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

8132

I N S E N A T E

June 14, 2016

Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend part TT of chapter 54 of the laws of 2016, amending the public authorities law and other laws relating to eliminating the canal corporation, in relation to an implementation plan for continuing and reconstituting the New York state canal corporation as a subsidiary corporation of the power authority of the state of New York and transferring powers and duties regarding the New York state canal system from the New York state thruway authority to the power authority of the state of New York and authorizing the power authority to establish a task force, and the effectiveness thereof; and to repeal section 30 of part TT of such law relating thereto

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

Section 1. Section 30 of part TT of chapter 54 of the laws of 2016, relating to eliminating the canal corporation is REPEALED and a new section 30 is added to read as follows:

S 30. (A) THE POWER AUTHORITY SHALL PREPARE AN IMPLEMENTATION PLAN ("PLAN") FOR CONTINUING AND RECONSTITUTING THE CANAL CORPORATION AS A SUBSIDIARY CORPORATION OF THE POWER AUTHORITY, AND THE TRANSFER OF POWERS, DUTIES AND RESPONSIBILITIES REGARDING THE NEW YORK STATE CANAL SYSTEM FROM THE THRUWAY AUTHORITY TO THE POWER AUTHORITY (COLLECTIVELY, "CANAL TRANSFER"), AS PROVIDED FOR IN THIS ACT. THE PLAN SHALL, AT A MINIMUM, CONTAIN THE FOLLOWING ELEMENTS:

(I) A DESCRIPTION OF THE GENERAL MANNER IN WHICH THE POWER AUTHORITY EXPECTS TO IMPLEMENT THE CANAL TRANSFER, INCLUDING DETAILS ON:

1. IMPLEMENTATION AND INTEGRATION OF INFORMATION TECHNOLOGY SYSTEMS FOR THE POWER AUTHORITY AND THE CANAL CORPORATION;

2. MANAGEMENT OF THE CANAL CORPORATION PROPERTY; AND

3. PROVISION OF SPACE FOR CANAL CORPORATION PERSONNEL, EQUIPMENT, OPERATIONS, AND FACILITIES;

(II) A SPECIFIC ACCOUNTING OF THE IMPACT OF THE CANAL TRANSFER ON THE POWER AUTHORITY'S CURRENT FISCAL CAPACITY TO IMPLEMENT ITS LOW COST POWER PROGRAMS THAT SUPPORT ECONOMIC DEVELOPMENT IN THE STATE, INCLUDING

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

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THE EXPANSION POWER, REPLACEMENT POWER, PRESERVATION POWER AND RECHARGE NEW YORK POWER PROGRAMS;

(III) A SPECIFIC ACCOUNTING OF THE IMPACT OF THE CANAL TRANSFER ON THE POWER AUTHORITY'S CURRENT FISCAL CAPACITY TO IMPLEMENT ITS FINANCIAL INCENTIVE PROGRAMS THAT SUPPORT ECONOMIC DEVELOPMENT IN THE STATE, INCLUDING THE WESTERN NEW YORK ECONOMIC DEVELOPMENT FUND AND INDUSTRIAL INCENTIVE AWARD PROGRAMS;

(IV) A SPECIFIC ACCOUNTING OF THE IMPACT OF THE CANAL TRANSFER ON THE POWER AUTHORITY'S CURRENT FISCAL CAPACITY TO IMPLEMENT ITS OTHER PROGRAMS OR ACTIVITIES ASSOCIATED WITH ITS CORE MISSION, SUCH AS ITS FEDERAL PREFERENCE POWER PROGRAM, AND ENERGY-RELATED PROJECTS, PROGRAMS AND SERVICES PROVIDED FOR IN SUBDIVISION SEVENTEEN OF SECTION ONE THOUSAND FIVE OF THE PUBLIC AUTHORITIES LAW;

(V) A REQUIREMENT THAT THE RIGHTS AND PRIVILEGES OF POWER AUTHORITY EMPLOYEES AND CANAL CORPORATION EMPLOYEES UNDER EXISTING COLLECTIVE BARGAINING AGREEMENTS WILL NOT BE ADVERSELY IMPACTED AT THE TIME OF THE CANAL TRANSFER;

(VI) A REPORT ON THE STATUS OF RELEVANT COLLECTIVE BARGAINING NEGOTIATIONS, INCLUDING, BUT NOT LIMITED TO, A PLAN FOR RESOLUTION OF CONTRACT DISPUTES INVOLVING CANAL CORPORATION AND POWER AUTHORITY EMPLOYEES; AND

(VII) A COMMITMENT THAT THE RATES FOR THE POWER AUTHORITY PRODUCTION AND TRANSMISSION PROGRAMS WILL CONTINUE TO BE BASED ON GENERALLY-ACCEPTED COST ALLOCATION AND RATEMAKING PRINCIPLES AND CONFIRMATION THAT NOTHING HEREIN SHALL HAVE THE DIRECT EFFECT OF INCREASING RATES FOR HYDROPOWER PURCHASES BY PREFERENCE CUSTOMERS, INCLUDING PUBLIC BODIES AND NON-PROFIT COOPERATIVES.

(B) THE POWER AUTHORITY SHALL COMPLETE THE REPORT AND SUBMIT COPIES OF THE REPORT TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY, THE TEMPORARY PRESIDENT OF THE SENATE, THE MINORITY LEADER OF THE ASSEMBLY, THE MINORITY LEADER OF THE SENATE, THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, THE CHAIR OF THE SENATE FINANCE COMMITTEE, THE CHAIR OF THE ASSEMBLY ENERGY COMMITTEE AND THE CHAIR OF THE SENATE ENERGY COMMITTEE.

(C)(I) IN ADDITION TO THE IMPLEMENTATION PLAN PROVIDED FOR IN THIS ACT, THE POWER AUTHORITY SHALL PREPARE A REPORT WHICH SHALL, AT A MINIMUM, CONTAIN THE FOLLOWING ELEMENTS:

1. A REVIEW OF CURRENT PROGRAMS RELATING TO THE NEW YORK STATE CANAL SYSTEM ("CANAL SYSTEM") (INCLUDING BY WAY OF EXAMPLE PROGRAMS RELATING TO GRANTS, MARKETING/PROMOTION AND USES OF CANAL SYSTEM PROPERTY), AND RECOMMENDATIONS FOR THE ELIMINATION, MODIFICATION AND ENHANCEMENT OF PROGRAMS;

2. A REVIEW OF RECENT HISTORICAL TRENDS RELATING TO USAGE AND ECONOMIC DEVELOPMENT ACTIVITIES OF THE CANAL SYSTEM;

3. A REVIEW OF CURRENT REVENUE SOURCES SUPPORTING THE CANAL SYSTEM, AND DISCUSSION OF POSSIBLE NEW SOURCES OF REVENUE AND FINANCIAL SUPPORT FOR THE CANAL SYSTEM, INCLUDING FEDERAL ASSISTANCE AND SPONSORSHIPS;

4. A REPORT ON THE STATUS OF ANY ONGOING COLLECTIVE BARGAINING NEGOTIATIONS;

5. A PRELIMINARY ANALYSIS OF THE FEASIBILITY OF DEVELOPING RENEWABLE ENERGY RESOURCES WITHIN THE CANAL SYSTEM; AND

6. A PRELIMINARY ANALYSIS OF POSSIBLE SYNERGIES THAT MIGHT EXIST BETWEEN THE CANAL SYSTEM/CANAL CORPORATION, AND POWER AUTHORITY OR OTHER ENTITIES.

(II) THE POWER AUTHORITY SHALL COMPLETE THE REPORT AND SUBMIT COPIES OF THE REPORT TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY, THE TEMPORARY PRESIDENT OF THE SENATE, THE MINORITY LEADER OF THE ASSEMBLY, THE MINORITY LEADER OF THE SENATE, THE CHAIR OF THE ASSEMBLY WAYS AND MEANS

COMMITTEE, THE CHAIR OF THE SENATE FINANCE COMMITTEE, THE CHAIR OF THE ASSEMBLY ENERGY COMMITTEE AND THE CHAIR OF THE SENATE ENERGY COMMITTEE.

(D) A REQUIREMENT THAT THREE YEARS FROM THE ENACTMENT OF THIS SECTION, THE GOVERNOR AND THE LEGISLATURE SHALL ESTABLISH A TASK FORCE TO EXAMINE THE SUCCESS OR FAILURE OF THE INCORPORATION OF THE CANAL CORPORATION INTO THE POWER AUTHORITY AND THE TASK FORCE SHALL MAKE RECOMMENDATIONS REGARDING WHETHER TO ESTABLISH THE CANAL CORPORATION AS A SEPARATE ENTITY FROM THE POWER AUTHORITY.

S 2. Section 31 of part TT of chapter 54 of the laws of 2016, relating to eliminating the canal corporation, is amended to read as follows:

S 31. This act shall take effect on January 1, 2017; provided, however, that sections five [and], twenty-eight AND THIRTY of this act shall take effect immediately.

S 3. This act shall take effect immediately.