service account (22011).
bb. Batavia school for the blind account (22032).
cc. Investment services account (22034).
dd. Surplus property account (22036).
ee. Financial oversight account (22039).
ff. Regulation of indian gaming account (22046).
gg. Rome school for the deaf account (22053).
hh. Seized assets account (22054).
ii. Administrative adjudication account (22055).
jj. Federal salary sharing account (22056).
kk. New York City assessment account (22062).
ll. Cultural education account (22063).
mm. Examination and miscellaneous revenue account (22065).
nn. Local services account (22078).
oo. DHCR mortgage servicing account (22085).
pp. Department of motor vehicles compulsory insurance account (22087).
qq. Housing indirect cost recovery account (22090).
rr. DHCR-HCA application fee account (22100).
ss. Low income housing monitoring account (22130).
tt. Corporation administration account (22135).
uu. Montrose veteran's home account (22144).
vv. Motor fuel quality account (22149).
ww. Deferred compensation administration account (22151).
xx. Rent revenue other account (22156).
yy. Rent revenue account (22158).
zz. Tax revenue arrearage account (22168).
aaa. Solid waste management account (22176).
bbb. Capacity contracting (22016).
ccc. Point insurance reduction program account.
ddd. Internet point insurance reduction program account (22094).
eee. Mental hygiene program fund account (21907).
fff. Third party debt collection account.
21. New York State Storm Recovery Capital Fund:
22. State university income fund:
a. State university general income offset account (22654).
23. State police and motor vehicle law enforcement fund:
a. State police motor vehicle law enforcement account (22802).
24. Youth facilities improvement fund:

a. Youth facilities improvement account (31701).
25. Highway safety program fund:
a. Highway safety program account (23001).
26. Drinking water program management and administration fund:
a. EFC drinking water program account (23101).
b. DOH drinking water program account (23102).
27. New York city county clerks offset fund:
a. NYCCC operating offset account (23151).
28. Housing assistance fund.
29. Housing program fund.
30. Department of transportation - engineering services fund:
a. Highway facility purpose account (31951).
31. Miscellaneous capital projects fund:
a. New York racing account (32213).
32. Mental hygiene facilities capital improvement fund.
33. Joint labor/management administration fund:
a. Joint labor/management administration fund (55201).
34. Audit and control revolving fund:
a. Executive direction internal audit account (55251).
b. CIO Information technology centralized services account (55252).
35. Health insurance internal service fund:
a. Health insurance internal service account (55300).
b. Civil service employee benefits div admin (55301).
36. Correctional industries revolving fund.
37. Correctional facilities capital improvement fund.
38. HCRA resources fund:
a. EPIC premium account (20818).
b. Hospital based grants program account (20812).
c. Child health plus program account (20810).

S 1-a. The state comptroller is hereby authorized and directed to loan money in accordance with the provisions set forth in subdivision 5 of section 4 of the state finance law to any account within the following federal funds, provided the comptroller has made a determination that sufficient federal grant award authority is available to reimburse such loans:

1. Federal USDA-food nutrition services fund.
2. Federal health and human services fund.
3. Federal education grants fund.
4. Federal block grant fund.
5. Federal operating grants fund.
6. Federal capital projects fund.
7. Federal unemployment insurance administration fund.
8. Federal unemployment insurance occupational training fund.
9. Federal employment and training grants.

S 2. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget, on or before March 31, 2014, up to the unencumbered balance or the following amounts:

Economic Development and Public Authorities:

1. $175,000 from the miscellaneous special revenue fund underground facilities safety training account (22172), to the general fund.

2. An amount up to the unencumbered balance from the miscellaneous special revenue fund, business and licensing services account (21977), to the general fund.

3. $14,810,000 from the miscellaneous special revenue fund, code enforcement account (21904), to the general fund.

4. An amount up to the unencumbered balance from the miscellaneous special revenue fund, administrative costs account (21974), to the general fund.

5. $3,000,000 from the general fund to the miscellaneous special revenue fund, tax revenue arrearage account (22168).

Education:

1. $2,230,000,000 from the general fund to the state lottery fund, education account (20901), as reimbursement for disbursements made from such fund for supplemental aid to education pursuant to section 92-c of the state finance law that are in excess of the amounts deposited in such fund for such purposes pursuant to section 1612 of the tax law.

2. $951,800,000 from the general fund to the state lottery fund, VLT education account (20904), as reimbursement for disbursements made from such fund for supplemental aid to education pursuant to section 92-c of the state finance law that are in excess of the amounts deposited in such fund for such purposes pursuant to section 1612 of the tax law.

3. Moneys from the state lottery fund up to an amount deposited in such fund pursuant to section 1612 of the tax law in excess of the current year appropriation for supplemental aid to education pursuant to section 92-c of the state finance law.

4. $300,000 from the local government records management improvement fund to the archives partnership trust fund.

5. $900,000 from the general fund to the miscellaneous special revenue fund, Batavia school for the blind account (22032).

6. $900,000 from the general fund to the miscellaneous special revenue fund, Rome school for the deaf account (22053).

7. $80,000,000 from the state university dormitory income fund to the state university residence hall rehabilitation fund.

8. $343,400,000 from the state university dormitory income fund to the miscellaneous special revenue fund, state university dormitory income reimbursable account (21937).

9. $24,000,000 from any of the state education department special revenue and internal service funds to the miscellaneous special revenue fund, indirect cost recovery account (21978).

10. $8,318,000 from the general fund to the state university income fund, state university income offset account (22654), for the state's share of repayment of the STIP loan.

11. $51,700,000 from the state university income fund, state university hospitals income reimbursable account (22656) to the general fund for hospital debt service for the period April 1, 2013 through March 31, 2014.

Environmental Affairs:

1. $5,000,000 from the department of transportation's federal capital projects fund to the office of parks and recreation federal operating grants fund, miscellaneous operating grants account (25300).

2. $16,000,000 from any of the department of environmental conservation's special revenue federal funds to the special revenue fund federal grant indirect cost recovery account (22188).

3. $2,000,000 from any of the department of environmental conservation's special revenue federal funds to the conservation fund as necessary to avoid diversion of conservation funds.

4. $15,000,000 from the environmental protection fund, environmental protection transfer account (30451) to the general fund.

5. $3,000,000 from any of the office of parks, recreation and historic preservation capital projects federal funds and special revenue federal funds to the special revenue fund federal grant indirect cost recovery account (22188).

6. $1,000,000 from any of the office of parks, recreation and historic preservation special revenue federal funds to the special revenue fund, I love NY water account (21930).

Family Assistance:

1. $10,000,000 from any of the office of children and family services, office of temporary and disability assistance, or department of health special revenue federal funds and the general fund, in accordance with agreements with social services districts, to the miscellaneous special revenue fund, office of human resources development state match account (21967).

2. $3,000,000 from any of the office of children and family services or office of temporary and disability assistance special revenue federal funds to the miscellaneous special revenue fund, family preservation and support services and family violence services account (22082).

3. $6,000,000 from any of the office of children and family services special revenue federal funds to the general fund for title IV-E reimbursement of youth facility costs.

4. $12,670,000 from any of the office of children and family services, office of temporary and disability assistance, or department of health special revenue federal funds and any other miscellaneous revenues generated from the operation of office of children and family services programs to the general fund.

5. $10,000,000 from any of the office of children and family services or office of temporary and disability assistance special revenue funds or the general fund to the miscellaneous special revenue fund, connections account (22180).

6. $41,000,000 from any of the office of temporary and disability assistance accounts within the federal health and human services fund to the general fund.

7. $159,000,000 from any of the office of temporary and disability assistance or department of health special revenue funds to the general fund.

8. $2,500,000 from any of the office of temporary and disability assistance or office of children and family services special revenue federal funds to the miscellaneous special revenue fund, office of temporary and disability assistance program account (21980).

9. $50,000,000 from any of the office of children and family services, office of temporary and disability assistance, department of labor, and department of health special revenue federal funds to the office of children and family services miscellaneous special revenue fund, multi-agency training contract account (21989).

10. $152,400,000 from the miscellaneous special revenue fund, youth facility per Diem account (22186), to the general fund.

11. $621,850 from the general fund to the combined gifts, grants, and bequests fund, WB Hoyt Memorial account (20128).

12. $4,822,000 from the miscellaneous special revenue fund state central registry (22028) to the general fund.

General Government:

1. $1,566,000 from the miscellaneous special revenue fund, examination and miscellaneous revenue account (22065) to the general fund.

2. $12,500,000 from the general fund to the health insurance revolving fund.

3. $192,400,000 from the health insurance reserve receipts fund to the general fund.
4. $150,000 from the general fund to the not-for-profit revolving loan fund.
5. $150,000 from the not-for-profit revolving loan fund to the general fund.
6. $31,000,000 from the miscellaneous special revenue fund, real property disposition account (22006), to the general fund.
7. $3,000,000 from the miscellaneous special revenue fund, surplus property account (22036), to the general fund.
8. $18,200,000 from the general fund to the miscellaneous special revenue fund, alcoholic beverage control account (22033).
9. $23,000,000 from the miscellaneous special revenue fund, revenue arrearage account (22024), to the general fund.
10. $1,826,000 from the miscellaneous special revenue fund revenue arrearage account (22024), to the miscellaneous special revenue fund authority budget office account (22138).
11. $1,000,000 from the miscellaneous special revenue fund, parking services account (22007), to the general fund, for the purpose of reimbursing the costs of debt service related to state parking facilities.
12. $52,600,000 from the general fund to the miscellaneous special revenue fund, statewide financial system account (22074).
13. $40,000,000 from the general fund to the office for technology internal service fund, central technology services account (55069), for the purpose of enterprise technology projects.

Health:

1. $139,560,000 from the miscellaneous special revenue fund, quality of care account (21915) to the general fund.
2. $1,000,000 from the general fund to the combined gifts, grants and bequests fund, breast cancer research and education account (20155), an amount equal to the monies collected and deposited into that account in the previous fiscal year.
3. $2,464,000 from any of the department of health accounts within the federal health and human services fund to the department of health miscellaneous special revenue fund, statewide planning and research cooperation system (SPARCS) program account (21902).
4. $250,000 from the general fund to the combined gifts, grants and bequests fund, prostate cancer research, detection, and education account (20183), an amount equal to the moneys collected and deposited into that account in the previous fiscal year.
5. $500,000 from the general fund to the combined gifts, grants and bequests fund, Alzheimer's disease research and assistance account (20143), an amount equal to the moneys collected and deposited into that account in the previous fiscal year.
6. $1,000,000 from the miscellaneous special revenue fund, administration account (21982), to the general fund.
7. $600,000,000 from any of the department of health accounts within the federal health and human services fund to the miscellaneous special revenue fund, federal state health reform partnership account (22076).
8. $26,000,000 from the special revenue fund, HCRA resources fund, to the miscellaneous special revenue fund, empire state stem cell trust fund account (22161).
9. $1,250,000 from the miscellaneous New York state agency fund, medical assistance account to the general fund.
10. $3,700,000 from the miscellaneous New York state agency fund, medical assistance account to the general fund.

11. $14,000,000 from the general fund to the miscellaneous special revenue fund, empire state stem cell trust fund (22161).

12. $139,560,000 from any of the department of health accounts within the federal health and human services fund to the miscellaneous special revenue fund, quality of care account (21915).

Labor:

1. $700,000 from the labor standards miscellaneous special revenue fund, fee and penalty account (21923), to the child performer protection fund, child performer protection account (20401).

2. $8,400,000 from the labor standards miscellaneous special revenue fund, fee and penalty account (21923), to the general fund.

3. $3,300,000 from the unemployment insurance interest and penalty special revenue fund, unemployment insurance special interest and penalty account (23601), to the general fund.

4. $3,000,000 from the labor standards miscellaneous special revenue fund, public work enforcement account (21998), to the general fund.

5. $2,200,000 from the training and education program on occupational safety and health fund, occupational safety and health inspection account (21252), to the general fund.

6. $900,000 from the training and education program on occupational safety and health fund, training and education account (21251), to the general fund.

Mental Hygiene:

1. $10,000,000 from the miscellaneous special revenue fund, mental hygiene patient income account (21909), to the miscellaneous special revenue fund, federal salary sharing account (22056).

2. $150,000,000 from the miscellaneous special revenue fund, mental hygiene patient income account (21909) to the miscellaneous special revenue fund, provider of service accounts (21903).

3. $150,000,000 from the miscellaneous special revenue fund, mental hygiene program fund account (21907) to the miscellaneous special revenue fund, provider of service account (21903).

4. $1,250,000,000 from the general fund to the miscellaneous special revenue fund, mental hygiene patient income account (21909).

5. $1,400,000,000 from the general fund to the miscellaneous special revenue fund, mental hygiene program fund account (21907).

6. $100,000,000 from the miscellaneous special revenue fund, mental hygiene program fund account (21907) to the general fund.

7. $100,000,000 from the miscellaneous special revenue fund, mental hygiene patient income account (21909) to the general fund.

Public Protection:

1. $1,350,000 from the miscellaneous special revenue fund, emergency management account (21944), to the general fund.

2. $3,300,000 from the general fund to the miscellaneous special revenue fund, recruitment incentive account (22171).

3. $9,500,000 from the general fund to the correctional industries revolving fund, correctional industries internal service account (55350).

4. $10,000,000 from federal miscellaneous operating grants fund, DMNA damage account (25324), to the general fund.

5. $16,000,000 from the general fund to the miscellaneous special revenue fund, crimes against revenue program account (22015).

6. $20,000,000 from any office of homeland security account within the federal miscellaneous operating grants fund, receiving money through the homeland security grants program, to the general fund.

7. $22,000,000 from the miscellaneous special revenue fund, criminal justice improvement account (21945) to the general fund.

8. $20,000,000 from the miscellaneous special revenue fund, statewide public safety communications account (22123), to the general fund.

9. $106,000,000 from the state police and motor vehicle law enforcement and motor vehicle theft and insurance fund prevention fund, state police motor vehicle enforcement account (22802) to the general fund for state operation expenses of the division of state police.

10. $21,500,000 from the general fund to the correctional facilities capital improvement fund.

11. $1,500,000 from the miscellaneous special revenue fund, statewide public safety communications account (22123), to the combined gifts, grants and bequests fund, New York state emergency services revolving loan account (20150).

12. $3,000,000 from the general fund to the dedicated highway and bridge trust fund for the purpose of work zone safety activities provided by the division of state police for the department of transportation.

13. $11,000,000 from the indigent legal services fund to the general fund.

Transportation:

1. $17,672,000 from the federal miscellaneous operating grants fund to the special revenue fund, tri-state federal regional planning account (21913).

2. $20,147,000 from the federal capital projects fund to the special revenue fund, tri-state federal regional planning accounts (21913).

3. $15,368,000 from the miscellaneous special revenue fund, compulsory insurance account (22087), to the general fund.

4. $12,000,000 from the general fund to the mass transportation operating assistance fund, public transportation systems operating assistance account (21401).

5. $624,691,000 from the general fund to the dedicated highway and bridge trust fund.

6. $606,000 from the miscellaneous special revenue fund, internet point insurance reduction program account (22094), to the general fund.

7. $6,000 from the miscellaneous special revenue fund, motorcycle safety account (21976), to the general fund.

8. $307,200,000 from the general fund to the MTA financial assistance fund, mobility tax trust account (23651).

9. $20,000,000 from the mass transportation operating assistance fund, metropolitan mass transportation operating assistance account (21402), to the general debt service fund, for reimbursement of the state's expenses in connection with payments of debt service and related expenses for the metropolitan transportation authority's state service contract bonds.

Miscellaneous:

1. $150,000,000 from the general fund to any funds or accounts for the purpose of reimbursing certain outstanding accounts receivable balances.

2. $500,000,000 from the general fund to the debt reduction reserve fund.

3. $450,000,000 from the New York state storm recovery capital fund to the revenue bond tax fund (40152).

4. $1,000,000 from any of the state lottery fund administration accounts, the miscellaneous special revenue fund, regulation of racing account (21912), the miscellaneous special revenue fund, bell jar collection account (22003), or the miscellaneous special revenue fund,

regulation of Indian gaming account (22046), to the miscellaneous special revenue fund, New York state gaming commission account.

S 3. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, on or before March 31, 2014:

1. Upon request of the commissioner of environmental conservation, up to $11,126,800 from revenues credited to any of the department of environmental conservation special revenue funds, including $3,253,200 from the environmental protection and oil spill compensation fund, and $1,762,600 from the conservation fund, to the environmental conservation special revenue fund, indirect charges account (21060).

2. Upon request of the commissioner of agriculture and markets, up to $3,000,000 from any special revenue fund or enterprise fund within the department of agriculture and markets to the general fund, to pay appropriate administrative expenses.

3. Upon request of the commissioner of agriculture and markets, up to $2,000,000 from the state exposition special fund, state fair receipts account (50051) to the miscellaneous capital projects fund, state fair capital improvement account (32208).

4. Upon request of the commissioner of the division of housing and community renewal, up to $6,221,000 from revenues credited to any division of housing and community renewal federal or miscellaneous special revenue fund to the agency cost recovery account (22090).

5. Upon request of the commissioner of the division of housing and community renewal, up to $5,500,000 may be transferred from any miscellaneous special revenue fund account, to any miscellaneous special revenue fund.

6. Upon request of the commissioner of health up to $15,000,000 from revenues credited to any of the department of health's special revenue funds, to the miscellaneous special revenue fund, administration account (21982).

S 4. Notwithstanding section 2815 of the public health law or any other contrary provision of law, upon the direction of the director of the budget and the commissioner of health, the dormitory authority of the state of New York is directed to transfer seven million dollars annually from funds available and uncommitted in the New York state health care restructuring pool to the health care reform act (HCRA) resources fund - HCRA resources account.

S 4-a. Subdivision 3 of section 1680-j of the public authorities law, as amended by section 9 of part C of chapter 59 of the laws of 2011, is amended to read as follows:

3. Notwithstanding any law to the contrary, and in accordance with section four of the state finance law, the comptroller is hereby authorized and directed to transfer from the health care reform act (HCRA) resources fund (061) to the general fund, upon the request of the director of the budget, up to $6,500,000 on or before March 31, 2006, and the comptroller is further hereby authorized and directed to transfer from the healthcare reform act (HCRA); Resources fund (061) to the Capital Projects Fund, upon the request of the director of budget, up to $139,000,000 for the period April 1, 2006 through March 31, 2007, up to $171,100,000 for the period April 1, 2007 through March 31, 2008, up to $208,100,000 for the period April 1, 2008 through March 31, 2009, up to $151,600,000 for the period April 1, 2009 through March 31, 2010, up to $215,743,000 for the period April 1, 2010 through March 31, 2011, up to $433,366,000 for the period April 1, 2011 through March 31, 2012, up to $150,806,000 for the period April 1, 2012 through March 31, 2013, up to

[$78,071,000] $290,000,000 for the period April 1, 2013 through March 31, 2014, and up to $86,005,000 for the period April 1, 2014 through March 31, 2015.

S 5. On or before March 31, 2014, the comptroller is hereby authorized and directed to deposit earnings that would otherwise accrue to the general fund that are attributable to the operation of section 98-a of the state finance law, to the agencies internal service fund, banking services account (55057), for the purpose of meeting direct payments from such account.

S 6. Notwithstanding any law to the contrary, upon the direction of the director of the budget and upon requisition by the state university of New York, the dormitory authority of the state of New York is directed to transfer, up to $22,000,000 in revenues generated from the sale of notes or bonds, to the state university of New York for reimbursement of bondable equipment for further transfer to the state's general fund.

S 7. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget and upon consultation with the state university chancellor or his or her designee, on or before March 31, 2014, up to $16,000,000 from the state university income fund general revenue account (22653) to the state general fund for debt service costs related to campus supported capital project costs for the NY-SUNY 2020 challenge grant program at the University at Buffalo.

S 8. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget and upon consultation with the state university chancellor or his or her designee, on or before March 31, 2014, up to $6,500,000 from the state university income fund general revenue account (22653) to the state general fund for debt service costs related to campus supported capital project costs for the NY-SUNY 2020 challenge grant program at the University at Albany.

S 9. Notwithstanding any law to the contrary, the state university chancellor or her designee is authorized and directed to transfer estimated tuition revenue balances from the state university collection fund to the state university fund, state university general revenue offset account (22655) on or before March 31, 2014.

S 10. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget, up to $60,000,000 from the general fund to the state university income fund, state university hospitals income reimbursable account (22656) during the period July 1, 2013 through June 30, 2014 to reflect ongoing state subsidy of SUNY hospitals and to pay costs attributable to the SUNY hospitals' state agency status.

S 10-a. Notwithstanding any law to the contrary, upon approval of the state university board of trustees, the state university of New York shall transfer from any applicable state university income fund account to the state university income fund, state university hospitals income reimbursable account (22656) up to a total of $27,790,440 in savings resulting from an agreement between the state and the collective negotiating unit designated as the professional services negotiating unit in the state university of New York established pursuant to article 14 of

the civil service law. Such transfer shall be made in a form and manner prescribed by the board of trustees.

S 10-b. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law and subdivision 20 of section 2807 of the public health law, the comptroller is hereby authorized to transfer, upon direction of the state university chancellor, an amount necessary to fund the non-federal share of Medicaid payments authorized by such subdivision 20 from the state university income fund to the Medicaid Management Information System (MMIS) statewide escrow fund (179).

S 10-c. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law and subdivision 21 of section 2807 of the public health law, the comptroller is hereby authorized to transfer, upon direction of the state university chancellor, an amount necessary to fund the non-federal share of Medicaid payments authorized by such subdivision 21 from the state university income fund, state university hospitals income reimbursable account (22656), to the Medicaid Management Information System (MMIS) statewide escrow fund (179).

S 11. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget, up to $971,259,860 from the general fund to the state university income fund, state university general revenue offset account (22655) during the period of July 1, 2013 through June 30, 2014 to support operations at the state university.

S 12. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the state university chancellor or his or her designee, up to $50,000,000 from the state university income fund, state university hospitals income reimbursable account (22656), for hospital income reimbursable for services and expenses of hospital operations and capital expenditures at the state university hospitals, and the state university income fund Long Island veterans' home account (22652) to the state university capital projects fund on or before June 30, 2014.

S 13. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller, after consultation with the state university chancellor or his or her designee, is hereby authorized and directed to transfer moneys, in the first instance, from the state university collection fund, Stony Brook hospital collection account (61006), Brooklyn hospital collection account (61007), and Syracuse hospital collection account (61008) to the state university income fund, state university hospitals income reimbursable account (22656) in the event insufficient funds are available in the state university income fund, state university hospitals income reimbursable account (22656) to transfer moneys, in amounts sufficient to permit the full transfer of moneys authorized for transfer, to the general fund for payment of debt service related to the SUNY hospitals. Notwithstanding any law to the contrary, the comptroller is also hereby authorized and directed, after consultation with the state university chancellor or his or her designee, to transfer moneys from the state university income fund to the state university income fund, state university hospitals income reimbursable account (22656) in the event insufficient funds are available in the state university income fund, state university hospitals income reimbursable account (22656) to pay hospital operating costs or to transfer moneys, in amounts sufficient to permit the full transfer

of moneys authorized for transfer, to the general fund for payment of debt service related to the SUNY hospitals on or before March 31, 2014.

S 14. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer monies, upon request of the director of the budget, on or before March 31, 2014, from and to any of the following accounts: the miscellaneous special revenue fund, patient income account (21909), the miscellaneous special revenue fund, mental hygiene program fund account (21907), the miscellaneous special revenue fund, federal salary sharing account (22056) or the general fund in any combination, the aggregate of which shall not exceed $350 million.

S 14-a. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, at the request of the director of the budget, up to thirty-three million dollars ($33,000,000) from the unencumbered balance of any special revenue fund or account, or combination of funds and accounts, to the community projects fund. The amounts transferred pursuant to this authorization shall be in addition to any other transfers expressly authorized in the 2013-14 budget. Transfers from federal funds, debt services funds, capital projects funds, or funds that would result in the loss of eligibility for federal benefits or federal funds pursuant to federal law, rule, or regulation as assented to in chapter 683 of the laws of 1938 and chapter 700 of the laws of 1951 are not permitted pursuant to this authorization. The director of the budget shall (a) have received a request in writing from one or both houses of the legislature, and (b) notify both houses of the legislature in writing prior to initiating transfers pursuant to this authorization. The comptroller shall provide the director of the budget, the chair of the senate finance committee, and the chair of the assembly ways and means committee with an accurate accounting and report of any transfers that occur pursuant to this section on or before the fifteenth day of the followng month in which such transfers occur.

S 15. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, at the request of the director of the budget, up to $500 million from the unencumbered balance of any special revenue fund or account, or combination of funds and accounts, to the general fund. The amounts transferred pursuant to this authorization shall be in addition to any other transfers expressly authorized in the 2013-14 budget. Transfers from federal funds, debt service funds, capital projects funds, the community projects fund, or funds that would result in the loss of eligibility for federal benefits or federal funds pursuant to federal law, rule, or regulation as assented to in chapter 683 of the laws of 1938 and chapter 700 of the laws of 1951 are not permitted pursuant to this authorization. The director of the budget shall notify both houses of the legislature in writing prior to initiating transfers pursuant to this authorization.

S 16. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, at the request of the director of the budget, up to $100 million from any non-general fund or account, or combination of funds and accounts, to the special revenue other-technology financing account for the purpose of consolidating technology procurement and services. The amounts transferred pursuant to this authorization shall be equal to or less than the amount of such monies intended to support information technology costs which are attributable, according to a

plan, to such account made in pursuance to an appropriation by law. Transfers to the technology financing account shall be completed from amounts collected by non-general funds or accounts pursuant to a fund deposit schedule or permanent statute, and shall be transferred to the technology financing account pursuant to a schedule agreed upon by the affected agency commissioner. Transfers from federal funds are not permitted pursuant to this authorization; nor may transfers be made from funds that would result in the loss of eligibility for federal benefits or federal funds pursuant to federal law, rule, or regulation as assented to in chapter 683 of the laws of 1938 and chapter 700 of the laws of 1951. The director of the budget shall notify both houses of the legislature in writing prior to initiating transfers pursuant to this authorization.

S 17. Notwithstanding any provision of law to the contrary, as deemed feasible and advisable by its trustees, the power authority of the state of New York is authorized and directed to (i) make a contribution to the state treasury to the credit of the general fund, or as otherwise directed in writing by the director of the budget, in an amount of up to $90,000,000 for the state fiscal year commencing April 1, 2013, the proceeds of which will be utilized to support energy-related initiatives of the state or for economic development purposes, and (ii) transfer up to $25,000,000 of any such contribution by June 30, 2013 and the remainder of any such contribution by March 31, 2014.

S 18. $5,000,000 from the general fund to the miscellaneous special revenue fund, tribal state compact revenue account (22169). Notwithstanding any provision of law to the contrary, such funds may be advanced to a municipality located within the county of Cattaraugus hosting a gaming facility pursuant to the requirements of an appropriation contained in chapter 53 of the laws of 2012; provided, however, that any such advance shall reduce the amount otherwise due to such municipality by an equivalent amount, and that, upon receipt of any funds in the tribal state compact revenue account pursuant to a tribal state compact, such funds shall first be used to reimburse any transfer from the general fund pursuant to this section.

S 19. Section 53 of part U of chapter 59 of the laws of 2012, relating to providing for administration of certain funds and accounts related to the 2013-2014 budget, is amended to read as follows:

S 53. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2012; provided that sections one through seven, sections ten through fifteen, [section seventeen,] and sections twenty through thirty-three of this act shall expire March 31, 2013, when upon such date, the provisions of such sections shall be deemed repealed; provided further that the amendments to subdivisions 1 and 2 of section 45 of section 1 of chapter 174 of the laws of 1968 made by section forty-nine of this act shall not affect the expiration of such subdivisions and shall be deemed to expire therewith.

S 20. Subdivision 5 of section 97-rrr of the state finance law, as amended by section 16 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

5. Notwithstanding the provisions of section one hundred seventy-one-a of the tax law, as separately amended by chapters four hundred eighty-one and four hundred eighty-four of the laws of nineteen hundred eighty-one, and notwithstanding the provisions of chapter ninety-four of the laws of two thousand eleven, or any other provisions of law to the contrary, during the fiscal year beginning April first, two thousand [twelve] THIRTEEN, the state comptroller is hereby authorized and

directed to deposit to the fund created pursuant to this section from amounts collected pursuant to article twenty-two of the tax law and pursuant to a schedule submitted by the director of the budget, up to [$3,322,067,000] $3,419,375,000, as may be certified in such schedule as necessary to meet the purposes of such fund for the fiscal year beginning April first, two thousand [twelve] THIRTEEN.

S 21. The comptroller is authorized and directed to deposit to the general fund-state purposes account reimbursements from moneys appropriated or reappropriated to the correctional facilities capital improvement fund by a chapter of the laws of 2013. Reimbursements shall be available for spending from appropriations made to the department of corrections and community supervision in the general fund-state purposes accounts by a chapter of the laws of 2013 for costs associated with the administration and security of capital projects and for other costs which are attributable, according to a plan, to such capital projects.

S 22. Section 3 of part W of chapter 60 of the laws of 2011, amending the state finance law relating to disbursements from the tribal-state compact revenue account to certain municipalities, is amended to read as follows:

S 3. This act shall take effect immediately; provided that:

(a) the amendments to subdivision 3 of section 99-h of the state finance law made by section one of this act shall expire and be deemed repealed [March 31, 2013] DECEMBER 31, 2016; and

(b) the amendments to paragraph (a) of subdivision 4 of section 99-h of the state finance law made by section two of this act shall not affect the expiration of such section and shall be deemed to expire therewith.

S 23. Subdivision 3 of section 99-h of the state finance law, as amended by section 1 of part V of chapter 59 of the laws of 2006, is amended to read as follows:

3. Moneys of the account, following [appropriation] THE SEGREGATION OF APPROPRIATIONS ENACTED by the legislature, shall be available for purposes including but not limited to: (a) reimbursements or payments to municipal governments that host tribal casinos pursuant to a tribal-state compact for costs incurred in connection with services provided to such casinos or arising as a result thereof, for economic development opportunities and job expansion programs authorized by the executive law; provided, however, that for any gaming facility located in the county of Erie or Niagara, the municipal governments hosting the facility shall collectively receive a minimum of twenty-five percent of the negotiated percentage of the net drop from electronic gaming devices the state receives pursuant to the compact and provided further that for any gaming facility located in the county or counties of Cattaraugus, Chautauqua or Allegany, the municipal governments of the state hosting the facility shall collectively receive a minimum of twenty-five percent of the negotiated percentage of the net drop from electronic gaming devices the state receives pursuant to the compact; and provided further that pursuant to chapter five hundred ninety of the laws of two thousand four, a minimum of twenty-five percent of the revenues received by the state pursuant to the state's compact with the St. Regis Mohawk tribe shall be made available to the counties of Franklin and St. Lawrence, and affected towns in such counties. Each such county and its affected towns shall receive fifty percent of the moneys made available by the state; and (b) support and services of treatment programs for persons suffering from gambling addictions. Moneys not [appropriated] SEGREGATED

for such purposes shall be transferred to the general fund for the support of government during the fiscal year in which they are received.

S 24. Paragraphs (a) and (b) of subdivision 7 of section 5-a of section 1 of chapter 392 of the laws of 1973, constituting the New York state medical care facilities finance agency act, paragraph (a) as amended by chapter 55 of the laws of 1992 and paragraph (b) as amended by chapter 59 of the laws of 1993, are amended to read as follows:

(a) In connection with the making of federally-aided mortgage loans, the commissioner of health shall charge to such non-profit hospital corporation, non-profit corporation providing a residential health care facility or non-profit medical corporation, for mortgage closings on or after April first, nineteen hundred eighty-nine, a fee of nine-tenths of one percent of the mortgage loan, payable on requisition on or after the mortgage closing to the state department of health by the mortgagor for deposit into the [miscellaneous special revenue fund - 339 hospital and nursing home management account] STATE GENERAL FUND.

(b) In connection with the refinancing or refunding of federally-aided mortgage loans or loans made pursuant to articles twenty-eight-A and twenty-eight-B of the public health law, the commissioner of health shall charge to such non-profit hospital corporation, non-profit corporation providing a residential health care facility or non-profit medical corporation, for mortgage closings on or after April first, nineteen hundred eighty-nine, a fee of five-tenths of one percent of the new mortgage loan, payable on requisition on or after the mortgage closing to the state department of health by the mortgagor for deposit into the [miscellaneous special revenue fund-339 hospital and nursing home management account] STATE GENERAL FUND.

S 25. In the event that a capital appropriation in the amount of $25,000,000 is included in the enacted budget for the fiscal year commencing April 1, 2013 for the cleaner, greener communities program administered by the New York State energy research and development authority, then notwithstanding any provision of law, rule or regulation to the contrary, the New York State energy research and development authority is authorized and directed to pay to the state treasury to the credit of the general fund for the cost of such program the amount of $25,000,000 for the fiscal year commencing April 1, 2013 from proceeds collected by the authority from the auction or sale of carbon dioxide emission allowances allocated by the department of environmental conservation under the Regional Greenhouse Gas Initiative. If, in any fiscal year, such $25,000,000 appropriation or any reappropriation thereof is reduced or eliminated prior to disbursement of $15,000,000, where such reduction or elimination is not based upon the disbursement of such $25,000,000 appropriation, the comptroller is authorized and directed to transfer, at the request of the director of the division of the budget, an amount equal to such reduced or eliminated amount from the general fund to the New York State energy research and development authority, not to exceed in the aggregate $25,000,000.

S 26. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit, to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the dormitory authority of the state of New York for a capital appropriation for $215,650,000 authorized by chapter 55 of the laws of 2000 to all state agencies for payment of costs related to the strategic investment program.

S 27. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit

to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $30,174,000 authorized by chapter 55 of the laws of 2003 to the department of environmental conservation for payment of a portion of the state's match for federal capitalization grants for the water pollution control revolving loan fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation or other financing source for a capital appropriation of $19,500,000 authorized by chapter 50 of the laws of 2003 to the office of general services for payment of capital construction costs for the 51 Elk street parking garage building located in the city of Albany, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $10,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2003 to the office of general services for various purposes, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $13,250,000 authorized by chapter 55 of the laws of 2003 to the energy research and development authority for the Western New York Nuclear Service Center at West Valley, reimbursement from the proceeds of notes or bonds issued by the dormitory authority for disbursements of up to $16,400,000 from any capital appropriation or reappropriation authorized by chapter 51 of the laws of 2003 to the judiciary for courthouse improvements, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $10,000,000 from appropriations or reappropriations authorized by chapter 50 of the laws of 2003 to any agency for costs related to homeland security, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $10,000,000 authorized by chapter 55 of the laws of 2003 to the department of environmental conservation for Onondaga lake, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for disbursements of up to $11,000,000 from any capital appropriations or reappropriations authorized by chapter 55 of the laws of 2003 to the department of environmental conservation for environmental purposes, and reimbursement from the proceeds of notes or bonds issued by the dormitory authority for disbursements of up to $100,000,000 from a capital appropriation authorized by chapter 50 of the laws of 2003 to the department of state for enhanced 911 wireless service.

S 28. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation for $28,893,000 authorized by chapter 55 of the laws of 2004 to the department of environmental conservation for payment of a portion of the state's match for federal capitalization grants for the water pollution control revolving loan fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $10,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2004 to the office of general services for various purposes, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $11,350,000 authorized by chapter 55 of the laws of 2004 to the energy research and development authority for the Western New York Nuclear Service Center at West Valley, reimbursement from the proceeds of notes or bonds issued by

the environmental facilities corporation, for a capital appropriation of $10,000,000 authorized by chapter 55 of the laws of 2004 to the department of environmental conservation for Onondaga lake, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for disbursements of up to $11,000,000 from any capital appropriations or reappropriations authorized by chapter 55 of the laws of 2004 to the department of environmental conservation for environmental purposes, reimbursement from the proceeds of notes or bonds issued by the dormitory authority for a capital appropriation of $80,000,000 authorized by chapter 53 of the laws of 2004 to the education department for capital transition grants for transportation, reimbursement from the proceeds of notes or bonds issued by the dormitory authority for a capital appropriation of $243,325,000 authorized by chapter 55 of the laws of 2004 for payment of costs related to economic development projects, reimbursement from the proceeds of bonds or notes issued by the urban development corporation for a capital appropriation of $83,500,000 authorized by chapter 53 of the laws of 2006, as amended by chapter 108 of the laws of 2006, for payment of costs related to the H. H. Richardson complex and the Darwin Martin House, and reimbursement from the proceeds of notes or bonds issued by the dormitory authority for a capital appropriation of $345,750,000 authorized by chapter 3 of the laws of 2004 for the New York state economic development program.

S 29. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $29,602,000 authorized by chapter 55 of the laws of 2005 to the department of environmental conservation for payment of a portion of the state's match for federal capitalization grants for the water pollution control revolving loan fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $10,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2005 to the office of general services for various purposes, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $11,350,000 authorized by chapter 55 of the laws of 2005 to the energy research and development authority for the Western New York Nuclear Service Center at West Valley, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $10,000,000 authorized by chapter 55 of the laws of 2005 to the department of environmental conservation for Onondaga lake, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for disbursements of up to $11,000,000 from any capital appropriations or reappropriations authorized by chapter 55 of the laws of 2005 to the department of environmental conservation for environmental purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $350,000,000 authorized by chapter 55 of the laws of 2005 for the Javits center, reimbursement from the proceeds of notes or bonds issued by the dormitory authority for a capital appropriation of $89,750,000 authorized by chapter 62 of the laws of 2005 for regional development, reimbursement from the proceeds of notes or bonds issued by the dormitory authority for a capital appropriation of $249,000,000 authorized by chapter 62 of the laws of 2005 for technology and development, reimbursement from the proceeds of notes or bonds issued by the urban

development corporation for a capital appropriation of $48,517,000 authorized by chapter 162 of the laws of 2005 for the New York state economic development program, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $150,000,000 authorized by chapter 62 of the laws of 2005 for the higher education facilities capital matching grants program, reimbursement from the proceeds of notes or bonds issued by the dormitory authority or other financing source for a capital appropriation of $4,000,000 authorized by chapter 50 of the laws of 2005 to the office of general services for payment of capital construction costs for the Elk street parking garage building located in the city of Albany, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $15,000,000 authorized by chapter 53 of the laws of 2005 to the state education department for payment of capital construction costs for public broadcasting facilities, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $15,700,000 authorized by chapter 50 of the laws of 2005 to the division of state police for public protection facilities, and reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $3,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2005 to the division of military and naval affairs for various purposes.

S 30. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation for $29,600,000 authorized by chapter 55 of the laws of 2006 to the department of environmental conservation for payment of a portion of the state's match for federal capitalization grants for the water pollution control revolving loan fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $20,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2006 to the office of general services for various purposes, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $14,000,000 authorized by chapter 55 of the laws of 2006 to the energy research and development authority for the Western New York Nuclear Service Center at West Valley, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $10,000,000 authorized by chapter 55 of the laws of 2006 to the department of environmental conservation for Onondaga lake, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for disbursements of up to $12,000,000 from any capital appropriations or reappropriations authorized by chapter 55 of the laws of 2006 to the department of environmental conservation for environmental purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $3,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2006 to the division of military and naval affairs for various purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $12,400,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2006 to the

division of state police for public protection facilities, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $117,000,000 authorized by chapter 50 of the laws of 2006 to all state departments and agencies for the purchase of equipment, reimbursement from the proceeds of notes or bonds issued by the dormitory authority or the urban development corporation for all or a portion of capital appropriations of $603,050,000 authorized by chapter 108 of the laws of 2006 to the urban development corporation for economic development/other projects, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $269,500,000 authorized by chapter 108 of the laws of 2006 to the dormitory authority or the urban development corporation for economic development projects, reimbursement from the proceeds of notes or bonds issued by the dormitory authority or the urban development corporation for a capital appropriation of $201,500,000 authorized by chapter 108 of the laws of 2006 to the urban development corporation for university development projects, reimbursement from the proceeds of notes or bonds issued by the dormitory authority or for a capital appropriation of $143,000,000 authorized by chapter 108 of the laws of 2006 to the urban development corporation for cultural facilities projects, reimbursement from the proceeds of notes or bonds issued by the dormitory authority or the urban development corporation for capital appropriations totaling $60,000,000 authorized by chapter 108 of the laws of 2006 to the urban development corporation for energy/environmental projects, reimbursement from the proceeds of notes or bonds issued by the dormitory authority or the urban development corporation for a capital appropriation of $20,000,000 authorized by chapter 108 of the laws of 2006 to the urban development corporation for a competitive solicitation for construction of a pilot cellulosic ethanol refinery, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $74,700,000 authorized by chapter 55 of the laws of 2006 to the urban development corporation for services and expenses related to infrastructure for a new stadium in Queens county, and reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $74,700,000 authorized by chapter 55 of the laws of 2006 to the urban development corporation for services and expenses related to infrastructure improvements to construct a new parking facility at a new stadium in Bronx county, reimbursement from the proceeds of notes and bonds issued by the environmental facilities corporation for a capital appropriation of $5,000,000 authorized by chapter 55 of the laws of 2006 to the environmental facilities corporation for payment for the pipeline for jobs program, reimbursement from the proceeds of notes or bonds issued by the dormitory authority for capital disbursements of up to $14,000,000 from any capital appropriation or reappropriation authorized by chapter 53 of the laws of 2006 for the library construction purpose, reimbursement from the proceeds of notes or bonds issued by the urban development corporation or the dormitory authority for an appropriation of $1,200,000 authorized by chapter 53 of the laws of 2006 for the towns of Bristol and Canandaigua public water systems, reimbursement from the proceeds of notes or bonds issued by the urban development corporation or the dormitory authority for an appropriation of $5,500,000 authorized by chapter 53 of the laws of 2006 for Belleayre mountain ski center, reimbursement from the proceeds of notes or bonds issued by the urban development corporation or the dormitory authority for an appropriation of $25,000,000 authorized by chapter

53 of the laws of 2006 for the town of Smithtown/Kings Park psychiatric center rehabilitation, reimbursement from the proceeds of notes or bonds issued by the urban development corporation or the dormitory authority for an appropriation of $5,000,000 authorized by chapter 108 of the laws of 2006 for a state of New York umbilical cord bank, reimbursement from the proceeds of notes or bonds issued by the urban development corporation or the dormitory authority for an appropriation of $5,500,000 authorized by chapter 53 of the laws of 2006 for an Old Gore mountain ski bowl connection, reimbursement from the proceeds of notes or bonds issued by the urban development corporation or the dormitory authority for an appropriation of $2,000,000 authorized by chapter 53 of the laws of 2006 for a Cornell equine drug testing laboratory, reimbursement from the proceeds of notes or bonds issued by the urban development corporation or the dormitory authority for an appropriation of $2,000,000 authorized by chapter 53 of the laws of 2006 for a Fredonia vineyard laboratory, reimbursement from the proceeds of notes or bonds issued by the dormitory authority or the urban development corporation for an appropriation of $40,000,000 authorized by chapter 108 of the laws of 2006 for a food testing laboratory, reimbursement from the proceeds of notes or bonds issued by the New York state thruway authority for an appropriation of $22,000,000 authorized by chapter 108 of the laws of 2006 to the department of transportation for high speed rail, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $500,000,000 from an appropriation authorized by chapter 108 of the laws of 2006 to the urban development corporation for development of a semiconductor manufacturing facility, reimbursement from the proceeds of notes or bonds issued by the urban development corporation of up to $150,000,000 from an appropriation authorized by chapter 108 of the laws of 2006 to the urban development corporation for research and development activities of a semiconductor manufacturer, and reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $292,385,000 from an appropriation to the urban development corporation authorized by chapter 108 of the laws of 2006 for community revitalization projects.

S 31. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $29,600,000 authorized by chapter 55 of the laws of 2007 to the department of environmental conservation for payment of a portion of the state's match for federal capitalization grants for the water pollution control revolving loan fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $20,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2007 to the office of general services for various purposes, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $13,500,000 authorized by chapter 55 of the laws of 2007 to the energy research and development authority for the Western New York Nuclear Service Center at West Valley, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $10,000,000 authorized by chapter 55 of the laws of 2007 to the department of environmental conservation for Onondaga lake, reimbursement from the proceeds of notes or bonds issued by the environmental facilities

corporation for disbursements of up to $12,000,000 from any capital appropriations or reappropriations authorized by chapter 55 of the laws of 2007 to the department of environmental conservation for environmental purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $3,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2007 to the division of military and naval affairs for various purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements from a capital appropriation of $50,000,000 authorized by chapter 50 of the laws of 2007 to the division of state police for construction of a Troop G facility, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements from a capital appropriation of $6,000,000 authorized by chapter 50 of the laws of 2007 to the division of state police for construction of evidence storage facilities, reimbursement from the proceeds of notes or bonds issued by the dormitory authority or the urban development corporation for capital appropriations totaling $77,900,000 authorized by chapter 51 of the laws of 2007 to the judiciary for court training facilities and courthouse improvement projects, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $20,000,000 authorized by chapter 50 of the laws of 2007 to all state departments and agencies for the purchase of equipment, reimbursement from the proceeds of notes or bonds issued by the dormitory authority for capital disbursements of up to $14,000,000 from any capital appropriation or reappropriation authorized by chapter 53 of the laws of 2007 for library construction, reimbursement from the proceeds of notes or bonds issued by the dormitory authority for capital disbursements of up to $60,000,000 from any capital appropriation or reappropriation authorized by chapter 53 of the laws of 2007 for cultural education storage facilities, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $15,000,000 from any capital appropriation or reappropriation authorized by chapter 55 of the laws of 2007 for Roosevelt Island Operating Corporation aerial tramway, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $20,000,000 from any capital appropriation or reappropriation authorized by chapter 55 of the laws of 2007 for Governor's Island, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $7,500,000 from any capital appropriation or reappropriation authorized by chapter 55 of the laws of 2007 for Harriman research and technology park, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $7,950,000 from any capital appropriation or reappropriation authorized by chapter 55 of the laws of 2007 for USA Niagara, and reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $1,300,000 from appropriations authorized by chapter 50 of the laws of 2007 made to the office of general services for legislative office building hearing rooms.

S 32. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $29,600,000 authorized by chapter

55 of the laws of 2008 to the department of environmental conservation for payment of a portion of the state's match for federal capitalization grants for the water pollution control revolving loan fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $141,000,000 authorized by chapter 50 of the laws of 2008 to all state departments and agencies for the purchase of equipment or systems development, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $45,500,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2008 to the office of general services for various purposes, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $13,500,000 authorized by chapter 55 of the laws of 2008 to the energy research and development authority for the Western New York Nuclear Service Center at West Valley, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $10,000,000 authorized by chapter 55 of the laws of 2008 to the department of environmental conservation for Onondaga lake, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for disbursements of up to $12,000,000 from any capital appropriations or reappropriations authorized by chapter 55 of the laws of 2008 to the department of environmental conservation for environmental purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $3,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2008 to the division of military and naval affairs for various purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $2,500,000 authorized by chapter 50 of the laws of 2008 to the office for technology for activities related to broadband service, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $6,000,000 authorized by chapter 50 of the laws of 2008 to the division of state police for rehabilitation of facilities, reimbursement from the proceeds of notes or bonds issued by the dormitory authority of the state of New York or other financing source for a capital appropriation authorized by chapter 53 of the laws of 2008 of $14,000,000 to the education department for library construction, reimbursement from the proceeds of notes or bonds issued by the dormitory authority of the state of New York or other financing source for a capital appropriation authorized by chapter 53 of the laws of 2008 of $15,000,000 to the education department for museum renewal projects, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $50,000,000 authorized by chapter 53 of the laws of 2008 to the urban development corporation for services and expenses related to the investment opportunity fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $18,000,000 authorized by chapter 53 of the laws of 2008 to the urban development corporation for services and expenses related to arts and cultural projects, reimbursement from the proceeds of bonds or notes issued by the urban development corporation for a capital appropriation of $32,148,000 authorized by chapter 53 of the laws of 2008 for economic and community development projects, reimbursement from the proceeds of bonds or notes issued by the urban development corporation for a capital appropriation of $30,000,000 authorized by chapter 53 of the laws of

2008 for New York city waterfront development projects, reimbursement from the proceeds of bonds or notes issued by the urban development corporation for a capital appropriation of $45,000,000 authorized by chapter 53 of the laws of 2008 for Luther Forest infrastructure projects, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $35,000,000 authorized by chapter 53 of the laws of 2008 to the urban development corporation for services and expenses related to downstate regional projects, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $137,037,000 authorized by chapter 53 of the laws of 2008 to the urban development corporation for services and expenses related to upstate city-by-city projects, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $35,000,000 authorized by chapter 53 of the laws of 2008 to the urban development corporation for services and expenses related to the downstate revitalization projects, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $117,265,000 authorized by chapter 53 of the laws of 2008 to the urban development corporation for services and expenses related to the upstate regional blueprint fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $25,000,000 authorized by chapter 53 of the laws of 2008 to the urban development corporation for services and expenses related to the upstate agricultural economic development fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $350,000,000 authorized by chapter 53 of the laws of 2008 to the urban development corporation for services and expenses related to the New York state capital assistance program, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $350,000,000 authorized by chapter 53 of the laws of 2008 to the urban development corporation for services and expenses related to the New York state economic development assistance program, and reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $20,000,000 authorized by chapter 55 of the laws of 2008 to the urban development corporation for services and expenses related to the empire state economic development fund.

S 33. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $29,600,000 authorized by chapter 55 of the laws of 2009 to the department of environmental conservation for payment of a portion of the state's match for federal capitalization grants for the water pollution control revolving loan fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $129,800,000 authorized by chapter 50 of the laws of 2009 to all state departments and agencies for the purchase of equipment or systems development, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $24,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2009 to the office of general services for various purposes, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corpo-

ration for a capital appropriation of $13,500,000 authorized by chapter 55 of the laws of 2009 to the energy research and development authority for the Western New York Nuclear Service Center at West Valley, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $10,000,000 authorized by chapter 55 of the laws of 2009 to the department of environmental conservation for Onondaga lake, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for disbursements of up to $12,000,000 from any capital appropriations or reappropriations authorized by chapter 55 of the laws of 2009 to the department of environmental conservation for environmental purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $3,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2009 to the division of military and naval affairs for various purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $6,000,000 authorized by chapter 50 of the laws of 2009 to the division of state police for rehabilitation of facilities, reimbursement from the proceeds of notes or bonds issued by the dormitory authority of the state of New York or other financing source for a capital appropriation authorized by chapter 53 of the laws of 2009 of $14,000,000 to the state education department for library construction, reimbursement from the proceeds of notes or bonds issued by the dormitory authority of the state of New York or other financing source for a capital appropriation of $4,000,000 to the state education department for rehabilitation associated with the St. Regis Mohawk elementary school authorized by chapter 53 of the laws of 2009 and reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $25,000,000 authorized by chapter 55 of the laws of 2009 to the urban development corporation for services and expenses related to the empire state economic development fund.

S 34. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $29,600,000 authorized by chapter 55 of the laws of 2010 to the department of environmental conservation for payment of a portion of the state's match for federal capitalization grants for the water pollution control revolving loan fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $187,285,000 authorized by chapter 50 of the laws of 2010 to all state departments and agencies for the purchase of equipment or systems development, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $26,950,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2010 to the office of general services for various purposes, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $5,000,000 authorized by chapter 55 of the laws of 2010 to the department of environmental conservation for Onondaga lake, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for disbursements of up to $12,000,000 from any capital appropriations or reappropriations authorized by chapter 55 of the laws of 2010 to the department of envi-

ronmental conservation for environmental purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $3,000,000 from any capital appropriation or reappropriation authorized by chapter 50 of the laws of 2010 to the division of military and naval affairs for various purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $6,000,000 authorized by chapter 50 of the laws of 2010 to the division of state police for rehabilitation of facilities, reimbursement from the proceeds of notes or bonds issued by the dormitory authority of the state of New York or other financing source for a capital appropriation of $14,000,000 authorized by chapter 53 of the laws of 2010 to the state education department for library construction, reimbursements from the proceeds of notes or bonds issued by the dormitory authority of the state of New York or other financing source for a capital appropriation of $20,400,000 authorized by chapter 100 of the laws of 2010 to the state education department for the longitudinal data system and reimbursement from the proceeds of notes or bonds issued by the dormitory authority of the state of New York or other financing source for a capital appropriation of $42,000,000 for the state preparedness and training center.

S 35. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $35,000,000 authorized by a chapter of the laws of 2011 to the department of environmental conservation for payment of a portion of the state's match for federal capitalization grants for the water pollution control revolving loan fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $92,751,000 authorized by a chapter of the laws of 2011 to all state departments and agencies for the purchase of equipment or systems development, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $40,000,000 from any capital appropriation or reappropriation authorized by a chapter of the laws of 2011 to the office of general services for various purposes, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for disbursements of up to $12,000,000 from any capital appropriations or reappropriations authorized by a chapter of the laws of 2011 to the department of environmental conservation for environmental purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $3,000,000 from any capital appropriation or reappropriation authorized by a chapter of the laws of 2011 to the division of military and naval affairs for various purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $6,000,000 authorized by a chapter of the laws of 2011 to the division of state police for rehabilitation of facilities, reimbursement from the proceeds of notes or bonds issued by the dormitory authority of the state of New York or other financing source for a capital appropriation of $14,000,000 authorized by a chapter of the laws of 2011 to the state education department for library construction, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $130,550,000 authorized by a chapter of the laws of 2011 to the urban development

corporation for services and expenses related to the regional economic development council initiative, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital appropriation of $50,000,000 authorized by a chapter of the laws of 2011 to the urban development corporation for services and expenses related to the economic transformation program. Reimbursements from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $40,000,000 from any capital appropriation or reappropriation authorized by a chapter of the laws of 2011 to the office of general services for various purposes.

S 36. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $35,000,000 authorized by a chapter of the laws of 2012 to the department of environmental conservation for payment of a portion of the state's match for federal capitalization grants for the water pollution control revolving loan fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for disbursements of up to $12,000,000 from any capital appropriations or reappropriations authorized by a chapter of the laws of 2012 to the department of environmental conservation for environmental purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $3,000,000 from any capital appropriation or reappropriation authorized by a chapter of the laws of 2012 to the division of military and naval affairs for various purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $6,000,000 authorized by a chapter of the laws of 2012 to the division of state police for rehabilitation of facilities, reimbursement from the proceeds of notes or bonds issued by the dormitory authority of the state of New York or other financing source for a capital appropriation of $14,000,000 authorized by a chapter of the laws of 2012 to the state education department for library construction, reimbursement from the proceeds of notes or bonds issued by the thruway authority, the dormitory authority and the urban development corporation for a capital appropriation of $770,000,000 authorized by chapter 54 of the laws of 2012 to the metropolitan transportation authority for various purposes, reimbursement from the proceeds of notes or bonds issued by the thruway authority for a capital appropriation of $15,000,000 authorized by chapter 54 of the laws of 2012 to the department of transportation for improvement of the peace bridge plaza, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $130,000,000 authorized by a chapter of the laws of 2012 to the urban development corporation for services and expenses related to the regional economic development council initiative, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $75,000,000 authorized by a chapter of the laws of 2012 to the urban development corporation for services and expenses related to the New York works economic development fund, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $75,000,000 authorized by a chapter of the laws of 2012 to the urban development corporation for services and expenses related to the buffalo regional innovation cluster, reimbursement from the proceeds of notes or bonds issued by the urban development

corporation for a capital appropriation of $250,000,000 authorized by a chapter of the laws of 2012 to the urban development corporation for services and expenses related to the state university of New York college for nanoscale and science engineering project, reimbursements from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $26,000,000 from any capital appropriation or reappropriation authorized by a chapter of the laws of 2012 to the office of general services for various purposes.

S 37. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the capital projects fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for a capital appropriation of $35,000,000 authorized by a chapter of the laws of 2013 to the department of environmental conservation for payment of a portion of the state's match for federal capitalization grants for the water pollution control revolving loan fund, reimbursement from the proceeds of notes or bonds issued by the environmental facilities corporation for disbursements of up to $12,000,000 from any capital appropriations or reappropriations authorized by a chapter of the laws of 2013 to the department of environmental conservation for environmental purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for capital disbursements of up to $3,000,000 from any capital appropriation or reappropriation authorized by a chapter of the laws of 2013 to the division of military and naval affairs for various purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $7,000,000 authorized by a chapter of the laws of 2013 to the division of state police for rehabilitation of facilities, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $12,500,000 authorized by a chapter of the laws of 2013 to the division of state police for aviation equipment, reimbursement from the proceeds of notes or bonds issued by the dormitory authority of the state of New York or other financing source for a capital appropriation of $14,000,000 authorized by a chapter of the laws of 2013 to the state education department for library construction, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $150,000,000 authorized by a chapter of the laws of 2013 to the urban development corporation for services and expenses related to the regional economic development council initiative, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $75,000,000 authorized by a chapter of the laws of 2013 to the urban development corporation for services and expenses related to the buffalo regional innovation cluster, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $2,166,000 authorized by a chapter of the laws of 2013 to the urban development corporation for services and expenses related to the retention of professional football in Western New York, reimbursements from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $12,000,000 authorized by a chapter of the laws of 2013 to the urban development corporation for services and expenses related to the empire state economic development fund, reimbursements from the proceeds of notes or bonds issued by the urban development corporation for disbursements of up to $26,000,000 from any capital appropriation or reappropriation authorized by a chap-

ter of the laws of 2013 to the office of general services for various purposes, reimbursement from the proceeds of notes or bonds issued by the urban development corporation for a capital appropriation of $53,891,000 authorized by a chapter of the laws of 2013 to the urban development corporation for services and expenses related to capital improvements at Ralph Wilson Stadium, reimbursement from the proceeds of notes or bonds issued by the thruway authority for a capital appropriation of $155,000,000 authorized by a chapter of the laws of 2013 to the department of transportation for highway infrastructure projects, reimbursement from the proceeds of notes or bonds issued by the thruway authority for a capital appropriation of $45,000,000 authorized by a chapter of the laws of 2013 to the department of transportation for engineering purposes, reimbursement from the proceeds of notes or bonds issued by the thruway authority for capital appropriations of $10,000,000, $10,000,000 and $5,000,000 authorized by a chapter of the laws of 2013 to the department of transportation for aviation projects, non-MTA transit projects, and rail service preservation projects.

S 38. For purposes of sections twenty-six through thirty-seven of this act, the comptroller is also hereby authorized and directed to deposit to the credit of any capital projects fund, reimbursement from the proceeds of bonds and notes issued by any authorized issuer, as defined by sections 68-a and 69-m of the state finance law, in the amounts and for the purposes listed in such sections.

S 39. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the state university residence hall rehabilitation fund, reimbursement from the proceeds of notes or bonds issued by the dormitory authority of the state of New York for capital disbursements of up to $331,000,000 from any appropriation or reappropriation authorized by a chapter of the laws of 2013.

S 40. Notwithstanding any other law, rule, or regulation to the contrary, the comptroller is hereby authorized and directed to deposit to the credit of the city university special revenue fund, reimbursement from the proceeds of notes or bonds issued by the Dormitory Authority of the State of New York for capital disbursements of up to $20,000,000 from any appropriation or reappropriation authorized by chapter 53 of the laws of 2009 to the city university of New York for various purposes.

S 41. Notwithstanding any other law, rule, or regulation to the contrary, the state comptroller is hereby authorized and directed to use any balance remaining in the mental health services fund debt service appropriation, after payment by the state comptroller of all obligations required pursuant to any lease, sublease, or other financing arrangement between the dormitory authority of the state of New York as successor to the New York state medical care facilities finance agency, and the facilities development corporation pursuant to chapter 83 of the laws of 1995 and the department of mental hygiene for the purpose of making payments to the dormitory authority of the state of New York for the amount of the earnings for the investment of monies deposited in the mental health services fund that such agency determines will or may have to be rebated to the federal government pursuant to the provisions of the internal revenue code of 1986, as amended, in order to enable such agency to maintain the exemption from federal income taxation on the interest paid to the holders of such agency's mental services facilities improvement revenue bonds. On or before June 30, 2013, such agency shall certify to the state comptroller its determination of the amounts

received in the mental health services fund as a result of the investment of monies deposited therein that will or may have to be rebated to the federal government pursuant to the provisions of the internal revenue code of 1986, as amended.

S 42. (1) Notwithstanding any other law, rule, or regulation to the contrary, the state comptroller shall at the commencement of each month certify to the director of the budget, the commissioner of environmental conservation, the chair of the senate finance committee, and the chair of the assembly ways and means committee the amounts disbursed from all appropriations for hazardous waste site remediation disbursements for the month preceding such certification.

(2) Notwithstanding any law to the contrary, prior to the issuance by the comptroller of bonds authorized pursuant to subdivision a of section 4 of the environmental quality bond act of nineteen hundred eighty-six, as enacted by chapter 511 of the laws of 1986, disbursements from all appropriations for that purpose shall first be reimbursed from moneys credited to the hazardous waste remedial fund, site investigation and construction account, to the extent moneys are available in such account. For purposes of determining moneys available in such account, the commissioner of environmental conservation shall certify to the comptroller the amounts required for administration of the hazardous waste remedial program.

(3) The comptroller is hereby authorized and directed to transfer any balance above the amounts certified by the commissioner of environmental conservation to reimburse disbursements pursuant to all appropriations from such site investigation and construction account; provided, however, that if such transfers are determined by the comptroller to be insufficient to assure that interest paid to holders of state obligations issued for hazardous waste purposes pursuant to the environmental quality bond act of nineteen hundred eighty-six, as enacted by chapter 511 of the laws of 1986, is exempt from federal income taxation, the comptroller is hereby authorized and directed to transfer, from such site investigation and construction account to the general fund, the amount necessary to redeem bonds in an amount necessary to assure the continuation of such tax exempt status. Prior to the making of any such transfers, the comptroller shall notify the director of the budget of the amount of such transfers.

S 43. Subdivision 2 of section 68-a of the state finance law, as amended by section 36 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

2. "Authorized purpose" for purposes of this article and section ninety-two-z of this chapter shall mean any purposes for which state-supported debt, as defined by section sixty-seven-a of this chapter, may or has been issued except debt for which the state is constitutionally obligated thereunder to pay debt service and related expenses[, and except (a) as authorized in paragraph (b) of subdivision one of section three hundred eighty-five of the public authorities law, (b) as authorized for the department of health of the state of New York facilities as specified in paragraph a of subdivision two of section sixteen hundred eighty of the public authorities law, (c) state university of New York dormitory facilities as specified in subdivision eight of section sixteen hundred seventy-eight of the public authorities law, and (d) as authorized for mental health services facilities by section nine-a of section one of chapter three hundred ninety-two of the laws of nineteen hundred seventy-three constituting the New York state medical care facilities financing act. Notwithstanding the provisions of clause (d)

of this subdivision, for the period April first, two thousand nine through March thirty-first, two thousand thirteen, mental health services facilities, as authorized by section nine-a of section one of chapter three hundred ninety-two of the laws of nineteen hundred seventy-three constituting the New York state medical care facilities financing act, shall constitute an authorized purpose].

S 44. Subdivision 8 of section 68-b of the state finance law, as amended by section 35 of part BB of chapter 58 of the laws of 2011, is amended to read as follows:

8. Revenue bonds may only be issued for authorized purposes, as defined in section sixty-eight-a of this article. Notwithstanding the foregoing, the dormitory authority of the state of New York and the urban development corporation may issue revenue bonds for any authorized purpose of any other such authorized issuer through March thirty-first, two thousand [thirteen] FIFTEEN. The authorized issuers shall not issue any revenue bonds in an amount in excess of statutory authorizations for such authorized purposes. Authorizations for such authorized purposes shall be reduced in an amount equal to the amount of revenue bonds issued for such authorized purposes under this article. Such reduction shall not be made in relation to revenue bonds issued to fund reserve funds, if any, and costs of issuance, if these items are not counted under existing authorizations, nor shall revenue bonds issued to refund bonds issued under existing authorizations reduce the amount of such authorizations.

S 45. Subdivision 5 of section 3234 of the public authorities law, as amended by section 54 of part K of chapter 81 of the laws of 2002, is amended to read as follows:

5. A majority of the whole number of directors then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the corporation. Except as otherwise specified in this title, for the transaction of any business or the exercise of any power of the corporation, the corporation shall have power to act by a majority of the directors present at any meeting at which a quorum is in attendance; provided that one or more directors may participate in a meeting by means of conference telephone or similar communications equipment allowing all directors participating in the meeting to hear each other at the same time and participation by such means shall constitute presence in person at a meeting. A unanimous vote of all directors THEN IN OFFICE shall be required for approval of a resolution authorizing the issuance of bonds or notes or any supplemental or amendatory resolution. The corporation may delegate to one or more of its directors, or officers, agents and employees, such powers and duties as the directors may deem proper. Five days notice shall be given to each director and nonvoting representative prior to any meeting of the corporation.

S 46. Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new section 46 to read as follows:

S 46. 1. NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW TO THE CONTRARY, THE DORMITORY AUTHORITY AND THE CORPORATION ARE HEREBY AUTHORIZED TO ISSUE BONDS OR NOTES IN ONE OR MORE SERIES FOR THE PURPOSE OF FUNDING PROJECT COSTS FOR RESTORING STATE PROPERTIES DAMAGED AS A RESULT OF STORM SANDY AND OTHER STATE COSTS ASSOCIATED WITH SUCH CAPITAL PROJECTS. THE AGGREGATE PRINCIPAL AMOUNT OF BONDS AUTHORIZED TO BE ISSUED PURSUANT TO THIS SECTION SHALL NOT EXCEED FOUR HUNDRED FIFTY MILLION DOLLARS, EXCLUDING BONDS ISSUED TO FUND ONE OR MORE DEBT SERVICE

RESERVE FUNDS, TO PAY COSTS OF ISSUANCE OF SUCH BONDS, AND BONDS OR NOTES ISSUED TO REFUND OR OTHERWISE REPAY SUCH BONDS OR NOTES PREVIOUSLY ISSUED. SUCH BONDS AND NOTES OF THE DORMITORY AUTHORITY AND THE CORPORATION SHALL NOT BE A DEBT OF THE STATE, AND THE STATE SHALL NOT BE LIABLE THEREON, NOR SHALL THEY BE PAYABLE OUT OF ANY FUNDS OTHER THAN THOSE APPROPRIATED BY THE STATE TO THE DORMITORY AUTHORITY AND THE CORPORATION FOR PRINCIPAL, INTEREST, AND RELATED EXPENSES PURSUANT TO A SERVICE CONTRACT AND SUCH BONDS AND NOTES SHALL CONTAIN ON THE FACE THEREOF A STATEMENT TO SUCH EFFECT. EXCEPT FOR PURPOSES OF COMPLYING WITH THE INTERNAL REVENUE CODE, ANY INTEREST INCOME EARNED ON BOND PROCEEDS SHALL ONLY BE USED TO PAY DEBT SERVICE ON SUCH BONDS.

2. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, IN ORDER TO ASSIST THE DORMITORY AUTHORITY AND THE CORPORATION IN UNDERTAKING THE FINANCING FOR PROJECT COSTS FOR RESTORING STATE PROPERTIES DAMAGED AS A RESULT OF STORM SANDY AND OTHER STATE COSTS ASSOCIATED WITH SUCH CAPITAL PROJECTS, THE DIRECTOR OF THE BUDGET IS HEREBY AUTHORIZED TO ENTER INTO ONE OR MORE SERVICE CONTRACTS WITH THE DORMITORY AUTHORITY AND THE CORPORATION, NONE OF WHICH SHALL EXCEED THIRTY YEARS IN DURATION, UPON SUCH TERMS AND CONDITIONS AS THE DIRECTOR OF THE BUDGET AND THE DORMITORY AUTHORITY AND THE CORPORATION AGREE, SO AS TO ANNUALLY PROVIDE TO THE DORMITORY AUTHORITY AND THE CORPORATION, IN THE AGGREGATE, A SUM NOT TO EXCEED THE PRINCIPAL, INTEREST, AND RELATED EXPENSES REQUIRED FOR SUCH BONDS AND NOTES. ANY SERVICE CONTRACT ENTERED INTO PURSUANT TO THIS SECTION SHALL PROVIDE THAT THE OBLIGATION OF THE STATE TO PAY THE AMOUNT THEREIN PROVIDED SHALL NOT CONSTITUTE A DEBT OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION AND SHALL BE DEEMED EXECUTORY ONLY TO THE EXTENT OF MONIES AVAILABLE AND THAT NO LIABILITY SHALL BE INCURRED BY THE STATE BEYOND THE MONIES AVAILABLE FOR SUCH PURPOSE, SUBJECT TO ANNUAL APPROPRIATION BY THE LEGISLATURE. ANY SUCH CONTRACT OR ANY PAYMENTS MADE OR TO BE MADE THEREUNDER MAY BE ASSIGNED AND PLEDGED BY THE DORMITORY AUTHORITY AND THE CORPORATION AS SECURITY FOR ITS BONDS AND NOTES, AS AUTHORIZED BY THIS SECTION.

3. THE COMPTROLLER IS HEREBY AUTHORIZED TO RECEIVE FROM THE DORMITORY AUTHORITY AND THE CORPORATION ANY PORTION OF BOND PROCEEDS PAID TO PROVIDE FUNDS FOR OR REIMBURSE THE STATE FOR ITS COSTS ASSOCIATED WITH SUCH CAPITAL PROJECT COSTS AND TO CREDIT SUCH AMOUNTS TO THE CAPITAL PROJECTS FUND OR ANY OTHER APPROPRIATE FUND.

S 47. Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new section 47 to read as follows:

S 47. 1. NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW TO THE CONTRARY, THE DORMITORY AUTHORITY AND THE CORPORATION ARE HEREBY AUTHORIZED TO ISSUE BONDS OR NOTES IN ONE OR MORE SERIES FOR THE PURPOSE OF FUNDING PROJECT COSTS FOR THE OFFICE OF INFORMATION TECHNOLOGY SERVICES AND OTHER STATE COSTS ASSOCIATED WITH SUCH CAPITAL PROJECTS. THE AGGREGATE PRINCIPAL AMOUNT OF BONDS AUTHORIZED TO BE ISSUED PURSUANT TO THIS SECTION SHALL NOT EXCEED EIGHTY-SEVEN MILLION SEVEN HUNDRED FORTY THOUSAND DOLLARS, EXCLUDING BONDS ISSUED TO FUND ONE OR MORE DEBT SERVICE RESERVE FUNDS, TO PAY COSTS OF ISSUANCE OF SUCH BONDS, AND BONDS OR NOTES ISSUED TO REFUND OR OTHERWISE REPAY SUCH BONDS OR NOTES PREVIOUSLY ISSUED. SUCH BONDS AND NOTES OF THE DORMITORY AUTHORITY AND THE CORPORATION SHALL NOT BE A DEBT OF THE STATE, AND THE STATE SHALL NOT BE LIABLE THEREON, NOR SHALL THEY BE PAYABLE OUT OF ANY FUNDS OTHER THAN THOSE APPROPRIATED BY THE STATE TO THE DORMITORY AUTHORITY AND THE CORPORATION FOR PRINCIPAL, INTEREST, AND RELATED EXPENSES PURSUANT TO A

SERVICE CONTRACT AND SUCH BONDS AND NOTES SHALL CONTAIN ON THE FACE THEREOF A STATEMENT TO SUCH EFFECT. EXCEPT FOR PURPOSES OF COMPLYING WITH THE INTERNAL REVENUE CODE, ANY INTEREST INCOME EARNED ON BOND PROCEEDS SHALL ONLY BE USED TO PAY DEBT SERVICE ON SUCH BONDS.

2. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, IN ORDER TO ASSIST THE DORMITORY AUTHORITY AND THE CORPORATION IN UNDERTAKING THE FINANCING FOR PROJECT COSTS FOR THE OFFICE OF INFORMATION TECHNOLOGY SERVICES AND OTHER STATE COSTS ASSOCIATED WITH SUCH CAPITAL PROJECTS, THE DIRECTOR OF THE BUDGET IS HEREBY AUTHORIZED TO ENTER INTO ONE OR MORE SERVICE CONTRACTS WITH THE DORMITORY AUTHORITY AND THE CORPORATION, NONE OF WHICH SHALL EXCEED THIRTY YEARS IN DURATION, UPON SUCH TERMS AND CONDITIONS AS THE DIRECTOR OF THE BUDGET AND THE DORMITORY AUTHORITY AND THE CORPORATION AGREE, SO AS TO ANNUALLY PROVIDE TO THE DORMITORY AUTHORITY AND THE CORPORATION, IN THE AGGREGATE, A SUM NOT TO EXCEED THE PRINCIPAL, INTEREST, AND RELATED EXPENSES REQUIRED FOR SUCH BONDS AND NOTES. ANY SERVICE CONTRACT ENTERED INTO PURSUANT TO THIS SECTION SHALL PROVIDE THAT THE OBLIGATION OF THE STATE TO PAY THE AMOUNT THEREIN PROVIDED SHALL NOT CONSTITUTE A DEBT OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION AND SHALL BE DEEMED EXECUTORY ONLY TO THE EXTENT OF MONIES AVAILABLE AND THAT NO LIABILITY SHALL BE INCURRED BY THE STATE BEYOND THE MONIES AVAILABLE FOR SUCH PURPOSE, SUBJECT TO ANNUAL APPROPRIATION BY THE LEGISLATURE. ANY SUCH CONTRACT OR ANY PAYMENTS MADE OR TO BE MADE THEREUNDER MAY BE ASSIGNED AND PLEDGED BY THE DORMITORY AUTHORITY AND THE CORPORATION AS SECURITY FOR ITS BONDS AND NOTES, AS AUTHORIZED BY THIS SECTION.

3. THE COMPTROLLER IS HEREBY AUTHORIZED TO RECEIVE FROM THE DORMITORY AUTHORITY AND THE CORPORATION ANY PORTION OF BOND PROCEEDS PAID TO PROVIDE FUNDS FOR OR REIMBURSE THE STATE FOR ITS COSTS ASSOCIATED WITH SUCH CAPITAL PROJECT COSTS AND TO CREDIT SUCH AMOUNTS TO THE CAPITAL PROJECTS FUND OR ANY OTHER APPROPRIATE FUND.

S 48. Subdivision (a) of section 28 of part Y of chapter 61 of the laws of 2005, relating to providing for the administration of certain funds and accounts related to the 2005-2006 budget, as amended by section 39 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

(a) Subject to the provisions of chapter 59 of the laws of 2000, but notwithstanding any provisions of law to the contrary, one or more authorized issuers as defined by section 68-a of the state finance law are hereby authorized to issue bonds or notes in one or more series in an aggregate principal amount not to exceed [$24,000,000] $27,000,000, excluding bonds issued to finance one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued, for the purpose of financing capital projects for public protection facilities in the Division of Military and Naval Affairs, debt service and leases; and to reimburse the state general fund for disbursements made therefor. Such bonds and notes of such authorized issuer shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to such authorized issuer for debt service and related expenses pursuant to any service contract executed pursuant to subdivision (b) of this section and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

S 49. Subdivision 1 of section 16 of part D of chapter 389 of the laws of 1997, relating to the financing of the correctional facilities improvement fund and the youth facility improvement fund, as amended by section 40 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

1. Subject to the provisions of chapter 59 of the laws of 2000, but notwithstanding the provisions of section 18 of section 1 of chapter 174 of the laws of 1968, the New York state urban development corporation is hereby authorized to issue bonds, notes and other obligations in an aggregate principal amount not to exceed [six] SEVEN billion [eight] ONE hundred [sixteen] THIRTY-THREE million [eight hundred] sixty-nine thousand dollars [$6,816,869,000] $7,133,069,000, and shall include all bonds, notes and other obligations issued pursuant to chapter 56 of the laws of 1983, as amended or supplemented. The proceeds of such bonds, notes or other obligations shall be paid to the state, for deposit in the correctional facilities capital improvement fund to pay for all or any portion of the amount or amounts paid by the state from appropriations or reappropriations made to the department of corrections and community supervision from the correctional facilities capital improvement fund for capital projects. The aggregate amount of bonds, notes or other obligations authorized to be issued pursuant to this section shall exclude bonds, notes or other obligations issued to refund or otherwise repay bonds, notes or other obligations theretofore issued, the proceeds of which were paid to the state for all or a portion of the amounts expended by the state from appropriations or reappropriations made to the department of corrections and community supervision; provided, however, that upon any such refunding or repayment the total aggregate principal amount of outstanding bonds, notes or other obligations may be greater than [six] SEVEN billion [eight] ONE hundred [sixteen] THIRTY-THREE million [eight hundred] sixty-nine thousand dollars [$6,816,869,000] $7,133,069,000, only if the present value of the aggregate debt service of the refunding or repayment bonds, notes or other obligations to be issued shall not exceed the present value of the aggregate debt service of the bonds, notes or other obligations so to be refunded or repaid. For the purposes hereof, the present value of the aggregate debt service of the refunding or repayment bonds, notes or other obligations and of the aggregate debt service of the bonds, notes or other obligations so refunded or repaid, shall be calculated by utilizing the effective interest rate of the refunding or repayment bonds, notes or other obligations, which shall be that rate arrived at by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the refunding or repayment bonds, notes or other obligations from the payment dates thereof to the date of issue of the refunding or repayment bonds, notes or other obligations and to the price bid including estimated accrued interest or proceeds received by the corporation including estimated accrued interest from the sale thereof.

S 50. Paragraph (a) of subdivision 2 of section 47-e of the private housing finance law, as amended by section 41 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

(a) Subject to the provisions of chapter fifty-nine of the laws of two thousand, in order to enhance and encourage the promotion of housing programs and thereby achieve the stated purposes and objectives of such housing programs, the agency shall have the power and is hereby authorized from time to time to issue negotiable housing program bonds and notes in such principal amount as shall be necessary to provide suffi-

cient funds for the repayment of amounts disbursed (and not previously reimbursed) pursuant to law or any prior year making capital appropriations or reappropriations for the purposes of the housing program; provided, however, that the agency may issue such bonds and notes in an aggregate principal amount not exceeding two billion [seven] EIGHT hundred [forty] FORTY-FOUR million [six] EIGHT hundred ninety-nine thousand dollars, plus a principal amount of bonds issued to fund the debt service reserve fund in accordance with the debt service reserve fund requirement established by the agency and to fund any other reserves that the agency reasonably deems necessary for the security or marketability of such bonds and to provide for the payment of fees and other charges and expenses, including underwriters' discount, trustee and rating agency fees, bond insurance, credit enhancement and liquidity enhancement related to the issuance of such bonds and notes. No reserve fund securing the housing program bonds shall be entitled or eligible to receive state funds apportioned or appropriated to maintain or restore such reserve fund at or to a particular level, except to the extent of any deficiency resulting directly or indirectly from a failure of the state to appropriate or pay the agreed amount under any of the contracts provided for in subdivision four of this section.

S 51. Subdivision (b) of section 11 of chapter 329 of the laws of 1991, amending the state finance law and other laws relating to the establishment of the dedicated highway and bridge trust fund, as amended by section 42 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

(b) Any service contract or contracts for projects authorized pursuant to sections 10-c, 10-f, 10-g and 80-b of the highway law and section 14-k of the transportation law, and entered into pursuant to subdivision (a) of this section, shall provide for state commitments to provide annually to the thruway authority a sum or sums, upon such terms and conditions as shall be deemed appropriate by the director of the budget, to fund, or fund the debt service requirements of any bonds or any obligations of the thruway authority issued to fund such projects having a cost not in excess of [$7,106,022,000] $7,591,875,000 cumulatively by the end of fiscal year [2012-13] 2013-14.

S 52. Subdivision 1 of section 1689-i of the public authorities law, as amended by section 50 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

1. The dormitory authority is authorized to issue bonds, at the request of the commissioner of education, to finance eligible library construction projects pursuant to section two hundred seventy-three-a of the education law, in amounts certified by such commissioner not to exceed a total principal amount of [ninety-eight] ONE HUNDRED TWELVE million dollars.

S 53. Subdivision (a) of section 27 of part Y of chapter 61 of the laws of 2005, providing for the administration of certain funds and accounts related to the 2005-2006 budget, as amended by section 43 of part PP of chapter 56 of the laws of 2009, is amended to read as follows:

(a) Subject to the provisions of chapter 59 of the laws of 2000, but notwithstanding any provisions of law to the contrary, the urban development corporation is hereby authorized to issue bonds or notes in one or more series in an aggregate principal amount not to exceed [$114,100,000] $133,600,000, excluding bonds issued to finance one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or

notes previously issued, for the purpose of financing capital projects for THE division of state police [facilities], debt service and leases; and to reimburse the state general fund for disbursements made therefor. Such bonds and notes of such authorized issuer shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to such authorized issuer for debt service and related expenses pursuant to any service contract executed pursuant to subdivision (b) of this section and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

S 54. Section 44 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as amended by section 43 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

S 44. ISSUANCE OF CERTAIN BONDS OR NOTES. 1. Notwithstanding the provisions of any other law to the contrary, the dormitory authority and the corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of funding project costs for the regional economic development council initiative, the economic transformation program, state university of New York college for nanoscale and science engineering, projects within the city of Buffalo or surrounding environs, [and] the New York works economic development fund, PROJECTS FOR THE RETENTION OF PROFESSIONAL FOOTBALL IN WESTERN NEW YORK, THE EMPIRE STATE ECONOMIC DEVLOPMENT FUND, and other state costs associated with such projects. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed [seven hundred ten million five hundred fifty] ONE BILLION THREE MILLION SIX HUNDRED SEVEN thousand dollars, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the dormitory authority and the corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the dormitory authority and the corporation for principal, interest, and related expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

2. Notwithstanding any other provision of law to the contrary, in order to assist the dormitory authority and the corporation in undertaking the financing for project costs for the regional economic development council initiative, the economic transformation program, state university of New York college for nanoscale and science engineering, projects within the city of Buffalo or surrounding environs [and], the New York works economic development fund, PROJECTS FOR THE RETENTION OF PROFESSIONAL FOOTBALL IN WESTERN NEW YORK, THE EMPIRE STATE ECONOMIC DEVELOPMENT FUND, and other state costs associated with such projects, the director of the budget is hereby authorized to enter into one or more service contracts with the dormitory authority and the corporation, none of which shall exceed thirty years in duration, upon such terms and conditions as the director of the budget and the dormitory authority and the corporation agree, so as to annually provide to the dormitory authority and the corporation, in the aggregate, a sum not to exceed the

principal, interest, and related expenses required for such bonds and notes. Any service contract entered into pursuant to this section shall provide that the obligation of the state to pay the amount therein provided shall not constitute a debt of the state within the meaning of any constitutional or statutory provision and shall be deemed executory only to the extent of monies available and that no liability shall be incurred by the state beyond the monies available for such purpose, subject to annual appropriation by the legislature. Any such contract or any payments made or to be made thereunder may be assigned and pledged by the dormitory authority and the corporation as security for its bonds and notes, as authorized by this section.

S 55. Subdivisions 1 and 3 of section 1285-p of the public authorities law,subdivision 1 as amended by section 21 of part II of chapter 59 of the laws of 2004 and subdivision 3 as amended by section 38 of part U of chapter 59 of the laws of 2012, are amended to read as follows:

1. Subject to chapter fifty-nine of the laws of two thousand, but notwithstanding any other provisions of law to the contrary, in order to assist the corporation in undertaking the administration and the financing of the design, acquisition, construction, improvement, installation, and related work for all or any portion of any of the following environmental infrastructure projects and for the provision of funds to the state for any amounts disbursed therefor: (a) projects authorized under the environmental protection fund, or for which appropriations are made to the environmental protection fund including, but not limited to municipal parks and historic preservation, stewardship, farmland protection, non-point source, pollution control, Hudson River Park, land acquisition, and waterfront revitalization; (b) department of environmental conservation capital appropriations for Onondaga Lake for certain water quality improvement projects in the same manner as set forth in paragraph (d) of subdivision one of section 56-0303 of the environmental conservation law; (c) for the purpose of the administration, management, maintenance, and use of the real property at the western New York nuclear service center; and (d) department of environmental conservation capital appropriations for the administration, design, acquisition, construction, improvement, installation, and related work on department of environmental conservation environmental infrastructure projects; and (e) office of parks, recreation and historic preservation appropriations or reappropriations from the state parks infrastructure fund[,]; AND (F) CAPITAL GRANTS FOR THE CLEANER, GREENER COMMUNITIES PROGRAM the director of the division of budget and the corporation are each authorized to enter into one or more service contracts, none of which shall exceed twenty years in duration, upon such terms and conditions as the director and the corporation may agree, so as to annually provide to the corporation in the aggregate, a sum not to exceed the annual debt service payments and related expenses required for any bonds and notes authorized pursuant to section twelve hundred ninety of this title. Any service contract entered into pursuant to this section shall provide that the obligation of the state to fund or to pay the amounts therein provided for shall not constitute a debt of the state within the meaning of any constitutional or statutory provision and shall be deemed executory only to the extent of moneys available for such purposes, subject to annual appropriation by the legislature. Any such service contract or any payments made or to be made thereunder may be assigned and pledged by the corporation as security for its bonds and notes, as authorized pursuant to section twelve hundred ninety of this title.

3. The maximum amount of bonds that may be issued for the purpose of financing environmental infrastructure projects authorized by this section shall be one billion [one hundred eighteen] TWO HUNDRED SIXTY-FIVE million seven hundred sixty thousand dollars, exclusive of bonds issued to fund any debt service reserve funds, pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay bonds or notes previously issued. Such bonds and notes of the corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the corporation for debt service and related expenses pursuant to any service contracts executed pursuant to subdivision one of this section, and such bonds and notes shall contain on the face thereof a statement to such effect.

S 56. The state finance law is amended by adding a new section 92-h to read as follows:

S 92-H. SALES TAX REVENUE BOND TAX FUND. 1. THERE IS HEREBY ESTABLISHED IN THE JOINT CUSTODY OF THE STATE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE A FUND WITHIN THE GENERAL DEBT SERVICE FUND TO BE KNOWN AS THE "SALES TAX REVENUE BOND TAX FUND".

2. SUCH FUND SHALL CONSIST OF THE AMOUNT OF REVENUE COLLECTED WITHIN THE STATE FROM THE IMPOSITION OF THE SALES AND COMPENSATING USE TAXES (INCLUDING INTEREST AND PENALTIES) PURSUANT TO SECTION ELEVEN HUNDRED FIVE AND SECTION ELEVEN HUNDRED TEN OF THE TAX LAW EQUAL TO THE AMOUNT ATTRIBUTABLE TO A ONE PERCENT RATE OF TAXATION, LESS SUCH AMOUNTS AS THE COMMISSIONER OF TAXATION AND FINANCE MAY DETERMINE TO BE NECESSARY FOR REFUNDS. ON AND AFTER THE DATE THAT ALL OF THE OBLIGATIONS AND LIABILITIES OF THE NEW YORK LOCAL GOVERNMENT ASSISTANCE CORPORATION SHALL HAVE BEEN MET OR OTHERWISE DISCHARGED, OTHER THAN PAYMENT OBLIGATIONS REQUIRED BY SECTION THIRTY-TWO HUNDRED THIRTY-EIGHT-A OF THE PUBLIC AUTHORITIES LAW, IT SHALL EQUAL THE AMOUNT ATTRIBUTABLE TO A TWO PERCENT RATE OF TAXATION, LESS SUCH AMOUNTS AS THE COMMISSIONER OF TAXATION AND FINANCE MAY DETERMINE TO BE NECESSARY FOR REFUNDS. SUCH SALES AND COMPENSATING USE TAX REVENUES SHALL BE SEPARATE AND DISTINCT FROM THE SALES AND COMPENSATING USE TAX REVENUES DEPOSITED FROM TIME TO TIME IN THE LOCAL GOVERNMENT ASSISTANCE TAX FUND, PURSUANT TO SECTION NINETY-TWO-R OF THIS CHAPTER.

3. ON OR BEFORE THE TWELFTH DAY OF EACH MONTH, THE COMMISSIONER OF TAXATION AND FINANCE SHALL CERTIFY TO THE STATE COMPTROLLER THE AMOUNTS SPECIFIED IN SUBDIVISION TWO OF THIS SECTION RELATING TO THE PRECEDING MONTH AND, IN ADDITION, NO LATER THAN MARCH THIRTY-FIRST OF EACH FISCAL YEAR THE COMMISSIONER OF TAXATION AND FINANCE SHALL CERTIFY SUCH AMOUNTS RELATING TO THE LAST MONTH OF SUCH FISCAL YEAR. THE AMOUNTS SO CERTIFIED SHALL BE DEPOSITED BY THE STATE COMPTROLLER IN THE SALES TAX REVENUE BOND TAX FUND.

4. MONEYS IN THE SALES TAX REVENUE BOND TAX FUND SHALL BE KEPT SEPARATE AND SHALL NOT BE COMMINGLED WITH ANY OTHER MONEYS IN THE CUSTODY OF THE STATE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE. ALL DEPOSITS OF SUCH REVENUES SHALL, IF REQUIRED BY THE STATE COMPTROLLER, BE SECURED BY OBLIGATIONS OF THE UNITED STATES OR OF THE STATE HAVING A MARKET VALUE EQUAL AT ALL TIMES TO THE AMOUNT OF SUCH DEPOSITS AND ALL BANKS AND TRUST COMPANIES ARE AUTHORIZED TO GIVE SECURITY FOR SUCH DEPOSITS. ANY SUCH MONEYS IN SUCH FUND MAY, IN THE DISCRETION OF THE STATE COMPTROLLER, BE INVESTED IN OBLIGATIONS IN WHICH THE STATE COMPTROLLER IS AUTHORIZED TO INVEST PURSUANT TO SECTION NINETY-EIGHT-A OF THIS ARTICLE.

5. (A) THE STATE COMPTROLLER SHALL FROM TIME TO TIME, BUT IN NO EVENT LATER THAN THE FIFTEENTH DAY OF EACH MONTH (OTHER THAN THE LAST MONTH OF THE FISCAL YEAR) AND NO LATER THAN THE THIRTY-FIRST DAY OF THE LAST MONTH OF EACH FISCAL YEAR, PAY OVER AND DISTRIBUTE TO THE CREDIT OF THE GENERAL FUND OF THE STATE TREASURY ALL MONEYS IN THE SALES TAX REVENUE BOND TAX FUND, IF ANY, IN EXCESS OF THE AGGREGATE AMOUNT REQUIRED TO BE SET ASIDE FOR THE PAYMENT OF CASH REQUIREMENTS PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION, PROVIDED THAT AN APPROPRIATION HAS BEEN MADE TO PAY ALL AMOUNTS SPECIFIED IN ANY CERTIFICATE OR CERTIFICATES DELIVERED BY THE DIRECTOR OF THE BUDGET PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION AS BEING REQUIRED BY ANY AUTHORIZED ISSUER AS SUCH TERM IS DEFINED IN SECTION SIXTY-NINE-M OF THIS CHAPTER FOR THE PAYMENT OF CASH REQUIREMENTS OF SUCH AUTHORIZED ISSUERS FOR SUCH FISCAL YEAR. SUBJECT TO THE RIGHTS OF HOLDERS OF DEBT OF THE STATE, IN NO EVENT SHALL THE STATE COMPTROLLER PAY OVER AND DISTRIBUTE ANY MONEYS ON DEPOSIT IN THE SALES TAX REVENUE BOND TAX FUND TO ANY PERSON OTHER THAN AN AUTHORIZED ISSUER PURSUANT TO SUCH CERTIFICATE OR CERTIFICATES (I) UNLESS AND UNTIL THE AGGREGATE OF ALL CASH REQUIREMENTS CERTIFIED TO THE STATE COMPTROLLER AS REQUIRED BY SUCH AUTHORIZED ISSUERS TO BE SET ASIDE PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION FOR SUCH FISCAL YEAR SHALL HAVE BEEN APPROPRIATED TO SUCH AUTHORIZED ISSUERS IN ACCORDANCE WITH THE SCHEDULE SPECIFIED IN THE CERTIFICATE OR CERTIFICATES FILED BY THE DIRECTOR OF THE BUDGET OR (II) IF, AFTER HAVING BEEN SO CERTIFIED AND APPROPRIATED, ANY PAYMENT REQUIRED TO BE MADE PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION HAS NOT BEEN MADE TO THE AUTHORIZED ISSUERS PURSUANT TO SUCH CERTIFICATE OR CERTIFICATES; PROVIDED, HOWEVER, THAT NO PERSON, INCLUDING SUCH AUTHORIZED ISSUERS OR THE HOLDERS OF REVENUE BONDS, SHALL HAVE ANY LIEN ON MONEYS ON DEPOSIT IN THE SALES TAX REVENUE BOND TAX FUND. ANY AGREEMENT ENTERED INTO PURSUANT TO SECTION SIXTY-NINE-O OF THIS CHAPTER RELATED TO ANY PAYMENT AUTHORIZED BY THIS SECTION SHALL BE EXECUTORY ONLY TO THE EXTENT OF SUCH REVENUES AVAILABLE TO THE STATE IN SUCH FUND. NOTWITHSTANDING SUBDIVISIONS TWO AND THREE OF THIS SECTION, IN THE EVENT THE AGGREGATE OF ALL CASH REQUIREMENTS CERTIFIED TO THE STATE COMPTROLLER AS REQUIRED BY SUCH AUTHORIZED ISSUERS TO BE SET ASIDE PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION FOR THE FISCAL YEAR BEGINNING ON APRIL FIRST SHALL NOT HAVE BEEN APPROPRIATED TO SUCH AUTHORIZED ISSUERS IN ACCORDANCE WITH THE SCHEDULE SPECIFIED IN THE CERTIFICATE OR CERTIFICATES FILED BY THE DIRECTOR OF THE BUDGET OR, IF, HAVING BEEN SO CERTIFIED AND APPROPRIATED, ANY PAYMENT REQUIRED TO BE MADE PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION HAS NOT BEEN MADE PURSUANT TO SUCH CERTIFICATE OR CERTIFICATES, ALL RECEIPTS COLLECTED AND DEPOSITED IN THE SALES TAX REVENUE BOND TAX FUND SHALL REMAIN IN SUCH FUND. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IF THE STATE HAS APPROPRIATED AND PAID TO THE AUTHORIZED ISSUERS ALL AMOUNTS NECESSARY FOR THE AUTHORIZED ISSUERS TO MEET THEIR CASH REQUIREMENTS FOR THE CURRENT FISCAL YEAR PURSUANT TO THE CERTIFICATE OR CERTIFICATES SUBMITTED BY THE DIRECTOR OF THE BUDGET PURSUANT TO PARAGRAPH (B) OF THIS SECTION, THE STATE COMPTROLLER SHALL, ON THE LAST DAY OF EACH FISCAL YEAR, PAY TO THE GENERAL FUND OF THE STATE ALL SUMS REMAINING IN THE SALES TAX REVENUE BOND TAX FUND ON SUCH DATE EXCEPT SUCH AMOUNTS AS THE DIRECTOR OF THE BUDGET MAY CERTIFY ARE NEEDED TO MEET THE CASH REQUIREMENTS OF AUTHORIZED ISSUERS DURING THE SUBSEQUENT FISCAL YEAR.

(B) NO LATER THAN THIRTY DAYS AFTER THE SUBMISSION OF THE EXECUTIVE BUDGET IN ACCORDANCE WITH ARTICLE SEVEN OF THE CONSTITUTION, THE DIRECTOR OF THE BUDGET SHALL PREPARE A CERTIFICATE OF THE AMOUNT OF MONTHLY RECEIPTS ANTICIPATED TO BE DEPOSITED PURSUANT TO SUBDIVISION TWO OF THIS

SECTION DURING THE FISCAL YEAR BEGINNING APRIL FIRST OF THAT YEAR TOGETHER WITH THE MONTHLY AMOUNTS NECESSARY TO BE SET ASIDE FROM THE RECEIPTS OF SUCH FUND, AS SHALL BE SUFFICIENT TO MEET THE TOTAL CASH REQUIREMENTS OF AUTHORIZED ISSUERS, AS DEFINED BY SECTION SIXTY-NINE-M OF THIS CHAPTER DURING SUCH FISCAL YEAR, BASED ON INFORMATION THAT SHALL BE PROVIDED BY SUCH AUTHORIZED ISSUERS, CONSISTENT WITH THE TERMS OF ANY CONTRACT WITH OUTSTANDING BONDHOLDERS. EXCEPT FOR THE PURPOSE OF MEETING CASH REQUIREMENTS OF AN AUTHORIZED ISSUER THAT ARE DUE ON A MONTHLY OR MORE FREQUENT BASIS, PRIOR TO TRANSFERRING ANY MONEYS FROM THE ACCOUNT PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION, THE COMPTROLLER SHALL SET ASIDE ON A MONTHLY BASIS ALL REVENUES DEPOSITED PURSUANT TO THIS SUBDIVISION AS RECEIVED UNTIL THE AMOUNT SET ASIDE IS EQUAL TO ONE-FIFTH OF THE INTEREST DUE ON SUCH OBLIGATIONS ON THE NEXT SUCCEEDING INTEREST PAYMENT DATE MULTIPLIED BY THE NUMBER OF MONTHS FROM THE LAST SUCH PAYMENT AND ONE-ELEVENTH OF THE NEXT PRINCIPAL INSTALLMENT DUE ON SUCH OBLIGATIONS MULTIPLIED BY THE NUMBER OF MONTHS FROM THE LAST SUCH PRINCIPAL INSTALLMENT WHERE PRINCIPAL IS DUE ON AN ANNUAL BASIS OR ONE-FIFTH OF THE NEXT PRINCIPAL INSTALLMENT DUE ON SUCH OBLIGATIONS MULTIPLIED BY THE NUMBER OF MONTHS FROM THE LAST SUCH PRINCIPAL INSTALLMENT WHERE PRINCIPAL IS DUE ON A SEMIANNUAL BASIS. FOR THE PURPOSE OF MEETING CASH REQUIREMENTS OF AN AUTHORIZED ISSUER THAT ARE DUE ON A MONTHLY BASIS OR MORE FREQUENTLY, THE COMPTROLLER SHALL SET ASIDE ALL REVENUES DEPOSITED PURSUANT TO SUBDIVISION TWO OF THIS SECTION AS RECEIVED UNTIL THE AMOUNT SO SET ASIDE IS, IN THE REASONABLE JUDGMENT OF THE DIRECTOR OF THE BUDGET AS SET FORTH IN SUCH CERTIFICATE, SUFFICIENT TO MAKE THE REQUIRED PAYMENT ON OR BEFORE SUCH PAYMENT DATE. NOTWITHSTANDING SUBDIVISION THREE OF, SECTION SEVENTY-TWO OF THIS ARTICLE OR ANY OTHER PROVISION OF LAW, ALL MONEYS SET ASIDE IN THE SALES TAX REVENUE BOND TAX FUND TO MEET THE ANNUAL CASH REQUIREMENTS OF AUTHORIZED ISSUERS PURSUANT TO A CERTIFICATE OR CERTIFICATES AS REQUIRED IN THIS PARAGRAPH SHALL REMAIN IN THE SALES TAX REVENUE BOND TAX FUND UNTIL NEEDED FOR PAYMENT TO AUTHORIZED ISSUERS, AS PROVIDED IN THIS SECTION. IN THE EVENT THAT THE AMOUNT SET ASIDE BY THE STATE COMPTROLLER PURSUANT TO THIS PARAGRAPH IS NOT SUFFICIENT TO MEET THE CASH REQUIREMENTS REQUIRED PURSUANT TO A CERTIFICATE OR CERTIFICATES SUBMITTED BY THE DIRECTOR OF THE BUDGET, THE STATE COMPTROLLER SHALL IMMEDIATELY TRANSFER FROM THE GENERAL FUND TO THE SALES TAX REVENUE BOND TAX FUND AN AMOUNT WHICH, WHEN COMBINED WITH THE AMOUNT SET ASIDE PURSUANT TO THIS PARAGRAPH, SHALL BE SUFFICIENT TO MEET THE PAYMENT REQUIRED PURSUANT TO SUCH CERTIFICATE OR CERTIFICATES. THE DIRECTOR OF THE BUDGET MAY REVISE SUCH CERTIFICATION AT SUCH TIMES AS SHALL BE NECESSARY, PROVIDED, HOWEVER, THAT THE DIRECTOR OF THE BUDGET SHALL, AS NECESSARY, REVISE SUCH CERTIFICATION NOT LATER THAN THIRTY DAYS AFTER THE ISSUANCE OF ANY REVENUE BONDS, INCLUDING REFUNDING BONDS, AND AFTER THE ADOPTION OF ANY INTEREST RATE EXCHANGE OR OTHER FINANCIAL ARRANGEMENT AFFECTING THE CASH REQUIREMENTS OF THE AUTHORIZED ISSUERS. IN NO EVENT SHALL THE STATE COMPTROLLER BE HELD LIABLE FOR THE FAILURE TO SET ASIDE AN AMOUNT SUFFICIENT TO PAY ANY REQUIRED PAYMENT OF AN AUTHORIZED ISSUER.

6. ALL PAYMENTS OF MONEYS FROM THE REVENUE BOND TAX FUND SHALL BE MADE ON THE AUDIT AND WARRANT OF THE STATE COMPTROLLER.

S 57. Section 1148 of the tax law, as amended by chapter 3 of the laws of 2004, is amended to read as follows:

S 1148. Deposit and disposition of revenue. All taxes, interest and penalties collected or received by the commissioner under this article shall be deposited and disposed of pursuant to the provisions of section one hundred seventy-one-a of this chapter; provided however, the comp-

troller shall on or before the twelfth day of each month, pay all such taxes, interest and penalties collected under this article and remaining to the comptroller's credit in such banks, banking houses or trust companies at the close of business on the last day of the preceding month, into the general fund of the state treasury, except as otherwise provided in sections ninety-two-d, NINETY-TWO-H, and ninety-two-r of the state finance law and sections eleven hundred two, eleven hundred four and eleven hundred nine of this article.

S 58. The state finance law is amended by adding a new article 5-F to read as follows:

ARTICLE 5-F

SALES TAX REVENUE BOND FINANCING PROGRAM

SECTION 69-M. DEFINITIONS.
69-N. ISSUANCE OF BONDS AND NOTES.
69-O. PAYMENTS TO AUTHORIZED ISSUERS.

S 69-M. DEFINITIONS. 1. "AUTHORIZED ISSUER" SHALL MEAN THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK, THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION, THE NEW YORK STATE THRUWAY AUTHORITY, AND ANY SUCCESSORS THERETO.

2. "AUTHORIZED PURPOSE" FOR PURPOSES OF THIS ARTICLE AND SECTION NINETY-TWO-H OF THIS CHAPTER SHALL MEAN ANY PURPOSES FOR WHICH STATE-SUPPORTED DEBT, AS DEFINED BY SECTION SIXTY-SEVEN-A OF THIS CHAPTER, MAY OR HAS BEEN ISSUED, EXCEPT DEBT FOR WHICH THE STATE IS CONSTITUTIONALLY OBLIGATED THEREUNDER TO PAY DEBT SERVICE AND RELATED EXPENSES.

3. "REVENUE BONDS" FOR THE PURPOSES OF THIS ARTICLE AND SECTION NINETY-TWO-H OF THIS CHAPTER SHALL MEAN ANY BONDS, NOTES OR OBLIGATIONS ISSUED OR INCURRED PURSUANT TO SECTION SIXTY-NINE-N OF THIS ARTICLE.

S 69-N. ISSUANCE OF BONDS AND NOTES. 1. (A) AUTHORIZED ISSUERS SHALL HAVE THE POWER AND ARE HEREBY AUTHORIZED FROM TIME TO TIME TO ISSUE REVENUE BONDS, IN SUCH PRINCIPAL AMOUNT OR AMOUNTS, SUBJECT TO SUBDIVISION EIGHT OF THIS SECTION AND AS THE DIRECTOR OF THE BUDGET SHALL DETERMINE TO BE NECESSARY, TO PROVIDE SUFFICIENT FUNDS FOR AUTHORIZED PURPOSES, THE ESTABLISHMENT OF RESERVES TO SECURE SUCH REVENUE BONDS, THE PAYMENT OF AMOUNTS REQUIRED UNDER REVENUE BONDS OR AGREEMENTS RELATING THERETO, AND THE PAYMENT OF ALL COSTS OF ISSUANCE OF THEIR REVENUE BONDS.

(B) THE AUTHORIZED ISSUERS SHALL HAVE THE POWER AND ARE HEREBY AUTHORIZED FROM TIME TO TIME TO ISSUE (I) REVENUE BONDS TO RENEW NOTES, (II) REVENUE BONDS TO PAY NOTES, AND (III) WHENEVER IT DEEMS REFUNDING EXPEDIENT, TO REFUND ANY BONDS, NOTES OR OTHER OBLIGATIONS ISSUED FOR AN AUTHORIZED PURPOSE OR PURPOSES, INCLUDING BONDS, NOTES OR OTHER OBLIGATIONS THAT WERE ISSUED PRIOR TO THE EFFECTIVE DATE OF THIS ARTICLE, BY THE ISSUANCE OF NEW REVENUE BONDS, WHETHER THE BONDS, NOTES, OR OTHER OBLIGATIONS TO BE REFUNDED HAVE OR HAVE NOT MATURED, AND TO ISSUE REVENUE BONDS IN PART TO REFUND BONDS, NOTES, OR OTHER OBLIGATIONS THEN OUTSTANDING AND IN PART FOR ANY OF ITS OTHER AUTHORIZED PURPOSES. THE REFUNDING REVENUE BONDS MAY BE EXCHANGED FOR BONDS, NOTES, OR OTHER OBLIGATIONS TO BE REFUNDED, OR SOLD AND THE PROCEEDS APPLIED TO THE PURCHASE, REDEMPTION OR PAYMENT OF SUCH BONDS, NOTES, OR OTHER OBLIGATIONS.

(C) EXCEPT AS MAY OTHERWISE BE EXPRESSLY PROVIDED BY AN AUTHORIZED ISSUER, EVERY ISSUE OF REVENUE BONDS OF AN AUTHORIZED ISSUER PURSUANT TO THIS SECTION SHALL BE SPECIAL OBLIGATIONS OF THE AUTHORIZED ISSUER PAYABLE SOLELY OUT OF ANY REVENUES PAID OVER TO SUCH AUTHORIZED ISSUER FROM THE SALES TAX REVENUE BOND TAX FUND, ESTABLISHED PURSUANT TO SECTION NINETY-TWO-H OF THIS CHAPTER.

(D) ALL OF THE PROVISIONS OF THE ENABLING ACTS OF THE AUTHORIZED ISSUERS RELATING TO BONDS AND NOTES, WHICH ARE NOT INCONSISTENT WITH THE PROVISIONS OF THIS SECTION, MAY, AT THE DISCRETION OF THE AUTHORIZED ISSUER, APPLY TO REVENUE BONDS AUTHORIZED BY THIS SECTION.

(E) THE REVENUE BONDS OF THE AUTHORIZED ISSUERS AUTHORIZED BY THIS SECTION SHALL NOT BE A DEBT OF THE STATE AND THE STATE SHALL NOT BE LIABLE THEREON, NOR SHALL THEY BE PAYABLE OUT OF ANY FUNDS OTHER THAN THOSE OF THE AUTHORIZED ISSUERS PLEDGED THEREFOR; AND SUCH REVENUE BONDS SHALL CONTAIN ON THE FACE THEREOF A STATEMENT TO SUCH EFFECT. IN ADDITION, ANY AGREEMENTS ENTERED INTO BY ANY ENTITY PURSUANT TO SECTIONS SIXTY-NINE-O AND NINETY-TWO-H OF THIS CHAPTER ON BEHALF OF THE STATE TO EFFECT THE IMPLEMENTATION OF ANY OF THE ACTIVITIES FINANCED IN WHOLE OR IN PART WITH PROCEEDS OF THE REVENUE BONDS OF THE AUTHORIZED ISSUERS, AUTHORIZED IN THIS SECTION DO NOT CONSTITUTE OR CREATE A DEBT OF THE STATE, NOR A CONTRACTUAL OBLIGATION IN EXCESS OF THE AMOUNTS APPROPRIATED THEREFOR, AND THE STATE HAS NO CONTINUING LEGAL OR MORAL OBLIGATION TO APPROPRIATE MONEY FOR PAYMENTS DUE UNDER ANY SUCH AGREEMENT.

(F) (I) REVENUE BONDS SHALL BE AUTHORIZED BY RESOLUTION OF THE AUTHORIZED ISSUERS, BE IN SUCH DENOMINATIONS, BEAR SUCH DATE OR DATES AND MATURE AT SUCH TIME OR TIMES, AS SUCH RESOLUTION OR OTHER AGREEMENT MAY PROVIDE.

(II) REVENUE BONDS SHALL BE SUBJECT TO SUCH TERMS OF REDEMPTION, BEAR INTEREST AT SUCH RATE OR RATES, BE PAYABLE AT SUCH TIMES, BE IN SUCH FORM, EITHER COUPON, REGISTERED OR BOOK ENTRY FORM, CARRY SUCH REGISTRATION PRIVILEGES, BE EXECUTED IN SUCH MANNER, BE PAYABLE IN SUCH MEDIUM OF PAYMENT AT SUCH PLACE OR PLACES, AND BE SUBJECT TO SUCH TERMS AND CONDITIONS AS SUCH RESOLUTION MAY PROVIDE.

(G) REVENUE BONDS AUTHORIZED HEREUNDER SHALL BE SOLD BY AUTHORIZED ISSUERS, AT PUBLIC OR PRIVATE SALE, AT SUCH PRICE OR PRICES AS THE AUTHORIZED ISSUERS MAY DETERMINE. REVENUE BONDS OF THE AUTHORIZED ISSUERS SHALL NOT BE SOLD BY THE AUTHORIZED ISSUERS AT PRIVATE SALES UNLESS SUCH SALE AND THE TERMS THEREOF HAVE BEEN APPROVED BY THE STATE COMPTROLLER.

2. CONSISTENT WITH THE PROVISIONS OF THIS ARTICLE, AND SUBJECT TO THE APPROVAL OF THE DIRECTOR OF THE BUDGET, ANY RESOLUTION OR OTHER AGREEMENT AUTHORIZING REVENUE BONDS OR ANY ISSUE THEREOF MAY CONTAIN PROVISIONS, WHICH SHALL BE A PART OF THE CONTRACT WITH THE HOLDERS THEREOF, AS TO:

(A) PLEDGING ALL OR ANY PART OF THE REVENUES RECEIVED BY THE AUTHORIZED ISSUERS PURSUANT TO SECTION SIXTY-NINE-O OF THIS ARTICLE TO SECURE THE PAYMENT OF THE BONDS OR NOTES OR OF ANY ISSUE THEREOF, SUBJECT TO SUCH AGREEMENTS WITH HOLDERS OF REVENUE BONDS AS MAY THEN EXIST;

(B) PLEDGING ALL OR ANY PART OF THE ASSETS OF THE AUTHORIZED ISSUERS TO SECURE THE PAYMENT OF THE REVENUE BONDS OR OF ANY ISSUE OF REVENUE BONDS SUBJECT TO SUCH AGREEMENTS WITH HOLDERS OF REVENUE BONDS AS MAY THEN EXIST;

(C) THE SETTING ASIDE OF RESERVES OR SINKING FUNDS AND THE REGULATION AND DISPOSITION THEREOF;

(D) LIMITATIONS ON THE PURPOSES TO WHICH THE PROCEEDS OF SALE OF REVENUE BONDS, MAY BE APPLIED AND PLEDGING SUCH PROCEEDS TO SECURE THE PAYMENT OF THE REVENUE BONDS OR OF ANY ISSUE THEREOF;

(E) LIMITATIONS ON THE ISSUANCE OF ADDITIONAL REVENUE BONDS, THE TERMS UPON WHICH ADDITIONAL REVENUE BONDS MAY BE ISSUED AND SECURED AND THE REFUNDING OF OUTSTANDING OR OTHER REVENUE BONDS;

(F) THE PROCEDURE, IF ANY, BY WHICH THE TERMS OF ANY CONTRACT WITH HOLDERS OF REVENUE BONDS MAY BE AMENDED OR ABROGATED, THE AMOUNT OF

REVENUE BONDS THE HOLDERS OF WHICH MUST CONSENT THERETO AND THE MANNER IN WHICH SUCH CONSENT MAY BE GIVEN;

(G) VESTING IN A TRUSTEE, AS DESCRIBED IN SUBDIVISION SIX OF THIS SECTION, SUCH PROPERTY, RIGHTS, POWERS AND DUTIES IN TRUST AS THE AUTHORIZED ISSUERS MAY DETERMINE, WHICH MAY INCLUDE ANY OR ALL OF THE RIGHTS, POWERS AND DUTIES OF THE TRUSTEE APPOINTED BY THE HOLDERS OF REVENUE BONDS OF THE RESPECTIVE AUTHORIZED ISSUERS PURSUANT TO THIS ARTICLE, AND LIMITING OR ABROGATING THE RIGHT OF SUCH REVENUE BOND HOLDERS TO APPOINT A TRUSTEE UNDER THIS TITLE OR LIMITING THE RIGHTS, POWERS, AND DUTIES OF SUCH TRUSTEE;

(H) THE ACTS OR OMISSIONS TO ACT WHICH SHALL CONSTITUTE A DEFAULT IN THE OBLIGATIONS AND DUTIES OF THE AUTHORIZED ISSUERS TO THE HOLDERS OF THE REVENUE BONDS AND PROVIDING FOR THE RIGHTS AND REMEDIES OF THE HOLDERS OF THE REVENUE BONDS IN EVENT OF SUCH DEFAULT, INCLUDING THE RIGHT TO APPOINTMENT OF A RECEIVER; PROVIDED, HOWEVER, THAT SUCH RIGHTS AND REMEDIES SHALL NOT BE INCONSISTENT WITH THE OTHER PROVISIONS OF THIS ARTICLE;

(I) ANY OTHER MATTERS, OF LIKE OR DIFFERENT CHARACTER, WHICH IN ANY WAY AFFECT THE SECURITY OR PROTECTION OF THE HOLDERS OF THE REVENUE BONDS; AND

(J) THE APPLICATION OF ANY OF THE FOREGOING PROVISIONS TO ANY PROVIDER OF ANY APPLICABLE BOND, NOTE OR OTHER FINANCIAL FACILITY.

NOTWITHSTANDING THE FOREGOING, THE AUTHORIZED ISSUERS SHALL NOT BE AUTHORIZED TO MAKE ANY COVENANT, PLEDGE, PROMISE, OR AGREEMENT PURPORTING TO BIND THE STATE EXCEPT AS OTHERWISE SPECIFICALLY AUTHORIZED BY THIS ARTICLE.

3. ANY PLEDGE MADE BY THE RESPECTIVE AUTHORIZED ISSUERS SHALL BE VALID AND BINDING FROM THE TIME WHEN THE PLEDGE IS MADE. THE REVENUES OR PROPERTY SO PLEDGED AND THEREAFTER RECEIVED BY THE RESPECTIVE AUTHORIZED ISSUERS SHALL IMMEDIATELY BE SUBJECT TO THE LIEN OF SUCH PLEDGE WITHOUT ANY PHYSICAL DELIVERY THEREOF OR FURTHER ACT, AND THE LIEN OF ANY SUCH PLEDGE SHALL BE VALID AND BINDING AS AGAINST ALL PARTIES HAVING CLAIMS OF ANY KIND IN TORT, CONTRACT OR OTHERWISE AGAINST THE RESPECTIVE AUTHORIZED ISSUERS, IRRESPECTIVE OF WHETHER SUCH PARTIES HAVE NOTICE THEREOF. NEITHER THE RESOLUTION NOR ANY OTHER INSTRUMENT BY WHICH A PLEDGE IS CREATED NEED BE RECORDED OR FILED TO PROTECT SUCH PLEDGE.

4. NEITHER THE DIRECTORS OR MEMBERS OF THE AUTHORIZED ISSUERS NOR ANY OTHER PERSON EXECUTING THE REVENUE BONDS OF THE AUTHORIZED ISSUERS SHALL BE LIABLE PERSONALLY THEREON OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY SOLELY BY REASON OF THE ISSUANCE THEREOF.

5. THE AUTHORIZED ISSUERS, SUBJECT TO SUCH AGREEMENTS WITH HOLDERS OF REVENUE BONDS AS MAY THEN EXIST, OR WITH THE PROVIDERS OF ANY APPLICABLE BOND OR NOTE OR OTHER FINANCIAL OR AGREEMENT FACILITY, SHALL HAVE POWER OUT OF ANY FUNDS AVAILABLE THEREFOR TO PURCHASE REVENUE BONDS OF THE AUTHORIZED ISSUERS, WHICH MAY OR MAY NOT THEREUPON BE CANCELED, AT A PRICE NOT EXCEEDING:

(A) IF THE REVENUE BONDS ARE THEN REDEEMABLE, THE REDEMPTION PRICE THEN APPLICABLE, INCLUDING ANY ACCRUED INTEREST;

(B) IF THE REVENUE BONDS ARE NOT THEN REDEEMABLE, THE REDEMPTION PRICE AND ACCRUED INTEREST APPLICABLE ON THE FIRST DATE AFTER SUCH PURCHASE UPON WHICH THE REVENUE BONDS BECOME SUBJECT TO REDEMPTION.

6. IN THE DISCRETION OF AUTHORIZED ISSUERS, THE REVENUE BONDS MAY BE SECURED BY A TRUST INDENTURE BY AND BETWEEN THE AUTHORIZED ISSUERS AND A CORPORATE TRUSTEE, OR A CORPORATE TRUSTEE MAY BE APPOINTED UNDER THE RESOLUTION AS PROVIDED IN SUBDIVISION TWO OF THIS SECTION.

7. WHETHER OR NOT THE REVENUE BONDS ARE OF SUCH FORM AND CHARACTER AS TO BE NEGOTIABLE INSTRUMENTS UNDER THE TERMS OF THE UNIFORM COMMERCIAL CODE, THE REVENUE BONDS ARE HEREBY MADE NEGOTIABLE INSTRUMENTS WITHIN THE MEANING OF AND FOR ALL PURPOSES OF THE UNIFORM COMMERCIAL CODE, SUBJECT ONLY TO THE PROVISIONS OF THE REVENUE BONDS FOR REGISTRATION OR ANY BOOK-ENTRY-ONLY SYSTEM.

8. REVENUE BONDS MAY ONLY BE ISSUED FOR AUTHORIZED PURPOSES, AS DEFINED IN SECTION SIXTY-NINE-M OF THIS ARTICLE. NOTWITHSTANDING THE FOREGOING, ANY AUTHORIZED ISSUER MAY ISSUE REVENUE BONDS FOR ANY AUTHORIZED PURPOSE. THE AUTHORIZED ISSUERS SHALL NOT ISSUE ANY REVENUE BONDS IN AN AMOUNT IN EXCESS OF STATUTORY AUTHORIZATIONS FOR SUCH AUTHORIZED PURPOSES. AUTHORIZATIONS FOR SUCH AUTHORIZED PURPOSES SHALL BE REDUCED IN AN AMOUNT EQUAL TO THE AMOUNT OF REVENUE BONDS ISSUED FOR SUCH AUTHORIZED PURPOSES UNDER THIS ARTICLE. SUCH REDUCTION SHALL NOT BE MADE IN RELATION TO REVENUE BONDS ISSUED TO FUND RESERVE FUNDS, IF ANY, AND COSTS OF ISSUANCE, IF THESE ITEMS ARE NOT COUNTED UNDER EXISTING AUTHORIZATIONS, NOR SHALL REVENUE BONDS ISSUED TO REFUND BONDS ISSUED UNDER EXISTING AUTHORIZATIONS REDUCE THE AMOUNT OF SUCH AUTHORIZATIONS.

9. EXCEPT UPON THE AMENDMENT OF THE NEW YORK STATE CONSTITUTION ALLOWING THE ISSUANCE OR ASSUMPTION OF BONDS, NOTES OR OTHER OBLIGATIONS SECURED BY REVENUES, WHICH MAY INCLUDE THE REVENUES SECURING REVENUE BONDS OF AUTHORIZED ISSUERS, AND THE AFFIRMATIVE ASSUMPTION OF SUCH BONDS, NOTES OR OTHER OBLIGATIONS BY THE STATE, THE REVENUE BONDS OF THE AUTHORIZED ISSUERS AUTHORIZED BY THIS SECTION SHALL NOT BE A DEBT OF THE STATE AND THE STATE SHALL NOT BE LIABLE THEREON, NOR SHALL THEY BE PAYABLE OUT OF ANY FUNDS OTHER THAN THOSE OF THE AUTHORIZED ISSUERS PLEDGED THEREFOR; AND SUCH REVENUE BONDS SHALL CONTAIN ON THE FACE THEREOF A STATEMENT TO SUCH EFFECT. IN ADDITION, ANY AGREEMENTS ENTERED INTO BY ANY ENTITY PURSUANT TO SECTIONS SIXTY-NINE-O AND NINETY-TWO-H OF THIS CHAPTER ON BEHALF OF THE STATE TO EFFECT THE IMPLEMENTATION OF ANY OF THE ACTIVITIES FINANCED IN WHOLE OR IN PART WITH PROCEEDS OF THE OBLIGATIONS OF THE AUTHORIZED ISSUERS AUTHORIZED IN THIS SECTION DO NOT CONSTITUTE OR CREATE A DEBT OF THE STATE, NOR A CONTRACTUAL OBLIGATION IN EXCESS OF THE AMOUNTS APPROPRIATED THEREFOR AND THE STATE HAS NO CONTINUING LEGAL OR MORAL OBLIGATION TO APPROPRIATE MONEY FOR PAYMENTS DUE UNDER ANY SUCH AGREEMENT.

10. NOTHING IN THIS ARTICLE SHALL AFFECT THE AUTHORITY OF EACH OF THE AUTHORIZED ISSUERS TO ISSUE OR INCUR INDEBTEDNESS FOR ANY PURPOSES OTHERWISE AUTHORIZED BY LAW AND NOTHING IN THIS ARTICLE SHALL BE DEEMED TO ALTER OR AFFECT THE RIGHTS OF OUTSTANDING BONDHOLDERS OR NOTEHOLDERS OF ANY AUTHORIZED ISSUER.

11. THE AUTHORIZATION, SALE AND ISSUANCE OF REVENUE BONDS PURSUANT TO THIS SECTION SHALL NOT BE DEEMED AN ACTION AS SUCH TERM IS DEFINED IN ARTICLE EIGHT OF THE ENVIRONMENTAL CONSERVATION LAW FOR THE PURPOSES OF SUCH ARTICLE. SUCH EXEMPTION SHALL BE STRICTLY LIMITED IN ITS APPLICATION TO SUCH FINANCING ACTIVITIES OF THE AUTHORIZED ISSUERS HEREUNDER AND DOES NOT EXEMPT ANY OTHER ENTITY FROM COMPLIANCE WITH SUCH ARTICLE.

S 69-O. PAYMENTS TO AUTHORIZED ISSUERS. 1. THE STATE, ACTING THROUGH THE DIRECTOR OF THE BUDGET, AND AUTHORIZED ISSUERS MAY ENTER INTO, AMEND, MODIFY OR RESCIND ONE OR MORE FINANCING AGREEMENTS PROVIDING FOR THE SPECIFIC MANNER, TIMING, AND AMOUNT OF PAYMENTS TO BE MADE UNDER THIS SECTION, BUT ONLY IN CONFORMITY WITH THIS SECTION.

2. NO LATER THAN OCTOBER FIRST OF EACH YEAR, THE AUTHORITY ISSUERS SHALL CERTIFY TO THE DIRECTOR OF THE BUDGET THE ANTICIPATED CASH REQUIREMENTS RELATED TO REVENUE BONDS DURING THE SUBSEQUENT STATE FISCAL YEAR IN SUCH DETAIL AS THE DIRECTOR MAY REQUIRE.

3. UPON RECEIPT OF A VOUCHER FROM ANY AUTHORIZED ISSUER REQUESTING PAYMENT FOR SUCH AMOUNT OR AMOUNTS CERTIFIED BY THE DIRECTOR OF THE BUDGET PURSUANT TO PARAGRAPH (A) OF SUBDIVISION FIVE OF SECTION NINETY-TWO-H OF THIS CHAPTER, THE STATE COMPTROLLER SHALL PAY SUCH AMOUNT OR AMOUNTS TO BE AUTHORIZED ISSUER FROM APPROPRIATIONS FOR SUCH PURPOSE.

4. THE AGREEMENT OF THE STATE CONTAINED IN THIS SECTION SHALL BE DEEMED EXECUTORY ONLY TO THE EXTENT OF APPROPRIATIONS AVAILABLE FOR PAYMENTS UNDER THIS SECTION, AND NO LIABILITY ON ACCOUNT OF ANY SUCH PAYMENT SHALL BE INCURRED BY THE STATE BEYOND SUCH APPROPRIATIONS.

5. NOTHING CONTAINED IN THIS ARTICLE SHALL BE DEEMED TO RESTRICT THE RIGHT OF THE STATE TO AMEND, REPEAL, MODIFY OR OTHERWISE ALTER STATUTES IMPOSING OR RELATING TO THE TAXES IMPOSED PURSUANT TO SECTION ELEVEN HUNDRED FIVE AND SECTION ELEVEN HUNDRED TEN OF THE TAX LAW. THE AUTHORIZED ISSUERS SHALL NOT INCLUDE WITHIN ANY RESOLUTION, CONTRACT OR AGREEMENT WITH HOLDERS OF THE REVENUE BONDS ISSUED UNDER THIS ARTICLE ANY PROVISION WHICH PROVIDES THAT A DEFAULT OCCURS AS A RESULT OF THE STATE EXERCISING ITS RIGHT TO AMEND, REPEAL, MODIFY OR OTHERWISE ALTER THE TAXES IMPOSED PURSUANT TO SECTION ELEVEN HUNDRED FIVE AND SECTION ELEVEN HUNDRED TEN OF THE TAX LAW.

6. ANY RESOLUTION OR OTHER AGREEMENT AUTHORIZING REVENUE BONDS UNDER THIS ARTICLE SHALL RESERVE THE RIGHT OF THE STATE, UPON AMENDMENT OF THE NEW YORK STATE CONSTITUTION ALLOWING THE ISSUANCE OR ASSUMPTION OF BONDS, NOTES OR OTHER OBLIGATIONS SECURED BY REVENUES, WHICH MAY INCLUDE THE REVENUES SECURING REVENUE BONDS OF AUTHORIZED ISSUERS (A) TO ASSUME, IN WHOLE OR IN PART, REVENUE BONDS OF THE AUTHORIZED ISSUERS, (B) TO EXTINGUISH THE EXISTING LIEN OF SUCH RESOLUTION, OR OTHER AGREEMENT AND (C) TO SUBSTITUTE SECURITY FOR THE REVENUE BONDS OF THE AUTHORIZED ISSUERS, IN EACH CASE ONLY SO LONG AS SUCH ASSUMPTION, EXTINGUISHMENT OR SUBSTITUTION IS DONE IN ACCORDANCE WITH SUCH RESOLUTION OR OTHER AGREEMENT.

S 59. Subdivision 8 of section 97-f of the state finance law, as added by section 56-b of part PP of chapter 56 of the laws of 2009, is amended to read as follows:

8. In addition to the amounts required to be maintained on deposit in the mental health services fund pursuant to subdivision five of this section, the fund shall maintain on deposit an amount equal to the debt service and other cash requirements on mental health services facilities bonds issued by [the dormitory authority] AUTHORIZED ISSUERS pursuant to [section] SECTIONS sixty-eight-b AND SIXTY-NINE-N of this chapter. The amount required to be maintained in such fund shall be (i) twenty percent of the amount of the next payment coming due relating to mental health services facilities bonds issued by an authorized issuer multiplied by the number of months from the date of the last such payment with respect to payments required to be made semi-annually, plus (ii) those amounts specified in any financing agreement between the issuer and the state, acting through the director of the budget, with respect to payments required to be made other than semi-annually, including for variable rate bonds, interest rate exchange or similar agreements or other financing arrangements permitted by law. Prior to making any such payment, the comptroller shall make and deliver to the director of the budget and the chairmen of the facilities development corporation and the New York state medical care facilities finance agency, a certificate stating the aggregate amount to be maintained on deposit in the mental health services fund to comply in full with the provisions of this subdivision.

No later than five days prior to the payment to be made by the state comptroller on such mental health services facilities bonds pursuant to [section] SECTIONS ninety-two-z AND NINETY-TWO-H of this article, the amount of such payment shall be transferred by the state comptroller from the mental health services fund to the revenue bond tax fund established by section ninety-two-z of this article. The accumulation of moneys pursuant to this subdivision and subsequent transfer to the revenue bond tax fund shall be subordinate in all respects to payments to be made to the New York state medical care facilities finance agency and to any pledge or assignment pursuant to subdivision six of this section.

S 60. Paragraph a of subdivision 5 of section 89-b of the state finance law, as amended by section 1 of part B of chapter 84 of the laws of 2002, is amended to read as follows:

a. Moneys in the dedicated highway and bridge trust fund shall, following appropriation by the legislature, be utilized for: reconstruction, replacement, reconditioning, restoration, rehabilitation and preservation of state, county, town, city and village roads, highways, parkways, and bridges thereon, to restore such facilities to their intended functions; construction, reconstruction, enhancement and improvement of state, county, town, city, and village roads, highways, parkways, and bridges thereon, to address current and projected capacity problems including costs for traffic mitigation activities; aviation projects authorized pursuant to section fourteen-j of the transportation law and for payments to the general debt service fund of amounts equal to amounts required for service contract payments related to aviation projects as provided and authorized by section three hundred eighty-six of the public authorities law; programs to assist small and minority and women-owned firms engaged in transportation construction and reconstruction projects, including a revolving fund for working capital loans, and a bonding guarantee assistance program in accordance with provisions of this chapter; matching federal grants or apportionments to the state for highway, parkway and bridge capital projects; the acquisition of real property and interests therein required or expected to be required in connection with such projects; preventive maintenance activities necessary to ensure that highways, parkways and bridges meet or exceed their optimum useful life; expenses of control of snow and ice on state highways by the department of transportation including but not limited to personal services, nonpersonal services and fringe benefits, payment of emergency aid for control of snow and ice in municipalities pursuant to section fifty-five of the highway law, expenses of control of snow and ice on state highways by municipalities pursuant to section twelve of the highway law, and for expenses of arterial maintenance agreements with cities pursuant to section three hundred forty-nine of the highway law; personal services and fringe benefit costs of the department of transportation for bus safety inspection activities; costs of the department of motor vehicles, including but not limited to personal and nonpersonal services; costs of engineering and administrative services of the department of transportation, including but not limited to fringe benefits; the contract services provided by private firms in accordance with section fourteen of the transportation law; personal services and nonpersonal services, for activities including but not limited to the preparation of designs, plans, specifications and estimates; construction management and supervision activities; costs of appraisals, surveys, testing and environmental impact statements for transportation projects; expenses in connection with buildings, equip-

ment, materials and facilities used or useful in connection with the maintenance, operation, and repair of highways, parkways and bridges thereon; and project costs for: construction, reconstruction, improvement, reconditioning and preservation of rail freight facilities and intercity rail passenger facilities and equipment; construction, reconstruction, improvement, reconditioning and preservation of state, municipal and privately owned ports; construction, reconstruction, improvement, reconditioning and preservation of municipal airports; privately owned airports and aviation capital facilities, excluding airports operated by the state or operated by a bi-state municipal corporate instrumentality for which federal funding is not available provided the project is consistent with an approved airport layout plan; and construction, reconstruction, enhancement, improvement, replacement, reconditioning, restoration, rehabilitation and preservation of state, county, town, city and village roads, highways, parkways and bridges; and construction, reconstruction, improvement, reconditioning and preservation of fixed ferry facilities of municipal and privately owned ferry lines for transportation purposes, and the payment of debt service required on any bonds, notes or other obligations and related expenses for highway, parkway, bridge and project costs for: construction, reconstruction, improvement, reconditioning and preservation of rail freight facilities and intercity rail passenger facilities and equipment; construction, reconstruction, improvement, reconditioning and preservation of state, municipal and privately owned ports; construction, reconstruction, improvement, reconditioning and preservation of municipal airports; privately owned airports and aviation capital facilities, excluding airports operated by the state or operated by a bi-state municipal corporate instrumentality for which federal funding is not available provided the project is consistent with an approved airport layout plan; construction, reconstruction, enhancement, improvement, replacement, reconditioning, restoration, rehabilitation and preservation of state, county, town, city and village roads, highways, parkways and bridges; and construction, reconstruction, improvement, reconditioning and preservation of fixed ferry facilities of municipal and privately owned ferry lines for transportation purposes, purposes authorized on or after the effective date of this section. Beginning with disbursements made on and after the first day of April, nineteen hundred ninety-three, moneys in such fund shall be available to pay such costs or expenses made pursuant to appropriations or reappropriations made during the state fiscal year which began on the first of April, nineteen hundred ninety-two. Beginning the first day of April, nineteen hundred ninety-three, moneys in such fund shall also be used for [payments] TRANSFERS to the general debt service fund AND THE REVENUE BOND TAX FUND of amounts equal to [amounts] THAT RESPECTIVELY required for service contract AND FINANCING AGREEMENT payments as provided and authorized by section three hundred eighty of the public authorities law [and by], section eleven of chapter three hundred twenty-nine of the laws of nineteen hundred ninety-one, as amended, AND SECTIONS SIXTY-EIGHT-C AND SIXTY-NINE-O OF THIS CHAPTER.

S 60-a. Paragraph a of subdivision 5 of section 89-b of the state finance law, as amended by section 1 of part D of chapter 151 of the laws of 2001, is amended to read as follows:

a. Moneys in the dedicated highway and bridge trust fund shall, following appropriation by the legislature, be utilized for: reconstruction, replacement, reconditioning, restoration, rehabilitation and preservation of state, county, town, city and village roads, highways,

parkways, and bridges thereon, to restore such facilities to their intended functions; construction, reconstruction, enhancement and improvement of state, county, town, city, and village roads, highways, parkways, and bridges thereon, to address current and projected capacity problems including costs for traffic mitigation activities; aviation projects authorized pursuant to section fourteen-j of the transportation law and for payments to the general debt service fund of amounts equal to amounts required for service contract payments related to aviation projects as provided and authorized by section three hundred eighty-six of the public authorities law; programs to assist small and minority and women-owned firms engaged in transportation construction and reconstruction projects, including a revolving fund for working capital loans, and a bonding guarantee assistance program in accordance with provisions of this chapter; matching federal grants or apportionments to the state for highway, parkway and bridge capital projects; the acquisition of real property and interests therein required or expected to be required in connection with such projects; preventive maintenance activities necessary to ensure that highways, parkways and bridges meet or exceed their optimum useful life; expenses of control of snow and ice on state highways by the department of transportation including but not limited to personal services, nonpersonal services and fringe benefits, payment of emergency aid for control of snow and ice in municipalities pursuant to section fifty-five of the highway law, expenses of control of snow and ice on state highways by municipalities pursuant to section twelve of the highway law, and for expenses of arterial maintenance agreements with cities pursuant to section three hundred forty-nine of the highway law; personal services and fringe benefit costs of the department of transportation for bus safety inspection activities; costs of engineering and administrative services of the department of transportation, including but not limited to fringe benefits; the contract services provided by private firms in accordance with section fourteen of the transportation law; personal services and nonpersonal services, for activities including but not limited to the preparation of designs, plans, specifications and estimates; construction management and supervision activities; costs of appraisals, surveys, testing and environmental impact statements for transportation projects; expenses in connection with buildings, equipment, materials and facilities used or useful in connection with the maintenance, operation, and repair of highways, parkways and bridges thereon; and project costs for: construction, reconstruction, improvement, reconditioning and preservation of rail freight facilities and intercity rail passenger facilities and equipment; construction, reconstruction, improvement, reconditioning and preservation of state, municipal and privately owned ports; construction, reconstruction, improvement, reconditioning and preservation of municipal airports; privately owned airports and aviation capital facilities, excluding airports operated by the state or operated by a bi-state municipal corporate instrumentality for which federal funding is not available provided the project is consistent with an approved airport layout plan; and construction, reconstruction, enhancement, improvement, replacement, reconditioning, restoration, rehabilitation and preservation of state, county, town, city and village roads, highways, parkways and bridges; and construction, reconstruction, improvement, reconditioning and preservation of fixed ferry facilities of municipal and privately owned ferry lines for transportation purposes, and the payment of debt service required on any bonds, notes or other obligations and related expenses for highway, parkway, bridge and

project costs for: construction, reconstruction, improvement, reconditioning and preservation of rail freight facilities and intercity rail passenger facilities and equipment; construction, reconstruction, improvement, reconditioning and preservation of state, municipal and privately owned ports; construction, reconstruction, improvement, reconditioning and preservation of municipal airports; privately owned airports and aviation capital facilities, excluding airports operated by the state or operated by a bi-state municipal corporate instrumentality for which federal funding is not available provided the project is consistent with an approved airport layout plan; construction, reconstruction, enhancement, improvement, replacement, reconditioning, restoration, rehabilitation and preservation of state, county, town, city and village roads, highways, parkways and bridges; and construction, reconstruction, improvement, reconditioning and preservation of fixed ferry facilities of municipal and privately owned ferry lines for transportation purposes, purposes authorized on or after the effective date of this section. Beginning with disbursements made on and after the first day of April, nineteen hundred ninety-three, moneys in such fund shall be available to pay such costs or expenses made pursuant to appropriations or reappropriations made during the state fiscal year which began on the first of April, nineteen hundred ninety-two. Beginning the first day of April, nineteen hundred ninety-three, moneys in such fund shall also be used for [payments] TRANSFERS to the general debt service fund AND THE REVENUE BOND TAX FUND of amounts equal to [amounts] THAT RESPECTIVELY required for service contract AND FINANCING AGREEMENT payments as provided and authorized by section three hundred eighty of the public authorities law [and by], section eleven of chapter three hundred twenty-nine of the laws of nineteen hundred ninety-one, as amended, AND SECTIONS SIXTY-EIGHT-C AND SIXTY-NINE-O OF THIS CHAPTER.

S 61. Subdivision 5 of section 89-b of the state finance law is amended by adding a new paragraph c to read as follows:

C. IN ADDITION TO THE PURPOSES FOR WHICH MONEYS IN THE DEDICATED HIGHWAY AND BRIDGE TRUST FUND CAN BE USED AS DESCRIBED IN THIS SUBSECTION, SUBJECT TO APPROPRIATION, AFTER MEETING THE REQUIREMENTS OF SUBDIVISION THREE OF THIS SECTION, SUCH MONEYS SHALL BE USED FOR TRANSFER TO THE REVENUE BOND TAX FUND, AS ESTABLISHED BY SECTION NINETY-TWO-Z OF THIS ARTICLE, IN AN AMOUNT EQUAL TO THAT REQUIRED FOR FINANCING AGREEMENT PAYMENTS PAID ON BONDS AUTHORIZED PURSUANT TO SECTION THREE HUNDRED EIGHTY-FIVE OF THE PUBLIC AUTHORITIES LAW, AND ISSUED PURSUANT TO SECTIONS SIXTY-EIGHT-B AND SIXTY-NINE-N OF THIS CHAPTER.

S 62. Subdivision 3 of section 97-g of the state finance law, as amended by section 1 of subpart A of part C of chapter 97 of the laws of 2011, is amended to read as follows:

3. Moneys of the fund shall be available to the commissioner of general services for the purchase of food, supplies and equipment for state agencies, and for the purpose of furnishing or providing centralized services to or for state agencies; provided further that such moneys shall be available to the commissioner of general services for purposes pursuant to items (d) and (f) of subdivision four of this section to or for political subdivisions. Beginning the first day of April, two thousand two, moneys in such fund shall also be transferred by the state comptroller to the revenue bond tax fund account of the general debt service fund in amounts equal to those required for payments to authorized issuers for revenue bonds issued pursuant to article five-C AND ARTICLE FIVE-F of this chapter for the purpose of lease purchases and

installment purchases by or for state agencies and institutions for personal or real property purposes.

S 63. Subdivision (j) of section 92-dd of the state finance law, as added by section 56 of part PP of chapter 56 of the laws of 2009, is amended to read as follows:

(j) The state comptroller shall transfer from the HCRA resources fund to the general debt service fund, revenue bond tax fund (311.02) amounts equal to the debt service paid for bonds, notes, or other obligations issued PURSUANT TO ARTICLE FIVE-C AND ARTICLE FIVE-F OF THIS CHAPTER to finance the HEAL NY capital grant program authorized pursuant to section sixteen hundred eighty-j of the public authorities law.

S 64. The state finance law is amended by adding a new section 93-a to read as follows:

S 93-A. NEW YORK STATE STORM RECOVERY CAPITAL FUND. 1. (A) THERE IS HEREBY ESTABLISHED IN THE JOINT CUSTODY OF THE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE A SPECIAL FUND TO BE KNOWN AS THE "NEW YORK STATE STORM RECOVERY CAPITAL FUND".

(B) THE SOURCES OF FUNDS SHALL CONSIST OF ALL MONEYS COLLECTED THEREFOR, OR MONEYS CREDITED, APPROPRIATED OR TRANSFERRED THERETO FROM ANY OTHER FUND OR SOURCE PURSUANT TO LAW, OR ANY OTHER MONEYS MADE AVAILABLE FOR THE PURPOSES OF THE FUND. ANY INTEREST RECEIVED BY THE COMPTROLLER ON MONEYS ON DEPOSIT SHALL BE RETAINED IN AND BECOME A PART OF THE FUND, UNLESS OTHERWISE DIRECTED BY LAW.

2. FOLLOWING APPROPRIATION BY THE LEGISLATURE, MONEYS IN THE STORM RECOVERY CAPITAL FUND SHALL BE AVAILABLE TO FINANCE THE REPAIR, REHABILITATION, OR REPLACEMENT OF CAPITAL WORKS OR PURPOSES DAMAGED BY HURRICANE SANDY OR ANY FUTURE NATURAL DISASTER EXPECTED TO BE ELIGIBLE FOR REIMBURSEMENT BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA), THE FEDERAL TRANSIT ADMINISTRATION (FTA), THE FEDERAL HIGHWAY ADMINISTRATION (FHWA) AND ANY OTHER FEDERAL REIMBURSEMENT SOURCE. NO MONEY IN THIS ACCOUNT MAY BE EXPENDED FOR ANY PROJECT UNTIL THE DIRECTOR OF THE BUDGET HAS DETERMINED THAT THERE IS A SUBSTANTIAL LIKELIHOOD THAT THE COSTS OF SUCH PROJECT SHALL BE REIMBURSED BY FEDERAL SOURCES. THE DIRECTOR SHALL ISSUE FORMAL RULES THAT SET FORTH THE PROCESS BY WHICH HE OR SHE WILL DETERMINE WHETHER THERE IS A SUBSTANTIAL LIKELIHOOD OF REIMBURSEMENT BY FEDERAL SOURCES.

S 65. Subdivision 1 of section 45 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as amended by section 49 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

1. Notwithstanding the provisions of any other law to the contrary, the urban development corporation of the state of New York is hereby authorized to issue bonds or notes in one or more series for the purpose of funding project costs for the implementation of a NY-SUNY AND NY-CUNY 2020 challenge grant program subject to the approval of a NY-SUNY AND NY-CUNY 2020 plan or plans by the governor and EITHER the chancellor of the state university of New York OR THE CHANCELLOR OF THE CITY UNIVERSITY OF NEW YORK, AS APPLICABLE. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed [$110,000,000] $220,000,000, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the corporation for principal, interest, and related

expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

S 65-a. Section 16 of chapter 260 of the laws of 2011 amending the education law and the New York state urban development corporation act, relating to establishing components of the NY-SUNY 2020 challenge grant program, is amended to read as follows:

S 16. This act shall take effect July 1, 2011 [and]; PROVIDED THAT SECTIONS ONE, TWO, THREE, FOUR, FIVE, SIX, EIGHT, NINE, TEN, ELEVEN, TWELVE, THIRTEEN, FOURTEEN AND FIFTEEN OF THIS ACT shall expire 5 years after such effective date when upon such date the provisions of this act shall be deemed repealed.

S 66. Subdivision 10-a of section 1680 of the public authorities law, as amended by section 51 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

10-a. Subject to the provisions of chapter fifty-nine of the laws of two thousand, but notwithstanding any other provision of the law to the contrary, the maximum amount of bonds and notes to be issued after March thirty-first, two thousand two, on behalf of the state, in relation to any locally sponsored community college, shall be six hundred [twenty-three] SIXTY-THREE million dollars. Such amount shall be exclusive of bonds and notes issued to fund any reserve fund or funds, costs of issuance and to refund any outstanding bonds and notes, issued on behalf of the state, relating to a locally sponsored community college.

S 67. Paragraph (c) of subdivision 14 of section 1680 of the public authorities law, as amended by section 39 of part PP of chapter 56 of the laws of 2009, is amended to read as follows:

(c) Subject to the provisions of chapter fifty-nine of the laws of two thousand, (i) the dormitory authority shall not deliver a series of bonds for city university community college facilities, except to refund or to be substituted for or in lieu of other bonds in relation to city university community college facilities pursuant to a resolution of the dormitory authority adopted before July first, nineteen hundred eighty-five or any resolution supplemental thereto, if the principal amount of bonds so to be issued when added to all principal amounts of bonds previously issued by the dormitory authority for city university community college facilities, except to refund or to be substituted in lieu of other bonds in relation to city university community college facilities will exceed the sum of four hundred twenty-five million dollars and (ii) the dormitory authority shall not deliver a series of bonds issued for city university facilities, including community college facilities, pursuant to a resolution of the dormitory authority adopted on or after July first, nineteen hundred eighty-five, except to refund or to be substituted for or in lieu of other bonds in relation to city university facilities and except for bonds issued pursuant to a resolution supplemental to a resolution of the dormitory authority adopted prior to July first, nineteen hundred eighty-five, if the principal amount of bonds so to be issued when added to the principal amount of bonds previously issued pursuant to any such resolution, except bonds issued to refund or to be substituted for or in lieu of other bonds in relation to city university facilities, will exceed six billion eight hundred [forty-three] FIFTY-THREE million two hundred thousand dollars. The legislature reserves the right to amend or repeal such limit, and the state of New York, the dormitory authority, the city university, and the fund are

prohibited from covenanting or making any other agreements with or for the benefit of bondholders which might in any way affect such right.

S 68. Subdivision (a) of section 48 of part K of chapter 81 of the laws of 2002, providing for the administration of certain funds and accounts related to the 2002-2003 budget, as amended by section 40 of part BB of chapter 58 of the laws of 2011, is amended to read as follows:

(a) Subject to the provisions of chapter 59 of the laws of 2000 but notwithstanding the provisions of section 18 of the urban development corporation act, the corporation is hereby authorized to issue bonds or notes in one or more series in an aggregate principal amount not to exceed $67,000,000 excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued, for the purpose of financing capital costs related to homeland security and training facilities for the division of state police, the division of military and naval affairs, and any other state agency, including the reimbursement of any disbursements made from the state capital projects fund, and is hereby authorized to issue bonds or notes in one or more series in an aggregate principal amount not to exceed [$205,800,000] $220,800,000, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued, for the purpose of financing improvements to State office buildings and other facilities located statewide, including the reimbursement of any disbursements made from the state capital projects fund. Such bonds and notes of the corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the corporation for debt service and related expenses pursuant to any service contracts executed pursuant to subdivision (b) of this section, and such bonds and notes shall contain on the face thereof a statement to such effect.

S 69. The section heading and subdivision 1 of section 386-b of the public authorities law, as added by section 48 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

Financing of peace bridge AND TRANSPORTATION CAPITAL projects. 1. Notwithstanding any other provision of law to the contrary, the authority, the dormitory authority and the urban development corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of financing peace bridge projects AND CAPITAL COSTS OF STATE AND LOCAL HIGHWAYS, PARKWAYS, BRIDGES, THE NEW YORK STATE THRUWAY, INDIAN RESERVATION ROADS, AND FACILITIES, AND TRANSPORTATION INFRASTRUCTURE PROJECTS INCLUDING AVIATION PROJECTS, NON-MTA MASS TRANSIT PROJECTS, AND RAIL SERVICE PRESERVATION PROJECTS, INCLUDING WORK APPURTENANT AND ANCILLARY THERETO. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed [fifteen] TWO HUNDRED FORTY million dollars [($15,000,000)] ($240,000,000), excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the authority, the dormitory authority and the urban development corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the authority, the dormitory authority and the urban development corporation for principal, interest, and related expenses pursu-

ant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

S 69-a. Paragraph (c) of subdivision 19 of section 1680 of the public authorities law, as amended by section 52 of part U of chapter 59 of the laws of 2012, is amended to read as follows:

(c) Subject to the provisions of chapter fifty-nine of the laws of two thousand, the dormitory authority shall not issue any bonds for state university educational facilities purposes if the principal amount of bonds to be issued when added to the aggregate principal amount of bonds issued by the dormitory authority on and after July first, nineteen hundred eighty-eight for state university educational facilities will exceed ten billion [three] FOUR hundred [four] TWENTY-TWO million dollars; provided, however, that bonds issued or to be issued shall be excluded from such limitation if: (1) such bonds are issued to refund state university construction bonds and state university construction notes previously issued by the housing finance agency; or (2) such bonds are issued to refund bonds of the authority or other obligations issued for state university educational facilities purposes and the present value of the aggregate debt service on the refunding bonds does not exceed the present value of the aggregate debt service on the bonds refunded thereby; provided, further that upon certification by the director of the budget that the issuance of refunding bonds or other obligations issued between April first, nineteen hundred ninety-two and March thirty-first, nineteen hundred ninety-three will generate long term economic benefits to the state, as assessed on a present value basis, such issuance will be deemed to have met the present value test noted above. For purposes of this subdivision, the present value of the aggregate debt service of the refunding bonds and the aggregate debt service of the bonds refunded, shall be calculated by utilizing the true interest cost of the refunding bonds, which shall be that rate arrived at by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the refunding bonds from the payment dates thereof to the date of issue of the refunding bonds to the purchase price of the refunding bonds, including interest accrued thereon prior to the issuance thereof. The maturity of such bonds, other than bonds issued to refund outstanding bonds, shall not exceed the weighted average economic life, as certified by the state university construction fund, of the facilities in connection with which the bonds are issued, and in any case not later than the earlier of thirty years or the expiration of the term of any lease, sublease or other agreement relating thereto; provided that no note, including renewals thereof, shall mature later than five years after the date of issuance of such note. The legislature reserves the right to amend or repeal such limit, and the state of New York, the dormitory authority, the state university of New York, and the state university construction fund are prohibited from covenanting or making any other agreements with or for the benefit of bondholders which might in any way affect such right.

S 69-b. Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new section 48 to read as follows:

S 48. AUTHORIZATION FOR TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT LOANS. 1. (A) NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW TO THE CONTRARY, EACH OF THE AUTHORIZED ISSUERS, AS SUCH TERM IS

DEFINED IN PARAGRAPHS (A) AND (B) OF SUBDIVISION 1 OF SECTION 68-A OF THE STATE FINANCE LAW, ARE HEREBY AUTHORIZED TO ACCEPT TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT (TIFIA) LOANS FROM THE UNITED STATES OF AMERICA, SUBJECT TO ANY APPLICABLE AGREEMENT WITH BONDHOLDERS OR NOTEHOLDERS, TO ENTER INTO CONTRACTS, SECURED LOAN AGREEMENTS, SERVICE AGREEMENTS OR REPAYMENT AGREEMENTS AND TO EXECUTE ALL INSTRUMENTS NECESSARY, CONVENIENT OR DESIRABLE IN CONNECTION THEREWITH, INCLUDING, ITS BONDS, NOTES OR OTHER OBLIGATIONS EVIDENCING ANY SUCH LOAN FROM THE UNITED STATES OF AMERICA, AND TO PLEDGE AND ASSIGN AS SECURITY FOR ANY SUCH GRANTS OR LOANS, BONDS OR NOTES ISSUED BY SUCH AUTHORIZED ISSUER OR PAYMENTS DUE TO SUCH AUTHORIZED ISSUER IN CONNECTION THEREWITH OR REVENUES OF SUCH AUTHORIZED ISSUER, AS APPLICABLE. THE AGGREGATE PRINCIPAL AMOUNT OF BONDS AUTHORIZED TO BE ISSUED BY THE AUTHORIZED ISSUERS PURSUANT TO THIS SECTION SHALL NOT EXCEED SEVEN HUNDRED FIFTY MILLION DOLLARS, EXCLUDING BONDS ISSUED TO FUND ONE OR MORE DEBT SERVICE RESERVE FUNDS, TO PAY COSTS OF ISSUANCE OF SUCH BONDS, AND BONDS, NOTES, OR OTHER OBLIGATIONS ISSUED TO REFUND OR OTHERWISE REPAY SUCH BONDS, NOTES, OR OTHER OBLIGATIONS PREVIOUSLY ISSUED. IF SUCH BONDS, NOTES, OR OTHER OBLIGATIONS ARE SECURED BY A SERVICE CONTRACT WITH THE STATE OF NEW YORK, SUCH BONDS, NOTES, OR OTHER OBLIGATIONS OF THE AUTHORIZED ISSUERS SHALL NOT BE A DEBT OF THE STATE, AND THE STATE SHALL NOT BE LIABLE THEREON, NOR SHALL THEY BE PAYABLE OUT OF ANY FUNDS OTHER THAN THOSE APPROPRIATED BY THE STATE TO THE AUTHORIZED ISSUERS FOR PRINCIPAL, INTEREST, AND RELATED EXPENSES PURSUANT TO A SERVICE CONTRACT AND SUCH BONDS, NOTES, AND OTHER OBLIGATIONS SHALL CONTAIN ON THE FACE THEREOF A STATEMENT TO SUCH EFFECT. EXCEPT FOR PURPOSES OF COMPLYING WITH THE INTERNAL REVENUE CODE, ANY INTEREST INCOME EARNED ON BOND PROCEEDS SHALL ONLY BE USED TO PAY DEBT SERVICE ON SUCH BONDS.

(B) ANY BONDS, NOTES, OR OTHER OBLIGATIONS ISSUED PURSUANT TO THIS SECTION SHALL (I) BE IN FURTHERANCE OF CAPITAL PROJECTS AND PUBLIC PURPOSES CONSISTENT WITH THE OBJECTIVES OF THE TIFIA LOANS FROM THE UNITED STATES OF AMERICA, AND (II) ANY SUCH FINANCINGS SHALL PROVIDE A DEMONSTRABLE BENEFIT TO THE STATE OF NEW YORK AND THE AUTHORIZED ISSUERS THROUGH A LOWER COST OF FINANCING THAN COULD OTHERWISE BE ACHIEVED, AS EVIDENCED BY A REPORT FROM AN INDEPENDENT FINANCIAL ADVISOR.

2. NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW TO THE CONTRARY, IN ORDER TO ASSIST THE AUTHORIZED ISSUERS IN UNDERTAKING THE TIFIA LOANS FROM THE UNITED STATES OF AMERICA, THE STATE OF NEW YORK, ACTING THROUGH THE DIRECTOR OF THE BUDGET, IS HEREBY AUTHORIZED TO ENTER INTO ONE OR MORE SERVICE CONTRACTS WITH THE AUTHORIZED ISSUERS UPON SUCH TERMS AND CONDITIONS AS THE DIRECTOR OF THE BUDGET AND THE AUTHORIZED ISSUERS AGREE, SO AS TO ANNUALLY PROVIDE TO THE AUTHORIZED ISSUERS, IN THE AGGREGATE, A SUM NOT TO EXCEED THE PRINCIPAL, INTEREST, AND RELATED EXPENSES REQUIRED FOR SUCH BONDS, NOTES, AND OTHER OBLIGATIONS. ANY SERVICE CONTRACT ENTERED INTO PURSUANT TO THIS SECTION SHALL PROVIDE THAT THE OBLIGATION OF THE STATE TO PAY THE AMOUNT THEREIN PROVIDED SHALL NOT CONSTITUTE A DEBT OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION AND SHALL BE DEEMED EXECUTORY ONLY TO THE EXTENT OF MONIES AVAILABLE AND THAT NO LIABILITY SHALL BE INCURRED BY THE STATE BEYOND THE MONIES AVAILABLE FOR SUCH PURPOSE, SUBJECT TO ANNUAL APPROPRIATION BY THE LEGISLATURE. ANY SUCH CONTRACT OR ANY PAYMENTS MADE OR TO BE MADE THEREUNDER MAY BE ASSIGNED AND PLEDGED BY THE AUTHORIZED ISSUERS AS SECURITY FOR THEIR BONDS, NOTES, AND OTHER OBLIGATIONS AS AUTHORIZED BY THIS SECTION.

3. THE STATE COMPTROLLER IS HEREBY AUTHORIZED TO RECEIVE FROM THE AUTHORIZED ISSUERS TIFIA LOAN PROCEEDS FROM THE UNITED STATES OF AMERI-

CA, TO REIMBURSE THE STATE FOR COSTS ASSOCIATED WITH CAPITAL PROJECTS RELATED THERETO AND TO CREDIT SUCH AMOUNTS TO THE CAPITAL PROJECTS FUND OR ANY OTHER APPROPRIATE FUND.

4. PRIOR TO SUBMITTING A LETTER OF INTEREST TO THE UNITED STATES DEPARTMENT OF TRANSPORTATION FOR A TIFIA LOAN, THE DIRECTOR OF THE BUDGET SHALL SUBMIT A REPORT FROM AN INDEPENDENT FINANCIAL ADVISOR TO THE SPEAKER OF THE ASSEMBLY, THE TEMPORARY PRESIDENT OF THE SENATE, THE CHAIR OF THE SENATE FINANCE COMMITTEE AND THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE EVIDENCING A DEMONSTRABLE BENEFIT TO THE STATE OF NEW YORK THROUGH A LOWER COST OF FINANCING THAN COULD OTHERWISE BE ACHIEVED.

S 69-c. Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new section 49 to read as follows:

S 49. 1. NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW TO THE CONTRARY, THE DORMITORY AUTHORITY AND THE CORPORATION ARE HEREBY AUTHORIZED TO ISSUE BONDS OR NOTES IN ONE OR MORE SERIES FOR THE PURPOSE OF FUNDING PROJECT COSTS FOR THE STATE AND MUNICIPAL FACILITIES PROGRAM AND OTHER STATE COSTS ASSOCIATED WITH SUCH CAPITAL PROJECTS. THE AGGREGATE PRINCIPAL AMOUNT OF BONDS AUTHORIZED TO BE ISSUED PURSUANT TO THIS SECTION SHALL NOT EXCEED THREE HUNDRED EIGHTY-FIVE MILLION DOLLARS, EXCLUDING BONDS ISSUED TO FUND ONE OR MORE DEBT SERVICE RESERVE FUNDS, TO PAY COSTS OF ISSUANCE OF SUCH BONDS, AND BONDS OR NOTES ISSUED TO REFUND OR OTHERWISE REPAY SUCH BONDS OR NOTES PREVIOUSLY ISSUED. SUCH BONDS AND NOTES OF THE DORMITORY AUTHORITY AND THE CORPORATION SHALL NOT BE A DEBT OF THE STATE, AND THE STATE SHALL NOT BE LIABLE THEREON, NOR SHALL THEY BE PAYABLE OUT OF ANY FUNDS OTHER THAN THOSE APPROPRIATED BY THE STATE TO THE DORMITORY AUTHORITY AND THE CORPORATION FOR PRINCIPAL, INTEREST, AND RELATED EXPENSES PURSUANT TO A SERVICE CONTRACT AND SUCH BONDS AND NOTES SHALL CONTAIN ON THE FACE THEREOF A STATEMENT TO SUCH EFFECT. EXCEPT FOR PURPOSES OF COMPLYING WITH THE INTERNAL REVENUE CODE, ANY INTEREST INCOME EARNED ON BOND PROCEEDS SHALL ONLY BE USED TO PAY DEBT SERVICE ON SUCH BONDS.

2. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, IN ORDER TO ASSIST THE DORMITORY AUTHORITY AND THE CORPORATION IN UNDERTAKING THE FINANCING FOR PROJECT COSTS FOR THE STATE AND MUNICIPAL FACILITIES PROGRAM AND OTHER STATE COSTS ASSOCIATED WITH SUCH CAPITAL PROJECTS, THE DIRECTOR OF THE BUDGET IS HEREBY AUTHORIZED TO ENTER INTO ONE OR MORE SERVICE CONTRACTS WITH THE DORMITORY AUTHORITY AND THE CORPORATION, NONE OF WHICH SHALL EXCEED THIRTY YEARS IN DURATION, UPON SUCH TERMS AND CONDITIONS AS THE DIRECTOR OF THE BUDGET AND THE DORMITORY AUTHORITY AND THE CORPORATION AGREE, SO AS TO ANNUALLY PROVIDE TO THE DORMITORY AUTHORITY AND THE CORPORATION, IN THE AGGREGATE, A SUM NOT TO EXCEED THE PRINCIPAL, INTEREST, AND RELATED EXPENSES REQUIRED FOR SUCH BONDS AND NOTES. ANY SERVICE CONTRACT ENTERED INTO PURSUANT TO THIS SECTION SHALL PROVIDE THAT THE OBLIGATION OF THE STATE TO PAY THE AMOUNT THEREIN PROVIDED SHALL NOT CONSTITUTE A DEBT OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION AND SHALL BE DEEMED EXECUTORY ONLY TO THE EXTENT OF MONIES AVAILABLE AND THAT NO LIABILITY SHALL BE INCURRED BY THE STATE BEYOND THE MONIES AVAILABLE FOR SUCH PURPOSE, SUBJECT TO ANNUAL APPROPRIATION BY THE LEGISLATURE. ANY SUCH CONTRACT OR ANY PAYMENTS MADE OR TO BE MADE THEREUNDER MAY BE ASSIGNED AND PLEDGED BY THE DORMITORY AUTHORITY AND THE CORPORATION AS SECURITY FOR ITS BONDS AND NOTES, AS AUTHORIZED BY THIS SECTION.

3. THE COMPTROLLER IS HEREBY AUTHORIZED TO RECEIVE FROM THE DORMITORY AUTHORITY AND THE CORPORATION ANY PORTION OF BOND PROCEEDS PAID TO

PROVIDE FUNDS FOR OR REIMBURSE THE STATE FOR ITS COSTS ASSOCIATED WITH SUCH CAPITAL PROJECT COSTS AND TO CREDIT SUCH AMOUNTS TO THE CAPITAL PROJECTS FUND OR ANY OTHER APPROPRIATE FUND.

S 70. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2013; provided that:

(a) sections one through nine, and sections thirteen through eighteen of this act shall expire March 31, 2014, when upon such date, the provisions of such sections shall be deemed repealed;

(b) the amendments to subdivision 3 of section 99-h of the state finance law made by section twenty-three of this act shall take effect on the same date as the reversion of such subdivision as provided in section 3 of part W of chapter 60 of the laws of 2011, as amended;

(c) the amendments to subdivision 5 of section 3234 of the public authorities law made by section forty-five of this act shall take effect upon the expiration and reversion of such subdivision as provided in section 59 of part BB of chapter 58 of the laws of 2011;

(d) the amendments to paragraph a of subdivision 5 of section 89-b of the state finance law made by section sixty of this act shall be subject to the expiration and reversion of such paragraph pursuant to section 2 of part B of chapter 84 of the laws of 2002, as amended, when upon such date the provisions of section sixty-a of this act shall take effect; and

(e) the amendments to subdivision 3 of section 97-g of the state finance law made by section sixty-two of this act shall not affect the expiration and reversion of such subdivision and shall be deemed to expire therewith.

S 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

S 3. This act shall take effect immediately provided, however, that the applicable effective date of Parts A through HH of this act shall be as specifically set forth in the last section of such Parts.