

# STATE OF NEW YORK

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2196

2023-2024 Regular Sessions

## IN ASSEMBLY

January 23, 2023

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Introduced by M. of A. CARROLL -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law and the transportation law, in relation to establishing the big apple transit authority and the commuter transportation authority for the purpose of providing such authorities with municipal control over the New York city subway system; and to repeal certain provisions of the public authorities law relating thereto (Part A); to amend the public authorities law, in relation to establishing the big apple transit authority within the New York city transit authority (Part B); to amend the public authorities law, in relation to establishing the big apple transit authority; and to repeal subdivision 5 of section 553-k of the public authorities law relating thereto (Part C); to amend the public authorities law in relation to establishing the big apple transit authority (Part D); and to amend the public authorities law, in relation to establishing the commuter transportation authority (Part E)

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act enacts into law major components of legislation  
2 which establish the Big Apple Transit Authority and the Commuter Transit  
3 Authority. Each component is wholly contained within a Part identified  
4 as Parts A through E. The effective date for each particular provision  
5 contained within such Part is set forth in the last section of such  
6 Part. Any provision in any section contained within a Part, including  
7 the effective date of the Part, which makes a reference to a section "of  
8 this act", when used in connection with that particular component, shall  
9 be deemed to mean and refer to the corresponding section of the Part in  
10 which it is found. Section three of this act sets forth the general  
11 effective date of this act.

12 PART A

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

LBD01134-01-3

1 Section 1. Section 1261 of the public authorities law, as amended by  
2 section 1 of part H of chapter 25 of the laws of 2009, subdivision 18-a  
3 as amended by section 1 of part PP of chapter 58 of the laws of 2017, is  
4 amended to read as follows:

5 § 1261. Definitions. As used or referred to in this title, unless a  
6 different meaning clearly appears from the context:

7 1. "Authority" shall mean the corporation created by section twelve  
8 hundred sixty-three of this title.

9 ~~2. ["Authority facilities" shall mean the authority's railroad, omni-~~  
10 ~~bus, marine and aviation facilities and operations pursuant to joint~~  
11 ~~service arrangements.~~

12 ~~3.]~~ "Budget" shall mean the preliminary, final proposed and adopted  
13 final plans of the authority, and each of its agencies.

14 ~~[4.]~~ 3. "Comptroller" shall mean the comptroller of the state of New  
15 York.

16 ~~[5.]~~ 4. "Equipment" shall mean rolling stock, omnibuses, vehicles,  
17 air, marine or surface craft, motors, boilers, engines, wires, ways,  
18 conduits and mechanisms, machinery, tools, implements, materials,  
19 supplies, instruments and devices of every nature whatsoever used or  
20 useful for transportation purposes or for the generation or transmission  
21 of motive power including but not limited to all power houses, and all  
22 apparatus and all devices for signalling, communications and ventilation  
23 as may be necessary, convenient or desirable for the operation of a  
24 transportation facility.

25 ~~[6.]~~ 5. "Federal government" shall mean the United States of America,  
26 and any officer, department, board, commission, bureau, division, corpo-  
27 ration, agency or instrumentality thereof.

28 ~~[7. "Gap" shall mean the difference between projected revenues and~~  
29 ~~expenses for any given fiscal year based on the existing fare structure.~~

30 ~~8. "Gap-closing initiative" shall mean any action to reduce a project-~~  
31 ~~ed gap.~~

32 ~~9.]~~ 6. "Governor" shall mean the governor of the state of New York.

33 ~~[10.]~~ 7. "Joint service arrangements" shall mean agreements between or  
34 among the authority and any common carrier or freight forwarder, the  
35 state, any state agency, the federal government, any other state or  
36 agency or instrumentality thereof, any public authority of this or any  
37 other state, or any political subdivision or municipality of the state,  
38 relating to property, buildings, structures, facilities, services,  
39 rates, fares, classifications, divisions, allowances or charges (includ-  
40 ing charges between operators of railroad, omnibus, marine and aviation  
41 facilities), or rules or regulations pertaining thereto, for or in  
42 connection with or incidental to transportation in part in or upon rail-  
43 road, omnibus, marine or aviation facilities located within the district  
44 and in part in or upon railroad, omnibus, marine or aviation facilities  
45 located outside the district.

46 ~~[11.]~~ 8. "Marine and aviation facilities" shall mean equipment and  
47 craft for the transportation of passengers, mail and cargo between  
48 points within the district or pursuant to joint service arrangements, by  
49 marine craft and aircraft of all types including but not limited to  
50 hydrofoils, ferries, lighters, tugs, barges, helicopters, amphibians,  
51 seaplanes or other contrivances now or hereafter used in navigation or  
52 movement on waterways or in the navigation of or flight in airspace. It  
53 shall also mean any marine port or airport facility within the transpor-  
54 tation district but outside the port of New York district as defined in  
55 chapter one hundred fifty-four of the laws of nineteen hundred twenty-  
56 one, including but not limited to terminals, docks, piers, bulkheads,

1 ramps or any facility or real property necessary, convenient or desira-  
2 ble for the accommodation of passengers and cargo or the docking, sail-  
3 ing, landing, taking off, accommodation or servicing of such marine  
4 craft or aircraft.

5 ~~[12.]~~ 9. "Omnibus facilities" shall mean motor vehicles, of the type  
6 operated by carriers subject to the jurisdiction of the public service  
7 commission, engaged in the transportation of passengers and their  
8 baggage, express and mail between points within the district or pursuant  
9 to joint service arrangements, and equipment, property, buildings,  
10 structures, improvements, loading or unloading areas, parking areas or  
11 other facilities, necessary, convenient or desirable for the accommo-  
12 dation of such motor vehicles or their passengers, including but not  
13 limited to buildings, structures and areas notwithstanding that portions  
14 may not be devoted to any omnibus purpose other than the production of  
15 revenues available for the costs and expenses of all or any facilities  
16 of the authority.

17 ~~[13.]~~ 10. "Railroad facilities" shall mean right of way and related  
18 trackage, rails, cars, locomotives, other rolling stock, signal, power,  
19 fuel, communication and ventilation systems, power plants, stations,  
20 terminals, storage yards, repair and maintenance shops, yards, equipment  
21 and parts, offices and other real estate or personalty used or held for  
22 or incidental to the operation, rehabilitation or improvement of any  
23 railroad operating or to operate between points within the district or  
24 pursuant to joint service arrangements, including but not limited to  
25 buildings, structures, and areas notwithstanding that portions thereof  
26 may not be devoted to any railroad purpose other than the production of  
27 revenues available for the costs and expenses of all or any facilities  
28 of the authority.

29 ~~[14.]~~ 11. "Real property" shall mean lands, structures, franchises and  
30 interests in land, waters, lands under water, riparian rights and air  
31 rights and any and all things and rights included within said term and  
32 includes not only fees simple absolute but also any and all lesser  
33 interests including but not limited to easements, rights of way, uses,  
34 leases, licenses and all other incorporeal hereditaments and every  
35 estate, interest or right, legal or equitable, including terms for years  
36 and liens thereon by way of judgments, mortgages or otherwise.

37 ~~[15.]~~ 12. "State" shall mean the state of New York.

38 ~~[16.]~~ 13. "State agency" shall mean any officer, department, board,  
39 commissioner, bureau, division, public benefit corporation, agency or  
40 instrumentality of the state.

41 ~~[17.]~~ 14. "Transportation facility" shall mean any transit, railroad,  
42 omnibus, marine or aviation facility and any person, firm, partnership,  
43 association or, corporation which owns, leases or operates any such  
44 facility or any other facility used for service in the transportation of  
45 passengers, United States mail or personal property as a common carrier  
46 for hire and any portion thereof and the rights, leaseholds or other  
47 interest therein together with routes, tracks, extensions, connections,  
48 parking lots, garages, warehouses, yards, storage yards, maintenance and  
49 repair shops, terminals, stations and other related facilities thereof,  
50 the devices, appurtenances, and equipment thereof and power plants and  
51 other instrumentalities used or useful therefor or in connection there-  
52 with.

53 ~~[18.]~~ 15. "Transportation district" and "district" shall mean the  
54 metropolitan commuter transportation district created by section twelve  
55 hundred sixty-two of this title.

1     ~~[18-a.]~~ 16. "Transportation purpose" shall mean a purpose that direct-  
2 ly supports the missions or purposes of the authority, any of its  
3 subsidiaries, New York city transit authority or its subsidiary, includ-  
4 ing the realization of revenues derived from property that is, or is to  
5 be used as, a transportation facility.

6     ~~[19-]~~ 17. "New York city transit authority" shall mean the corporation  
7 created by section twelve hundred one of this ~~[chapter]~~ article.

8     ~~[20-]~~ 18. "Triborough bridge and tunnel authority" shall mean the  
9 corporation created by section five hundred fifty-two of this chapter.

10    ~~[21-]~~ 19. "Inspector general" shall mean the metropolitan transpor-  
11 tation authority inspector general.

12    ~~[22- "Revenues." All]~~ 20. "Revenues" shall mean all monies received by  
13 the authority or its subsidiaries, or New York city transit authority or  
14 its subsidiaries, or Triborough bridge and tunnel authority, as the case  
15 may be, from whatever source, derived directly or indirectly from or in  
16 connection with the operations of the respective entity.

17    ~~[23- "Transit facility." Transit facility as defined in subdivision~~  
18 ~~fifteen of section twelve hundred of this article.~~

19    ~~24. "Utilization" shall mean public usage of the subway, bus, railroad~~  
20 ~~and paratransit services, and bridge and tunnel crossings, of the~~  
21 ~~authority and its affiliates and subsidiaries as reflected in empirical~~  
22 ~~data.]~~

23    21. "Big apple transit authority" shall mean the corporation created  
24 by section thirteen hundred forty-nine-c of this article.

25    22. "Big apple transit authority and its affiliates" shall mean the  
26 big apple transit authority, the New York city transit authority, the  
27 Triborough bridge and tunnel authority, and all their respective subsid-  
28 aries.

29    23. "Commuter transportation authority" shall mean the corporation  
30 created by section thirteen hundred forty-nine-cccc of this chapter.

31    § 2. Section 1262 of the public authorities law, as amended by chapter  
32 669 of the laws of 1986, is amended to read as follows:

33    § 1262. Metropolitan commuter transportation district. There is hereby  
34 created and established a commuter transportation district to be known  
35 as the metropolitan commuter transportation district which shall embrace  
36 the city of New York and the counties of Dutchess, Nassau, Orange,  
37 Putnam, Rockland, Suffolk and Westchester, provided, however, that the  
38 district shall not include a county that has withdrawn from the district  
39 pursuant to section ~~[twelve]~~ thirteen hundred ~~[seventy-nine-b]~~ forty-  
40 nine-www of this article.

41    § 3. Paragraph (a-1) of subdivision 1 and subdivision 9 of section  
42 1263 of the public authorities law are REPEALED.

43    § 4. Paragraph (b) of subdivision 4 of section 1263 of the public  
44 authorities law is REPEALED, and paragraphs (c) and (d) of subdivision  
45 4, paragraph (c) as added by chapter 247 of the laws of 1990, and para-  
46 graph (d) as added by section 5 of part H of chapter 25 of the laws of  
47 2009, are amended to read as follows:

48    ~~[(e)]~~ (b) The chairman shall ensure that at every meeting of the board  
49 and at every meeting of each committee the public shall be allotted a  
50 period of time, not less than thirty minutes, to speak on any topic on  
51 the agenda.

52    ~~[(d)]~~ (c) Notwithstanding paragraph ~~[(e)]~~ (b) of subdivision one of  
53 section twenty-eight hundred twenty-four of this chapter or any other  
54 provision of law to the contrary, the chairman shall not participate in  
55 establishing authority policies regarding the payment of salary, compen-  
56 sation and reimbursement to, nor establish rules for the time and

attendance of, the chief executive officer. The salary of the chairman, as determined pursuant to subdivision two of this section, shall also be compensation for all services performed as chief executive officer.

§ 5. Subdivision 1 of section 1264 of the public authorities law, as amended by section 1 of part H of chapter 58 of the laws of 2022, is amended to read as follows:

1. The purposes of the authority shall be the [~~continuance, further development and improvement of commuter transportation and other services related thereto within the metropolitan commuter transportation district, including but not limited to such transportation by railroad, omnibus, marine and air, in accordance with the provisions of this title. It shall be the further purpose of the authority, consistent with its status as the ex officio board of both the New York city transit authority and the triborough bridge and tunnel authority, to develop and implement a unified mass transportation policy for such district in an efficient and cost-effective manner that includes the use of design-build contracting on all projects over two hundred million dollars in cost for new construction and all projects over four hundred million dollars in cost for projects that are predominantly rehabilitation or replacement of existing assets except where a waiver is granted by the New York state budget director pursuant to a request in writing from the metropolitan transportation authority. For purposes of granting a waiver pursuant to this section, such review shall consider whether the design-build contracting method is appropriate for the project that such waiver is sought for, and the amount of savings and efficiencies that could be achieved using such method. The determination for such waiver shall be made in writing within forty five days from request or shall be deemed granted.~~] payment of debt interest and principal, and the fulfillment of all terms, covenants, and other obligations entered into with the holders of said debt.

§ 6. Section 1264-a of the public authorities law is REPEALED.

§ 7. Subdivisions 3, 10 and 11 of section 1265 of the public authorities law are REPEALED.

§ 8. Subdivision 6 of section 1265 of the public authorities law, as amended by chapter 988 of the laws of 1984, is amended to read as follows:

6. [(a)] To enter into contracts and leases and to execute all instruments necessary or convenient;

[(b) With respect to any lease transaction entered into pursuant to section 168 (f) (8) of the United States internal revenue code or any successor provisions, the authority shall meet the following standards and procedures:

(i) notice of intention to negotiate shall be published in at least one newspaper of general circulation, and a copy thereof shall be mailed to all parties who have requested notification from the authority to engage in transactions of this type. Such notice shall describe the nature of the proposed transaction and the factors subject to negotiation, which shall include, but not be limited to, the price to be paid to the authority;

(ii) the authority shall negotiate with those respondents whose response complies with the requirements set forth in the notice;

(iii) the board of the authority shall resolve on the basis of particularized findings relevant to the factors negotiated that such transaction will provide maximum available financial benefits, consistent with other defined objectives and requirements.

~~(c) The authority shall provide to the governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate and the minority leader of the assembly, notice of each lease entered into pursuant to paragraph (b) of this subdivision and supporting documentation of compliance by the authority with subparagraphs (i), (ii) and (iii) of paragraph (b) of this subdivision,~~

~~(d) Paragraphs (b) and (c) of this subdivision shall be of no force and effect with respect to any lease transaction entered into pursuant to a commitment approved prior to January first, nineteen hundred eighty-five by the board of the authority.]~~

§ 9. Section 1265-a of the public authorities law is REPEALED.

§ 10. Section 1265-b of the public authorities law is REPEALED.

§ 11. Section 1266 of the public authorities law, as added by chapter 324 of the laws of 1965, subdivisions 1, 2, 6 and 8 as amended and subdivisions 3-a and 6-a as added by section 23 of part O and subdivision 17 as added by section 8 of part N of chapter 61 of the laws of 2000, subdivision 3 as amended and subdivisions 10, 11 and 12 as added by chapter 314 of the laws of 1981, subdivision 4 as amended by chapter 460 of the laws of 2015, subdivision 5 as amended by section 8 of part H of chapter 25 of the laws of 2009, the opening paragraph of subdivision 5 as amended by chapter 506 of the laws of 2009, subdivision 9 as added by chapter 717 of the laws of 1967, the opening paragraph of subdivision 9 as separately amended by chapters 657 and 789 of the laws of 1973, paragraphs (a), (b), (c) and (d) of subdivision 9 as relettered by chapter 789 of the laws of 1973, paragraph (b) of subdivision 9 as amended by chapter 420 of the laws of 1968, subdivision 12-a as added by section 2 of part VVV of chapter 58 of the laws of 2020, subdivision 13 as added by chapter 530 of the laws of 1986, subdivision 14 as amended by chapter 182 of the laws of 2013, subdivision 15 as added by chapter 523 of the laws of 1999, subdivision 16 as amended by chapter 25 of the laws of 2000, subdivision 18 as amended by chapter 607 of the laws of 2003 and subdivision 19 as added by chapter 261 of the laws of 2021, is amended to read as follows:

§ 1266. Special powers of the authority. In order to effectuate the purposes of this title:

1. ~~[The authority may acquire, by purchase, gift, grant, transfer, contract or lease, any transportation facility other than a transit facility or, subject to subdivision two of this section or any transportation facility constituting a transit facility, wholly or partially within the metropolitan commuter transportation district, or any part thereof, or the use thereof, and may enter into any joint service arrangements as hereinafter provided. Any such acquisition or joint service arrangement shall be authorized only by resolution of the authority approved by not less than a majority vote of the whole number of members of the authority then in office, except that in the event of a tie vote the chairman shall cast one additional vote.~~

2. ~~The authority may on such terms and conditions as the authority may determine necessary, convenient or desirable itself plan, design, acquire, establish, construct, effectuate, operate, maintain, renovate, improve, extend, rehabilitate or repair (a) any transportation facility other than a transit project, or (b) upon the request of the New York city transit authority, and upon such terms and conditions as shall be agreed to by the authority or any transportation facility constituting a transit facility (a "transportation assistance project"), or may provide for such planning, design, acquisition, establishment, construction, effectuation, operation, maintenance, renovation, improvement, exten-~~



~~sion, rehabilitation or repair by contract, lease or other arrangement on such terms as the authority may deem necessary, convenient or desirable with any person, including but not limited to any common carrier or freight forwarder, the state, any state agency, the federal government, any other state or agency or instrumentality thereof, any public authority of this or any other state, the port of New York authority or any political subdivision or municipality of the state. In connection with the operation of any transportation facility, the authority may plan, design, acquire, establish, construct, effectuate, operate, maintain, renovate, improve, extend or repair or may provide by contract, lease or other arrangement for the planning, design, acquisition, establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension or repair of any related services and activities it deems necessary, convenient or desirable, including but not limited to the transportation and storage of freight and the United States mail, feeder and connecting transportation, parking areas, transportation centers, stations and related facilities. Upon the completion of any such transportation assistance project or any part thereof or the termination of any contract, lease or other arrangement relating to such transportation assistance project, the authority shall cause the same to be transferred, leased or subleased to the New York city transit authority or its designated subsidiary, as appropriate, with or without consideration.~~

~~3-]~~ (a) The authority [may] shall ensure that its revenues and any other funds or property actually available to the authority are sufficient to maintain the operations of the authority on a self-sustaining basis. The operations of the authority shall be deemed to be on a self-sustaining basis as required by this title when the authority is able to pay or cause to be paid from revenue and any other funds or property actually available to the authority: (i) as the same shall become due, the principal of and interest on the bonds and notes and other obligations of the authority; (ii) the cost and expense of keeping the properties and assets of the authority in good condition and repair; (iii) the operating expenses of the authority; and (iv) any additional investment or savings necessary to maintain proper reserves.

(b) The term "proper reserves" as used in this title means the funds necessary, taking into consideration projections of future revenues and expenses, to ensure that total funds available for the following month will exceed two hundred fifty percent of the amount necessary to pay or cause to be paid:

(i) as the same shall become due, the principal of and interest on the bonds and notes and other obligations of the authority;

(ii) the cost and expense of keeping the properties and assets of the authority in good condition and repair; and

(iii) the operating expenses of the authority, for that following month.

(c) Notwithstanding any contrary provision of law in title eleven-E or title eleven-F of this article, if monthly revenues fall below one hundred twenty-five percent of the amount necessary to maintain the operations of the authority on a self-sustaining basis, the authority shall, in accordance with sections thirteen hundred forty-nine-h and thirteen hundred forty-nine-iiii of this article, establish, levy and collect or cause to be established, levied and collected and, in the case of a joint service arrangement, join with others in the establishment, levy and collection of such fares, tolls, rentals, rates, charges and other fees as it may deem necessary, convenient or desirable for the

1 use and operation of any transportation facility and related services  
2 operated by the authority or by a subsidiary corporation of the authori-  
3 ty or under contract, lease or other arrangement, including joint  
4 service arrangements, with the authority, until such time that monthly  
5 revenues and any other funds or property actually available to the  
6 authority, including its reserves, exceed two hundred percent of the  
7 amount necessary to maintain the monthly operations of the authority on  
8 a self-sustaining basis for three consecutive months.

9 (d) Any such fares, tolls, rentals, rates, charges or other fees for  
10 the transportation of passengers shall be established and changed only  
11 if approved by resolution of the authority adopted by not less than a  
12 majority vote of the whole number of members of the authority then in  
13 office, with the chairman having one additional vote in the event of a  
14 tie vote, and only after a public hearing, provided however, that fares,  
15 tolls, rentals, rates, charges or other fees for the transportation of  
16 passengers on any transportation facility which are in effect at the  
17 time that the then owner of such transportation facility becomes a  
18 subsidiary corporation of the authority or at the time that operation of  
19 such transportation facility is commenced by the authority or is  
20 commenced under contract, lease or other arrangement, including joint  
21 service arrangements, with the authority may be continued in effect  
22 without such a hearing. [~~Such fares, tolls, rentals, rates, charges and~~  
23 ~~other fees shall be established as may in the judgment of the authority~~  
24 ~~be necessary to maintain the combined operations of the authority and~~  
25 ~~its subsidiary corporations on a self-sustaining basis. The said oper-~~  
26 ~~ations shall be deemed to be on a self-sustaining basis as required by~~  
27 ~~this title, when the authority is able to pay or cause to be paid from~~  
28 ~~revenue and any other funds or property actually available to the~~  
29 ~~authority and its subsidiary corporations (a) as the same shall become~~  
30 ~~due, the principal of and interest on the bonds and notes and other~~  
31 ~~obligations of the authority and of such subsidiary corporations,~~  
32 ~~together with the maintenance of proper reserves therefor, (b) the cost~~  
33 ~~and expense of keeping the properties and assets of the authority and~~  
34 ~~its subsidiary corporations in good condition and repair, and (c) the~~  
35 ~~capital and operating expenses of the authority and its subsidiary~~  
36 ~~corporations.]~~

37 (e) The authority may contract with the holders of bonds and notes  
38 with respect to the exercise of the powers authorized by this section.

39 (f) No acts or activities taken or proposed to be taken by the author-  
40 ity or any subsidiary of the authority pursuant to the provisions of  
41 this subdivision shall be deemed to be "actions" for the purposes or  
42 within the meaning of article eight of the environmental conservation  
43 law.

44 [~~3-a. In furtherance of the authority's mandate to develop and imple-~~  
45 ~~ment a unified mass transportation policy for the metropolitan commuter~~  
46 ~~transportation district and the exercise of its powers, including the~~  
47 ~~power to issue notes, bonds and other obligations secured in whole or in~~  
48 ~~part by the revenues of the authority and its subsidiaries, and New York~~  
49 ~~city transit authority and its subsidiaries, the authority shall join~~  
50 ~~with the New York city transit authority and its subsidiaries in~~  
51 ~~connection with any change in the establishment, levy and collection of~~  
52 ~~fares, tolls, rentals, rates, charges and other fees for the transporta-~~  
53 ~~tion of passengers on any transportation facilities operated by New York~~  
54 ~~city transit authority and its subsidiaries. Such fares, tolls, rentals,~~  
55 ~~charges and other fees on transit facilities shall be established in~~



1 ~~accordance with the requirements of sections twelve hundred five and~~  
2 ~~twelve hundred seven i of this article.~~

3 ~~4. The authority may establish and, in the case of joint service~~  
4 ~~arrangements, join with others in the establishment of such schedules~~  
5 ~~and standards of operations and such other rules and regulations includ-~~  
6 ~~ing but not limited to rules and regulations governing the conduct and~~  
7 ~~safety of the public as it may deem necessary, convenient or desirable~~  
8 ~~for the use and operation of any transportation facility and related~~  
9 ~~services operated by the authority or under contract, lease or other~~  
10 ~~arrangement, including joint service arrangements, with the authority.~~  
11 ~~Such rules and regulations governing the conduct and safety of the~~  
12 ~~public shall be filed with the department of state in the manner~~  
13 ~~provided by section one hundred two of the executive law. In the case of~~  
14 ~~any conflict between any such rule or regulation of the authority~~  
15 ~~governing the conduct or the safety of the public and any local law,~~  
16 ~~ordinance, rule or regulation, such rule or regulation of the authority~~  
17 ~~shall prevail. Violation of any such rule or regulation of the authority~~  
18 ~~governing the conduct or the safety of the public in or upon any facili-~~  
19 ~~ty of the authority shall constitute an offense and shall be punishable~~  
20 ~~by a fine not exceeding fifty dollars or imprisonment for not more than~~  
21 ~~thirty days or both or may be punishable by the imposition of a civil~~  
22 ~~penalty by the transit adjudication bureau established pursuant to the~~  
23 ~~provisions of title nine of this article.~~

24 ~~5. The authority may acquire, hold, own, lease, establish, construct,~~  
25 ~~effectuate, operate, maintain, renovate, improve, extend or repair any~~  
26 ~~transportation facilities through, and cause any one or more of its~~  
27 ~~powers, duties, functions or activities to be exercised or performed by,~~  
28 ~~one or more wholly owned subsidiary corporations of the authority, or by~~  
29 ~~New York city transit authority or any of its subsidiary corporations in~~  
30 ~~the case of transit facilities and may transfer to or from any such~~  
31 ~~corporations any moneys, real property or other property for any of the~~  
32 ~~purposes of this title upon such terms and conditions as shall be agreed~~  
33 ~~to and subject to such payment or repayment obligations as are required~~  
34 ~~by law or by any agreement to which any of the affected entities is~~  
35 ~~subject. The directors or members of each such subsidiary corporation of~~  
36 ~~the authority corporation shall be the same persons holding the offices~~  
37 ~~of members of the authority. The chairman of the board of each such~~  
38 ~~subsidiary shall be the chairman of the authority, serving ex officio~~  
39 ~~and, provided that there is an executive director of the metropolitan~~  
40 ~~transportation authority, the executive director of such subsidiary~~  
41 ~~shall be the executive director of the metropolitan transportation~~  
42 ~~authority, serving ex officio. Notwithstanding any provision of law to~~  
43 ~~the contrary, the chairman shall be the chief executive officer of each~~  
44 ~~such subsidiary and shall be responsible for the discharge of the execu-~~  
45 ~~tive and administrative functions and powers of each such subsidiary.~~  
46 ~~The chairman and executive director, if any, shall be empowered to dele-~~  
47 ~~gate his or her functions and powers to one or more officers or employ-~~  
48 ~~ees of each such subsidiary designated by him or her. Each such subsid-~~  
49 ~~iary corporation of the authority and any of its property, functions and~~  
50 ~~activities shall have all of the privileges, immunities, tax exemptions~~  
51 ~~and other exemptions of the authority and of the authority's property,~~  
52 ~~functions and activities. Each such subsidiary corporation shall be~~  
53 ~~subject to the restrictions and limitations to which the authority may~~  
54 ~~be subject. Each such subsidiary corporation of the authority shall be~~  
55 ~~subject to suit in accordance with section twelve hundred seventy-six of~~  
56 ~~this title. The employees of any such subsidiary corporation, except~~

~~those who are also employees of the authority, shall not be deemed employees of the authority.~~

~~If the authority shall determine that one or more of its subsidiary corporations should be in the form of a public benefit corporation, it shall create each such public benefit corporation by executing and filing with the secretary of state a certificate of incorporation, which may be amended from time to time by filing, which shall set forth the name of such public benefit subsidiary corporation, its duration, the location of its principal office, and any or all of the purposes of acquiring, owning, leasing, establishing, constructing, effectuating, operating, maintaining, renovating, improving, extending or repairing one or more facilities of the authority. Each such public benefit subsidiary corporation shall be a body politic and corporate and shall have all those powers vested in the authority by the provisions of this title which the authority shall determine to include in its certificate of incorporation except the power to contract indebtedness.~~

~~Whenever any state, political subdivision, municipality, commission, agency, officer, department, board, division or person is authorized and empowered for any of the purposes of this title to co-operate and enter into agreements with the authority such state, political subdivision, municipality, commission, agency, officer, department, board, division or person shall have the same authorization and power for any of such purposes to co-operate and enter into agreements with a subsidiary corporation of the authority.~~

~~6. Each of the~~ 2. On a monthly basis, or more frequently if required by law or agreement, the authority shall:

(a) pay:

(i) as the same shall become due, the principal of and interest on the bonds and notes and other obligations of the authority, together with the maintenance of proper reserves therefor;

(ii) the cost and expense of keeping the properties and assets of the authority in good condition and repair; and

(iii) the operating expenses of the authority;

(b) make all other payments and transfers as required by law, including those required by sections twelve hundred seventy-a, twelve hundred seventy-b, twelve hundred seventy-c, former section twelve hundred seventy-d, sections twelve hundred seventy-h, and twelve hundred seventy-i of this title; and

(c) transfer all remaining funds, except those required to be held in reserve by law, to the big apple transit authority and the commuter transportation authority as follows: eighty percent of the funds shall be transferred to the big apple transit authority and twenty percent of the funds shall be transferred to the commuter transportation authority.

~~3. The authority [and its subsidiaries, and the New York city transit authority and its subsidiaries, in its own name or in the name of the state,]~~ may apply for and receive and accept grants of property, money and services and other assistance offered or made available to it by any person, government or agency, which it may use to meet capital or operating expenses and for any other use within the scope of its powers, and to negotiate for the same upon such terms and conditions as the respective authority may determine to be necessary, convenient or desirable.

~~[6-a.]~~ 4. Subject to the rights of the holders of any outstanding bonds, notes or other obligations of the authority, [New York city transit authority and Triborough bridge and tunnel authority] the big apple transit authority and its affiliates, and the commuter transportation authority, and to facilitate the efficient financial management of the

1 authority, [~~its subsidiary corporations, New York city transit authority~~  
2 ~~and its subsidiary corporations, and Triborough bridge and tunnel~~  
3 ~~authority~~] the big apple transit authority and its affiliates, and the  
4 commuter transportation authority, (the "affiliated entities"), the  
5 authority may[, ~~and may permit and direct any affiliated entity to,~~]  
6 transfer revenues, subsidies and other monies or securities to one or  
7 more funds or accounts of another affiliated entity for use by such  
8 other affiliated entity, provided at the time of such transfer it is  
9 reasonably anticipated that the monies and securities so transferred  
10 will be reimbursed, repaid or otherwise provided for by the end of the  
11 next succeeding calendar year if reimbursement or repayment is required  
12 by law or by any agreement to which any of the affected affiliated enti-  
13 ties is subject. Any revenues of an affiliated entity that are trans-  
14 ferred to another affiliated entity, which transfer was not authorized  
15 by a provision of law other than this subdivision, shall be considered  
16 to be required to be repaid to the affiliated entity which was the  
17 source of such revenues by the end of the next succeeding calendar year  
18 following such transfer.

19 [~~7. The authority may lease railroad cars for use in its passenger~~  
20 ~~service pursuant to the provisions of chapter six hundred thirty-eight~~  
21 ~~of the laws of nineteen hundred fifty-nine.~~

22 ~~8. The authority may do all things it deems necessary, convenient or~~  
23 ~~desirable to manage, control and direct the maintenance and operation of~~  
24 ~~transportation facilities, equipment or real property operated by or~~  
25 ~~under contract, lease or other arrangement with the authority and its~~  
26 ~~subsidiaries, and New York city transit authority and its subsidiaries.~~  
27 ~~Except as hereinafter specially provided, no municipality or political~~  
28 ~~subdivision, including but not limited to a county, city, village, town~~  
29 ~~or school or other district shall have jurisdiction over any facilities~~  
30 ~~of the authority and its subsidiaries, and New York city transit author-~~  
31 ~~ity and its subsidiaries, or any of their activities or operations. The~~  
32 ~~local laws, resolutions, ordinances, rules and regulations of a munici-~~  
33 ~~pality or political subdivision, heretofore or hereafter adopted,~~  
34 ~~conflicting with this title or any rule or regulation of the authority~~  
35 ~~or its subsidiaries, or New York city transit authority or its subsid-~~  
36 ~~aries, shall not be applicable to the activities or operations of the~~  
37 ~~authority and its subsidiaries, and New York city transit authority, or~~  
38 ~~the facilities of the authority and its subsidiaries, and New York city~~  
39 ~~transit authority and its subsidiaries, except such facilities that are~~  
40 ~~devoted to purposes other than transportation or transit purposes. Each~~  
41 ~~municipality or political subdivision, including but not limited to a~~  
42 ~~county, city, village, town or district in which any facilities of the~~  
43 ~~authority or its subsidiaries, or New York city transit authority or its~~  
44 ~~subsidiaries are located shall provide for such facilities police, fire~~  
45 ~~and health protection services of the same character and to the same~~  
46 ~~extent as those provided for residents of such municipality or political~~  
47 ~~subdivision.~~

48 ~~The jurisdiction, supervision, powers and duties of the department of~~  
49 ~~transportation of the state under the transportation law shall not~~  
50 ~~extend to the authority in the exercise of any of its powers under this~~  
51 ~~title. The authority may agree with such department for the execution by~~  
52 ~~such department of any grade crossing elimination project or any grade~~  
53 ~~crossing separation reconstruction project along any railroad facility~~  
54 ~~operated by the authority or by one of its subsidiary corporations or~~  
55 ~~under contract, lease or other arrangement with the authority. Any such~~  
56 ~~project shall be executed as provided in article ten of the transporta-~~

~~tion law and the railroad law, respectively, and the costs of any such project shall be borne as provided in such laws, except that the authority's share of such costs shall be borne by the state.~~

~~9. Upon approval by the commissioner of transportation of the state of New York of detailed plans and specifications, which approval may be based upon considerations of relative need and the timing of construction, the authority is authorized to design, construct, maintain, operate, improve and reconstruct a highway bridge crossing Long Island sound, as follows:~~

~~(a) Upon (i) the enactment by the state of Connecticut of legislation having like effect as the provisions of this paragraph and the granting of the consent of the congress of the United States of America to the interstate compact thereby created, and (ii) in conformity with recommendations of the New York-Connecticut bi-state bridge study commission, the authority is authorized, in cooperation with any duly designated agency or agencies of the state of Connecticut, to design, construct, maintain, operate, improve and reconstruct a highway bridge crossing Long Island sound from a point in the vicinity of the city of Bridgeport in the state of Connecticut to a point in the vicinity of the village of Port Jefferson in the state of New York, together with approaches to such bridge, and to contract from time to time with such agency or agencies of the state of Connecticut with respect to all matters affecting these authorizations, including, without limitation, the sharing of all capital, operational and maintenance expense (except that the capital expense of the original construction of such bridge, other than the expense of acquiring the needed real property, shall be in the ratio of fifty per centum for the authority and fifty per centum for such agency or agencies of the state of Connecticut), the manner and by whom the work of design, construction, reconstruction, improvement, maintenance and operation is to be performed or contracted to others for performance, the tolls, fees and other charges to be imposed from time to time for the use of such bridge, and the sharing of revenues derived from the imposition of such tolls, fees and charges (except that net revenues remaining after deduction of operational and maintenance expense of such bridge shall be in the ratio of fifty per centum for the authority and fifty per centum for the state of Connecticut or for such agency or agencies of the state of Connecticut. Subject to the limitations imposed upon the authority by the provisions of the said contracts, that portion of the said bridge and its approaches situate and lying within the territorial boundaries of the state of New York shall be deemed a "transportation facility" of the authority for all the purposes of this title, but tolls, fees and other charges imposed for the use of such bridge shall not be deemed to have been imposed "for the transportation of passengers" within the intentment of subdivision three of this section.~~

~~(b) If funds are made available by the authority for the payment of the cost and expense of the acquisition thereof, the commissioner of transportation of the state of New York, when requested by the authority, may acquire in the name of the state such real property lying within the territorial boundaries of the state as may be determined from time to time by the authority to be necessary, convenient or desirable to carry out the authorizations set forth in paragraphs (a) and (b) of this subdivision, may remove the owner or occupant thereof where necessary and obtain possession and, when requested by the authority, may dispose of any real property so acquired, all according to the procedure provided in section thirty of the highway law. The authority shall have~~

~~the right to possess and use for its corporate purposes all such real property so acquired, all according to the procedure provided in section thirty of the highway law. The authority shall have the right to possess and use for its corporate purposes all such real property so acquired. Claims for the value of the property appropriated and for legal damages caused by any such appropriation shall be adjusted and determined by the commissioner of transportation with the approval of the authority or by the court of claims as provided in section thirty of the highway law. When a claim has been filed with the court of claims, the claimant shall cause a copy of such claim to be served upon the authority and the authority shall have the right to be represented and heard before such court. All awards and judgments arising from such claims shall be paid out of moneys of the authority.~~

~~(c) The authority, acting independently or jointly or in cooperation with such agency or agencies of the state of Connecticut, may also apply for and accept, upon condition or otherwise, from the duly authorized agencies of the federal government, and of the governments of the states of Connecticut and New York, such underwater and overwater grants of real property, licenses or permits as shall be necessary, convenient or desirable to carry out the authorizations set forth in paragraphs (a) and (b) of this subdivision.~~

~~(d) The provisions of chapter four hundred forty two of the laws of nineteen hundred sixty five (and of any agreement entered into in pursuance thereof) relating to the repayment of a loan made by the state to the authority for the purchase of the Long Island railroad shall be inapplicable to (i) the construction of such bridges and their approaches, (ii) bonds, notes or other obligations of the authority issued for or in connection with the financing of the cost of design, construction and reconstruction of such bridges and their approaches, or the proceeds realized upon such issuance, and (iii) revenues derived from the investment of such proceeds or of any part thereof, and from the imposition of tolls, fees or other charges for the use of such bridges.~~

~~10.]~~ 5. Notwithstanding the provisions of any other law, general, special or local, or of any agreement entered into in pursuance thereof, relating to the repayment of any loan or advance made by the state to the authority or to the New York city transit authority, neither the authority nor the New York city transit authority shall be required to repay any such loan or advance heretofore made from or by reason of the issuance of bonds or notes of either of them or from the proceeds realized upon such issuance or from any other funds received by either of them from any source whatever in aid or assistance of the project or projects for the financing of which such bonds or notes are issued.

~~[11. No project to be constructed upon real property theretofore used for a transportation purpose, or on an insubstantial addition to such property contiguous thereto, which will not change in a material respect the general character of such prior transportation use, nor any acts or activities in connection with such project, shall be subject to the provisions of article eight, nineteen, twenty-four or twenty-five of the environmental conservation law, or to any local law or ordinance adopted pursuant to any such article. Nor shall any acts or activities taken or proposed to be taken by the authority or by any other person or entity, public or private, in connection with the planning, design, acquisition, improvement, construction, reconstruction or rehabilitation of a transportation facility, other than a marine or aviation facility, be subject to the provisions of article eight of the environmental conservation~~

~~law, or to any local law or ordinance adopted pursuant to any such article if such acts or activities require the preparation of a statement under or pursuant to any federal law or regulation as to the environmental impact thereof.~~

~~12. The authority may, upon suitable notice to and an offer to consult with an officer designated by the city of New York, occupy the streets of the city of New York for the purpose of doing any work over or under the same in connection with the improvement, construction, reconstruction or rehabilitation of a transportation facility without the consent of or payment to such city.~~

~~12-a.]~~ 6. (a) Whenever the authority determines in consultation with the city of New York that it is necessary to obtain the temporary or permanent use, occupancy, control or possession of vacant or undeveloped or underutilized but replaceable real property, or any interest therein, or subsurface real property or any interest therein then owned by the city of New York for a project in the two thousand fifteen to two thousand nineteen or the two thousand twenty to two thousand twenty-four approved capital programs to (i) install one or more elevators to make one or more subway stations more accessible, (ii) construct or reconstruct an electrical substation to increase available power to the subway system to expand passenger capacity or reliability, or (iii) in connection with the capital project to construct four commuter railroad passengers stations in the borough of the Bronx known as Penn Station access, the authority upon approval by the board of the metropolitan transportation authority and upon suitable notice and with the consent of the city of New York may cause the title to such real property, or any interest therein, to be transferred to the authority by adding it to the agreement of lease dated June first, nineteen hundred fifty-three, as amended, renewed and supplemented, authorized by section twelve hundred three of this article, or may itself acquire title to such property from the city of New York, and any such transfer or acquisition of real property shall be subject to the provisions of subdivision five of former section twelve hundred sixty-six-c of this title. Nothing in this subdivision shall be deemed to authorize any temporary or permanent transfer or acquisition of real property, or interest therein, that is dedicated parkland without separate legislative approval of such alienation.

(b) (i) Upon the execution of any transfer or acquisition pursuant to this subdivision, which shall be final upon the approval by the board of the metropolitan transportation authority and consent of the city of New York, the fair market value shall be determined pursuant to this paragraph. The authority shall make a written offer to pay to the city of New York the fair market value of the authority's use, occupancy, control, possession or acquisition of such property. The offer by the authority shall be based on an appraisal of the value of such property and a copy of such appraisal shall be included with the offer. Such appraisal shall be done by an independent New York state licensed or certified appraiser, who may not be employed by the authority, selected at random from a panel of appraisers maintained by it for such purpose. Such appraisal and a second appraisal, if required pursuant to subparagraph (ii) of this paragraph, shall consider only the reasonably anticipated lawful use of the property and its zoning designation under the zoning resolution of the city of New York at the time the authority notified the city of New York of its determination to use, occupy, control, possess or acquire such property.



(ii) Within thirty days of receipt of the offer by the authority, the city of New York may accept it, agree with the authority on another amount, or request a second appraisal by an independent New York state licensed or certified appraiser, who may not be employed by the city of New York, selected at random by the city of New York from a panel of appraisers maintained by it for such purpose. Such second appraisal shall be completed within thirty days. If the second appraisal produces an estimate of the fair market value of the property that is greater than that of the first appraisal, the authority shall have ten days to increase its offer to such higher amount, otherwise the two appraisers shall reconcile their valuations and agree on a final valuation within ten days, which shall be an amount not less than the first appraisal nor greater than the second appraisal.

~~[(c) Nothing in this subdivision shall be construed to affect or limit the authority's power under subdivision twelve of this section.]~~

~~13. The authority and each of its subsidiary corporations shall place on each transformer and substation which contains polychlorinated biphenyls (PCBs) a symbol so indicating the presence of PCBs. Use of a PCB mark illustrated in the rules and regulations promulgated pursuant to the federal Toxic Substances Control Act shall constitute compliance with the provisions of this subdivision.~~

~~14. Notwithstanding any other provisions of law or the terms of any contract, the authority, in consultation with the Long Island Rail Road, shall establish and implement a no fare program for transportation on the Long Island Rail Road for police officers employed by the city of New York, county of Nassau, Nassau county villages and cities, county of Suffolk, Suffolk county villages and towns, the division of state police, the port authority of New York and New Jersey, the Metro North Commuter Railroad Company, the New York city housing authority and the New York city transit authority. In establishing such program, which has as its goal increased protection and improved safety for its commuters, the authority and the Long Island Rail Road shall, among other things, consider: (a) requiring police officers who ride without cost to register with the Long Island Rail Road as a condition of riding without cost; (b) requiring such officers to indicate during such registration process their regular working hours and the Long Island Rail Road trains that such officers expect to ride; and (c) periodically re-registering and re-validating such officers. The authority and the Long Island Rail Road shall also have the power to consider other matters necessary to carry out the goals and objectives of this section.~~

~~15. (a) Notwithstanding any other provisions of law or the terms of any contract, the authority, in consultation with the New York city transit authority, the Long Island Rail Road and the Metro North Commuter Railroad Company, shall establish and implement a no fare program for transportation on New York city transit authority systems, the Long Island Rail Road and the Metro North Commuter Railroad Company for individuals serving as personal care attendants accompanying an Americans With Disabilities Act paratransit eligible individual.~~

~~(b) In order to be eligible for such no fare program the personal care attendant must show his or her community based personal care attendant agency issued identification card.~~

~~(c) In order to be considered accompanying an Americans With Disabilities Act paratransit eligible individual the personal care attendant shall have the same origin and destination as such paratransit eligible individual.~~

~~16. Notwithstanding any other provision of law, the authority and any of its subsidiary corporations shall establish and implement a half fare rate program for persons with serious mental illness who are eligible to receive supplemental security income benefits as defined pursuant to title sixteen of the federal social security act and section two hundred nine of the social services law.~~

~~17. Notwithstanding any conflicting provisions of general, special or local law, and pursuant to the authority's 2000-2004 capital program plans approved by the metropolitan transportation authority capital program review board, the authority or any of its subsidiaries, the New York city transit authority or any of its subsidiaries, or Triborough bridge and tunnel authority, shall provide, from funds identified in such approved 2000-2004 capital program plans, up to twelve million dollars for the financing of a bus and heavy duty vehicles emission research and testing facility and related equipment located in the state of New York, whether within or outside of the transportation district, which facility shall be operated by the department of environmental conservation and shall be available for use on a non-exclusive basis by the authority and any of its subsidiaries, the New York city transit authority and any of its subsidiaries, and Triborough bridge and tunnel authority.~~

~~18. The authority shall conduct a campaign of public outreach to inform the public of the provisions pertaining to assault on employees described in subdivision eleven of section 120.05 of the penal law.~~

~~19.]~~ 7. In connection with their lawful responsibilities or functions, the authority and its subsidiaries, including Metro-North Commuter Railroad, the Long Island Rail Road, MTA bus and the Staten Island rapid transit operating authority, the Triborough bridge and tunnel authority, and the New York city transit authority and its subsidiary the Manhattan and Bronx surface transit operating authority, are authorized to request, receive and review criminal history information through the division of criminal justice services with respect to any person applying for a safety sensitive position. When requested, such applicant shall submit to the authority or the requesting affiliate or subsidiary his or her fingerprints in such form and in such manner as specified by the division, for the purpose of conducting a criminal history search identifying criminal convictions and pending criminal charges and returning a report thereon in accordance with the procedures and requirements established by the division pursuant to the provisions of article thirty-five of the executive law, which shall include the payment of the reasonable prescribed processing fee for the cost of the division's full search and retention procedures and a national criminal history record check. The authority or requesting affiliate or subsidiary shall submit such fingerprints and the processing fee to the division. The division shall forward to the authority or the requesting affiliate or subsidiary a report with respect to the applicant's previous criminal history, if any, or a statement that the applicant has no previous criminal history according to its files. Fingerprints submitted to the division pursuant to this subdivision may also be submitted to the federal bureau of investigation for a national criminal history record check. If additional copies of fingerprints are required, the applicant shall furnish them upon request. Upon receipt of such criminal history information, the authority or the requesting affiliate or subsidiary shall provide such applicant with a copy of such criminal history information, together with a copy of article twenty-three-A of the correction law, and inform such applicant of his or her right to

1 seek correction of any incorrect information contained in such criminal  
2 history information pursuant to regulations and procedures established  
3 by the division of criminal justice services. The authority or the  
4 requesting affiliate or subsidiary shall ensure that adequate notice be  
5 provided to such applicant regarding the fact that state and national  
6 criminal history record checks may be conducted. This provision shall  
7 not preclude or alter the process by which a municipal civil service  
8 commission obtains and provides background information pursuant to  
9 subdivision four of section fifty of the civil service law relating to  
10 applicants for civil service appointments at the New York city transit  
11 authority and the Triborough bridge and tunnel authority.

12 § 12. Section 1266-a of the public authorities law is REPEALED.

13 § 13. Section 1266-b of the public authorities law is REPEALED.

14 § 14. Section 1266-c of the public authorities law is REPEALED.

15 § 15. Section 1266-d of the public authorities law is REPEALED.

16 § 16. Section 1266-e of the public authorities law is REPEALED.

17 § 17. Section 1266-f of the public authorities law is REPEALED.

18 § 18. Section 1266-g of the public authorities law is REPEALED.

19 § 19. Section 1266-h of the public authorities law is REPEALED and a  
20 new section 1266-h is added to read as follows:

21 § 1266-h. Transfer of employees. 1. In order to assist the big apple  
22 transportation authority and the commuter transportation authority in  
23 carrying out their powers and responsibilities, the authority shall  
24 develop and complete a personnel reorganization plan to transfer its  
25 employees to the big apple transportation authority and the commuter  
26 transportation authority to perform any operation or function subject  
27 only to a determination that they are substantially similar to any oper-  
28 ation or function currently performed. Substantially similar operation  
29 or function shall be determined by the authority receiving the employ-  
30 ees.

31 2. Such assignment, transfer, sharing, or consolidation pursuant to  
32 this section shall occur only if approved by resolution of the boards of  
33 the authority, the big apple transportation authority, and the commuter  
34 transportation authority, adopted by not less than a majority vote of  
35 the whole number of members of the authority then in office, with the  
36 chairman having one additional vote in the event of a tie vote.

37 3. Nothing set forth in this section shall be construed to impede,  
38 infringe or diminish the rights and benefits that accrue to employees  
39 and employers through collective bargaining agreements, or impact or  
40 change an employee's membership in a bargaining unit.

41 4. A transferred employee who is a member or beneficiary of any exist-  
42 ing pension or retirement system shall continue to have the rights,  
43 privileges, obligations and status with respect to such system or  
44 systems as if they had continued in their employment with the authority.

45 5. Pursuant to this section, any such assigning, transferring, shar-  
46 ing, or consolidating of powers, duties, functions or activities shall  
47 not be authorized where it would impair any rights and remedies of any  
48 holders of notes, bonds or other obligations issued by the authority,  
49 its subsidiaries, or affiliates or their subsidiaries.

50 6. Such transfers shall be subject to section seventy of the civil  
51 service law; or, where not subject to civil service, the provisions of  
52 such section seventy shall be deemed applicable, except where the  
53 context clearly requires otherwise. Any such employee who, at the time  
54 of such transfer, has a temporary or provisional appointment shall be  
55 transferred subject to the same right of removal, examination or termi-

1 nation as though such transfer had not been made except to the extent  
2 such rights are modified by a collective bargaining agreement.

3 7. A transferred employee shall remain in the same collective bargain-  
4 ing unit as was the case prior to his or her transfer; successor employ-  
5 ees to the positions held by such transferred employees shall, consist-  
6 ent with the provisions of article fourteen of the civil service law, be  
7 included in the same unit as their predecessors. Employees, other than  
8 managerial or confidential persons (as defined in article fourteen of  
9 the civil service law), serving in positions in newly created titles  
10 shall be assigned to the appropriate bargaining unit. Nothing contained  
11 in this section shall be construed to affect:

12 (a) the rights of employees pursuant to a collective bargaining agree-  
13 ment;

14 (b) the representational relationships among employee organizations or  
15 the bargaining relationships between the state and an employee organiza-  
16 tion; or

17 (c) existing law with respect to an application to the public employ-  
18 ment relations board, provided, however, that the merger of such negoti-  
19 ating units of employees shall be effected only with the consent of the  
20 recognized and certified representatives of such units and of the  
21 authority.

22 8. Notwithstanding the provisions of any other law to the contrary,  
23 all lawful appointees holding positions which hereinbefore were subject  
24 to the civil service law and are transferred to the authority shall  
25 continue to hold their positions without further examination or quali-  
26 fications.

27 § 20. Section 1266-i of the public authorities law is REPEALED.

28 § 21. Section 1266-j of the public authorities law is REPEALED.

29 § 22. Section 1266-k of the public authorities law is REPEALED.

30 § 23. Section 1267 of the public authorities law is REPEALED.

31 § 24. Section 1267-a of the public authorities law is REPEALED.

32 § 25. Section 1267-b of the public authorities law is REPEALED.

33 § 26. Section 1268 of the public authorities law is REPEALED.

34 § 27. Subdivisions 1-a and 12 of section 1269 of the public authori-  
35 ties law are REPEALED.

36 § 28. Subdivisions 1, 3, 4, 6 and 9 of section 1269 of the public  
37 authorities law, as amended by section 27 of part 0 of chapter 61 of the  
38 laws of 2000, are amended to read as follows:

39 1. (a) The authority shall only have power [~~and is hereby authorized~~  
40 ~~from time to time~~] to issue its bonds, notes and other obligations in  
41 such principal amount as [~~in the opinion of the authority, shall be~~  
42 ~~necessary, convenient or desirable to effectuate any of its powers and~~  
43 ~~purposes, including to provide sufficient funds for achieving its~~  
44 ~~purposes, including the acquisition, establishment, construction, effec-~~  
45 ~~tuation, operation, maintenance, renovation, improvement, extension,~~  
46 ~~rehabilitation or repair of any transportation facility, the payment of~~  
47 ~~principal, redemption premium and interest on bonds, notes and other~~  
48 ~~obligations of the authority, establishment of reserves to secure such~~  
49 ~~bonds notes and other obligations, the provision of working capital and~~  
50 ~~all other expenditures of the authority and its subsidiary corporations,~~  
51 ~~and New York city transit authority and its subsidiary corporations~~  
52 ~~incident to and necessary or convenient to carry out their purposes and~~  
53 ~~powers~~] already authorized by the 2015-2019 capital program. Such  
54 bonds, notes or other obligations may be issued for an individual trans-  
55 portation facility or issued on a consolidated basis for such groups or  
56 classes of facilities and projects as the authority in its discretion

1 deems appropriate and be payable from and secured separately or on a  
2 consolidated basis by, among other things, all or any portion of such  
3 revenues and other monies and assets of the authority [~~and its subsid-~~  
4 ~~iary corporations, and New York city transit authority and its subsid-~~  
5 ~~iary corporations as the authority determines in accordance with the~~  
6 ~~provisions of section twelve hundred seventy-d of this title~~];

7 (b) [~~The authority shall have power, from time to time, to issue~~  
8 ~~renewal notes, to issue bonds to refund, redeem or otherwise pay,~~  
9 ~~including by purchase or tender, notes of the authority and its subsid-~~  
10 ~~iary corporations, and New York city transit authority and its subsid-~~  
11 ~~iary corporations and whenever it deems refunding, redemption or payment~~  
12 ~~expedient, to refund, redeem or otherwise pay, including by purchase or~~  
13 ~~tender, any bonds of the authority and its subsidiary corporations, New~~  
14 ~~York city transit authority and its subsidiary corporations and Tribor-~~  
15 ~~ough bridge and tunnel authority by the issuance of new bonds, whether~~  
16 ~~the bonds to be refunded, redeemed or otherwise paid have or have not~~  
17 ~~matured, and to issue bonds partly for such purpose and partly for any~~  
18 ~~other purpose and to otherwise refund, redeem, acquire by purchase or~~  
19 ~~tender, or in any other way repay any outstanding notes, bonds or other~~  
20 ~~obligations of the authority, any of its subsidiary corporations, New~~  
21 ~~York city transit authority, any of its subsidiary corporations and~~  
22 ~~Triborough bridge and tunnel authority,~~

23 ~~(c)]~~ Every issue of its notes, bonds or other obligations shall be  
24 general obligations or special obligations. Every issue of general obli-  
25 gations of the authority shall be payable out of any revenues or monies  
26 of the authority, subject only to any agreements with the holders of  
27 particular notes or bonds pledging any particular receipts or revenues.  
28 Every issue of special obligations shall be payable out of any revenues,  
29 receipts, monies or other assets of the authority [~~and its subsidiary~~  
30 ~~corporations, the New York city transit authority and its subsidiary~~  
31 ~~corporations and the Triborough bridge and tunnel authority]~~ identified  
32 for such purposes in accordance with agreements with the holders of  
33 particular notes, bonds or other obligations. [~~The authority may issue~~  
34 ~~transportation revenue special obligation bonds, notes or other obli-~~  
35 ~~gations as provided in section twelve hundred seventy-d of this title~~];

36 3. Any resolution or resolutions authorizing any notes, bonds or any  
37 issue thereof, or any other obligations of the authority, may contain  
38 provisions, which shall be a part of the contract with the holders ther-  
39 eof, as to:

40 (a) pledging all or any part of the revenues of the authority [~~or of~~  
41 ~~any of its subsidiary corporations or New York city transit authority or~~  
42 ~~any of its subsidiary corporations or Triborough bridge and tunnel~~  
43 ~~authority]~~ to secure the payment of the notes or bonds or of any issue  
44 thereof, or any other obligations of the authority, subject to such  
45 applicable agreements with bondholders, noteholders, or holders of other  
46 obligations of the authority, [~~the New York city transit authority and~~  
47 ~~its subsidiary corporations, and Triborough bridge and tunnel authority]~~  
48 the big apple transit authority and its affiliates, or the commuter  
49 transportation authority as may then exist;

50 (b) [~~pledging all or any part of the assets of the authority or of any~~  
51 ~~of its subsidiary corporations or New York city transit authority or any~~  
52 ~~of its subsidiary corporations or Triborough bridge and tunnel authority~~  
53 ~~to secure the payment of the notes or bonds or of any issue of notes or~~  
54 ~~bonds, or any other obligations of the authority, subject to such agree-~~  
55 ~~ments with noteholders, bondholders, or holders of other obligations of~~  
56 ~~the authority, the New York city transit authority and its subsidiary~~



~~corporations, and Triborough bridge and tunnel authority as may then exist,~~

~~(e)]~~ the use and disposition of revenues, including fares, tolls, rentals, rates, charges and other fees, made or received by the authority, any of its subsidiary corporations, ~~[New York city transit authority or any of its subsidiary corporations, or Triborough bridge and tunnel authority]~~ the big apple transit authority and its affiliates, and the commuter transportation authority;

~~(d)]~~ (c) the setting aside of reserves or sinking funds and the regulation and disposition thereof;

~~(e)]~~ (d) limitations on the purpose to which the proceeds of sale of notes, bonds or other obligations of the authority may be applied and pledging such proceeds to secure the payment of the notes or bonds or of any issue thereof or of other obligations;

~~(f)]~~ (e) limitations on the issuance of additional notes, bonds or other obligations of the authority; the terms upon which additional notes, bonds or other obligations of the authority may be issued and secured; the refunding of outstanding or other notes, bonds or other obligations of the authority;

~~(g)]~~ (f) the procedure, if any, by which the terms of any contract with noteholders, bondholders, or holders of other obligations of the authority, may be amended or abrogated, the amount of notes, bonds or other obligations of the authority the holders of which must consent thereto, and the manner in which such consent may be given;

~~(h)]~~ (g) limitations on the amount of monies to be expended by the authority ~~[or any of its subsidiary corporations or New York city transit authority or any of its subsidiary corporations or Triborough bridge and tunnel authority for operating, administrative or other expenses of the authority or any of its subsidiary corporations or New York city transit authority or any of its subsidiary corporations or Triborough bridge and tunnel authority];~~

~~(i)]~~ (h) vesting in a trustee or trustees such property, rights, powers and duties in trust as the authority may determine, which may include any or all of the rights, powers and duties of the trustee appointed by the bondholders, noteholders or holders of other obligations of the authority pursuant to this title, and limiting or abrogating the right of the bondholders, noteholders or holders of other obligations of the authority to appoint a trustee under this article or limiting the rights, powers and duties of such trustee;

~~(j)]~~ (i) any other matters, of like or different character, which in any way affect the security or protection of the notes, bonds or other obligations of the authority.

4. In addition to the powers herein conferred upon the authority to secure its notes, bonds and other obligations, the authority shall have power in connection with the issuance of notes, bonds and other obligations to enter into such agreements as the authority may deem necessary, convenient or desirable concerning the use or disposition of the monies or property of ~~[any of] the authority[, its subsidiary corporations, New York city transit authority, or any of its subsidiary corporations, or Triborough bridge and tunnel authority]~~, including the mortgaging of any such property and the entrusting, pledging or creation of any other security interest in any such monies or property and the doing of any act (including refraining from doing any act) which the authority would have the right to do in the absence of such agreements. The authority shall have power to enter into amendments of any such agreements within the powers granted to the authority by this title and



1 to perform such agreements. The provisions of any such agreements may be  
2 made a part of the contract with the holders of the notes, bonds and  
3 other obligations of the authority.

4 6. Neither the members of the authority, [~~the New York city transit~~  
5 ~~authority or the Triborough bridge and tunnel authority~~] the big apple  
6 transit authority or any of its affiliates, or the commuter transporta-  
7 tion authority nor any person executing the notes, bonds or other obli-  
8 gations shall be liable personally on the notes, bonds or other obli-  
9 gations or be subject to any personal liability or accountability by  
10 reason of the issuance thereof.

11 9. So long as the authority has outstanding any bonds, notes or other  
12 obligations issued pursuant to this section or any bonds, notes or other  
13 obligations issued or incurred pursuant to the former section twelve  
14 hundred sixty-six-c of this title, none of the authority or any of its  
15 subsidiary corporations, New York city transit authority or any of its  
16 subsidiary corporations, or Triborough bridge and tunnel authority shall  
17 have the authority to file a voluntary petition under chapter nine of  
18 the federal bankruptcy code or such corresponding chapter, chapters or  
19 sections as may, from time to time, be in effect, and neither any public  
20 officer nor any organization, entity or other person shall authorize the  
21 authority or any of its subsidiary corporations, New York city transit  
22 authority or any of its subsidiary corporations, or Triborough bridge  
23 and tunnel authority to be or become a debtor under chapter nine or said  
24 corresponding chapter, chapters or sections of the federal bankruptcy  
25 code during any such period.

26 § 29. Section 1269-a of the public authorities law is REPEALED.

27 § 30. Section 1269-b of the public authorities law is REPEALED.

28 § 31. Section 1269-c of the public authorities law is REPEALED.

29 § 32. Section 1269-d of the public authorities law is REPEALED.

30 § 33. Section 1269-f of the public authorities law is REPEALED.

31 § 34. Section 1269-g of the public authorities law is REPEALED.

32 § 35. Subdivisions 2 and 3 and paragraphs (a), (d) and (e) of subdivi-  
33 sion 4 of section 1270-a of the public authorities law, subdivisions 2  
34 and 3 and paragraphs (a) and (d) of subdivision 4 as amended by section  
35 29 of part 0 of chapter 61 of the laws of 2000, and paragraph (e) of  
36 subdivision 4 as amended by section 7 of part FF of chapter 58 of the  
37 laws of 2019, are amended to read as follows:

38 2. Moneys in the transit account [~~may be pledged to the Triborough~~  
39 ~~bridge and tunnel authority to secure bonds and notes and, if so~~  
40 ~~pledged,~~] if already pledged prior to January first, two thousand twen-  
41 ty-four, shall be paid to the Triborough bridge and tunnel authority in  
42 such amounts and at such times as necessary to pay or to reimburse that  
43 authority for its payment of debt service and reserve requirements on  
44 that portion of special Triborough bridge and tunnel authority bonds and  
45 notes issued by that authority pursuant to section five hundred fifty-  
46 three-d of this chapter for transit projects undertaken for the New York  
47 city transit authority and its subsidiaries. Subject to the provisions  
48 of such pledge, any excess monies, or in the event there is no such  
49 pledge, any moneys in such account shall, at the direction of the  
50 [~~metropolitan transportation~~] big apple transit authority, be (a) depos-  
51 ited into one or more funds or accounts and used as contemplated by  
52 section [~~twelve hundred seventy-d~~] thirteen hundred forty-nine-dd of  
53 this [~~title~~] chapter or (b) used for the payment of operating and capi-  
54 tal costs of the New York city transit authority and its subsidiaries  
55 and the Staten Island rapid transit operating authority.

1 3. The authority shall transfer in nineteen hundred eighty-seven up to  
2 twenty million dollars of the moneys in the commuter railroad account to  
3 the suburban transportation fund in accordance with the terms of an  
4 agreement between the authority and the department of transportation  
5 with respect thereto, established herein, and pursuant to section eight-  
6 y-eight-b of the state finance law. In subsequent years the authority  
7 shall transfer twenty million dollars of the moneys in the commuter  
8 railroad account to the suburban transportation fund in accordance with  
9 the terms of an agreement between the authority and the department of  
10 transportation with respect thereto, established herein, and pursuant to  
11 section eighty-eight-b of the state finance law.

12 In the event the transfer to the suburban transportation fund provided  
13 pursuant to this subdivision results in an operating deficit, as certi-  
14 fied by the director of the division of the budget, in consultation with  
15 the authority, that portion of the deficit attributable to such transfer  
16 shall be appropriated from the general fund to the authority for commu-  
17 ter railroad operating purposes, provided, however, that such appropri-  
18 ation shall not exceed twenty million dollars.

19 The remaining moneys in the commuter railroad account [~~may be pledged~~  
20 ~~to the Triborough bridge and tunnel authority to secure bonds and notes~~  
21 ~~and, if so pledged~~] if already pledged prior to January first, two thou-  
22 sand twenty-four, shall be paid to the Triborough bridge and tunnel  
23 authority in such amounts and at such times as necessary to pay or to  
24 reimburse that authority for its payment of debt service and reserve  
25 requirements on that portion of special Triborough bridge and tunnel  
26 authority bonds and notes issued by that authority pursuant to section  
27 five hundred fifty-three-d of this chapter for transportation facilities  
28 undertaken for the authority and its subsidiaries. Subject to the  
29 provisions of any such pledge, any excess monies, or in the event there  
30 is no such pledge, any moneys in such account shall[, ~~at the direction~~  
31 ~~of the metropolitan transportation authority, be (a) deposited into one~~  
32 ~~or more funds or accounts and used as contemplated by section twelve~~  
33 ~~hundred seventy-d of this title or, (b)] be used for payment of operat-  
34 ing and capital costs of the Long Island Rail Road company and the  
35 Metro-North commuter railroad company.~~

36 (a) Moneys in the corporate transportation account shall first be used  
37 for payments to the metropolitan transportation authority Dutchess,  
38 Orange and Rockland fund established by section twelve hundred seventy-b  
39 of this title. The remaining moneys in the corporate transportation  
40 account [~~may be pledged by the authority, or pledged to the Triborough~~  
41 ~~bridge and tunnel authority, to secure bonds, notes or other obligations~~  
42 ~~of the authority or the Triborough bridge and tunnel authority, as the~~  
43 ~~case may be, and, if so pledged~~], if already pledged to the Triborough  
44 bridge and tunnel authority prior to January first, two thousand twen-  
45 ty-four, shall be paid to the Triborough bridge and tunnel authority in  
46 such amounts and at such times as necessary to pay or to reimburse that  
47 authority for its payment of debt service and reserve requirements, if  
48 any, on that portion of special Triborough bridge and tunnel authority  
49 bonds and notes issued by that authority pursuant to section five  
50 hundred fifty-three-d of this chapter. Subject to the provisions of any  
51 such pledge, or in the event there is no such pledge, any excess moneys  
52 in the corporate transportation account [~~may~~] shall be [~~used by the~~  
53 ~~authority for payment of operating costs of, and capital costs, includ-~~  
54 ~~ing debt service and reserve requirements, if any, of or for the author-~~  
55 ~~ity,~~] transferred to the [~~New York city transit authority and their~~

~~subsidiaries as the authority shall determine]~~ big apple transit authority.

(d) (1) In the event the county of Dutchess, the county of Orange or the county of Rockland withdraws from the metropolitan transportation district, the authority shall not transfer from the corporate transportation account to the metropolitan transportation authority Dutchess, Orange and Rockland fund that portion of the moneys that would otherwise be transferred from such account to such fund to the credit of such withdrawing county or counties.

(2) For purposes of this subdivision, a county is deemed to have withdrawn if a resolution is adopted and filed by the county legislature of such county providing a public transportation plan pursuant to section ~~[twelve hundred seventy-nine-b]~~ thirteen hundred forty-nine-wwww of this ~~[title]~~ chapter.

(e) Notwithstanding the foregoing provisions of this subdivision, any moneys in the corporate transportation account that are received by the authority: (i) without appropriation pursuant to subdivision one of this section, or (ii) pursuant to the provisions of section ninety-two-ff of the state finance law ~~[may be pledged by the authority, or pledged to the Triborough bridge and tunnel authority, to secure bonds, notes or other obligations of the authority or the Triborough bridge and tunnel authority, as the case may be, and, if so pledged],~~ if already pledged to the Triborough bridge and tunnel authority prior to January first, two thousand twenty-four, shall be paid to the Triborough bridge and tunnel authority in such amounts and at such times as necessary to pay or to reimburse that authority for its payment of debt service and reserve requirements, if any, on that portion of special Triborough bridge and tunnel authority bonds and notes issued by that authority pursuant to section five hundred fifty-three-d of this chapter. Subject to the provisions of any such pledge, or in the event there is no such pledge, any moneys in the corporate transportation account received by the authority: (i) without appropriation pursuant to subdivision one of this section, or (ii) pursuant to the provisions of section ninety-two-ff of the state finance law ~~[may]~~ shall be ~~[used by the authority for payment of operating costs of, and capital costs, including debt service and reserve requirements, if any, of or for the authority,]~~ transferred to the [New York city transit authority and their subsidiaries as the authority shall determine] big apple transit authority. No moneys in the corporate transportation account that are reserved by the authority: (i) without appropriation pursuant to subdivision one of this section; or (ii) pursuant to the provisions of section ninety-two-ff of the state finance law may be used for making any payment to the Dutchess, Orange and Rockland fund created by section twelve hundred seventy-b of this title or considered in calculating the amounts required to be paid into such fund.

§ 36. Subdivision 3 of section 1270-c of the public authorities law, as amended by section 30 of part 0 of chapter 61 of the laws of 2000, is amended to read as follows:

3. Moneys in the fund may be ~~[(a) pledged by the authority to secure and be applied to the payment of its bonds, notes or other obligations specified by the authority and issued to finance (i) transit projects undertaken for the New York city transit authority and its subsidiaries and (ii) transportation facilities undertaken for the authority and its subsidiaries and (b)]~~ used for payment of operating costs, ~~[and capital costs,]~~ including debt service, reserve requirements, if any, the payment of amounts required under bond and note facilities or agreements

related thereto, the payment of federal government loans, security or credit arrangements or other agreements related thereto, and the payment of all costs related to such obligations, of or for the authority[~~, the New York city transit authority and their subsidiaries as the authority shall determine~~]. To the extent moneys in the fund have already been pledged by the authority prior to January first, two thousand twenty-four to secure and pay its bonds, notes or other obligations [~~as herein provided~~], moneys deposited into the fund shall first be deposited into the pledged amounts account to the extent necessary to satisfy the requirements of any debt service or reserve requirements, if any, of the resolution authorizing such bonds, notes or other obligations. After satisfaction of such requirements of the resolution, or if the authority has not so pledged the moneys in the fund, moneys deposited in the fund shall be directly deposited into the operating and capital costs account and, subject to the provisions of any resolutions of the authority not secured by the pledged amounts account, transferred forthwith to or for the benefit of the [~~New York city transit authority and its subsidiaries and the Staten Island rapid transit operating authority~~] big apple transit authority (the "[~~TA~~] BAT") and to and for the benefit of the [~~Long Island Rail Road company and the Metro-North commuter rail road company~~] commuter transportation authority (the "[~~CRR~~] CTA") as provided in this section.

Moneys in the operating and capital costs account which were deposited in the fund pursuant to appropriation from moneys deposited in the dedicated mass transportation trust fund for payment to the metropolitan transportation authority dedicated tax fund pursuant to subdivision (d) of section three hundred one-j of the tax law (the "remaining PBT amount") shall be distributed by the authority as follows: an amount equal to the debt service incurred in such calendar year as a result of obligations issued and secured by moneys in the fund, to the extent such debt service is to be paid from money deposited in the fund pursuant to appropriation from moneys deposited in the dedicated mass transportation trust fund for payment to the metropolitan transportation authority dedicated tax fund pursuant to subdivision (d) of section three hundred one-j of the tax law ("PBT debt service"), shall be added to the remaining PBT amount. The sum of these figures shall then be allocated as follows: eighty-five per centum of such sum shall be allocated to the [~~TA~~] BAT and fifteen per centum of such sum shall be allocated to the [~~CRR~~] CTA. The amounts so allocated shall then be reduced respectively by the proportional amount of PBT debt service attributable to the payments for transit projects undertaken for the [~~TA~~] BAT and transportation facility projects undertaken for the [~~CRR~~] CTA. The remaining amounts shall constitute the respective distributable shares of the remaining PBT amount and shall be distributed to or for the benefit of the [~~TA~~] BAT and the [~~CRR~~] CTA.

Moneys in the operating and capital costs account which were deposited in the fund pursuant to section eighty-eight-a of the state finance law (the "remaining MMTOA amount") shall be distributed by the authority as follows: an amount equal to the debt service incurred in such calendar year as a result of obligations issued and secured by money in the fund, to the extent such debt service is to be paid from money deposited in the fund pursuant to section eighty-eight-a of the state finance law ("MMTOA debt service"), shall be added to the remaining MMTOA amount. The sum of these figures shall then be allocated as follows: there shall be allocated (i) to the [~~TA~~] BAT an amount of such sum which bears the same proportion to such sum as the amount appropriated and paid during

1 such calendar year from the metropolitan mass transportation operating  
2 assistance account to the authority for the operating expenses of the  
3 [TA] BAT bears to the total amounts so appropriated and paid from such  
4 operating assistance account during such calendar year to the [TA] BAT  
5 and [CRR] CTA combined and (ii) to the [CRR] CTA an amount of such sum  
6 which bears the same proportion to such sum as the amount appropriated  
7 and paid during such calendar year from the metropolitan mass transpor-  
8 tation operating assistance account to the [CRR] CTA bears to the total  
9 amounts so appropriated and paid from such operating assistance account  
10 during such calendar year to the [TA] BAT and [CRR] CTA combined. The  
11 amounts so allocated shall then be reduced respectively by the propor-  
12 tional amount of MMTOA debt service attributable to the payments for  
13 transit projects undertaken for the [TA] BAT and transportation facility  
14 projects undertaken for the [CRR] CTA. The remaining amounts shall  
15 constitute the respective distributable shares of the remaining MMTOA  
16 amount and shall be distributed to or for the benefit of the [TA] BAT  
17 and the [CRR] CTA. In no event shall the authority utilize any measure  
18 or calculation for determining such distributable shares other than the  
19 formula prescribed herein nor shall the authority take any action which  
20 would result in the use of such money which is different from or incon-  
21 sistent with the use prescribed in this section.

22 To the extent that amounts described in the preceding two paragraphs  
23 are distributed more frequently than annually, each such distribution  
24 shall be made as nearly as may be practicable in accordance with the  
25 allocations described above to the [TA] BAT and the [CRR] CTA. Within  
26 thirty days after the end of each calendar year, the authority shall  
27 certify to the director of the budget, the chairperson of the senate  
28 finance committee and the chairperson of the assembly ways and means  
29 committee, the amount of money deposited in the fund pursuant to appro-  
30 priation from moneys deposited in the dedicated mass transportation  
31 trust fund for payment to the metropolitan transportation authority  
32 dedicated tax fund pursuant to subdivision (d) of section three hundred  
33 one-j of the tax law and section eighty-eight-a of the state finance  
34 law, the amounts expended from the pledged amounts account for the bene-  
35 fit of the [TA] BAT and the [CRR] CTA, and the amounts of the remaining  
36 PBT amount and the remaining MMTOA amount distributed during the prior  
37 calendar year to the [TA] BAT and the [CRR] CTA and specifying in each  
38 case the appropriation or appropriations which was the source of such  
39 amounts.

40 § 37. Section 1270-d of the public authorities law is REPEALED.

41 § 38. Section 1270-g of the public authorities law, as added by  
42 section 16 of part H of chapter 25 of the laws of 2009, is amended to  
43 read as follows:

44 § 1270-g. Regulation of certain authority expenditures. 1. The author-  
45 ity shall implement policies as appropriate to minimize unwarranted  
46 expenses and to protect against abuses in connection with (i) the grant-  
47 ing of any privileges or benefits having financial value, other than  
48 wage payments or expense reimbursements, to members or staff of the  
49 authority, or any subsidiary or other authority created by the authori-  
50 ty; and (ii) the full-time and part-time assignment and use of automo-  
51 biles owned or leased by the authority, or any subsidiary or other  
52 authority created by the authority, and the use by authority employees  
53 and board members of livery vehicles, as defined in section one hundred  
54 twenty-one-e of the vehicle and traffic law.

55 2. The authority's total expenses for its first year, not including  
56 payments of interest or principal on bonds and notes and other obli-



gations of the authority already outstanding as of January first, two thousand twenty-four, or already authorized by the 2015-2019 capital program, shall not exceed one hundred ten million dollars, and in subsequent years shall not exceed one percent of the total operating expenses, not including capital expenditures or payments of interest or principal on bonds and notes and other obligations, of the big apple transit authority in the previous year.

§ 39. Subdivision 3 of section 1270-h of the public authorities law, as added by section 16 of part H of chapter 25 of the laws of 2009, is amended to read as follows:

3. Moneys in the fund may be [~~(a) pledged by the authority to secure and be applied to the payment of the bonds, notes or other obligations of the authority issued on or after the effective date of this section to finance capital projects of the authority and its subsidiaries and the New York city transit authority and any subsidiaries; or (b)~~] used for payment of [~~capital~~] operating costs, including debt service, reserve requirements, if any, the payment of amounts required under bond and note facilities or agreements related thereto, the payment of federal government loans, security or credit arrangements or other agreements related thereto, and the payment of all costs related to such obligations, of or for the authority, the New York city transit authority and their subsidiaries as the authority shall determine. To the extent moneys in the fund have already been pledged by the authority prior to January first, two thousand twenty-four, to secure and pay the bonds, notes or other obligations of the authority issued to finance capital projects of the authority and its subsidiaries and the New York city transit authority and any subsidiaries as herein provided, monies deposited into the fund shall be deposited to the extent necessary to satisfy the requirements of any debt service or reserve requirements, if any, of the resolution authorizing such bonds, notes or other obligations. Subject to the provisions of any such pledge, or in the event there is no such pledge, any excess moneys in this fund [~~may~~] shall be [~~used by the authority for payment of operating costs of, and capital costs, including debt service and reserve requirements, if any, of or for the authority, the New York city transit authority and their subsidiaries as the authority shall determine. To the extent moneys in the fund have been pledged by the authority to secure and pay the bonds, notes or other obligations of the authority issued to finance capital projects of the authority and its subsidiaries and the New York city transit authority and any subsidiaries as herein provided, monies deposited into the fund shall be deposited to the extent necessary to satisfy the requirements of any debt service or reserve requirements, if any, of the resolution authorizing such bonds, notes or other obligations~~] transferred to the big apple transit authority.

§ 40. Subdivisions 2, 3 and 4 of section 1270-i of the public authorities law, as added by section 4 of part NNN of chapter 59 of the laws of 2018, are amended to read as follows:

2. Moneys in the subway action plan account shall be used for the exclusive purpose of funding the operating and capital costs of the [~~metropolitan transportation authority's~~] New York city subway action plan. Such funds may be used for infrastructure including construction, reconstruction, reconditioning and preservation of transportation systems, facilities and equipment, acquisition of property, and for operating costs including personal services, non-personal services, fringe benefits, and contractual services. Funds may also be used to pay or to reimburse the authority for its payment of debt service and



1 reserve requirements on that portion of authority bonds and notes issued  
2 by the authority for capital costs of the [~~metropolitan transportation~~  
3 ~~authority's~~] New York city subway action plan.

4 3. Moneys in the outer borough transportation account shall be used  
5 for the exclusive purpose of funding the operating and capital costs of  
6 [~~metropolitan transportation~~] the big apple transit authority facili-  
7 ties, equipment and services in the counties of Bronx, Kings, Queens and  
8 Richmond, and any projects improving transportation connections from  
9 such counties to New York [~~County~~] county. Such funds may be used for  
10 infrastructure including construction, reconstruction, reconditioning  
11 and preservation of transportation systems, facilities and equipment,  
12 acquisition of property, and for operating costs including personal  
13 services, non-personal services, fringe benefits, and contractual  
14 services. Funds may also be used to fund a toll reduction program for  
15 any crossings under the jurisdiction of the [~~metropolitan transporta-~~  
16 ~~tion~~] big apple transit authority [~~or its subsidiaries or~~] and its  
17 affiliates. Funds may also be used to pay or to reimburse the authority  
18 for its payment of debt service and reserve requirements on that portion  
19 of authority bonds and notes that have been issued by the authority  
20 specifically for the authorized purpose of this account. Notwithstanding  
21 any law to the contrary, final approval of the use of any funds paid  
22 into the outer borough transportation account shall be [~~unanimously~~]  
23 approved by [~~three members of the Metropolitan Transportation Authority~~  
24 ~~Capital Program Review Board, established pursuant to section twelve~~  
25 ~~hundred sixty-nine-a of this title so designated pursuant to this subdi-~~  
26 ~~vision. For purposes of such final approvals the three voting members~~  
27 ~~are: the member appointed upon recommendation by the temporary president~~  
28 ~~of the senate; the member appointed upon recommendation of speaker of~~  
29 ~~the assembly; and the member appointed by the governor~~] the mayor of New  
30 York city.

31 4. Moneys in the general transportation account shall be used for  
32 funding the operating and capital costs of the [~~metropolitan transporta-~~  
33 ~~tion~~] big apple transit authority. Such funds may be used for infras-  
34 tructure including construction, reconstruction, reconditioning and  
35 preservation of transportation systems, facilities and equipment, acqui-  
36 sition of property, and for operating costs including personal services,  
37 non-personal services, fringe benefits, and contractual services. Funds  
38 may also be used to pay or to reimburse the authority for its payment of  
39 debt service and reserve requirements on that portion of authority bonds  
40 and notes that have been issued by the authority specifically for the  
41 purposes of this account.

42 § 41. Section 1271 of the public authorities law, as amended by  
43 section 32 of part O of chapter 61 of the laws of 2000, is amended to  
44 read as follows:

45 § 1271. Agreement of the state. The state does hereby pledge to and  
46 agree with the authority and its subsidiaries, [~~New York city transit~~  
47 ~~authority and its subsidiaries, and Triborough bridge and tunnel author-~~  
48 ~~ity~~] the big apple transit authority and its affiliates, the commuter  
49 transportation authority, and the holders of any notes, bonds or other  
50 obligations, including lease obligations, issued or incurred under this  
51 title, that the state will not limit or alter the denial of authority  
52 under subdivision nine of section twelve hundred sixty-nine of this  
53 title, or the rights and powers vested in the authority and its subsid-  
54 iaries, New York city transit authority and its subsidiaries, and  
55 Triborough bridge and tunnel authority by this title to fulfill the  
56 terms of any agreements made by any of them with the holders thereof, or

1 in any way impair the rights and remedies of such holders until such  
2 notes, bonds or other obligations, including lease obligations, together  
3 with the interest thereon, with interest on any unpaid installments of  
4 interest, and all costs and expenses for which the authority or its  
5 subsidiaries, New York city transit authority and its subsidiaries, and  
6 Triborough bridge and tunnel authority is liable in connection with any  
7 action or proceeding by or on behalf of such holders, are fully met and  
8 discharged. The authority and its subsidiaries, New York city transit  
9 authority and its subsidiaries, and Triborough bridge and tunnel author-  
10 ity are each authorized to include this pledge and agreement of the  
11 state in any agreement with the holders of such notes, bonds or other  
12 obligations, including lease obligations.

13 § 42. Section 1276-f of the public authorities law is REPEALED.

14 § 43. Section 1277 of the public authorities law is REPEALED.

15 § 44. Section 1277-a of the public authorities law, as amended by  
16 section 33 of part 0 of chapter 61 of the laws of 2000, is amended to  
17 read as follows:

18 § 1277-a. Transfer and receipt of surplus funds. Notwithstanding any  
19 provision of this title or any other provision of law, general, special  
20 or local, the authority [~~may from time to time transfer and pay over to~~  
21 ~~New York city transit authority or triborough bridge and tunnel authori-~~  
22 ~~ty all or any part of its surplus funds, and~~] may accept and use any  
23 moneys transferred and paid over to it by [~~New York city transit~~] the  
24 big apple transit authority and its affiliates or [~~triborough bridge and~~  
25 ~~tunnel~~] the commuter transportation authority.

26 § 45. Section 1279 of the public authorities law is REPEALED.

27 § 46. Section 1279-a of the public authorities law is REPEALED.

28 § 47. Section 1279-b of the public authorities law is REPEALED.

29 § 48. Section 1279-c of the public authorities law is REPEALED.

30 § 49. Section 1279-d of the public authorities law is REPEALED.

31 § 50. Section 1279-e of the public authorities law is REPEALED.

32 § 51. Section 1279-f of the public authorities law is REPEALED.

33 § 52. Section 1279-g of the public authorities law is REPEALED.

34 § 53. Section 1279-h of the public authorities law is REPEALED.

35 § 54. Section 1279-l of the public authorities law is REPEALED.

36 § 55. Subdivision 1 of section 17-b of the transportation law, as  
37 amended chapter 84 of the laws of 1985, is amended to read as follows:

38 1. Notwithstanding the provisions of [~~subdivision eight of section~~  
39 ~~twelve hundred sixty-six and~~] subdivision seven of section twelve  
40 hundred ninety-nine-f of the public authorities law or of [~~subdivision~~  
41 ~~seventeen of~~] section one hundred forty-two of this chapter, every  
42 transportation authority and every other public transportation operator  
43 or carrier receiving mass transportation operating assistance pursuant  
44 to section eighteen-b of this [~~chapter~~] article either directly from the  
45 department [~~of transportation~~] or through a county or municipality  
46 pursuant to said section, shall prepare and publicize a plan for trans-  
47 portation safety, including but not limited to equipment maintenance  
48 procedures, personnel safety training programs, accident reporting  
49 systems, passenger safety practices and the persons responsible for the  
50 implementation of such practices and programs. Every authority and every  
51 other public transportation operator or carrier required herein to file  
52 such a plan shall review such plan biennially and amend such plan if  
53 amendments are necessary.

54 § 56. Subdivision 17 of section 553 of the public authorities law, as  
55 amended by section 4 of part 0 of chapter 61 of the laws of 2000, is  
56 amended to read as follows:

17. To do all things necessary or convenient to carry out the powers expressly given in this title and to assist and cooperate with the metropolitan transportation authority to carry out the powers of the metropolitan transportation authority in furtherance of the purposes and powers of the authority as provided in this article, including, without limitation, the transactions described in [~~sections twelve hundred sixty-six-e,~~ section twelve hundred sixty-nine~~, and twelve hundred seventy-d~~] of this chapter.

§ 57. Subdivisions 9 and 10 of section 553-e of the public authorities law are REPEALED.

§ 58. Subdivisions 7 and 11 of section 553-e of the public authorities law, subdivision 7 as added by chapter 314 of the laws of 1981 and subdivision 11 as amended by chapter 929 of the laws of 1986, are amended to read as follows:

7. The metropolitan transportation authority, the New York city transit authority and the designated subsidiaries of each of them are each hereby authorized (i) to request the authority to undertake any such project; (ii) to acquire in its own name by gift, purchase or condemnation, and, additionally, in the case of the metropolitan transportation authority, by appropriation [~~pursuant to section twelve hundred sixty-seven-a of this chapter~~], any real or personal property (or any interest therein), which is needed or useful for or in connection with such project, the provisions of any lease or other agreement with the city to the contrary notwithstanding, and to surrender the use, occupancy, control or possession of or to transfer the same, or of any other such real or personal property (or any interest therein) which it owns, leases, operates or controls, to the authority; (iii) to accept a transfer, transfer back, lease or sublease of any such project or part thereof upon its completion; (iv) to undertake any such project itself, or to finance, through loans, leases or otherwise, any other person or entity, public or private, to do so, in each case using funds granted by the authority to pay all or any part of the costs thereof (such undertaking, in the case of the New York city transit authority and its subsidiary, the Manhattan and Bronx surface transit operating authority, being free of any restriction set forth in subparagraph (ii) of paragraph b of subdivision one of section twelve hundred three or in paragraph (c) of subdivision five of section twelve hundred three-a of this chapter); and (v) to make its agents, employees and facilities available to the authority in connection therewith.

11. The aggregate principal amount of bonds and notes issued and outstanding at any time to finance projects authorized by paragraphs (m), (n), (o), (p) and (r) of subdivision nine of section five hundred fifty-three of this title shall not exceed one billion one hundred million dollars through December thirty-first, nineteen hundred eighty-six and three billion two hundred million dollars thereafter, provided however that such latter amount shall not exceed two billion two hundred million dollars for all bonds and notes other than those issued pursuant to section five hundred fifty-three-d of this title. This limitation shall not include (i) bonds and notes issued to refund or otherwise repay bonds or notes theretofore issued for such purposes, (ii) bonds issued to fund any reasonably required debt service reserve fund for bonds and notes, and (iii) an amount equal to any original issue discount from the [~~principal~~ principal] amount of any bonds or notes issued and then outstanding. From the proceeds of the bonds and notes provided for in the first sentence of this subdivision, other than bonds or notes authorized by section five hundred fifty-three-d of this title,

1 the authority shall not expend more than one billion three hundred twen-  
2 ty million dollars for transit projects [~~as defined in section twelve~~  
3 ~~hundred sixty-six-e of this chapter~~] nor more than eight hundred eighty  
4 million dollars for transportation facilities as such term is defined in  
5 subdivision fourteen of section twelve hundred sixty-one of this chapter  
6 other than marine or aviation facilities. For the purposes of this  
7 subdivision, facilities under the jurisdiction of the Staten Island  
8 rapid transit operating authority shall be considered transit projects.

9 § 59. Subdivision 6 of section 1201 of the public authorities law, as  
10 amended by section 11 of part 0 of chapter 61 of the laws of 2000, is  
11 amended to read as follows:

12 6. The authority and its corporate existence shall continue until  
13 terminated by law, provided however, that no such law shall take effect  
14 so long as the authority or any of its subsidiaries, the metropolitan  
15 transportation authority or the Triborough bridge and tunnel authority  
16 shall have outstanding any notes or bonds or lease, sublease or other  
17 contractual obligations issued or incurred pursuant to section twelve  
18 hundred seven-m of this title or issued or incurred in connection with  
19 the transfer of its interest in and the lease from the transferee of any  
20 property furnished to it pursuant to chapter twelve of the laws of nine-  
21 teen hundred seventy-nine or section fifteen of chapter three hundred  
22 fourteen of the laws of nineteen hundred eighty-one[, ~~or section twelve~~  
23 ~~hundred sixty-six-e or twelve hundred seventy-d of this article~~], unless  
24 adequate provision has been made for the payment or satisfaction of such  
25 outstanding notes, bonds, lease, sublease or other contractual obli-  
26 gations.

27 § 60. Subdivision 11 of section 1204 of the public authorities law, as  
28 amended by section 14 of part 0 of chapter 61 of the laws of 2000, is  
29 amended to read as follows:

30 11. To make or enter into contracts, agreements, deeds, leases,  
31 conveyances or other instruments necessary or convenient, and to assist  
32 and cooperate with the metropolitan transportation authority to carry  
33 out the powers of the metropolitan transportation authority in further-  
34 ance of the purposes and powers of the authority as provided in this  
35 article, including, without limitation, the transactions described in  
36 [~~sections twelve hundred sixty-six-e,~~ section twelve hundred sixty-nine  
37 [~~and twelve hundred seventy-d~~] of this article. This power shall include  
38 the power to make contracts with other persons operating transit facili-  
39 ties for combined fares for the use of such facilities and the transit  
40 facilities operated by the authority and for the division of such fares,  
41 and the power to make contracts for the transportation of the United  
42 States mail or personal property.

43 § 61. Intentionally omitted.

44 § 62. Intentionally omitted.

45 § 63. The opening paragraph of subdivision 4 and subdivisions 5 and 11  
46 of section 1209 of the public authorities law, the opening paragraph of  
47 subdivision 4 as added by chapter 430 of the laws of 1983, subdivision 5  
48 as added by chapter 383 of the laws of 1985 and subdivision 11 as added  
49 by chapter 929 of the laws of 1986, are amended to read as follows:

50 Notwithstanding the provisions of subdivision two of this section, a  
51 contract for the purchase of omnibuses or components of omnibuses in  
52 furtherance or implementation of a capital program plan [~~approved pursu-~~  
53 ~~ant to section twelve hundred sixty-nine-b of this article~~] may also be  
54 awarded by the authority by negotiation without competitive bidding  
55 provided the following standards and procedures are complied with:

1 5. (a) Notwithstanding that funds of the authority may be used there-  
2 for, a contract for all or a portion of work involving the alteration,  
3 expansion or rehabilitation of a passenger station may be awarded by the  
4 authority, by negotiation without competitive bidding, to a private  
5 entity or the designee of a private entity where the authority by vote  
6 of not less than eleven of its members approves written findings that  
7 such award is expected to permit the alteration, expansion or rehabili-  
8 tation to be carried out in the most efficient and cost effective  
9 manner, that such private entity has agreed to pay at least one million  
10 dollars toward the cost of the work, that such payment represents not  
11 less than fifty percent of the total cost of the work, and that the  
12 authority has complied with the procedures provided in paragraph (b) of  
13 this subdivision. Notwithstanding the foregoing, a contract for all or a  
14 portion of work involving the alteration, expansion or rehabilitation of  
15 the passenger station located at the western terminus of the forty-second  
16 street shuttle may be awarded by the authority, by negotiation with-  
17 out competitive bidding, to a private entity or the designee of a  
18 private entity where the authority by vote of not less than eleven of  
19 its members approves written findings that such award is expected to  
20 permit the alteration, expansion or rehabilitation to be carried out in  
21 the most efficient and cost effective manner, and that the authority has  
22 complied with the procedures provided in paragraph (b) of this subdivi-  
23 sion.

24 (b) Not less than fifteen days prior to the consideration by the board  
25 of the authority of a contract to be let pursuant to this subdivision, a  
26 notice shall be published in at least one newspaper of general circu-  
27 lation. Such notice shall identify the parties to the proposed contract  
28 and summarize its terms and conditions. Such notice shall also invite  
29 written public comment concerning the proposed contract, including, to  
30 the extent appropriate, the submission of alternatives for the authori-  
31 ty's consideration. Such information shall be considered by the board of  
32 authority prior to the approval of any contract proposed to be awarded  
33 pursuant to this subdivision.

34 ~~[(c) Any contract entered into pursuant to this subdivision shall~~  
35 ~~comply with the requirements of subdivision thirteen of section twelve~~  
36 ~~hundred sixty six e of this article.]~~

37 11. The authority shall compile a list of potential sources of  
38 supplies, materials or equipment regularly purchased. The authority  
39 shall, by resolution, set forth the procedures it has established to  
40 identify new sources and to notify such new sources of the opportunity  
41 to bid for contracts for the purchase of supplies, materials or equip-  
42 ment. Such procedures shall include, but not be limited to: (a) adver-  
43 tising in trade journals; (b) cooperation with federal, state and local  
44 agencies within its area of operations; and (c) publication in the state  
45 register quarterly~~[, and (d) procedures established pursuant to subdivi-~~  
46 ~~sion thirteen of section twelve hundred sixty six e of this article].~~

47 § 64. Subdivision 5 of section 1276-b of the public authorities law,  
48 as added by section 17 of part H of chapter 25 of the laws of 2009, is  
49 amended to read as follows:

50 5. Strategic operation plan. Financial information required to be  
51 submitted by the authority ~~[pursuant to paragraphs d and e of subdivi-~~  
52 ~~sion one of section twelve hundred sixty nine e of this title]~~ shall be  
53 presented in a format consistent with the budget and plan, in downloada-  
54 ble, searchable format.



§ 65. Section 553-d of the public authorities law, as amended by section 6 of part 0 of chapter 61 of the laws of 2000, is amended to read as follows:

§ 553-d. Special Triborough bridge and tunnel authority special obligation bonds and notes. In addition to the powers contained elsewhere in this title with respect to the projects authorized by paragraphs (m), (n), (o), (p) and (r) of subdivision nine of section five hundred fifty-three of this title, and subject to the application of the revenues and other monies and assets of the authority [~~pursuant to section twelve hundred seventy-d of this chapter~~], the authority may issue its bonds and notes to finance such projects payable from and secured by all or any part of the moneys received by the authority from the metropolitan transportation authority special assistance fund established under section twelve hundred seventy-a of this chapter, provided however that such bonds and notes may also be payable from and secured by any other moneys, securities and funds designated by the authority as additional security therefor. Debt service on bonds and notes issued by the authority pursuant to this section which is paid or reimbursed from moneys received by the authority from the metropolitan transportation authority special assistance fund shall not be deemed to constitute debt service incurred by the authority for purposes of subdivision three of section twelve hundred nineteen-a of this chapter. Such bonds or notes shall be issued in the manner provided in section five hundred sixty-one of this title.

§ 66. This act shall take effect January 1, 2024, provided, however, that the amendments to subdivision 12-a of section 1266 of the public authorities law made by section eleven of this act shall not affect the repeal of such subdivision and shall be deemed repealed therewith.

## PART B

Section 1. Subdivisions 1 and 3 of section 1200 of the public authorities law, as added by chapter 200 of the laws of 1953 and such section as renumbered by chapter 914 of the laws of 1957, are amended and two new subdivisions 4-a and 19 are added to read as follows:

1. "Authority." The corporation created by section [~~eighteen~~] twelve hundred one of this title.

3. "Board of estimate." The former board of estimate of the city.

4-a. "City council." The city council of New York.

19. "Big apple transit authority." The corporation created by section thirteen hundred forty-nine-c of this article.

§ 2. Subdivisions 1, 2, 5 and 6 of section 1201 of the public authorities law, subdivisions 1 and 5 as amended by chapter 929 of the laws of 1986, subdivision 2 as amended by chapter 506 of the laws of 2009, and subdivision 6 as amended by section 11 of part 0 of chapter 61 of the laws of 2000, are amended to read as follows:

1. A board, to be known as "New York City Transit Authority" is hereby created. Such board shall be a body corporate and politic constituting a public benefit corporation. It shall consist of seventeen members, all serving ex officio. Those members shall be the persons who from time to time shall hold the offices of chairman and members of [~~metropolitan transportation~~] the big apple transit authority.

2. The chairman of such board shall be the chairman of [~~metropolitan transportation~~] the big apple transit authority, serving ex officio, and, provided that there is an executive director of the [~~metropolitan transportation~~] big apple transit authority, the executive director of



1 the authority shall be the executive director of the [~~metropolitan~~  
2 ~~transportation~~] big apple transit authority, serving ex officio.  
3 Notwithstanding any provision of law to the contrary, the chairman shall  
4 be the chief executive officer of the authority and shall be responsible  
5 for the discharge of the executive and administrative functions and  
6 powers of the authority. The chairman and executive director, if any,  
7 each shall be empowered to delegate his or her functions and powers to  
8 one or more officers or employees designated by him or her.

9 5. A majority of the whole number of members of the authority then in  
10 office shall constitute a quorum for the transaction of any business or  
11 the exercise of any power of the authority. Except as otherwise speci-  
12 fied in this title, for the transaction of any business or the exercise  
13 of any power of the authority, the authority shall have the power to act  
14 by a majority vote of the members present at any meeting at which a  
15 quorum is in attendance. In the event of a tie vote the chairman shall  
16 cast one additional vote. For the purposes of the voting and quorum  
17 requirements of this subdivision, the voting and quorum requirements set  
18 forth in subdivision three of section [~~twelve hundred sixty-three~~] thir-  
19 teen hundred forty-nine-c of this article and in any by-law of the  
20 [~~metropolitan transportation~~] big apple transit authority adopted pursu-  
21 ant to the provisions of such subdivision shall be applicable hereto.

22 6. The authority and its corporate existence shall continue until  
23 terminated by law, provided however, that no such law shall take effect  
24 so long as the authority [~~or any of its subsidiaries~~], the big apple  
25 transit authority, the metropolitan transportation authority [~~or~~], the  
26 Triborough bridge and tunnel authority, or any of their respective  
27 subsidiaries, shall have outstanding any notes or bonds or lease,  
28 sublease or other contractual obligations issued or incurred pursuant to  
29 section twelve hundred seven-m of this title or issued or incurred in  
30 connection with the transfer of its interest in and the lease from the  
31 transferee of any property furnished to it pursuant to chapter twelve of  
32 the laws of nineteen hundred seventy-nine or section fifteen of chapter  
33 three hundred fourteen of the laws of nineteen hundred eighty-one, or  
34 section [~~twelve hundred sixty-six-e~~] thirteen hundred forty-nine-j or  
35 [~~twelve hundred seventy-d~~] thirteen hundred forty-nine-dd of this arti-  
36 cle, unless adequate provision has been made for the payment or satis-  
37 faction of such outstanding notes, bonds, lease, sublease or other  
38 contractual obligations.

39 § 3. Section 1202 of the public authorities law, as added by chapter  
40 200 of the laws of 1953, subdivision 1 as amended by section 12 of part  
41 O of chapter 61 of the laws of 2000 and such section as renumbered by  
42 chapter 914 of the laws of 1957, is amended to read as follows:

43 § 1202. Purposes of the authority. 1. The purposes of the authority  
44 shall be the acquisition of the transit facilities operated by the board  
45 of transportation of the city, the operation of transit facilities in  
46 accordance with the provisions of this title for the convenience and  
47 safety of the public on a basis which will enable the operations there-  
48 of, exclusive of capital costs, to be self-sustaining, and, in coordi-  
49 nation with the [~~metropolitan transportation~~] big apple transit authori-  
50 ty and the Triborough bridge and tunnel authority, the continuance,  
51 further development and improvement of commuter transportation and other  
52 services related thereto within the [~~metropolitan commuter transporta-~~  
53 ~~tion district~~] city of New York and the development and implementation  
54 of a unified mass transportation policy for such [~~district~~] city.

55 2. It is hereby found and declared that such purposes are in all  
56 respects for the benefit of the people of the [~~state~~] city of New York

1 and the authority shall be regarded as performing a governmental func-  
2 tion in carrying out its corporate purpose and in exercising the powers  
3 granted by this title.

4 § 4. Subparagraph (ii) of paragraph b of subdivision 1 of section 1203  
5 of the public authorities law, as amended by chapter 717 of the laws of  
6 1967, is amended to read as follows:

7 (ii) From and after March first, nineteen hundred sixty-eight, the  
8 authority shall also have the right to incur capital costs of such  
9 nature in its own name to the extent that capital funds are available to  
10 it for expenditures of such nature pursuant to the provisions of section  
11 twelve hundred nineteen-a of this [~~chapter~~] title or of any other  
12 provision of law, which capital costs shall not be payable by the city;  
13 provided, however, that no project to be financed by the use of such  
14 capital funds which is estimated by the authority to involve an expendi-  
15 ture in excess of one million dollars shall be commenced unless the  
16 mayor and the [~~board of estimate~~] city council shall each have been  
17 notified in writing by the authority of the intent of the authority to  
18 undertake such project and of the nature thereof. No such project shall  
19 be commenced if and to the extent that either the mayor or a majority in  
20 voting power of the members of the [~~board of estimate~~] city council  
21 shall find that it is incompatible with sound planning for the develop-  
22 ment or redevelopment of the city, provided such finding, together with  
23 the reasons therefor, is set forth in a writing delivered to the author-  
24 ity within thirty days of the receipt by the mayor or the [~~board of~~  
25 ~~estimate~~] city council, as the case may be, of the notification of the  
26 authority relating to such project. If any such project is not so disap-  
27 proved, it may nevertheless not be commenced unless and until the city  
28 shall have been given an opportunity to include the same in the capital  
29 budget of the city for the first fiscal year of the city commencing not  
30 less than six months after receipt of such notification. If and to the  
31 extent that such project is included in such capital budget, the author-  
32 ity may not thereafter incur capital costs for the same in its own name.  
33 If or to the extent such project is not included in such capital budget,  
34 the authority may incur capital costs for the same in its own name. The  
35 operation of sections twenty, twenty-one and twenty-two of the rapid  
36 transit law shall be suspended with respect to any project financed with  
37 the capital funds referred to in this subparagraph.

38 § 5. Paragraph (f) of subdivision 3, paragraph (c) of subdivision 5  
39 and subdivision 8 of section 1203-a of the public authorities law, para-  
40 graph (f) of subdivision 3 as amended by chapter 791 of the laws of 1962  
41 and paragraph (c) of subdivision 5 as amended and subdivision 8 as added  
42 by chapter 717 of the laws of 1967, are amended to read as follows:

43 (f) to operate omnibus lines on those routes in the city of New York  
44 where on February twenty-eighth, nineteen hundred sixty-two, omnibus  
45 lines were operated under franchises or temporary certificates of  
46 convenience and necessity which have been revoked, terminated, rescinded  
47 or condemned, or acquired by any other means, and to extend such routes  
48 so as to provide the complete service operated on February twenty-  
49 eighth, nineteen hundred sixty-two; and such operation, together with  
50 the necessary extensions, shall be deemed to constitute operation over  
51 approved routes with the same force and effect as if the said routes had  
52 been duly approved by the [~~board of estimate~~] city council of the city,  
53 as provided by law; and to operate on such other routes as the [~~board~~  
54 council] may authorize by resolution adopted only after a public hearing  
55 held after notice thereof, and of the proposed route, and the proposed  
56 resolutions authorizing the same, have been published in full for at

1 least fifteen days, except Sundays and legal holidays, immediately prior  
2 thereto in the City Record, and at least twice in two newspapers  
3 published in the borough or boroughs affected, to be designated by the  
4 board.

5 (c) capital costs not now charged by the transit authority as operat-  
6 ing expenses shall be paid by the city; provided, however, that from and  
7 after March first, nineteen hundred sixty-eight, the subsidiary corpo-  
8 ration shall also have the right to incur capital costs in its own name  
9 to the extent that capital funds are available to it pursuant to the  
10 provisions of sections twelve hundred nineteen-a and twelve hundred  
11 three-b of this ~~[chapter]~~ title or of any other law, which capital costs  
12 shall not be payable by the city; and provided, further, that no project  
13 to be financed by the use of such capital funds which is estimated by  
14 the subsidiary corporation to involve an expenditure in excess of one  
15 million dollars shall be commenced unless the mayor and the ~~[board-of~~  
16 ~~estimate]~~ city council shall each have been notified in writing by the  
17 subsidiary corporation of the intent of the subsidiary corporation to  
18 undertake such project and of the nature thereof. No such project shall  
19 be commenced if and to the extent that either the mayor or a majority in  
20 voting power of the members of the ~~[board-of-estimate]~~ city council  
21 shall find that it is incompatible with sound planning for the develop-  
22 ment or redevelopment of the city, provided such finding, together with  
23 the reasons therefor, is set forth in a writing delivered to the subsid-  
24 iary corporation within thirty days of the receipt by the mayor or the  
25 ~~[board-of-estimate]~~ city council, as the case may be, of the notifica-  
26 tion of the subsidiary corporation relating to such project. Where the  
27 city is required to pay the capital costs of the subsidiary corporation  
28 pursuant to such agreement, serial bonds or capital notes may be issued  
29 by the city, pursuant to the local finance law, to finance any such  
30 costs. The subsidiary corporation shall submit timely requests for the  
31 necessary capital funds to the city planning commission and the mayor of  
32 the city;

33 8. From and after March first, nineteen hundred sixty-eight, no  
34 substantial or general change in the levels of service furnished upon  
35 the facilities of the subsidiary corporation shall be instituted except  
36 upon not less than thirty days' written notice to the mayor and to the  
37 ~~[board-of-estimate]~~ city council.

38 § 6. Section 1203-b of the public authorities law, as amended by  
39 section 13 of part O of chapter 61 of the laws of 2000, is amended to  
40 read as follows:

41 § 1203-b. Transfer of funds. The authority and its subsidiary corpo-  
42 ration, the Manhattan and Bronx surface transit operating authority, may  
43 each transfer to the other from time to time such available funds as  
44 they may jointly determine to be necessary or desirable, including funds  
45 accepted by the authority pursuant to the provisions of section twelve  
46 hundred nineteen-a of this title. Subject to the rights of the holders  
47 of any outstanding bonds, notes or other obligations of the authority,  
48 the big apple transit authority, the metropolitan transportation author-  
49 ity and the Triborough bridge and tunnel authority, and to facilitate  
50 the efficient financial management of the authority, ~~[its—subsidiary~~  
51 ~~corporations]~~ the big apple transit authority, the metropolitan trans-  
52 portation authority and its subsidiary corporations, and the Triborough  
53 bridge and tunnel authority (the "affiliated entities"), the authority  
54 may, and shall at the direction of ~~[metropolitan transportation]~~ the big  
55 apple transit authority, transfer revenues, subsidies and other monies  
56 or securities to one or more funds or accounts of another affiliated

1 entity for use by such other affiliated entity, provided at the time of  
2 such transfer it is reasonably anticipated that the monies and securi-  
3 ties so transferred will be reimbursed, repaid or otherwise provided for  
4 by the end of the next succeeding calendar year if reimbursement or  
5 repayment is required by law or by any agreement to which any of the  
6 affected affiliated entities is subject. Any revenues of an affiliated  
7 entity that are transferred to another affiliated entity, which transfer  
8 was not authorized by a provision of law other than this section, shall  
9 be considered to be required to be repaid to the affiliated entity which  
10 was the source of such revenues by the end of the next succeeding calen-  
11 dar year following such transfer.

12 § 7. Subdivisions 11, 15 and 19 of section 1204 of the public authori-  
13 ties law, subdivision 11 as amended by section 14 of part 0 of chapter  
14 61 of the laws of 2000, subdivision 15 as amended by chapter 980 of the  
15 laws of 1958 and subdivision 19 as added by section 15 of part 0 of  
16 chapter 61 of the laws of 2000, are amended to read as follows:

17 11. To make or enter into contracts, agreements, deeds, leases,  
18 conveyances or other instruments necessary or convenient, and to assist  
19 and cooperate with the [~~metropolitan transportation~~] big apple transit  
20 authority to carry out the powers of the [~~metropolitan transportation~~]  
21 big apple transit authority in furtherance of the purposes and powers of  
22 the authority as provided in this article, including, without limita-  
23 tion, the transactions described in sections [~~twelve hundred~~  
24 ~~sixty-six-e~~] thirteen hundred forty-nine-j, [~~twelve hundred sixty-nine~~  
25 thirteen hundred forty-nine-u and [~~twelve hundred seventy-d~~] thirteen  
26 hundred forty-nine-dd of this article. This power shall include the  
27 power to make contracts with other persons operating transit facilities  
28 for combined fares for the use of such facilities and the transit facil-  
29 ities operated by the authority and for the division of such fares, and  
30 the power to make contracts for the transportation of the United States  
31 mail or personal property.

32 15. To exercise all requisite and necessary authority to manage,  
33 control and direct the maintenance and operation of transit facilities  
34 transferred to it for the convenience and safety of the public with  
35 power, in its discretion, to extend, modify, discontinue, curtail, or  
36 change routes or methods of transportation where the convenience and  
37 safety of the public would be served thereby or where existing routes or  
38 methods are inefficient or uneconomical; provided, however, that (except  
39 in cases of emergencies) at least thirty days prior to any proposed  
40 modification, discontinuance, curtailment or change of any transit route  
41 or method of transportation, the authority shall give notice of its  
42 intention to the [~~board of estimate~~] city council and shall, upon  
43 request of such [~~board~~] council within such period, conduct a public  
44 hearing thereon.

45 19. To invest any funds, accounts or other monies not required for  
46 immediate use or disbursement, at the discretion of the authority, in  
47 any of the investments in which the [~~metropolitan transportation~~] big  
48 apple transit authority is permitted to invest its monies pursuant to  
49 subdivision four of section [~~twelve hundred sixty-five~~] thirteen hundred  
50 forty-nine-e of this article.

51 § 8. Subdivision 4 of section 1205 of the public authorities law, as  
52 added by chapter 717 of the laws of 1967, is amended to read as follows:

53 4. From and after March first, nineteen hundred sixty-eight, no  
54 substantial or general change in the levels of service furnished upon  
55 the rapid transit facilities or the omnibus line facilities of the

1 authority shall be instituted except upon not less than thirty days'  
2 written notice to the mayor and to the [~~board of estimate~~] city council.

3 § 9. Section 1206-a of the public authorities law, as added by chapter  
4 576 of the laws of 1972, is amended to read as follows:

5 § 1206-a. Transit construction fund. In addition to the powers  
6 provided elsewhere in this title, and to effectuate the purposes of the  
7 transit construction fund act, constituting title [~~nine-a~~] nine-A of  
8 this article [~~five of this chapter~~], the authority or any subsidiary  
9 may: (a) acquire and use any transit facility in accordance with the  
10 terms and conditions of any sublease or other agreement with the transit  
11 construction fund; (b) authorize the use by the transit construction  
12 fund, either with or without compensation to the authority, of the  
13 agents, employees and facilities of the authority; (c) make and execute  
14 contracts, leases, subleases and all other instruments or agreements  
15 deemed necessary or convenient including agreements with the [~~metropol-~~  
16 ~~itan transportation~~] big apple transit authority and the transit  
17 construction fund; and (d) do any and all other things deemed necessary  
18 or convenient.

19 § 10. Subdivision 1-a of section 1207-b of the public authorities law,  
20 as amended by section 16 of part 0 of chapter 61 of the laws of 2000, is  
21 amended to read as follows:

22 1-a. The authority may also issue its bonds, notes or other obli-  
23 gations in such principal amounts as shall be necessary to finance the  
24 construction, purchase, lease or acquisition of, or an equity interest  
25 in, an office building located or to be constructed in the borough of  
26 Brooklyn in the city, provided that (i) all or a portion of such build-  
27 ing is intended to be occupied by the authority and that the board  
28 shall, by resolution, have made findings that the sum of the capitalized  
29 value of all payments due from the authority under such bonds, notes or  
30 other obligations (not including any amounts attributable to principal  
31 repayment) together with any rent payments for the space in such build-  
32 ing to be occupied by the authority and of all payments required of the  
33 authority under any related agreement does not exceed the capitalized  
34 value of those payments which would be made in a conventional commercial  
35 lease transaction for comparable space with an unrelated party and (ii)  
36 not more than an insubstantial portion of any real property so financed  
37 with the proceeds of bonds, notes, or other obligations is utilized by  
38 other than the New York city transit authority or its designated subsid-  
39 iary. The term "capitalized value" for the purposes of this subdivision  
40 shall be computed in the manner set forth in subdivision four of section  
41 twelve hundred seven-m of this title. The [~~metropolitan transportation~~]  
42 big apple transit authority is hereby additionally authorized from time  
43 to time to issue bonds for the purposes of refunding, redeeming or  
44 otherwise paying, including paying by purchase or tender, bonds issued  
45 by the authority for such purposes and to secure such bonds in the  
46 manner set forth in section [~~twelve hundred sixty-nine~~] thirteen hundred  
47 forty-nine-u of this article.

48 § 11. Section 1207-i of the public authorities law, as amended by  
49 section 17 of part 0 of chapter 61 of the laws of 2000, is amended to  
50 read as follows:

51 § 1207-i. Rates of fare while bonds, notes and other obligations are  
52 outstanding. Notwithstanding the provisions of section twelve hundred  
53 five of this title or the provisions of any other law to the contrary,  
54 so long as the authority shall have outstanding and unpaid bonds, notes  
55 or other obligations issued pursuant to section twelve hundred seven-b  
56 of this title, or the big apple transit authority, or the metropolitan



1 transportation authority or the Triborough bridge and tunnel authority  
2 shall have outstanding and unpaid bonds, notes or other obligations  
3 secured by or payable from, in whole or in part, the revenues, assets or  
4 other monies of the authority or its subsidiary corporations, the  
5 authority shall have the power at all times to fix or adjust the rate or  
6 rates of fare to be charged for the use of any transit facility operated  
7 by the authority as may, in the judgment of the board, be necessary to  
8 produce sufficient revenues to pay, as the same shall become due, the  
9 principal of and interest on such bonds, notes and other obligations of  
10 the authority, the big apple transit authority, the metropolitan trans-  
11 portation authority and the Triborough bridge and tunnel authority,  
12 together with the maintenance of proper reserves therefor, in addition  
13 to paying as the same shall become due the expenses of operation of the  
14 authority. The authority, the big apple transit authority, the metropol-  
15 itan transportation authority and the Triborough bridge and tunnel  
16 authority, shall be authorized to contract with the holders of such  
17 bonds notes and other obligations with respect to the exercise of the  
18 power authorized by this section. In furtherance of the mandate of the  
19 ~~[metropolitan transportation]~~ big apple transit authority to develop and  
20 implement a unified mass transportation policy for the ~~[metropolitan~~  
21 ~~commuter transportation district]~~ city of New York and the exercise of  
22 its powers, including the power to issue notes, bonds and other obli-  
23 gations secured in whole or in part by the revenues of the authority and  
24 its subsidiaries, the big apple transit authority and its subsidiaries,  
25 the metropolitan transportation authority and its subsidiaries, and the  
26 Triborough bridge and tunnel authority, the authority shall join with  
27 the ~~[metropolitan transportation]~~ big apple transit authority in  
28 connection with the establishment, levy and collection of fares, tolls,  
29 rentals, rates, charges and other fees for the transportation of passen-  
30 gers on any transit facilities operated by authority and its subsid-  
31 iaries, including any changes thereto.

32 § 12. Subdivision 2 of section 1207-j of the public authorities law,  
33 as added by chapter 655 of the laws of 1962, is amended to read as  
34 follows:

35 2. The city, by resolution of the ~~[board of estimate]~~ city council or  
36 by instruments authorized by such resolution, and the authority shall be  
37 authorized to enter into an agreement for the renewal and extension of  
38 the existing agreement of lease between the city and the authority for  
39 such term of years as shall be agreed upon and in any such renewal and  
40 extension agreement the authority may agree to such limitations upon the  
41 exercise of the powers conferred upon it by sections twelve hundred  
42 seven-a through twelve hundred seven-i, inclusive, as the authority in  
43 its discretion shall approve.

44 § 13. Section 1207-m of the public authorities law, as added by chap-  
45 ter 314 of the laws of 1981, subdivisions 2 and 8 as amended by chapter  
46 988 of the laws of 1984, subparagraph (i) of paragraph (a) of subdivi-  
47 sion 4 as amended by chapter 602 of the laws of 1984, paragraph (b) of  
48 subdivision 7 as amended by chapter 558 of the laws of 1981, subdivision  
49 11 as amended by section 18 of part 0 of chapter 61 of the laws of 2000  
50 and subdivision 12 as added by chapter 929 of the laws of 1986, is  
51 amended to read as follows:

52 § 1207-m. Transit projects. 1. The term "transit project" as used in  
53 this section shall have the meaning given to such term from time to time  
54 in section ~~[twelve hundred sixty-six-e]~~ thirteen hundred forty-nine-j of  
55 this article. The provisions of this section shall be controlling and  
56 the authority and its subsidiaries shall have the powers provided in



1 this section notwithstanding any contrary provision of this title or of  
2 local law or of any lease or other agreement with the city.

3 2. (a) The authority is hereby authorized to request the [~~metropolitan~~  
4 ~~transportation~~] big apple transit authority to undertake any transit  
5 project and the authority and its designated subsidiaries are each here-  
6 by authorized (i) to enter into agreements with the [~~metropolitan trans-~~  
7 ~~portation~~] big apple transit authority concerning transit projects; (ii)  
8 to acquire in its own name by gift, purchase or condemnation any real or  
9 personal property (or any interest therein) which is needed or useful  
10 for or in connection with such project, and to surrender the use, occu-  
11 pancy, control or possession of or to transfer the same, or any other  
12 such real or personal property (or any interest therein) which it owns,  
13 leases, operates or controls, to the [~~metropolitan transportation~~] big  
14 apple transit authority or its designee; (iii) to accept a transfer,  
15 transfer back, lease or sublease of any such project or part thereof  
16 upon its completion; and (iv) to make its agents, employees and facili-  
17 ties available to the [~~metropolitan transportation~~] big apple transit  
18 authority in connection therewith.

19 (b) The authority and its subsidiary corporation is each hereby  
20 authorized to sell or transfer, without regard as to how or from whom  
21 acquired, all or part of its interest in any equipment which is deemed  
22 to be a mass commuting vehicle under the United States internal revenue  
23 code or the regulations thereunder, including, without limitation, any  
24 of the same obtained as transit projects or obtained from or financed  
25 with money received from the Triborough bridge and tunnel authority, for  
26 such consideration and on such terms or conditions as it may deem appro-  
27 priate, and to obtain a lease from the transferee on such terms and  
28 conditions and for such period as it may deem appropriate pursuant to  
29 which it may operate, use, control or possess such mass commuting vehi-  
30 cle in furtherance of the statutory purposes of the authority and its  
31 subsidiaries, provided (i) such lease contains an option to the authori-  
32 ty or its subsidiary corporation to repurchase its interest at the expi-  
33 ration of the scheduled lease term for nominal consideration, and (ii)  
34 the aggregate of the regularly scheduled rental payments which the  
35 authority or its subsidiary corporation is obligated to make pursuant to  
36 such lease during each twelve month period of the lease term shall not  
37 exceed the aggregate amount receivable, whether by principal or inter-  
38 est, by the authority or its subsidiary corporation from its transferee  
39 during each such twelve month period. Without limitation of the forego-  
40 ing, any lease entered into pursuant hereto may also contain provisions  
41 requiring the authority or its subsidiary corporation to indemnify the  
42 transferee for any loss resulting from the loss or destruction of any  
43 mass commuting vehicle which is the subject of such lease, or any loss  
44 arising out of any misrepresentation, act, or omission of the authority  
45 or its subsidiary in connection with such lease, and requiring the  
46 authority or its subsidiary corporation to undertake to replace, repair  
47 or restore any such mass commuting vehicle, but such obligations shall  
48 not be deemed regularly scheduled rental payments for purposes of the  
49 preceding sentence. Rental payments and other payments or costs incurred  
50 by the authority or its subsidiary corporation in discharge of its obli-  
51 gations under any lease entered into as hereinabove provided shall not  
52 be deemed capital costs for the purposes of section twelve hundred three  
53 or twelve hundred three-a of this title, and the considerations received  
54 by the authority or its subsidiary corporation in connection with any  
55 transactions entered into pursuant to the authorization of this para-  
56 graph may be expended free of any restriction set forth in subparagraph

(ii) of paragraph (b) of subdivision one of section twelve hundred three or in paragraph (c) of subdivision five of section twelve hundred three-a of this title.

(c) Neither the authority nor its subsidiary shall enter into any transaction authorized by paragraph (b) of this subdivision unless the following standards and procedures have been met:

(i) notice of intention to negotiate shall be published in at least one newspaper of general circulation, and a copy thereof shall be mailed to all parties who have requested notification from the authority or its subsidiary to engage in transactions of this type. Such notice shall describe the nature of the proposed transaction and the factors subject to negotiation, which shall include, but not be limited to, the price to be paid to the authority or its subsidiary;

(ii) the authority or its subsidiary shall negotiate with those respondents whose response complies with the requirements set forth in the notice;

(iii) the board of the authority or its subsidiary shall resolve on the basis of particularized findings relevant to the factors negotiated that such transaction will provide maximum available financial benefits, consistent with other defined objectives and requirements.

(d) The authority and its subsidiary shall provide to the [~~governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate and the minority leader of the assembly,~~] mayor and speaker of the city council notice of each lease entered into pursuant to paragraph (b) of this subdivision and supporting documentation of compliance by the authority and its subsidiary with subparagraphs (i), (ii) and (iii) of paragraph (c) of this subdivision.

(e) Paragraphs (c) and (d) of this subdivision shall be of no force and effect with respect to any lease transaction entered into pursuant to a commitment approved prior to January first, nineteen hundred eighty-five by the board of the authority or its subsidiary or the board of the metropolitan transportation authority.

3. The authority and its designated subsidiaries are hereby authorized, in connection with any transit project, to pay or agree to pay, in a manner and on terms and conditions satisfactory to the [~~metropolitan transportation~~] big apple transit authority, any portion of the costs to the [~~metropolitan transportation~~] big apple transit authority of such transit project and the financing thereof which is not paid to the [~~metropolitan transportation~~] big apple transit authority from any federal, state or local aid or assistance or from any other moneys made available or payable to the [~~metropolitan transportation~~] big apple transit authority by others for such project.

4. (a) Such agreements with the [~~metropolitan transportation~~] big apple transit authority may, without limitation, contain provisions obligating the authority or its designated subsidiary to:

(i) issue its notes or bonds, or execute and deliver its lease, sublease and other such contractual obligations, in payment for a transfer, lease or sublease of a transit project to any of them, provided, however, that in no event shall the aggregate principal amount of all notes and bonds together with the capitalized value of all lease, sublease and other such contractual obligations, exceed the sum of one billion six hundred million dollars, excluding from such limitation (A) the principal amount of any bonds or notes of the authority to the extent the amount thereof is paid, is payable or has been agreed to be paid by the federal government or any agency or instrumentality thereof to the authority or to the holders of such bonds or notes, (B) the prin-

1 cipal amount of any bonds or notes of the authority issued to refund or  
2 otherwise repay other obligations issued for such transit projects, (C)  
3 the principal amount of any bonds or notes and the capitalized value of  
4 any lease, sublease or other such contractual obligation, to the extent  
5 such obligations are paid or agreed to be paid, subject to annual appro-  
6 priation, under service contracts issued by the state to the metropol-  
7 itan transportation authority for the benefit of the authority or its  
8 subsidiaries pursuant to the provisions of section sixteen of the trans-  
9 portation systems assistance and financing act of 1981, or under any  
10 similar contract of the metropolitan transportation authority or the  
11 authority with any other governmental entity for the benefit of the  
12 authority or its subsidiaries, (D) the principal amount of any bonds or  
13 notes of the authority issued to the metropolitan transportation author-  
14 ity or to the big apple transit authority in connection with the funding  
15 of any debt service reserve fund required by any resolution of the  
16 metropolitan transportation authority or of the big apple transit  
17 authority pursuant to which special obligation bonds of that authority  
18 to fund a transit project were issued, and (E) a principal amount of any  
19 bonds or notes of the authority equal to the amount of any original  
20 issue discount from the principal amount of the special obligation bonds  
21 or notes issued by the metropolitan transportation authority or by the  
22 big apple transit authority in connection with the financing of a trans-  
23 it project by that authority;

24 (ii) give security for the payment of such notes, bonds, lease,  
25 sublease or other contractual obligations, including a pledge of all or  
26 any part of its revenues or other moneys, which pledge may contain  
27 covenants with respect to the charging and fixing of fares, fees and  
28 rentals, the use and disposition of such fares, fees, rentals and other  
29 charges, and the setting aside of reserves therefrom.

30 (b) Such agreements, and any notes, bonds, lease, sublease or other  
31 contractual obligations issued or entered into by the authority or its  
32 designated subsidiary pursuant thereto, may, without limitation, also  
33 contain provisions as to:

34 (i) limitations with respect to the use and disposition of transit  
35 projects and with respect to any other transit facilities;

36 (ii) limitations on the issuance of additional bonds, notes, lease,  
37 sublease or other contractual obligations, the terms upon which they may  
38 be secured and the funding or refunding thereof;

39 (iii) with respect to bonds or notes, vesting in a trustee or trustees  
40 such property rights, powers and duties in trust as it may determine,  
41 which rights, powers and duties may include, but shall not be limited  
42 to, those set forth in section twelve hundred seven-h of this title;

43 (iv) defining the acts or omissions to act which shall constitute a  
44 default and providing rights and remedies in the event of default;

45 (v) any other matters, of like or different character, which in any  
46 way affect the security or protection of the [~~metropolitan transporta-~~  
47 ~~tion~~] big apple transit authority or any lessor; and

48 (vi) consenting to the extending or assignment by the [~~metropolitan~~  
49 ~~transportation~~] big apple transit authority or by any lessor to the  
50 holders of any of its bonds, notes or lease obligations of all of the  
51 benefits and rights of the [~~metropolitan transportation~~] big apple tran-  
52 sit authority or of such lessor provided by any such agreement or other  
53 instrument.

54 (c) The term "revenues" as used in this subdivision shall include all  
55 those moneys referred to in section twelve hundred of this [~~article~~]

1 title, as well as all operating subsidies provided by any public benefit  
2 corporation or by any governmental entity, federal, state or local.

3 (d) The term "capitalized value" as used in this subdivision shall  
4 mean the present value of all future payments required under a lease,  
5 sublease and other such contractual obligation discounted at a rate of  
6 interest determined on the basis of the net interest cost of the last  
7 ~~[metropolitan transportation]~~ big apple transit authority's special  
8 obligation bonds issued prior to the execution of any such lease,  
9 sublease or other contractual obligation or, if no such bonds have been  
10 issued, on the basis of the net interest cost of the last bonds issued  
11 by the Triborough bridge and tunnel authority, issued in payment for the  
12 transfer, lease or sublease of any such transit projects.

13 5. It is the intention hereof that, subject to such agreements with  
14 bondholders or noteholders as may then exist, any pledge of revenues or  
15 other moneys made by the authority or its subsidiaries shall be valid  
16 and binding from the time when the pledge is made; that the revenues or  
17 other moneys so pledged and thereafter received by the authority or its  
18 subsidiaries shall immediately be subject to the lien of such pledge  
19 without any physical delivery thereof or further act, and that the lien  
20 of any such pledge shall be valid and binding as against all parties  
21 having claims of any kind in tort, contract or otherwise against the  
22 authority or its subsidiaries irrespective of whether such parties have  
23 notice thereof. Neither the agreement nor any other instrument by which  
24 a pledge is created need be recorded.

25 6. So long as the authority or any of its subsidiaries shall have any  
26 outstanding and unpaid obligation in connection with a transit project,  
27 the authority and such subsidiaries shall have the power at all times to  
28 fix or adjust the rate or rates of fares, fees, rentals or other charges  
29 to be charged for the use of their transit facilities as may, together  
30 with all other lawfully available moneys, be necessary in their judgment  
31 to produce sufficient revenues to pay such obligations as the same  
32 become due, in addition to paying as the same shall become due expenses  
33 of operation of the transit facilities and satisfying all other obli-  
34 gations of the authority and such subsidiaries. No acts or activities  
35 taken or proposed to be taken by the authority pursuant to this subdivi-  
36 sion shall be deemed to be "actions" for the purposes or within the  
37 meaning of article eight of the environmental conservation law.

38 7. (a) In connection with (i) the lease between the city and the  
39 authority dated June first, nineteen hundred fifty-three, and (ii) the  
40 lease between the city and the Manhattan and Bronx surface transit oper-  
41 ating authority dated March twentieth, nineteen hundred sixty-two (such  
42 leases, as heretofore supplemented, amended or renewed, and the tenan-  
43 cies originally created thereby, being referred to in this section as  
44 "the existing leases"), the city, acting either by the mayor alone or by  
45 resolution of the ~~[board of estimate]~~ city council, or by instruments  
46 authorized by such resolution, and the authority are authorized to enter  
47 into agreements for renewal or extension of the existing leases, or for  
48 new leases, for such terms of years and upon such other terms and condi-  
49 tions as the parties thereto shall agree and the ~~[metropolitan transpor-  
50 tation]~~ big apple transit authority shall approve, provided that under  
51 the terms thereof, the rights, privileges and obligations of the parties  
52 are not inconsistent with the provisions of, or in derogation of the  
53 powers of the authority all as provided in this title ~~[nine of article  
54 five of this chapter]~~, and provided further that such agreements shall  
55 in no way impair the rights or powers of the authority or the Manhattan  
56 and Bronx surface transit operating authority to fulfill the terms of

1 any contract made by either of them with the holders of any of their  
2 then outstanding bonds or notes, and such agreements shall provide that  
3 such leases may not be terminated or permitted to expire or be amended  
4 in any way inconsistent with the provisions of any agreement, bond,  
5 note, lease, sublease or other contractual obligation given or made by  
6 either of them in connection with a transit project. Neither the  
7 provisions of section one hundred ninety-seven-c of the New York city  
8 charter, relating to a uniform land use review procedure, nor the  
9 provisions of any other local law of like or similar import shall apply  
10 to the renewal or extension of the existing leases or to the making of  
11 new leases as herein provided.

12 (b) Notwithstanding the provisions of any other law, general, special  
13 or local, or the provisions of the existing leases, if either of the  
14 agreements authorized by paragraph (a) [~~above~~] of this subdivision is  
15 not entered into, but a note, bond, lease, sublease or other contractual  
16 obligation for a transit project has been issued or entered into, then  
17 (i) no party to an existing lease may terminate the same, serve any  
18 notice of termination pursuant thereto, exercise any option to terminate  
19 reserved therein or permit the expiration thereof, (ii) the city shall  
20 not in any way limit or disturb any right of the tenant to use, occupy,  
21 control and possess any of the properties, facilities or revenues which  
22 are the subject of such existing lease, and (iii) the city shall not  
23 seek to enforce such existing lease in any way inconsistent with or  
24 contrary to the manner in which such existing lease had been adminis-  
25 tered prior to the enactment of this section or inconsistent with or  
26 contrary to the interests of the [~~metropolitan transportation~~] big apple  
27 transit authority or any lessor under any agreement, notes, bonds,  
28 lease, sublease or other contractual obligations of the authority or any  
29 of its subsidiaries issued or entered into in connection with a transit  
30 project (and to the extent the provisions of such leases conflict at any  
31 time or in any manner with the provisions of any such note, bond, lease,  
32 sublease or other contractual obligation, the provisions of such note,  
33 bond, lease, sublease or other contractual obligation shall be control-  
34 ling and conflicting provisions of the leases with the city shall be  
35 disregarded), unless prior thereto the city has satisfied all of such  
36 outstanding notes, bonds or other contractual obligations and provided  
37 for the termination of all such agreements, leases and subleases, all in  
38 accordance with their terms. If and to the extent moneys are paid by  
39 the city to the authority or its subsidiaries to satisfy their obli-  
40 gations to the [~~metropolitan transportation~~] big apple transit authority  
41 under such instruments, the authority and such subsidiaries shall remit  
42 such moneys to the [~~metropolitan transportation~~] big apple transit  
43 authority, which shall, in turn, apply the same to the satisfaction and  
44 termination of its own notes, bonds and leases issued or entered into in  
45 connection with a transit project in accordance with their terms.

46 (c) Upon termination or expiration of a new lease or of a renewed or  
47 extended existing lease as permitted in paragraph (a) of this subdivi-  
48 sion, or upon satisfaction of the requirements of paragraph (b) of this  
49 subdivision, title to any real or personal property (or any interest  
50 therein) constituting all or any part of a transit project then vested  
51 in the authority or any of its subsidiaries or the [~~metropolitan trans-~~  
52 ~~portation~~] big apple transit authority pursuant to the provisions of  
53 this chapter shall be transferred without further consideration or  
54 payment to the city.

55 8. The state of New York does hereby pledge to and agree with the  
56 authority and its subsidiaries, the big apple transit authority and its



1 subsidiaries, and the metropolitan transportation authority and the  
2 holders of bonds or notes or lease, sublease or other contractual obli-  
3 gations issued by any of them in connection with a transit project or in  
4 connection with the transfer of the interest of any of them in and the  
5 lease from the transferee of any property furnished to it pursuant to  
6 chapter twelve of the laws of nineteen hundred seventy-nine or section  
7 fifteen of chapter three hundred fourteen of the laws of nineteen  
8 hundred eighty-one, or in connection with any transaction entered into  
9 pursuant to the authorization of paragraph (b) of subdivision two of  
10 this section, that the state will not limit or alter the denial of  
11 authority under subdivision eleven of this section, or the rights and  
12 powers vested in the authority and its subsidiaries by this title to  
13 fulfill the terms of any agreement made by any of them with the big  
14 apple transit authority or the metropolitan transportation authority or  
15 with such holders, or in any way impair their rights and remedies until  
16 such agreements, bonds, notes, and obligations, together with the inter-  
17 est thereon and all costs and expenses in connection with any action or  
18 proceedings by or on behalf of the big apple transit authority or the  
19 metropolitan transportation authority or such holders, are fully met and  
20 discharged. The authority and its subsidiaries are each authorized to  
21 include this pledge and the agreement of the state in any agreement with  
22 the holders of such bonds or notes or lease, sublease or other obli-  
23 gations and in any agreement with the big apple transit authority or the  
24 metropolitan transportation authority relating to a transit project  
25 which may extend the same to the holders of its bonds, notes and lease  
26 obligations.

27 9. The provisions of this section and of all agreements undertaken by  
28 the authority or any of its subsidiaries in accordance therewith shall  
29 in all respects be subject to the rights of the holders of any outstand-  
30 ing bonds or notes of the authority and its subsidiaries.

31 10. In connection with the negotiation, award and implementation of  
32 contracts of the authority relating to transit projects, the provisions  
33 of [~~paragraphs (a), (b), (c) and (d) of subdivision~~] subdivisions thir-  
34 teen and fourteen of section [~~twelve hundred sixty-six-e~~] thirteen  
35 hundred forty-nine-j of this article shall apply to the authority as if  
36 it were the "authority" referred to therein, and the [~~officer designated~~  
37 ~~by the metropolitan transportation authority pursuant to paragraph (c)~~  
38 ~~of such subdivision~~] division of minority and women's business develop-  
39 ment, established pursuant to article fifteen-A of the executive law,  
40 shall perform the duties therein described with respect to such  
41 contracts of the authority.

42 11. So long as the authority or any of its subsidiaries, the big apple  
43 transit authority, or the metropolitan transportation authority, shall  
44 have outstanding any notes, bonds, lease, sublease or other contractual  
45 obligations authorized by this section or section [~~twelve hundred~~  
46 ~~sixty-six-e~~] thirteen hundred forty-nine-j or [~~twelve hundred sixty-~~  
47 ~~nine~~] thirteen hundred forty-nine-u of this article, or which have been  
48 issued or incurred in connection with the transfer of the interest of  
49 any of them in and the lease from the transferee of any property  
50 furnished pursuant to chapter twelve of the laws of nineteen hundred  
51 seventy-nine or section fifteen of chapter three hundred fourteen of the  
52 laws of nineteen hundred eighty-one, neither the authority nor any of  
53 its subsidiaries shall have the authority to file a voluntary petition  
54 under chapter nine of the federal bankruptcy code, or such corresponding  
55 chapter, chapters, or sections as may, from time to time, be in effect,  
56 and neither any public officer nor any organization, entity or other



1 person shall authorize the authority or any of its subsidiaries to be or  
2 become a debtor under said chapter nine or said corresponding chapter,  
3 chapters or sections during any such period.

4 12. A project financed by the authority's issuance of its bonds, notes  
5 or other obligations, pursuant to subdivision ~~[one-a]~~ two of section  
6 ~~[twelve hundred seven-b]~~ thirteen hundred forty-nine-u of this title  
7 shall be deemed to constitute a transit project for the purposes of this  
8 section and any notes, bonds, lease, sublease or other contractual obli-  
9 gations with respect to such project shall, for purposes of this  
10 section, be deemed to have been authorized by this section; provided,  
11 however, that such project shall not be deemed to constitute part of any  
12 capital program plan for the purposes of section ~~[twelve hundred sixty-~~  
13 ~~nine-b]~~ thirteen hundred forty-nine-v of this article nor shall the  
14 principal amounts of any bonds or notes, nor the capitalized value of  
15 any lease, sublease, or other contractual obligation of the authority,  
16 issued or entered into by the authority pursuant to ~~[such]~~ subdivision  
17 ~~[one-a]~~ two of section thirteen hundred forty-nine-u of this title, be  
18 included in any computation pursuant to subdivision four of this  
19 section.

20 § 14. The opening paragraph of subdivision 4, paragraph (c) of subdi-  
21 vision 5 and subdivision 11 of section 1209 of the public authorities  
22 law, the opening paragraph of subdivision 4 as added by chapter 430 of  
23 the laws of 1983, paragraph (c) of subdivision 5 as added by chapter 383  
24 of the laws of 1985 and subdivision 11 as added by chapter 929 of the  
25 laws of 1986, are amended to read as follows:

26 Notwithstanding the provisions of subdivision two of this section, a  
27 contract for the purchase of omnibuses or components of omnibuses in  
28 furtherance or implementation of a capital program plan approved pursu-  
29 ant to section ~~[twelve hundred sixty-nine-b]~~ thirteen hundred forty-  
30 nine-v of this article may also be awarded by the authority by negoti-  
31 ation without competitive bidding provided the following standards and  
32 procedures are complied with:

33 (c) Any contract entered into pursuant to this subdivision shall  
34 comply with the requirements of subdivision thirteen of section ~~[twelve~~  
35 ~~hundred sixty-six-e]~~ thirteen hundred forty-nine-j of this article.

36 11. The authority shall compile a list of potential sources of  
37 supplies, materials or equipment regularly purchased. The authority  
38 shall, by resolution, set forth the procedures it has established to  
39 identify new sources and to notify such new sources of the opportunity  
40 to bid for contracts for the purchase of supplies, materials or equip-  
41 ment. Such procedures shall include, but not be limited to: (a) adver-  
42 tising in trade journals; (b) cooperation with federal, state and local  
43 agencies within its area of operations; (c) publication in the state  
44 register quarterly; and (d) procedures established pursuant to subdivi-  
45 sion thirteen of section ~~[twelve hundred sixty-six-e]~~ thirteen hundred  
46 forty-nine-j of this article.

47 § 15. Subdivision 3 and paragraphs b and i of subdivision 4 of section  
48 1209-a of the public authorities law, as amended by chapter 460 of the  
49 laws of 2015, are amended to read as follows:

50 3. Jurisdiction. The bureau shall have, with respect to acts or inci-  
51 dents in or on the transit facilities of the authority committed by or  
52 involving persons who are sixteen years of age or over, or with respect  
53 to acts or incidents occurring on omnibuses owned or operated by the  
54 ~~[metropolitan transportation]~~ big apple transit authority or a subsid-  
55 iary thereof, and with respect to violation of toll collection regu-  
56 lations of the ~~[triborough]~~ Triborough bridge and tunnel authority as

described in section twenty-nine hundred eighty-five of this chapter, non-exclusive jurisdiction over violations of: (a) the rules which may from time to time be established by the authority under subdivision five-a of section twelve hundred four of this ~~[chapter]~~ title; (b) article one hundred thirty-nine of the health code of the city of New York, as it may be amended from time to time, relating to public transportation facilities; (c) article four of the noise control code of the city of New York, as it may be amended from time to time, insofar as it pertains to sound reproduction devices; (d) the rules and regulations which may from time to time be established by the ~~[triborough]~~ Triborough bridge and tunnel authority in accordance with the provisions of section twenty-nine hundred eighty-five of this chapter; and (e) rules and regulations which may from time to time be established by the ~~[metropolitan transportation]~~ big apple transit authority or a subsidiary thereof in accordance with the provisions of section ~~[twelve hundred sixty-six]~~ thirteen hundred forty-nine-h of this ~~[chapter]~~ article. Matters within the jurisdiction of the bureau except violations of the rules and regulations of the ~~[triborough]~~ Triborough bridge and tunnel authority shall be known for purposes of this section as transit infractions. Nothing herein shall be construed to divest jurisdiction from any court now having jurisdiction over any criminal charge or traffic infraction relating to any act committed in a transit or toll facility, or to impair the ability of a police officer to conduct a lawful search of a person in a transit facility. The criminal court of the city of New York shall continue to have jurisdiction over any criminal charge or traffic infraction brought for violation of the rules of the authority, the ~~[triborough]~~ Triborough bridge and tunnel authority or the ~~[metropolitan transportation]~~ big apple transit authority or a subsidiary thereof, as well as jurisdiction relating to any act which may constitute a crime or an offense under any law of the state of New York or any municipality or political subdivision thereof and which may also constitute a violation of such rules. The bureau shall have concurrent jurisdiction with the environmental control board and the administrative tribunal of the department of health over the aforesaid provisions of the health code and noise control code of the city of New York.

b. To impose civil penalties not to exceed a total of one hundred fifty dollars for any transit infraction within its jurisdiction, in accordance with a penalty schedule established by the authority or the ~~[metropolitan transportation]~~ big apple transit authority or a subsidiary thereof, as applicable, except that penalties for violations of the health code of the city of New York shall be in accordance with the penalties established for such violations by the board of health of the city of New York, and penalties for violations of the noise code of the city of New York shall be in accordance with the penalties established for such violations by law, and civil penalties for violations of the rules and regulations of the ~~[triborough]~~ Triborough bridge and tunnel authority shall be in accordance with the penalties established for such violations by section twenty-nine hundred eighty-five of this chapter;

i. To accept payment of penalties and to remit same to the authority or the ~~[metropolitan transportation]~~ big apple transit authority or a subsidiary thereof, as applicable; and

§ 16. Section 1213 of the public authorities law, as amended by chapter 838 of the laws of 1983, is amended to read as follows:

§ 1213. Report. Copies of the annual report required to be made and submitted pursuant to section twenty-eight hundred of this chapter also

1 shall be submitted to the mayor, comptroller and [~~board of estimate~~  
2 city council].

3 § 17. Section 1219-a of the public authorities law, as amended by  
4 section 19 of part O of chapter 61 of the laws of 2000, is amended to  
5 read as follows:

6 § 1219-a. Transfer and receipt of surplus funds. 1. Notwithstanding  
7 any provision of this title or any other provision of law, general,  
8 special or local, the authority may from time to time transfer and pay  
9 over to the metropolitan transportation authority, the big apple transit  
10 authority or [~~triborough~~] the Triborough bridge and tunnel authority all  
11 or any part of its surplus funds; and may accept and use any moneys  
12 transferred and paid over to it by the metropolitan transportation  
13 authority, the big apple transit authority or [~~triborough~~] the Tribor-  
14 ough bridge and tunnel authority.

15 2. Notwithstanding the provisions of [~~the preceding~~] subdivision one  
16 of this section:

17 (a) If the city shall have provided in its capital budget for its  
18 fiscal year beginning July first, nineteen hundred sixty-eight the  
19 amount of one hundred million dollars, or such lesser amount as shall  
20 have been requested by the authority for inclusion in such budget, for  
21 the payment of the capital cost of projects requested by the authority  
22 pursuant to section twelve hundred three of this title, then upon the  
23 written request of the mayor made within thirty days after the commence-  
24 ment of such fiscal year, [~~triborough~~] the Triborough bridge and tunnel  
25 authority shall transfer to the authority, by lump sum payment or  
26 installments at such time or times and in such amounts as the mayor  
27 shall elect, all or such part of the surplus funds of [~~triborough~~] the  
28 Triborough bridge and tunnel authority on hand as of the last day of its  
29 last fiscal year ending prior to such request as the mayor shall speci-  
30 fy, which funds shall be applied by the authority solely to the payment  
31 of its expenses of operation. If the city shall have provided in its  
32 capital budget for any of its next four fiscal years, commencing with  
33 the fiscal year beginning July first, nineteen hundred sixty-nine, the  
34 amount of one hundred million dollars, or such lesser amount as shall  
35 have been requested by the authority for inclusion in such budget, for  
36 the payment of the capital cost of projects requested by the authority  
37 pursuant to section twelve hundred three of this title, then upon the  
38 written request of the mayor made within thirty days after the commence-  
39 ment of such fiscal year, [~~triborough~~] the Triborough bridge and tunnel  
40 authority shall transfer to the authority solely for application to the  
41 payment of expenses of operation of the authority the operating surplus  
42 of [~~triborough~~] the Triborough bridge and tunnel authority for its last  
43 fiscal year ending prior to such request, which transfer shall also be  
44 by lump sum payment or installments at such time or times and in such  
45 amounts as the mayor shall elect. Projects shall be eligible for inclu-  
46 sion in a computation made hereunder only if included in a capital budg-  
47 et on the first day of the fiscal year for which it is adopted. A  
48 carry-over project shall not be eligible for inclusion unless it was  
49 first included in a capital budget by way of an amendment thereto, in  
50 which event it shall be eligible for inclusion in a computation made  
51 hereunder with respect to the first fiscal year of the city commencing  
52 after the adoption of the amendment.

53 (b) Promptly upon the making of the certification of its operating  
54 surplus, if any, for its fiscal year ending December thirty-first, nine-  
55 teen hundred seventy-two and for each of its subsequent fiscal years,  
56 [~~triborough~~] the Triborough bridge and tunnel authority, at the direc-

tion of ~~[metropolitan transportation]~~ the big apple transit authority, shall transfer such operating surplus (1) to the ~~[metropolitan transportation]~~ big apple transit authority for deposit into one or more funds or accounts to be used as contemplated by section ~~[twelve hundred seventy-d]~~ thirteen hundred forty-nine-dd of this article, or (2) to the authority and the ~~[metropolitan transportation]~~ big apple transit authority solely for application to the payment of the expenses of operation. ~~[For purposes of determining the proportional allocation of the operating surplus as between the authority and the metropolitan transportation authority, the following formula shall apply: (i) twenty-four million dollars plus fifty percentum of the balance of such operating surplus shall be allocable to the authority, and (ii) the remainder shall be allocable to metropolitan transportation authority on behalf of the commuter railroads operated by it, by its subsidiary corporations or by others under joint arrangements.]~~

(c) The Triborough bridge and tunnel authority is authorized, at the direction of the ~~[metropolitan transportation]~~ big apple transit authority, from time to time to make advances from available funds on account of the operating surplus it anticipates will or may be certified and transferred as provided in this subdivision to (1) the ~~[metropolitan transportation]~~ big apple transit authority for deposit into one or more funds or accounts to be used as contemplated by section ~~[twelve hundred seventy-d]~~ thirteen hundred forty-nine-dd of this article, or (2) the authority and the ~~[metropolitan transportation]~~ big apple transit authority solely for application to the payment of the expenses of operation. In the event that advances so made in respect of any fiscal year including the year in which the surpluses are being earned exceed the amounts required to be transferred to the authority and ~~[metropolitan transportation]~~ the big apple transit authority pursuant to the provisions of this subdivision, then the amount of any such excess shall be refunded to ~~[triborough]~~ the Triborough bridge and tunnel authority by the authority or ~~[metropolitan transportation]~~ the big apple transit authority, as the case may be, within thirty days of the making by ~~[triborough]~~ the Triborough bridge and tunnel authority of its certification of operating surplus for such fiscal year.

(d) For the purposes of this subdivision, the existence and the amount of surplus funds and operating surplus of ~~[triborough]~~ the Triborough bridge and tunnel authority shall be determined in accordance with the provisions of subdivision twelve of section five hundred fifty-three of this chapter.

(e) The Triborough bridge and tunnel authority shall certify to the mayor and to the chairman of ~~[metropolitan transportation]~~ the big apple transit authority within ninety days after the end of its fiscal year ending December thirty-first, nineteen hundred sixty-seven, and within forty-five days after the end of each of its subsequent fiscal years, the amount of its operating surplus for that year and, in the case of the fiscal year ending December thirty-first, nineteen hundred sixty-seven, the amount of all of its surplus funds on hand as of the last day of such fiscal year.

(f) No transfer of funds shall be made to the authority pursuant to any provision of this section at any time when there shall have been pending and not acted upon by the mayor for ninety days any request of the authority for permission to expend or contract to expend funds for a project included in a capital budget for transit facility purposes. There shall be excluded from such ninety-day period any time during

1 which the mayor is prevented from acting by order of court or by opera-  
2 tion of law.

3 ~~[3. Notwithstanding the preceding subdivisions of this section, for~~  
4 ~~purposes of determining the proportional allocation of the operating~~  
5 ~~surplus of the Triborough bridge and tunnel authority between the~~  
6 ~~authority and the metropolitan transportation authority the following~~  
7 ~~formula shall be used: An amount equal to the debt service incurred in~~  
8 ~~such year as a result of the bonds issued to provide facilities pursuant~~  
9 ~~to paragraphs (m), (n), (o), (p) and (r) of subdivision nine of section~~  
10 ~~five hundred fifty-three of this chapter shall be added to the operating~~  
11 ~~surplus of the Triborough bridge and tunnel authority, as certified by~~  
12 ~~that authority. The sum of these figures shall then be allocated to the~~  
13 ~~authority and the commuter railroads operated by metropolitan transpor-~~  
14 ~~tation authority or by its subsidiary corporations, pursuant to the~~  
15 ~~formula contained in paragraph (b) of subdivision two of this section as~~  
16 ~~if this amount were the operating surplus of the Triborough bridge and~~  
17 ~~tunnel authority. The amounts so allocated to the authority and the~~  
18 ~~commuter railroads operated by metropolitan transportation authority or~~  
19 ~~by its subsidiary corporations, shall then be reduced respectively by~~  
20 ~~the proportional amount of the debt service, incurred in such year by~~  
21 ~~the Triborough bridge and tunnel authority pursuant to paragraphs (m),~~  
22 ~~(n), (o), (p) and (r) of subdivision nine of section five hundred~~  
23 ~~fifty-three of this chapter, reasonably attributable to the payments for~~  
24 ~~transit projects undertaken for the authority and its subsidiaries and~~  
25 ~~transportation facility projects undertaken for the commuter railroads~~  
26 ~~operated by the metropolitan transportation authority or by its subsid-~~  
27 ~~iary corporations. The remaining amounts shall constitute the respective~~  
28 ~~allocation of operating surplus for the authority and the commuter rail-~~  
29 ~~roads operated by the metropolitan transportation authority or by its~~  
30 ~~subsidiary corporations.]~~

31 § 18. This act shall take effect January 1, 2024.

32 PART C

33 Section 1. Section 551 of the public authorities law is amended by  
34 adding two new subdivisions 11 and 12 to read as follows:

35 11. The term "big apple transit authority" shall mean the corporation  
36 created by title eleven-E of this article.

37 12. The term "city council" shall mean the city council of the city of  
38 New York.

39 § 2. Subdivisions 1 and 2 of section 552 of the public authorities  
40 law, subdivision 1 as amended by chapter 506 of the laws of 2009 and  
41 subdivision 2 as amended by section 1 of part 0 of chapter 61 of the  
42 laws of 2000, are amended to read as follows:

43 1. A board, to be known as "Triborough bridge and tunnel authority" is  
44 hereby created. Such board shall be a body corporate and politic consti-  
45 tuting a public benefit corporation. It shall consist of seventeen  
46 members, all serving ex officio. Those members shall be the persons who  
47 from time to time shall hold the offices of chairman and members of  
48 ~~[metropolitan transportation]~~ the big apple transit authority. The  
49 chairman of such board shall be the chairman of ~~[metropolitan transpor-~~  
50 ~~tation]~~ the big apple transit authority, serving ex officio, and,  
51 provided that there is an executive director of the ~~[metropolitan trans-~~  
52 ~~portation]~~ big apple transit authority, the executive director of the  
53 authority shall be the executive director of the ~~[metropolitan transpor-~~  
54 ~~tation]~~ big apple transit authority, serving ex officio. Notwithstanding



1 any provision of law to the contrary, the chairman shall be the chief  
2 executive officer of the authority and shall be responsible for the  
3 discharge of the executive and administrative functions and powers of  
4 the authority. The chairman and executive director, if any, each shall  
5 be empowered to delegate his or her functions and powers to the execu-  
6 tive officer of the Triborough bridge and tunnel authority or to such  
7 person as may succeed to the powers and duties of said executive offi-  
8 cer. The chairman and other members of the board hereby created, and the  
9 executive director, if any, shall not be entitled to compensation for  
10 their services hereunder but shall be entitled to reimbursement for  
11 their actual and necessary expenses incurred in the performance of their  
12 official duties.

13 2. A majority of the whole number of members of the authority then in  
14 office shall constitute a quorum for the transaction of any business or  
15 the exercise of any power of the authority. Except as otherwise speci-  
16 fied in this title for the transaction of any business or the exercise  
17 of any power of the authority, the authority shall have the power to act  
18 by a majority vote of the members present at any meeting at which a  
19 quorum is in attendance and except further, that in the event of a tie  
20 vote the chairman shall cast one additional vote. For the purposes of  
21 the voting and quorum requirements of this subdivision, the voting and  
22 quorum requirements set forth in [~~subdivision three of section twelve~~  
23 ~~hundred sixty-three~~] subdivision three of section thirteen hundred  
24 forty-nine-c of this chapter and in any by-law of the [~~metropolitan~~  
25 ~~transportation~~] big apple transit authority adopted pursuant to the  
26 provisions of such subdivision shall be applicable hereto. Such board  
27 and its corporate existence shall continue only for a period of five  
28 years and thereafter until all its liabilities have been met and its  
29 bonds, notes and other obligations have been paid in full or such  
30 liabilities or bonds, notes or other obligations have otherwise been  
31 discharged, including bonds, notes or other obligations issued by the  
32 metropolitan transportation authority that are payable in whole or in  
33 part by revenues of the authority. When all liabilities incurred by the  
34 authority of every kind and character have been met and all its bonds,  
35 notes and other obligations have been paid in full, including bonds,  
36 notes or other obligations issued by the metropolitan transportation  
37 authority that are payable in whole or in part by revenues of the  
38 authority, or such liabilities or bonds, notes or other obligations have  
39 otherwise been discharged, all rights and properties of the authority  
40 shall pass to and be vested in the city, except those rights and proper-  
41 ties held by it relating to the convention center which shall pass to  
42 and be vested in the state. The authority shall retain full jurisdiction  
43 and control over all its projects, with the right and duty, subject to  
44 the limitations of subdivision nine of section five hundred fifty-two-a  
45 of this title, to charge tolls and collect revenues therefrom, for the  
46 benefit of the holders of any of its bonds, notes or other obligations  
47 or other liabilities, even if not issued or incurred in connection with  
48 the project. Upon the authority's ceasing to exist all its remaining  
49 rights and properties shall pass to the city, except those rights and  
50 properties held by it relating to the convention center which shall pass  
51 to the state.

52 § 3. Subdivisions 4-a, 4-b and 7-a, paragraphs (k), (o), (p) and (r)  
53 of subdivision 9 and subdivisions 12, 13, 14, 17, 20 and 21 of section  
54 553 of the public authorities law, subdivision 4-a as added by chapter  
55 954 of the laws of 1946, subdivision 4-b as amended by section 2, subdi-  
56 vision 12 as amended by section 3, subdivision 17 as amended by section



1 4 and subdivision 21 as added by section 5 of part 0 of chapter 61 of  
2 the laws of 2000, subdivision 7-a as amended by section 7 of subpart B  
3 of part ZZZ of chapter 59 of the laws of 2019, paragraph (k) of subdivi-  
4 sion 9 as added by chapter 806 of the laws of 1955, paragraphs (o) and  
5 (p) of subdivision 9 as added by chapter 369 of the laws of 1979, para-  
6 graph (r) of subdivision 9 as added by chapter 314 of the laws of 1981,  
7 subdivision 13 as amended by chapter 576 of the laws of 1964, subdivi-  
8 sion 14 as amended by chapter 874 of the laws of 1939 and subdivision 20  
9 as added by chapter 929 of the laws of 1986, are amended to read as  
10 follows:

11 4-a. Whenever any real property is determined by the authority to be  
12 unnecessary for its corporate purpose.

13 (a) to surrender such real property to the [~~board of estimate of the~~]  
14 city council for other public use or purpose of such city, or

15 (b) to sell and convey or lease in behalf of such city any real prop-  
16 erty acquired by the city at the expense of the authority. The proceeds  
17 of any such sale or lease shall be paid to the authority and applied to  
18 its corporate purpose. Any such lease shall run for a term not to exceed  
19 ten years, and a renewal thereof for a term not to exceed ten years.

20 4-b. To apply for and receive and accept grants of property, money and  
21 services and other assistance offered or made available to it by any  
22 person, government or agency whatever, which it may use to meet capital  
23 or operating expenses and for any other use within the scope of its  
24 powers, and to negotiate for the same upon such terms and conditions as  
25 the authority may determine to be necessary, convenient or desirable.  
26 Subject to the rights of the holders of any outstanding bonds, notes or  
27 other obligations of the authority, the metropolitan transportation  
28 authority, the big apple transit authority and the New York city transit  
29 authority, and to facilitate the efficient financial management of the  
30 authority, the metropolitan transportation authority, the big apple  
31 transit authority, its subsidiary corporations, and the New York city  
32 transit authority and its subsidiary corporations (the "affiliated enti-  
33 ties"), the authority may, and may permit and direct any affiliated  
34 entity to, transfer revenues, subsidies and other monies or securities  
35 to one or more funds or accounts of another affiliated entity for use by  
36 such other affiliated entity, provided at the time of such transfer it  
37 is reasonably anticipated that the monies and securities so transferred  
38 will be reimbursed, repaid or otherwise provided for by the end of the  
39 next succeeding calendar year if reimbursement or repayment is required  
40 by law or by any agreement to which any of the affected affiliated enti-  
41 ties is subject. Any revenues of an affiliated entity that are trans-  
42 ferred to another affiliated entity, which transfer was not authorized  
43 by a provision of law other than this subdivision, shall be considered  
44 to be required to be repaid to the affiliated entity which was the  
45 source of such revenues by the end of the next succeeding calendar year  
46 following such transfer.

47 7-a. Notwithstanding any inconsistent provision of law, the bridge and  
48 tunnel officers employed by the authority shall have the power to issue  
49 simplified traffic informations for traffic infractions as defined in  
50 section one hundred fifty-five of the vehicle and traffic law, committed  
51 on the sites owned, operated and maintained by the [~~triborough~~] Tribor-  
52 ough bridge and tunnel authority, such informations to be administered  
53 pursuant to the provisions of chapter two of title [~~A of chapter forty~~]  
54 nineteen of the administrative code of the city of New York or article  
55 two-A of the vehicle and traffic law, as applicable and also shall have  
56 the power to issue notices of violation for transit infractions commit-

ted in and about any or all of the facilities, equipment or real property owned, occupied or operated by the [~~metropolitan transportation~~] big apple transit authority or its subsidiaries and the New York city transit authority and its subsidiaries, as provided and in accordance with section twelve hundred nine-a of this chapter. Nothing set forth in this subdivision shall be construed to impede, infringe or diminish the rights and benefits that accrue to employees and employers through collective bargaining agreements, or impact or change an employee's membership in a bargaining unit.

(k) Subject to and in accordance with all contract provisions with respect to any bonds and the rights of the holders of bonds, a vehicular bridge across the East river between the boroughs of the Bronx and Queens, east of the Bronx-Whitestone bridge, together with such incidental bridges and other structures, appurtenances, facilities and approaches as shall be necessary or convenient (herein collectively referred to as the "Throgs Neck bridge project"). With the consent of the United States of America, the Throgs Neck bridge project or a portion thereof, if deemed necessary or convenient by the authority, may be constructed upon or pass over any part of the military reservation known as Fort Schuyler and owned by the United States of America. No lands, easements or rights in land shall be acquired by the authority for the purposes of this paragraph without the prior consent of the [~~board of estimate of the~~] city council.

~~[(c) Subject to section five hundred fifty-three c of this title, the acquisition of new diesel self-propelled railroad passenger cars and the transfer of the same to the metropolitan transportation authority, for a nominal consideration, for use on commuter railroads owned or controlled by the metropolitan transportation authority. The authority shall have no obligation to operate, repair, maintain or reconstruct such cars subsequent to their acquisition and transfer, nor shall it be liable to the metropolitan transportation authority by reason of any warranty, express or implied, in respect of such cars. Manufacturers or other warranties furnished to the authority in connection with the purchase of such cars shall be assigned to the metropolitan transportation authority for enforcement.]~~

~~[(p) Subject to section five hundred fifty-three c of this title, the acquisition of land in the name of the authority in the vicinity of Penn Station in the city of New York and/or the improvement of such land for the benefit of the Long Island Rail Road for a lay-up yard and other railroad purposes and the transfer of the said land and any improvements thereon to the metropolitan transportation authority, parent corporation of the said railroad, for a nominal consideration. The authority shall have no obligation to operate, repair, maintain or reconstruct such land or its improvements subsequent to such transfer.]~~

(r) In its discretion and subject to and in accordance with all contract provisions with respect to any bonds and the rights of the holders of bonds, at the request of the New York city transit authority or the [~~metropolitan transportation~~] big apple transit authority, (i) the planning for and the design, acquisition, construction, improvement, reconstruction or rehabilitation, in the name of the authority, of any capital asset, whether in the nature of personal or real property (or any interest therein) which is used or useful for a transit or transportation purpose other than a marine or aviation purpose of the requesting authority or its designated subsidiary (and in the case of such assets then owned, operated by or under lease to the requesting authority or its designated subsidiary, the receipt by the authority of the use,

1 occupancy, control or possession of such assets for the purpose of plan-  
2 ning, designing, constructing, improving, reconstructing or rehabilitat-  
3 ing the same) and the transfer or transfer back of such asset to the  
4 requesting authority, its designated subsidiary or other designee for a  
5 nominal consideration upon its acquisition or upon the completion of  
6 such improvement, construction, reconstruction or rehabilitation; or,  
7 alternatively or in combination with the foregoing, (ii) the making of  
8 capital grants to the requesting authority or its designated subsidiary  
9 to permit it to undertake and to finance such planning, design, acquisi-  
10 tion, improvement, construction, reconstruction or rehabilitation, or,  
11 alternatively or in combination with the foregoing, (iii) the financing  
12 of all or any part of the costs to the authority or to any other person  
13 or entity, public or private, of such planning, design, acquisition,  
14 construction, improvement, reconstruction or rehabilitation of any such  
15 capital asset through or accompanied by a leasing of the asset by such  
16 person or entity to the authority or through or accompanied by a sale by  
17 the authority to any such person or entity and leaseback to the authori-  
18 ty, in each case for subleasing to the requesting authority, its desig-  
19 nated subsidiary or other designee for a nominal rental, except that  
20 such leasing or leaseback from such person or entity may be directly to  
21 the requesting authority or its designated subsidiary or other designee,  
22 for consideration, with the consent and at the expense of the authority.  
23 The foregoing authorization shall extend to and include the continuation  
24 of projects enumerated in paragraphs (m)[,] and (n)[, ~~(e)~~ and ~~(p)~~] of  
25 this subdivision without regard to any limitations set forth in section  
26 five hundred fifty-three-c of this title. The authority shall have no  
27 obligation to operate or, except as may otherwise be provided in any  
28 lease to which it may be a party as aforesaid, repair or maintain any  
29 capital asset after its acquisition, construction, improvement, recon-  
30 struction or rehabilitation and subsequent transfer, lease or sublease,  
31 nor shall it be liable to the transferee, lessee or sublessee by reason  
32 of any warranty, express or implied, in respect thereof. Warranties  
33 furnished in connection with such acquisition, improvement,  
34 construction, reconstruction or rehabilitation shall be assignable and  
35 assigned as directed by the requesting authority and approved by the  
36 authority.

37 12. To charge tolls, fees or rentals for the use of the project,  
38 subject to and in accordance with such agreement with bondholders as may  
39 be made as hereinafter provided. The toll rates charged for the use of  
40 either the Triborough or Whitestone bridge project shall, however, never  
41 be less than the toll rates charged for the use of the other, and this  
42 clause shall be deemed an obligation to the holders of any and all bonds  
43 at any time issued secured by the revenues of said projects. Subject to  
44 contracts with bondholders, all tolls and other revenues derived from  
45 any project shall be applied to the payment of operating, administration  
46 and other necessary expenses of the authority properly chargeable to  
47 such project and thereafter to the payment of interest or principal of  
48 bonds or for making sinking fund payments for bonds, not otherwise  
49 adequately provided for, whether issued in connection with such project  
50 or any other project. It is the intention hereof that surplus funds from  
51 any project remaining after providing for the payment of all operating,  
52 administration and other necessary expenses of the authority and all  
53 contract provisions with respect to any bonds, may be used to meet obli-  
54 gations incurred for other projects and if not so used or reserved for  
55 such use shall, at the discretion of [~~metropolitan transportation~~] the  
56 big apple transit authority, be transferred to [~~metropolitan transporta-~~

~~tion]~~ the big apple transit authority or the New York city transit authority pursuant to section five hundred sixty-nine-c of this title. Subject to contracts with bondholders, the authority may treat one or more projects as a single enterprise in respect of revenues, expenses, the issuance of bonds, maintenance, operation or other purposes;

13. To construct and maintain over, under, along or across the project telephone, telegraph, or electric wires and cables, gas mains, water mains and other mechanical equipment not inconsistent with the appropriate use of the project, to contract for such construction and to lease the right to construct and/or use the same on such terms and for such considerations as it shall determine, provided, however, that no lease shall be made except with the approval of the [~~board of estimate of the~~] city council, or for a period of more than twenty years from the date when it is made;

14. To construct and maintain facilities for the public, not inconsistent with the use of the project, to contract for such construction, and to lease the right to construct and/or use such facilities on such terms and for such considerations as it shall determine, provided, however, that no lease shall be made for a period of more than five years from the date when it is made except with the approval of the [~~board of estimate of the~~] city council;

17. To do all things necessary or convenient to carry out the powers expressly given in this title and to assist and cooperate with the [~~metropolitan transportation~~] big apple transit authority to carry out the powers of the [~~metropolitan transportation~~] big apple transit authority in furtherance of the purposes and powers of the authority as provided in this article, including, without limitation, the transactions described in sections [~~twelve hundred sixty-six-e~~] thirteen hundred forty-nine-j, [~~twelve hundred sixty-nine~~] thirteen hundred forty-nine-u, and [~~twelve hundred seventy-d~~] thirteen hundred forty-nine-dd of this chapter.

20. Prior to the adoption after January first, nineteen hundred eighty-seven by the authority of a general resolution pursuant to which it is authorized to issue any general or special obligation bonds or notes to finance a project pursuant to the authorization contained in paragraph (r) of subdivision nine of this section, not including any series resolution or resolutions, and prior to the adoption of any amendment to a general resolution, whenever adopted, pursuant to which it is authorized to issue any general or special obligation bonds or notes for such purpose, not including a series resolution or resolutions, the authority shall submit a copy of such proposed resolution to the [~~metropolitan transportation authority capital program review~~] big apple transit authority's board (hereinafter referred to as the "board"). Within fifteen days of such submission, the board may notify the authority of its unanimous approval of the same by the members entitled to vote thereon, or if the resolution is not approved and no individual member of the board who is entitled to vote on such resolution has notified the authority in writing of his disapproval, the resolution shall be deemed to have been approved. Neither the board nor any member thereof shall disapprove a proposed resolution by reason of any covenant requiring the authority to charge and fix tolls, rentals and other charges sufficient to pay its operating expenses and the debt service, including the funding of requisite reserves, on the bonds and notes authorized by such resolution. If the board or any member thereof entitled to vote thereon shall disapprove a proposed resolution, the authority may, at any time, resubmit a reformulated resolution. Within ten days of the submission of

1 such reformulated resolution the board may notify the authority of its  
 2 unanimous approval of the same by the members entitled to vote thereon,  
 3 or, if the reformulated resolution is not approved and no individual  
 4 member of the board who is entitled to vote thereon has notified the  
 5 authority in writing of his disapproval within such period, the reformu-  
 6 lated resolution shall have been deemed to have been approved. Any  
 7 individual member of the board who votes against a resolution or a  
 8 reformulated resolution or who notifies the authority of his disapproval  
 9 shall state his reasons therefor. The member appointed on the recommen-  
 10 dation of the mayor of the city of New York shall participate in the  
 11 action of the board with respect to any resolution of the authority  
 12 submitted pursuant to this subdivision. The authority shall not adopt a  
 13 resolution or any amendment to a resolution disapproved by the board as  
 14 herein provided.

15 21. To invest any funds, accounts or other monies not required for  
 16 immediate use or disbursement, at the discretion of the authority, in  
 17 any of the investments in which the [~~metropolitan transportation~~] big  
 18 apple transit authority is permitted to invest its monies pursuant to  
 19 subdivision four of section [~~twelve hundred sixty-five~~] thirteen hundred  
 20 forty-nine-e of this chapter.

21 § 4. The opening paragraph of subdivision 1 and subdivision 2 of  
 22 section 553-c of the public authorities law, as amended by chapter 273  
 23 of the laws of 1980, are amended to read as follows:

24 The authority shall have the power to finance all or any part of the  
 25 costs of railroad and rapid transit costs enumerated in paragraphs [~~m,~~  
 26 ~~n, o and p~~] (m) and (n) of subdivision nine of section five hundred  
 27 fifty-three of this [~~article~~] title through the issuance of its negoti-  
 28 able bonds, notes or other obligations in the manner provided in section  
 29 five hundred sixty-one of this [~~chapter~~] title subject only to the  
 30 following limitations:

31 2. Moneys expended pursuant to subdivision one of this section shall  
 32 be utilized insofar as practical to: (a) purchase at least one hundred  
 33 twenty-four new subway cars for the New York city transit authority, and  
 34 (b) rehabilitate at least two hundred eighty existing subway cars for  
 35 the New York city transit authority[, (~~e~~) ~~acquire at least fifteen new~~  
 36 ~~diesel self propelled railroad passenger cars for the metropolitan~~  
 37 ~~transportation authority commuter service area and (d) provide a passen-~~  
 38 ~~ger car lay up yard and other facilities for the Long Island Rail Road~~  
 39 ~~in Manhattan~~]. The authority shall either apply for or make reasonable  
 40 effort to secure federal assistance in support of each of the programs  
 41 herein authorized and to the extent such federal assistance is forthcom-  
 42 ing and/or other cost savings are realized with respect to any such  
 43 program shall have the power to expand the size of that or any of the  
 44 foregoing programs.

45 § 5. Section 553-d of the public authorities law, as amended by  
 46 section 6 of part 0 of chapter 61 of the laws of 2000, is amended to  
 47 read as follows:

48 § 553-d. Special Triborough bridge and tunnel authority special obli-  
 49 gation bonds and notes. In addition to the powers contained elsewhere in  
 50 this title with respect to the projects authorized by paragraphs (m),  
 51 (n)[~~, (o), (p)~~] and (r) of subdivision nine of section five hundred  
 52 fifty-three of this title, and subject to the application of the reven-  
 53 ues and other monies and assets of the authority pursuant to section  
 54 [~~twelve hundred seventy-d~~] thirteen hundred forty-nine-dd of this chap-  
 55 ter, the authority may issue its bonds and notes to finance such  
 56 projects payable from and secured by all or any part of the moneys



received by the authority from the metropolitan transportation authority special assistance fund established under section twelve hundred seventy-a of this chapter, provided however that such bonds and notes may also be payable from and secured by any other moneys, securities and funds designated by the authority as additional security therefor. Debt service on bonds and notes issued by the authority pursuant to this section which is paid or reimbursed from moneys received by the authority from the metropolitan transportation authority special assistance fund shall not be deemed to constitute debt service incurred by the authority for purposes of subdivision three of section twelve hundred nineteen-a of this chapter. Such bonds or notes shall be issued in the manner provided in section five hundred sixty-one of this title.

§ 6. Subdivisions 1, 7, 8, 9, 10 and 11 of section 553-e of the public authorities law, as added by chapter 314 of the laws of 1981, subdivision 10 as amended by chapter 558 of the laws of 1981 and subdivision 11 as amended by chapter 929 of the laws of 1986, are amended to read as follows:

1. (a) In its performance of any project authorized by paragraph (m), (n)[~~(o)~~, ~~(p)~~] or (r) of subdivision nine of section five hundred fifty-three of this title, the authority shall not be deemed the agent or instrumentality of any other public benefit or municipal corporation notwithstanding the fact that title to any real or personal property (or any interest therein) which is the subject of or is a part of such project is held by, or upon completion of such project is to be transferred to, any such entity, and the provisions of section five hundred fifty-nine of this title shall not be applicable with respect to any such project. In its performance of any such project for the New York city transit authority, however, the provisions of section twelve hundred nine of this chapter shall apply to the authority as if it were the "authority" referred to therein.

(b) Neither the provisions of section one hundred ninety-seven-c of the New York city charter, relating to a uniform land use review procedure, nor the provisions of any other local law of the city of New York of like or similar tenor or import shall apply (i) to the acquisition of any real property (or any interest therein) for the purposes of any such project by the city or by the New York city transit authority or any of its subsidiaries; (ii) to the subsequent transfer of any real property (or interest therein) so acquired to the authority or its designee for the purposes of such project or to the transfer to the authority or its designee for such purposes of any real property (or interest therein) then owned by the city or by the New York city transit authority or any such subsidiary; nor (iii) to the transfer to the authority or its designee for such purposes of the right of use, occupancy, control or possession of any real property (or interest therein), whether presently owned or hereafter acquired by the city or by the New York city transit authority or any such subsidiary; provided in each such case, however, that if at the time of such proposed acquisition or transfer the real property which is the subject of such acquisition or transfer is not then being utilized for a transit or transportation purpose or is not an insubstantial addition to such property contiguous thereto; (a) the authority proposing to acquire or receive such property shall, unless a submission with respect to such property has previously been made and approved as herein provided, submit to the community board for the community district in which such property is located, data with respect to the proposed use of such property and to the design of any facility proposed to be constructed thereon; (b) such community board shall

1 inform the [~~board of estimate of the~~] city council of New York, with  
 2 copies to the city planning commission of the city of New York and the  
 3 proposing authority, of its views and recommendations with respect ther-  
 4 eto within forty-five days of such submission, and if the community  
 5 board shall fail to so inform the [~~board of estimate~~] city council with-  
 6 in such period it shall be deemed to have recommended the proposal; and  
 7 (c) the [~~board of estimate~~] city council shall, within forty-five days  
 8 of the recommendation of the community board, approve or disapprove such  
 9 acquisition or transfer, and if the [~~board of estimate~~] city council  
 10 shall fail to act within such period it shall be deemed to have approved  
 11 the same.

12 7. The [~~metropolitan transportation~~] big apple transit authority, the  
 13 New York city transit authority and the designated subsidiaries of each  
 14 of them are each hereby authorized (i) to request the authority to  
 15 undertake any such project; (ii) to acquire in its own name by gift,  
 16 purchase or condemnation, and, additionally, in the case of the [~~metro-~~  
 17 ~~politan transportation~~] big apple transit authority, by appropriation  
 18 pursuant to section [~~twelve hundred sixty seven a~~] thirteen hundred  
 19 forty-nine-g of this chapter, any real or personal property (or any  
 20 interest therein), which is needed or useful for or in connection with  
 21 such project, the provisions of any lease or other agreement with the  
 22 city to the contrary notwithstanding, and to surrender the use, occupan-  
 23 cy, control or possession of or to transfer the same, or of any other  
 24 such real or personal property (or any interest therein) which it owns,  
 25 leases, operates or controls, to the authority; (iii) to accept a trans-  
 26 fer, transfer back, lease or sublease of any such project or part there-  
 27 of upon its completion; (iv) to undertake any such project itself, or to  
 28 finance, through loans, leases or otherwise, any other person or entity,  
 29 public or private, to do so, in each case using funds granted by the  
 30 authority to pay all or any part of the costs thereof (such undertaking,  
 31 in the case of the New York city transit authority and its subsidiary,  
 32 the Manhattan and Bronx surface transit operating authority, being free  
 33 of any restriction set forth in subparagraph (ii) of paragraph b of  
 34 subdivision one of section twelve hundred three or in paragraph (c) of  
 35 subdivision five of section twelve hundred three-a of this chapter); and  
 36 (v) to make its agents, employees and facilities available to the  
 37 authority in connection therewith.

38 8. No such project to be constructed upon real property theretofore  
 39 used for a transit or transportation purpose, or on an insubstantial  
 40 addition to such property contiguous thereto, which will not change in a  
 41 material respect the general character of such prior transit or trans-  
 42 portation use, nor any acts or activities in connection with such  
 43 project, shall be subject to the provisions of article eight, nineteen,  
 44 twenty-four or twenty-five of the environmental conservation law, or to  
 45 any local law or ordinance adopted pursuant to any such article. Nor  
 46 shall any project or acts or activities in connection therewith taken by  
 47 any person or entity, public or private, pursuant to paragraph (m),  
 48 (n)[~~r~~-(~~o~~),(~~p~~)] or (r) of subdivision nine of section five hundred  
 49 fifty-three of this title be subject to the provisions of article eight  
 50 of the environmental conservation law if such project, acts or activ-  
 51 ities to be taken in connection therewith require the preparation of a  
 52 statement under or pursuant to any federal law or regulation as to the  
 53 environmental impact thereof.

54 9. In connection with the negotiation, award and implementation of  
 55 contracts of the authority relating to any project hereafter initiated  
 56 pursuant to paragraphs (m), (n)[~~r~~-(~~o~~),(~~p~~)] and (r) of subdivision nine

1 of section five hundred fifty-three of this title, the provisions of  
2 [~~paragraphs (a), (b), (c) and (d) of subdivision~~] subdivisions thirteen  
3 and fourteen of section [~~twelve hundred sixty-six-e~~] thirteen hundred  
4 forty-nine-j of this chapter shall apply to the authority as if it were  
5 the "authority" referred to therein, and the [~~officer designated by the~~  
6 ~~metropolitan transportation authority pursuant to paragraph (e) of that~~  
7 ~~subdivision~~] division of minority and women's business development,  
8 established pursuant to article fifteen-A of the executive law, shall  
9 perform the duties therein described with respect to such contracts of  
10 the authority.

11 10. The financing of any such project through the issuance of bonds or  
12 notes of the authority shall be subject to the provisions of section  
13 [~~twelve hundred sixty-nine-b~~] thirteen hundred forty-nine-v of this  
14 chapter.

15 11. The aggregate principal amount of bonds and notes issued and  
16 outstanding at any time to finance projects authorized by paragraphs  
17 (m), (n)[~~, (o), (p)~~] and (r) of subdivision nine of section five hundred  
18 fifty-three of this title shall not exceed one billion one hundred  
19 million dollars through December thirty-first, nineteen hundred eighty-  
20 six and three billion two hundred million dollars thereafter, provided  
21 however that such latter amount shall not exceed two billion two hundred  
22 million dollars for all bonds and notes other than those issued pursuant  
23 to section five hundred fifty-three-d of this title. This limitation  
24 shall not include (i) bonds and notes issued to refund or otherwise  
25 repay bonds or notes theretofore issued for such purposes, (ii) bonds  
26 issued to fund any reasonably required debt service reserve fund for  
27 bonds and notes, and (iii) an amount equal to any original issue  
28 discount from the [~~principal~~] principal amount of any bonds or notes  
29 issued and then outstanding. From the proceeds of the bonds and notes  
30 provided for in the first sentence of this subdivision, other than bonds  
31 or notes authorized by section five hundred fifty-three-d of this title,  
32 the authority shall not expend more than one billion three hundred twenty  
33 million dollars for transit projects as defined in section [~~twelve~~  
34 ~~hundred sixty-six-e~~] thirteen hundred forty-nine-j of this chapter nor  
35 more than eight hundred eighty million dollars for transportation facil-  
36 ities as such term is defined in subdivision [~~fourteen~~] nineteen of  
37 section [~~twelve hundred sixty-one~~] thirteen hundred forty-nine-b of this  
38 chapter other than marine or aviation facilities. For the purposes of  
39 this subdivision, facilities under the jurisdiction of the Staten Island  
40 rapid transit operating authority shall be considered transit projects.

41 § 7. Intentionally omitted.

42 § 8. Subdivision 2 of section 553-j of the public authorities law, as  
43 added by section 5 of subpart A of part ZZZ of chapter 59 of the laws of  
44 2019, is amended to read as follows:

45 2. Monies in the fund shall be applied, subject to agreements with  
46 bondholders and applicable federal law, to the payment of operating,  
47 administration, and other necessary expenses of the authority, or to the  
48 city of New York subject to the memorandum of understanding executed  
49 pursuant to subdivision two-a of section seventeen hundred four of the  
50 vehicle and traffic law properly allocable to such program, including  
51 the planning, designing, constructing, installing or maintaining of the  
52 central business district tolling program, including, without limita-  
53 tion, the central business district tolling infrastructure, the central  
54 business district tolling collection system and the central business  
55 district tolling customer service center, and the costs of any [~~metro-~~  
56 ~~politan transportation~~] big apple transit authority capital projects

1 included within the 2020 to 2024 [~~MTA~~] big apple transit authority capi-  
2 tal program or any successor programs. Monies in the fund may be: (a)  
3 pledged by the authority to secure and be applied to the payment of the  
4 bonds, notes or other obligations of the authority to finance the costs  
5 of the central business district tolling program, including, without  
6 limitation, the central business district tolling infrastructure, the  
7 central business district tolling collection system and the central  
8 business district tolling customer service center, and the costs of any  
9 [~~metropolitan transportation~~] big apple transit authority capital  
10 projects included within the 2020 to 2024 [~~MTA~~] big apple transit  
11 authority capital program or any successor programs, including debt  
12 service, reserve requirements, if any, the payment of amounts required  
13 under bond and note facilities or agreements related thereto, the  
14 payment of federal government loans, security or credit arrangements or  
15 other agreements related thereto; or (b) used by the authority for the  
16 payment of such capital costs of the central business district tolling  
17 program and the costs of any [~~metropolitan transportation~~] big apple  
18 transit authority capital projects included within the 2020 to 2024  
19 [~~MTA~~] big apple transit authority capital program or any successor  
20 programs; or (c) transferred to the [~~metropolitan transportation~~] big  
21 apple transit authority and (1) pledged by the [~~metropolitan transpor-~~  
22 ~~tation~~] big apple transit authority to secure and be applied to the  
23 payment of the bonds, notes or other obligations of the [~~metropolitan~~  
24 ~~transportation~~] big apple transit authority to finance the costs of any  
25 [~~metropolitan transportation~~] big apple transit authority capital  
26 projects included within the 2020 to 2024 [~~MTA~~] big apple transit  
27 authority capital program or any successor programs, including debt  
28 service, reserve requirements, if any, the payment of amounts required  
29 under bond and note facilities or agreements related thereto, the  
30 payment of federal government loans, security or credit arrangements or  
31 other agreements related thereto, or (2) used by the [~~metropolitan~~  
32 ~~transportation~~] big apple transit authority for the payment of the costs  
33 of any [~~metropolitan transportation~~] big apple transit authority capital  
34 projects included within the 2020 to 2024 [~~MTA~~] big apple transit  
35 authority capital program or any successor programs. Such revenues shall  
36 only supplement and shall not supplant any federal, state, or local  
37 funds expended by the authority or the [~~metropolitan transportation~~] big  
38 apple transit authority, or such authority's or [~~metropolitan transpor-~~  
39 ~~tation~~] big apple transit authority's affiliates or subsidiaries for  
40 such respective purposes. Central business district toll revenues may be  
41 used as required to obtain, utilize, or maintain federal authorization  
42 to collect tolls on federal aid highways.

43 § 9. Subdivisions 3, 3-a and 4 of section 553-j of the public authori-  
44 ties law, as added by section 5 of subpart A of part ZZZ of chapter 59  
45 of the laws of 2019, are amended to read as follows:

46 3. Any monies deposited in the fund shall be held in the fund free and  
47 clear of any claim by any person arising out of or in connection with  
48 article forty-four-C of the vehicle and traffic law and subdivision  
49 twelve-a of section five hundred fifty-three of this title. Without  
50 limiting the generality of the foregoing, no person paying any amount  
51 that is deposited into the fund shall have any right or claim against  
52 the authority or the [~~metropolitan transportation~~] big apple transit  
53 authority, any of their bondholders, any of the authority's or the  
54 [~~metropolitan transportation~~] big apple transit authority's subsidiaries  
55 or affiliates to any monies in or distributed from the fund or in  
56 respect of a refund, rebate, credit or reimbursement of monies arising

1 out of or in connection with article forty-four-C of the vehicle and  
2 traffic law and subdivision twelve-a of section five hundred fifty-three  
3 of this title.

4 3-a. Of the capital project costs paid by this fund[~~+ eighty percent~~  
5 ~~shall be capital project costs of the New York city transit authority~~  
6 ~~and its subsidiary, Staten Island Rapid Transit Operating Authority, and~~  
7 ~~MTA Bus with~~] priority shall be given to the subway system, new signal-  
8 ing, new subway cars, track and car repair, accessibility, buses and bus  
9 system improvements and further investments in expanding transit avail-  
10 ability to areas in the outer boroughs that have limited mass transit  
11 options; ten percent shall be capital project costs of the Long Island  
12 Rail Road, including but not limited to, parking facilities, rolling  
13 stock, capacity enhancements, accessibility, and expanding transit  
14 availability to areas in the Metropolitan Commuter Transportation  
15 District that have limited mass transit options; and ten percent shall  
16 be capital project costs of the Metro-North Commuter Railroad Company,  
17 including but not limited to, parking facilities, rolling stock, capaci-  
18 ty enhancements, accessibility, and expanding transit availability to  
19 areas in the Metropolitan Commuter Transportation District that have  
20 limited mass transit options.

21 4. The authority shall report annually on all receipts and expendi-  
22 tures of the fund. The report shall detail operating expenses of the  
23 central business district tolling program and all fund expenditures  
24 including capital projects. The report shall be readily available to the  
25 public, and shall be posted on the authority's website and be submitted  
26 to [~~the governor, the temporary president of the senate, the speaker of~~  
27 ~~the assembly,~~] the mayor and council of the city of New York, and the  
28 [~~metropolitan transportation~~] big apple transit authority board[, ~~and~~  
29 ~~the metropolitan transportation authority capital program review board~~].

30 § 10. Subdivision 5 of section 553-k of the public authorities law is  
31 REPEALED.

32 § 11. Section 555 of the public authorities law, as amended by chapter  
33 655 of the laws of 1978, is amended to read as follows:

34 § 555. Selection of site. Notwithstanding any provisions of any other  
35 statute, the authority in conjunction with the commissioner of parks of  
36 the city or his successor, the commissioner of parks and recreation, and  
37 with the approval of the [~~board of estimate~~] city council of such city  
38 and with the separate approval of the mayor thereof, is hereby author-  
39 ized to select sites in the boroughs of the Bronx and Queens of the city  
40 for the Whitestone bridge project and parkways connecting therewith,  
41 which sites may be in or through existing public parks, and to select  
42 sites for new public parks contiguous to such project or contiguous to  
43 the roads, streets, parkways or avenues connecting with such project. A  
44 site or sites may be selected for any or all of the aforementioned  
45 purposes and thereafter the use thereof shall be allocated by the  
46 commissioner of parks and recreation as herein provided. The property so  
47 selected solely for such project, not already owned by the city, shall  
48 be acquired at the sole expense of the authority in the manner provided  
49 for under this title. The property so selected solely for new public  
50 parks shall be acquired by the city at its sole expense. The cost of the  
51 property so selected for such project, combined with any other aforemen-  
52 tioned purposes the use of which is to be thereafter determined, shall  
53 be divided between the city and the authority as may be determined by a  
54 contract or contracts hereby authorized to be entered into between the  
55 city and the authority, subject to the approval of the [~~board of esti-~~  
56 ~~mate of the~~] city council. So much of the sites so selected and acquired



1 or such easements or rights of way therein as may be necessary or  
2 convenient for the corporate purposes of the authority may be assigned  
3 by the commissioner of parks and recreation of the city to the authority  
4 for its use so long as its corporate existence shall continue.

5 § 12. Section 557 of the public authorities law, as amended by chapter  
6 576 of the laws of 1964, is amended to read as follows:

7 § 557. Grant of land by the city to the authority. The city shall have  
8 power and authority by resolution of the [~~board of estimate of the~~ city  
9 council] to assign to the authority, without consideration, any land  
10 owned by the city on the seventh day of April, nineteen hundred thirty-  
11 three, or thereafter acquired by it, needed or convenient for the  
12 project, including lands released or to be released by the state to the  
13 city pursuant to chapter three hundred seventy-nine of the laws of nine-  
14 teen hundred twenty-nine as amended.

15 § 13. Subdivision 3 of section 557-a of the public authorities law, as  
16 added by chapter 874 of the laws of 1939, is amended to read as follows:

17 3. The city may, by resolution of the [~~board of estimate~~ city  
18 council], or by deed authorized by such a resolution, convey, with or  
19 without consideration, to the authority for the project the use and  
20 occupancy, for so long as its corporate existence shall continue, of any  
21 lands then owned by the city including lands which, by any other law,  
22 are inalienable by the city, and such conveyance may reserve to the city  
23 such rights as shall not restrict the authority in the construction,  
24 reconstruction, operation and maintenance of the project.

25 § 14. Subdivision 1 of section 561 of the public authorities law, as  
26 amended by section 7 of part 0 of chapter 61 of the laws of 2000, is  
27 amended to read as follows:

28 1. The authority shall have the power and is hereby authorized from  
29 time to time to issue its negotiable bonds in conformity with applicable  
30 provisions of the uniform commercial code for any corporate purpose or  
31 power. The authority shall have power from time to time and whenever it  
32 deems refunding advantageous or desirable, to refund, redeem or other-  
33 wise pay, including by purchase or tender any bonds by the issuance of  
34 new bonds, whether the bonds to be refunded have or have not matured,  
35 and may issue bonds partly to refund bonds then outstanding and partly  
36 for any other corporate purpose or power. The refunding bonds may be  
37 exchanged for the bonds to be refunded, with such cash adjustments as  
38 may be agreed, or may be sold and the proceeds applied to the purchase  
39 or payment of the bonds to be refunded. The authority may issue general  
40 or special obligation bonds. Every issue of general obligation bonds  
41 shall be payable out of any moneys or revenues of the authority, subject  
42 only to any agreements with the holders of particular bonds pledging any  
43 particular tolls or revenues. Every issue of special obligation bonds  
44 shall be payable out of any revenues, receipts, monies or assets of the  
45 authority, the [~~metropolitan transportation~~ big apple transit] authority  
46 and its subsidiary corporations and the New York city transit authority  
47 and its subsidiary corporations identified for such purposes in accord-  
48 ance with agreements with the holders of particular bonds.

49 § 15. Section 569-c of the public authorities law, as amended by  
50 section 9 of part 0 of chapter 61 of the laws of 2000, is amended to  
51 read as follows:

52 § 569-c. Transfer and receipt of surplus funds. Notwithstanding any  
53 provision of this title or any other provision of law, general, special  
54 or local, the authority shall, at the direction of the [~~metropolitan~~  
55 transportation] big apple transit authority, from time to time transfer  
56 and pay over all or any part of its surplus funds to (a) [~~metropolitan~~

~~transportation]~~ the big apple transit authority or (b) the New York city transit authority, all in accordance with the provisions of subdivision twelve of section five hundred fifty-three of this title [~~and the determination of the proportional allocation of such amounts of surplus funds so deposited as between the New York city transit authority and the commuter railroads operated by metropolitan transportation authority shall be governed by the provisions of section twelve hundred nineteen a of this chapter~~] and the authority may accept and use any moneys transferred and paid over to it by [~~metropolitan transportation]~~ the big apple transit authority or the New York city transit authority.

§ 16. This act shall take effect January 1, 2024.

#### PART D

Section 1. Article 5 of the public authorities law is amended by adding a new title 11-E to read as follows:

##### TITLE 11-E

##### BIG APPLE TRANSIT AUTHORITY

Section 1349-a. Short title.

1349-b. Definitions.

1349-c. Big apple transit authority.

1349-d. Purposes of the authority.

1349-e. General powers of the authority.

1349-f. Contracts.

1349-g. Big apple transit authority small business mentoring program.

1349-h. Special powers of the authority.

1349-i. Medical emergency services.

1349-j. Transit projects.

1349-k. Excess loss fund.

1349-l. Authority police force.

1349-m. The permanent citizens advisory committee.

1349-n. Big apple transit authority pledge to customers.

1349-o. Expired fare transfer policy.

1349-p. Acquisition and disposition of real property.

1349-q. Acquisition and disposition of real property by department of transportation.

1349-r. Transit facilities for transit construction fund.

1349-s. Co-operation and assistance of other agencies.

1349-t. Promotion of qualified transportation fringes.

1349-u. Notes, bonds and other obligations of the authority.

1349-v. Capital program plans; approvals; effect of disapproval.

1349-w. Submission of strategic operation plan.

1349-x. Financial and operational reports.

1349-y. Mission statement and measurement report.

1349-z. Requirements for certain authority contracts and related subcontracts.

1349-aa. Reserve funds and appropriations.

1349-bb. Big apple transit authority special assistance fund.

1349-cc. Big apple transit authority dedicated tax fund.

1349-dd. Consolidated financings.

1349-ee. Regulation of certain authority expenditures.

1349-ff. Metropolitan transportation authority finance fund.

1349-gg. New York city transportation assistance fund.

1349-hh. Agreement of the state.

1 1349-ii. Right of state to require redemption of bonds.  
2 1349-jj. Remedies of noteholders and bondholders.  
3 1349-kk. Notes and bonds as legal investment.  
4 1349-ll. Exemption from taxation.  
5 1349-mm. Actions against the authority.  
6 1349-nn. Annual audit of authority.  
7 1349-oo. Authority budget and financial plan.  
8 1349-pp. Independent audit of authority.  
9 1349-qq. Independent audit by the legislature.  
10 1349-rr. Reporting.  
11 1349-ss. Transfer and receipt of surplus funds.  
12 1349-tt. Title not affected if in part unconstitutional or  
13 ineffective.  
14 1349-uu. Big apple transit authority inspector general.  
15 1349-vv. Management advisory board.  
16 1349-ww. The office of legislative and community input.  
17 1349-xx. Supplemental revenue reporting program.

18 § 1349-a. Short title. This title may be known and may be cited as the  
19 "big apple transit authority act".

20 § 1349-b. Definitions. As used or referred to in this title, unless a  
21 different meaning clearly appears from the context:

22 1. "Authority" shall mean the corporation created by section thirteen  
23 hundred forty-nine-c of this title.

24 2. "Authority facilities" shall mean the authority's transit, rail-  
25 road, omnibus, marine and aviation facilities and operations pursuant to  
26 joint service arrangements.

27 3. "Budget" shall mean the preliminary, final proposed and adopted  
28 final plans of the authority, and each of its agencies.

29 4. "Comptroller" shall mean the comptroller of the city of New York.

30 5. "Equipment" shall mean rolling stock, omnibuses, vehicles, air,  
31 marine or surface craft, motors, boilers, engines, wires, ways, conduits  
32 and mechanisms, machinery, tools, implements, materials, supplies,  
33 instruments and devices of every nature whatsoever used or useful for  
34 transportation purposes or for the generation or transmission of motive  
35 power including but not limited to all power houses, and all apparatus  
36 and all devices for signaling, communications and ventilation as may be  
37 necessary, convenient or desirable for the operation of a transportation  
38 facility.

39 6. "Federal government" shall mean the United States government, and  
40 any officer, department, board, commission, bureau, division, corpo-  
41 ration, agency or instrumentality thereof.

42 7. "Gap" shall mean the difference between projected revenues and  
43 expenses for any given fiscal year based on the existing fare structure.

44 8. "Gap-closing initiative" shall mean any action to reduce a project-  
45 ed gap.

46 9. "Governor" shall mean the governor of the state of New York.

47 10. "Joint service arrangements" shall mean agreements between or  
48 among the authority and any common carrier or freight forwarder, the  
49 state, any state agency, the federal government, any other state or  
50 agency or instrumentality thereof, any public authority of this or any  
51 other state, or any political subdivision or municipality of the state,  
52 relating to property, buildings, structures, facilities, services,  
53 rates, fares, classifications, divisions, allowances or charges (includ-  
54 ing charges between operators of railroad, omnibus, marine and aviation  
55 facilities), or rules or regulations pertaining thereto, for or in  
56 connection with or incidental to transportation in part in or upon rail-

1 road, omnibus, marine or aviation facilities located within the district  
2 and in part in or upon railroad, omnibus, marine or aviation facilities  
3 located outside the district.

4 11. "Marine and aviation facilities" shall mean equipment and craft  
5 for the transportation of passengers, mail and cargo between points  
6 within the district or pursuant to joint service arrangements, by marine  
7 craft and aircraft of all types including but not limited to hydrofoils,  
8 ferries, lighters, tugs, barges, helicopters, amphibians, seaplanes or  
9 other contrivances now or hereafter used in navigation or movement on  
10 waterways or in the navigation of or flight in airspace. It shall also  
11 mean any marine port or airport facility within the city but outside the  
12 port of New York district as defined in chapter one hundred fifty-four  
13 of the laws of nineteen hundred twenty-one, including but not limited to  
14 terminals, docks, piers, bulkheads, ramps or any facility or real prop-  
15 erty necessary, convenient or desirable for the accommodation of passen-  
16 gers and cargo or the docking, sailing, landing, taking off, accommo-  
17 dation or servicing of such marine craft or aircraft.

18 12. "Mayor" shall mean the mayor of the city of New York.

19 13. "Metropolitan transportation authority" shall mean the corporation  
20 created pursuant to title eleven of this article.

21 14. "Omnibus facilities" shall mean motor vehicles, of the type oper-  
22 ated by carriers subject to the jurisdiction of the public service  
23 commission, engaged in the transportation of passengers and their  
24 baggage, express and mail between points within the district or pursuant  
25 to joint service arrangements, and equipment, property, buildings,  
26 structures, improvements, loading or unloading areas, parking areas or  
27 other facilities, necessary, convenient or desirable for the accommo-  
28 dation of such motor vehicles or their passengers, including but not  
29 limited to buildings, structures and areas notwithstanding that portions  
30 may not be devoted to any omnibus purpose other than the production of  
31 revenues available for the costs and expenses of all or any facilities  
32 of the authority.

33 15. "Railroad facilities" shall mean right of way and related track-  
34 age, rails, cars, locomotives, other rolling stock, signal, power, fuel,  
35 communication and ventilation systems, power plants, stations, termi-  
36 nals, storage yards, repair and maintenance shops, yards, equipment and  
37 parts, offices and other real estate or personalty used or held for or  
38 incidental to the operation, rehabilitation or improvement of any rail-  
39 road operating or to operate between points within the district or  
40 pursuant to joint service arrangements, including but not limited to  
41 buildings, structures, and areas notwithstanding that portions thereof  
42 may not be devoted to any railroad purpose other than the production of  
43 revenues available for the costs and expenses of all or any facilities  
44 of the authority.

45 16. "Real property" shall mean lands, structures, franchises and  
46 interests in land, waters, lands under water, riparian rights and air  
47 rights and any and all things and rights included within said term and  
48 includes not only fees simple absolute but also any and all lesser  
49 interests including but not limited to easements, rights of way, uses,  
50 leases, licenses and all other incorporeal hereditaments and every  
51 estate, interest or right, legal or equitable, including terms for years  
52 and liens thereon by way of judgments, mortgages or otherwise.

53 17. "State" shall mean the state of New York.

54 18. "State agency" shall mean any officer, department, board, commis-  
55 sion, bureau, division, public benefit corporation, agency or instrumen-  
56 talities of the state.

19. "Transportation facility" shall mean any transit, railroad, omnibus, marine or aviation facility and any person, firm, partnership, association or, corporation which owns, leases or operates any such facility or any other facility used for service in the transportation of passengers, United States mail or personal property as a common carrier for hire and any portion thereof and the rights, leaseholds or other interest therein together with routes, tracks, extensions, connections, parking lots, garages, warehouses, yards, storage yards, maintenance and repair shops, terminals, stations and other related facilities thereof, the devices, appurtenances, and equipment thereof and power plants and other instrumentalities used or useful therefor or in connection therewith.

20. "Transportation district" and "district" shall mean the metropolitan commuter transportation district created by section twelve hundred sixty-two of this article.

21. "Transportation purpose" shall mean a purpose that directly supports the missions or purposes of the authority, any of its subsidiaries, New York city transit authority or its subsidiary, including the realization of revenues derived from property that is, or is to be used as, a transportation facility.

22. "New York city transit authority" shall mean the corporation created by section twelve hundred one of this article.

23. "Triborough bridge and tunnel authority" shall mean the corporation created pursuant to title three of article three of this chapter.

24. "Inspector general" shall mean the big apple transit authority inspector general.

25. "Revenues" shall mean all monies received by the authority or its subsidiaries, or New York city transit authority or its subsidiaries, or Triborough bridge and tunnel authority, as the case may be, from whatever source, derived directly or indirectly from or in connection with the operations of the respective entity except for any monies transferred to the metropolitan transportation authority pursuant to section thirteen hundred forty-nine-h of this title that is not returned to the authority pursuant to paragraph (c) of subdivision two of section twelve hundred sixty-six of this article.

26. "Transit facility" shall have the same meaning as defined in subdivision fifteen of section twelve hundred of this article.

27. "Utilization" shall mean public usage of the subway, bus, railroad and paratransit services, and bridge and tunnel crossings, of the authority and its affiliates and subsidiaries as reflected in empirical data.

28. "Big apple transit authority and its affiliates" shall mean the big apple transit authority, the New York city transit authority, and the Triborough bridge and tunnel authority, and all their respective subsidiaries.

§ 1349-c. Big apple transit authority. 1. (a) There is hereby created the "big apple transit authority". The authority shall be a body corporate and politic constituting a public benefit corporation. The authority shall consist of seven voting members, including a chairperson, and two non-voting members. Members shall have experience in one or more of the following areas of expertise: transportation or transit planning; urban planning, including sustainability and resiliency; advocacy for individuals with disabilities; demographics, social trends or the needs of low-income New Yorkers; capital planning or civil engineering; finance; or another area of expertise central to the purpose of the authority. The mayor shall appoint four voting members, including the



1 chairperson, and each member shall be entitled to cast one vote. Each  
2 borough president of the city of New York shall appoint one voting  
3 member who shall be entitled to cast a half vote. The public advocate of  
4 the city of New York shall appoint one voting member who shall be enti-  
5 tled to cast a half vote. The two non-voting members shall be appointed  
6 by the mayor. The first non-voting member shall be a regular mass trans-  
7 it user of the facilities of the authority and be recommended to the  
8 mayor of the city of New York by the permanent citizens advisory commit-  
9 tee established pursuant to section thirteen hundred forty-nine-m of  
10 this title. The second non-voting member shall be recommended to the  
11 mayor by the labor organization representing the majority of employees  
12 of the authority. The chairperson, at such chairperson's direction, may  
13 exclude such non-voting member from attending any portion of a meeting  
14 of the authority or of any committee established pursuant to paragraph  
15 (b) of subdivision three of this section held for the purpose of  
16 discussing negotiations with labor organizations. The chairperson and  
17 each of the members shall be appointed for a term of three years.

18 (b) Each member shall be subject to the conflict of interest board  
19 established by section twenty-six hundred two of the New York city char-  
20 ter as public servants charged with substantial policy discretion.

21 (c) Vacancies occurring otherwise than by expiration of term shall be  
22 filled in the same manner as original appointments for the balance of  
23 the unexpired term.

24 2. The chairperson shall be paid a salary in the amount determined by  
25 the authority; the other members shall not receive a salary or other  
26 compensation. Each member, including the chairperson, shall be entitled  
27 to reimbursement for actual and necessary expenses incurred in the  
28 performance of such member's official duties.

29 3. (a) Notwithstanding any provision of law to the contrary, the  
30 chairperson shall be the chief executive officer of the authority and  
31 shall be responsible for the discharge of the executive and administra-  
32 tive functions and powers of the authority. The chairperson may appoint  
33 an executive director and such other officials and employees as shall in  
34 such chairperson's judgment be needed to discharge the executive and  
35 administrative functions and powers of the authority.

36 (b) The chairperson shall establish committees to assist such chair-  
37 person in the performance of such chairperson's duties and shall appoint  
38 members of the authority to such committees. Among such committees,  
39 there shall be a committee on operations of the New York city transit  
40 authority, the Manhattan and Bronx surface transit operating authority  
41 and the Staten Island rapid transit operating authority; a committee on  
42 operations of the Triborough bridge and tunnel authority; a committee on  
43 finance; a committee on capital program oversight; and a committee on  
44 safety. In addition to such appointed members, each of the non-voting  
45 members shall serve on the committee on capital program oversight, the  
46 committee on finance, the committee on safety, and the committee on  
47 operations of the Triborough bridge and tunnel authority. The committee  
48 on capital program oversight shall include not less than four members,  
49 and shall include the chairpersons of the committee on operations of the  
50 New York city transit authority, the Manhattan and Bronx surface transit  
51 operating authority and the Staten Island rapid transit operating  
52 authority, and the committee on safety. The committee on safety shall  
53 convene at least once annually and each committee chairperson, that is a  
54 member of the committee on safety, shall report to the committee on  
55 safety any and all initiatives, concerns, improvements, or failures  
56 involving the safety of customers, employees, and the public at large,

1 in relation to authority facilities and services. The capital program  
2 committee shall, with respect to any approved or proposed capital  
3 program plans:

4 (i) monitor the current and future availability of funds to be  
5 utilized for such plans approved or proposed to be submitted to the  
6 mayor as provided in section thirteen hundred forty-nine-v of this  
7 title;

8 (ii) monitor the contract awards of the big apple transit authority  
9 and the New York city transit authority to ensure that such awards are  
10 consistent with:

11 (A) provisions of law authorizing United States content and New York  
12 state content;

13 (B) collective bargaining agreements;

14 (C) provisions of law providing for participation by minority and  
15 women-owned businesses;

16 (D) New York state labor laws;

17 (E) competitive bidding requirements including those regarding sole  
18 source contracts; and

19 (F) any other relevant requirements established by law;

20 (iii) monitor the award of contracts to determine if such awards are  
21 consistent with the manner in which the work was traditionally performed  
22 in the past provided, however, that any such determination shall not be  
23 admissible as evidence in any arbitration or judicial proceeding;

24 (iv) review the relationship between capital expenditures pursuant to  
25 each such capital program plan and current and future operating budget  
26 requirements;

27 (v) monitor the progress of capital elements described in each capital  
28 program plan approved as provided in section thirteen hundred forty-  
29 nine-v of this title;

30 (vi) monitor the expenditures incurred and to be incurred for each  
31 such element; and

32 (vii) identify capital elements not progressing on schedule, ascertain  
33 responsibility therefor and recommend those actions required or appro-  
34 priate to accelerate their implementation.

35 (c) The capital program committee shall issue a quarterly report on  
36 its activities and findings, and shall in connection with the prepara-  
37 tion of such quarterly report, consult with the city department of  
38 transportation, the mayor, and any other group the committee deems rele-  
39 vant, including public employee organizations, and, at least annually,  
40 with a nationally recognized independent transit engineering firm. Such  
41 report shall be made available to the members of the authority, to the  
42 mayor, and the directors of the municipal assistance corporation for the  
43 city of New York.

44 (d) The chairperson shall ensure that at every meeting of the board  
45 and at every meeting of each committee the public shall be allotted a  
46 period of time, not less than thirty minutes, to speak on any topic on  
47 the agenda.

48 (e) Notwithstanding paragraph (c) of subdivision one of section twen-  
49 ty-eight hundred twenty-four of this chapter or any other provision of  
50 law to the contrary, the chairperson shall not participate in establish-  
51 ing authority policies regarding the payment of salary, compensation and  
52 reimbursement to, nor establish rules for the time and attendance of,  
53 the chief executive officer. The salary of the chairperson, as deter-  
54 mined pursuant to subdivision two of this section, shall also be compen-  
55 sation for all services performed as chief executive officer.

1 4. Notwithstanding any inconsistent provisions of this or any other  
2 law, general, special or local, no officer or employee of the state, or  
3 of any public corporation as defined in the general corporation law,  
4 shall be deemed to have forfeited or shall forfeit such officer or  
5 employee's office or employment or any benefits provided under the  
6 retirement and social security law or under any public retirement system  
7 maintained by the state or any of its subdivisions by reason of such  
8 officer or employee's acceptance of a position of member or chairperson  
9 of the authority; provided, however, a member or chairperson who holds  
10 such other public office or employment shall receive no additional  
11 compensation for services rendered pursuant to this title, but shall be  
12 entitled to reimbursement for such member or chairperson's actual and  
13 necessary expenses incurred in the performance of such services.

14 5. The mayor may remove any member for inefficiency, neglect of duty,  
15 breach of fiduciary duty or misconduct in office after giving the member  
16 a copy of the charges against the member and an opportunity to be heard,  
17 in person or by counsel in the member's defense, upon not less than ten  
18 days' notice. If any member shall be so removed, the mayor shall file a  
19 complete statement of charges made against such member, and his or her  
20 findings thereon, together with a complete record of the proceedings.

21 6. The authority shall continue so long as it shall have bonds or  
22 other obligations outstanding and until its existence shall be termi-  
23 nated by law. Upon the termination of the existence of the authority,  
24 all its rights and properties shall pass to and be vested in the city.

25 7. Whenever the authority causes notices of hearings on proposed  
26 changes in services or fares to be posted pursuant to this section or  
27 any statute, regulation, or authority policy, or where it voluntarily  
28 posts such notices, such notices shall:

29 (a) be written in a clear and coherent manner using words with common  
30 and every day meaning;

31 (b) be captioned in large point type bold lettering with a title that  
32 fairly and accurately conveys the basic nature of such change or chang-  
33 es;

34 (c) where such change involves a proposed change in levels of fare,  
35 include in its title the range of amounts of fare changes under consid-  
36 eration;

37 (d) contain, to the extent practicable, a concise description of the  
38 specific nature of the change or changes, including but not limited to a  
39 concise description of those changes that affect the largest number of  
40 passengers;

41 (e) where such change involves a change in the nature of a route,  
42 contain, to the extent practicable, a clear graphic illustration of such  
43 change or changes; and

44 (f) where such change involves a partial or complete station closing,  
45 such notice shall be posted at the affected station with a clear graphic  
46 illustration depicting the nature of any closing for such station.

47 § 1349-d. Purposes of the authority. 1. The purposes of the authority  
48 shall be the continuance, further development and improvement of commu-  
49 ter transportation and other services related thereto within the city of  
50 New York, including but not limited to such transportation by railroad,  
51 omnibus, marine and air, in accordance with the provisions of this  
52 title. It shall be the further purpose of the authority, consistent with  
53 its status as the ex officio board of both the New York city transit  
54 authority and the Triborough bridge and tunnel authority, to develop and  
55 implement a unified mass transportation policy for the city in an effi-

1 cient and cost-effective manner that includes the use of design-build  
2 contracting on all appropriate projects.

3 2. It is hereby found and declared that such purposes are in all  
4 respects for the benefit of the people of the city of New York and the  
5 authority shall be regarded as performing an essential governmental  
6 function in carrying out its purposes and in exercising the powers  
7 granted by this title.

8 § 1349-e. General powers of the authority. Except as otherwise limited  
9 by this title, the authority shall have power:

10 1. to sue and be sued;

11 2. to have a seal and alter the same at pleasure;

12 3. to borrow money, to issue negotiable notes, bonds or other obli-  
13 gations and to provide for the rights of the holders thereof, and to  
14 finance or refinance all or any part of the costs to the authority or to  
15 any other person or entity, public or private, of the planning, design,  
16 acquisition, construction, improvement, reconstruction or rehabilitation  
17 of any transportation facility;

18 4. to invest any funds, accounts or other monies not required for  
19 immediate use or disbursement, at the discretion of the authority in:

20 (a) obligations of the state or the United States government;

21 (b) obligations the principal and interest of which are guaranteed by  
22 the state or the United States government;

23 (c) certificates of deposit of banks or trust companies in this state,  
24 secured, if the authority shall so require, by obligations of the United  
25 States or of the state of New York of a market value equal at all times  
26 to the amount of the deposit;

27 (d) banker's acceptances with a maturity of ninety days or less which  
28 are eligible for purchase by the Federal Reserve Banks and whose rating  
29 at the time of purchase is in the highest rating category of two  
30 nationally recognized independent rating agencies, provided, however,  
31 that the amount of banker's acceptances of any one bank shall not exceed  
32 two hundred fifty million dollars;

33 (e) obligations of any bank or corporation created under the laws of  
34 either the United States or any state of the United States maturing  
35 within two hundred seventy days, provided that such obligations receive  
36 the highest rating of two nationally recognized independent rating agen-  
37 cies and, provided further, that no more than two hundred fifty million  
38 dollars may be invested in such obligations of any one bank or corpo-  
39 ration;

40 (f) as to any such moneys held in reserve and sinking funds, other  
41 securities in which the trustee or trustees of any public retirement  
42 system or pension fund has the power to invest the monies thereof pursu-  
43 ant to article four-A of the retirement and social security law, each  
44 such reserve and sinking fund being treated as a separate fund for the  
45 purposes of article four-A of the retirement and social security law;

46 (g) notes, bonds, debentures, mortgages and other evidences of indebt-  
47 edness, issued or guaranteed at the time of the investment by the United  
48 States Postal Service, the federal national mortgage association, the  
49 federal home loan mortgage corporation, the student loan marketing asso-  
50 ciation, the federal farm credit system, or any other United States  
51 government sponsored agency, provided that at the time of the investment  
52 such agency or its obligations are rated and the agency receives, or its  
53 obligations receive, the highest rating of all independent rating agen-  
54 cies that rate such agency or its obligations, provided, however, that  
55 no more than two hundred fifty million dollars or such greater amount as  
56 may be authorized for investment by the state comptroller pursuant to

1 section ninety-three of the state finance law may be invested in the  
2 obligations of any one agency;

3 (h) general obligation bonds and notes of any state other than the  
4 state, provided that such bonds and notes receive the highest rating of  
5 at least one independent rating agency, and bonds and notes of any coun-  
6 ty, town, city, village, fire district or school district of the state,  
7 provided that such bonds and notes receive either of the two highest  
8 ratings of at least two independent rating agencies;

9 (i) mutual funds registered with the United States securities and  
10 exchange commission whose investments are limited to obligations of the  
11 state described in paragraph (a) of this subdivision, obligations the  
12 principal and interest of which are guaranteed by the state described in  
13 paragraph (b) of this subdivision, and those securities described in  
14 this paragraph and that have received the highest rating of at least one  
15 independent rating agency, provided that the aggregate amount invested  
16 at any one time in all such mutual funds shall not exceed ten million  
17 dollars, and, provided further, that the authority shall not invest such  
18 funds, accounts or other monies in any mutual fund for longer than thir-  
19 ty days; and

20 (j) financial contracts in a foreign currency entered into for the  
21 purpose of minimizing the foreign currency exchange risk of the purchase  
22 price of a contract with a vendor chosen through competitive process for  
23 the acquisition of capital assets for the benefit of the capital program  
24 of the Triborough bridge and tunnel authority or the transit capital  
25 program;

26 5. to make and alter by-laws for its organization and internal manage-  
27 ment, and rules and regulations governing the exercise of its powers and  
28 the fulfillment of its purposes under this title;

29 6. to enter into contracts and leases and to execute all instruments  
30 necessary or convenient;

31 (a) with respect to any lease transaction entered into pursuant to  
32 section 168(f)(8) of the United States Internal Revenue Code or any  
33 successor provisions, the authority shall meet the following standards  
34 and procedures:

35 (i) notice of intention to negotiate shall be published in at least  
36 one newspaper of general circulation, and a copy thereof shall be mailed  
37 to all parties who have requested notification from the authority to  
38 engage in transactions of this type, and such notice shall describe the  
39 nature of the proposed transaction and the factors subject to negoti-  
40 ation, which shall include, but not be limited to, the price to be paid  
41 to the authority;

42 (ii) the authority shall negotiate with those respondents whose  
43 response complies with the requirements set forth in the notice;

44 (iii) the board of the authority shall resolve on the basis of parti-  
45 cularized findings relevant to the factors negotiated that such trans-  
46 action will provide maximum available financial benefits, consistent  
47 with other defined objectives and requirements;

48 (b) the authority shall provide to the mayor, city council, and all  
49 borough presidents of the boroughs in which the leased property is situ-  
50 ated, notice of each lease entered into pursuant to paragraph (a) of  
51 this subdivision and supporting documentation of compliance by the  
52 authority with subparagraphs (i), (ii) and (iii) of paragraph (a) of  
53 this subdivision;

54 (c) paragraphs (a) and (b) of this subdivision shall be of no force  
55 and effect with respect to any lease transaction entered into pursuant



1 to a commitment approved prior the effective date of this section by the  
2 board of the metropolitan transportation authority;

3 7. to acquire, hold, and dispose of real or personal property in the  
4 exercise of its powers;

5 8. to appoint such officers and employees as it may require for the  
6 performance of its duties, and to fix and determine their qualifica-  
7 tions, duties, and compensation and to retain or employ counsel, audi-  
8 tors, engineers, and private consultants on a contract basis or other-  
9 wise for rendering professional or technical services and advice;

10 9. (a) notwithstanding section one hundred thirteen of the retirement  
11 and social security law or any other general or special law, the author-  
12 ity and any of its subsidiary corporations may continue or provide to  
13 its affected officers and employees any retirement, disability, death or  
14 other benefits provided or required for railroad personnel pursuant to  
15 federal or state law;

16 (b) the authority and any of its public benefit subsidiary corpo-  
17 rations may be a "participating employer" in the New York city employ-  
18 ees' retirement system with respect to one or more classes of officers  
19 and employees of such authority or any such public benefit subsidiary  
20 corporation, as may be provided by resolution of such authority or any  
21 such public benefit subsidiary corporation, as the case may be, or any  
22 subsequent amendment thereof, filed with the comptroller and accepted by  
23 such comptroller pursuant to section thirty-one of the retirement and  
24 social security law. In taking any action pursuant to this paragraph,  
25 the authority and any of its public benefit subsidiary corporations  
26 shall consider the coverages and benefits continued or provided pursuant  
27 to paragraph (a) of this subdivision;

28 10. to make plans, surveys, and studies necessary, convenient or  
29 desirable to the effectuation of the purposes and powers of the authori-  
30 ty and to prepare recommendations in regard thereto;

31 11. to enter upon such lands, waters or premises as in the judgment of  
32 the authority as may be necessary, convenient or desirable for the  
33 purpose of making surveys, soundings, borings and examinations to accom-  
34 plish any purpose authorized by this title, the authority being liable  
35 for actual damage done;

36 12. to conduct investigations and hearings in the furtherance of its  
37 general purposes, and in aid thereof have access to any books, records  
38 or papers relevant thereto; and if any person whose testimony shall be  
39 required for the proper performance of the duties of the authority shall  
40 fail or refuse to aid or assist the authority in the conduct of any  
41 investigation or hearing, or to produce any relevant books, records or  
42 other papers, the authority is authorized to apply for process of  
43 subpoena, to issue out of any court of general original jurisdiction  
44 whose process can reach such person, upon due cause shown;

45 13. a copy of any report submitted by the authority pursuant to  
46 sections twenty-eight hundred, twenty-eight hundred one and twenty-eight  
47 hundred two of this chapter shall be forwarded to the mayor and to the  
48 speaker of the city council; and

49 14. to do all things necessary, convenient or desirable to carry out  
50 its purposes and for the exercise of the powers granted in this title.

51 § 1349-f. Contracts. 1. (a) Except as otherwise provided in this  
52 section, all purchase contracts for supplies, materials or equipment  
53 involving an estimated expenditure in excess of one million dollars and  
54 all contracts for public work involving an estimated expenditure in  
55 excess of one million dollars shall be awarded by the authority to the  
56 lowest responsible bidder after obtaining sealed bids in the manner

1 hereinafter set forth. For purposes hereof, contracts for public work  
2 shall exclude contracts for personal, engineering and architectural, or  
3 professional services. The authority may reject all bids and obtain new  
4 bids in the manner provided by this section when it is deemed in the  
5 public interest to do so or, in cases where two or more responsible  
6 bidders submit identical bids which are the lowest bids, award the  
7 contract to any of such bidders or obtain new bids from such bidders.  
8 Nothing in this paragraph shall obligate the authority to seek new bids  
9 after the rejection of bids or after cancellation of an invitation to  
10 bid. Nothing in this section shall prohibit the evaluation of bids on  
11 the basis of costs or savings including life cycle costs of the item to  
12 be purchased, discounts, and inspection services so long as the invita-  
13 tion to bid reasonably sets forth the criteria to be used in evaluating  
14 such costs or savings. Life cycle costs may include but shall not be  
15 limited to costs or savings associated with installation, energy use,  
16 maintenance, operation and salvage or disposal.

17 (b) Section twenty-eight hundred seventy-nine of this chapter shall  
18 apply to the authority's acquisition of goods or services of any kind,  
19 in the actual or estimated amount of fifteen thousand dollars or more,  
20 provided:

21 (i) that a contract for services in the actual or estimated amount of  
22 one million dollars or less shall not require approval by the board of  
23 the authority regardless of the length of the period over which the  
24 services are rendered, and provided further that a contract for services  
25 in the actual or estimated amount of one million dollars or more shall  
26 require approval by the board of the authority regardless of the length  
27 of the period over which the services are rendered unless such a  
28 contract is awarded to the lowest responsible bidder after obtaining  
29 sealed bids; and

30 (ii) the board of the authority may by resolution adopt guidelines  
31 that authorize the award of contracts to small business concerns, to  
32 service disabled veteran owned businesses certified pursuant to article  
33 seventeen-B of the executive law, or minority or women-owned business  
34 enterprises certified pursuant to article fifteen-A of the executive  
35 law, or purchases of goods or technology that are recycled or remanufac-  
36 tured, in an amount not to exceed one million dollars without a formal  
37 competitive process and without further board approval. The board of the  
38 authority shall adopt guidelines which shall be made publicly available  
39 for the awarding of such contract without a formal competitive process.

40 2. (a) Advertisement for bids, when required by this section, shall be  
41 published at least once in a newspaper of general circulation in the  
42 area served by the authority and in the procurement opportunities news-  
43 letter published pursuant to article four-C of the economic development  
44 law provided that, notwithstanding the provisions of such article, an  
45 advertisement shall only be required for a purchase contract for  
46 supplies, materials or equipment when required by this section. Publi-  
47 cation in a newspaper of general circulation in the area served or in  
48 the procurement opportunities newsletter shall not be required if bids  
49 for contracts for supplies, materials or equipment are of a type regu-  
50 larly purchased by the authority and are to be solicited from a list of  
51 potential suppliers, if such list is or has been developed consistent  
52 with the provisions of subdivision six of this section. Any such adver-  
53 tisement shall contain a statement of:

54 (i) the time and place where bids received pursuant to any notice  
55 requesting sealed bids will be publicly opened and read;

56 (ii) the name of the contracting agency;

1     (iii) the contract identification number;  
2     (iv) a brief description of the public work, supplies, materials, or  
3     equipment sought, the location where work is to be performed, goods are  
4     to be delivered or services provided and the contract term;  
5     (v) the address where bids or proposals are to be submitted;  
6     (vi) the date when bids or proposals are due;  
7     (vii) a description of any eligibility or qualification requirement or  
8     preference;  
9     (viii) a statement as to whether the contract requirements may be  
10    fulfilled by a subcontracting, joint venture, or co-production arrange-  
11    ment;  
12    (ix) any other information deemed useful to potential contractors; and  
13    (x) the name, address, and telephone number of the person to be  
14    contacted for additional information. At least fifteen business days  
15    shall elapse between the first publication of such advertisement or the  
16    solicitation of bids, as the case may be, and the date of opening and  
17    reading of bids.  
18    (b) The authority may designate any officer or employee to open the  
19    bids at the time and place bids are to be opened and may designate an  
20    officer to award the contract to the lowest responsible bidder. Such  
21    designee shall make a record of all bids in such form and detail as the  
22    authority shall prescribe. All bids received shall be publicly opened  
23    and read at the time and place specified in the advertisement or at the  
24    time of solicitation, or to which the opening and reading have been  
25    adjourned by the authority. All bidders shall be notified of the time  
26    and place of any such adjournment.  
27    3. Notwithstanding the foregoing, the authority may, by resolution  
28    approved by a two-thirds vote, or by a majority vote with respect to  
29    contracts proposed to be let pursuant to paragraph (a) of this subdivi-  
30    sion, declare that competitive bidding is impractical or inappropriate  
31    because of the existence of any of the circumstances hereinafter set  
32    forth and thereafter the authority may proceed to award contracts with-  
33    out complying with the requirements of subdivision one or two of this  
34    section. In each case where the authority declares competitive bidding  
35    impractical or inappropriate, it shall state the reason therefor in  
36    writing and summarize any negotiations that have been conducted. Except  
37    for contracts awarded pursuant to paragraphs (a), (b), (c) and (e) of  
38    this subdivision, the authority shall not award any contract pursuant to  
39    this subdivision earlier than thirty days from the date on which the  
40    authority declares that competitive bidding is impractical or inappro-  
41    priate. Competitive bidding may only be declared impractical or inappro-  
42    priate where:  
43    (a) the existence of an emergency involving danger to life, safety or  
44    property requires immediate action and cannot await competitive bidding  
45    or the item to be purchased is essential to efficient operation or the  
46    adequate provision of service and as a consequence of an unforeseen  
47    circumstance such purchase cannot await competitive bidding;  
48    (b) the item to be purchased is available only from a single responsi-  
49    ble source, provided that if bids have not been solicited for such item  
50    pursuant to subdivision one of this section within the preceding twelve  
51    months public notice shall first be given pursuant to subdivision four  
52    of this section;  
53    (c) the authority receives no responsive bids or only a single respon-  
54    sive bid in response to an invitation for competitive bids;

1 (d) the authority wishes to experiment with or test a product or tech-  
2 nology or new source for such product or technology or evaluate the  
3 service or reliability of such product or technology;

4 (e) the item is available through an existing contract between a  
5 vendor and: (i) another public authority provided that such other  
6 authority utilized a process of competitive bidding or a process of  
7 competitive requests for proposals to award such contracts; (ii) Nassau  
8 county; (iii) the state of New York; or (iv) the city of New York,  
9 provided that in any case when under this paragraph the authority deter-  
10 mines that obtaining such item thereby would be in the public interest  
11 and sets forth the reasons for such determination. The authority shall  
12 accept sole responsibility for any payment due the vendor as a result of  
13 the authority's order;

14 (f) the authority determines that it is in the public interest to  
15 award contracts pursuant to a process for competitive requests for  
16 proposals as hereinafter set forth. For purposes of this section, a  
17 process for competitive requests for proposals shall mean a method of  
18 soliciting proposals and awarding a contract on the basis of a formal  
19 evaluation of the characteristics, such as quality, cost, delivery sche-  
20 dule and financing of such proposals against stated selection criteria.  
21 Public notice of the requests for proposals shall be given in the same  
22 manner as provided in subdivision four of this section and shall include  
23 the selection criteria. In the event the authority makes a material  
24 change in the selection criteria from those previously stated in the  
25 notice, it will inform all proposers of such change and permit proposers  
26 to modify their proposals;

27 (i) except for a contract with a value of one hundred million dollars  
28 or less that is awarded pursuant to this paragraph to the proposer whose  
29 proposal is the lowest cost, the authority may award a contract pursuant  
30 to this paragraph only after a resolution approved by a two-thirds vote  
31 of the board at a public meeting of the authority with such resolution:  
32 (A) disclosing the other proposers and the substance of their proposals;  
33 (B) summarizing the negotiation process including the opportunities, if  
34 any, available to proposers to present and modify their proposals; and  
35 (C) setting forth the criteria upon which the selection was made  
36 provided however that for purposes of this subparagraph the board may,  
37 at its discretion, require such a resolution be approved for contracts  
38 with a value of one hundred million dollars or less;

39 (ii) nothing in this paragraph shall require or preclude (A) negoti-  
40 ations with any proposers following the receipt of responses to the  
41 request for proposals, or (B) the rejection of any or all proposals at  
42 any time. Upon the rejection of all proposals, the authority may solicit  
43 new proposals or bids in any manner prescribed in this section;

44 (g) the authority issues a competitive request for proposals pursuant  
45 to the procedures of paragraph (f) of this subdivision for the purchase  
46 or rehabilitation of rail cars and omnibuses. Any such request may  
47 include among the stated selection criteria the performance of all or a  
48 portion of the contract at sites within the state of New York or the use  
49 of goods produced or services provided within the state of New York,  
50 provided however that in no event shall the authority award a contract  
51 to a manufacturer whose final offer, as expressed in unit cost is more  
52 than ten percent higher than the unit cost of any qualified competing  
53 final offer, if the sole basis for such award is that the higher priced  
54 offer includes a more favorable provision for the performance of the  
55 contract within the state of New York or the use of goods produced or  
56 services provided within the state of New York, and further provided

1 that the authority's discretion to award a contract to any manufacturer  
2 shall not be so limited if a basis for such award, as determined by the  
3 authority, is superior financing, delivery schedule, life cycle, reli-  
4 ability, or any other factor the authority deems relevant to its oper-  
5 ations;

6 (i) except for a contract with a value of one hundred million dollars  
7 or less that is awarded pursuant to this paragraph to the proposer whose  
8 proposal is the lowest cost, the authority may award a contract pursuant  
9 to this paragraph only after a resolution approved by a vote of not less  
10 than a two-thirds vote of its members then in office at a public meeting  
11 of the authority with such resolution: (A) disclosing the other propo-  
12 sers and the substance of their proposals; (B) summarizing the negoti-  
13 ation process including the opportunities, if any, available to propo-  
14 sers to present and modify their proposals; and (C) setting forth the  
15 criteria upon which the selection was made provided however that for  
16 purposes of this subparagraph the board may, at its discretion, require  
17 such a resolution be approved for contracts with a value of one hundred  
18 million dollars or less;

19 (ii) nothing in this paragraph shall require or preclude: (A) negoti-  
20 ations with any proposers following the receipt of responses to the  
21 request for proposals; or (B) the rejection of any or all proposals at  
22 any time. Upon the rejection of all proposals, the authority may solicit  
23 new proposals or bids in any manner prescribed in this section.

24 4. Upon the adoption of a resolution by the authority stating, for  
25 reasons of efficiency, economy, compatibility or maintenance reliabil-  
26 ity, that there is a need for standardization, the authority may estab-  
27 lish procedures whereby particular supplies, materials or equipment are  
28 identified on a qualified products list. Such procedures shall provide  
29 for products or vendors to be added to or deleted from such list and  
30 shall include provisions for public advertisement of the manner in which  
31 such lists are compiled. The authority shall review such list no less  
32 than twice a year for the purpose of making such modifications.  
33 Contracts for particular supplies, materials or equipment identified on  
34 a qualified products list may be awarded by the authority to the lowest  
35 responsible bidder after obtaining sealed bids in accordance with this  
36 section or without competitive sealed bids in instances when the item is  
37 available from only a single source, except that the authority may  
38 dispense with advertising provided that it mails copies of the invita-  
39 tion to bid to all vendors of the particular item on the qualified  
40 products list.

41 5. The authority shall compile a list of potential sources of  
42 supplies, materials or equipment regularly purchased. The authority  
43 shall, by resolution, set forth the procedures it has established to  
44 identify new sources and to notify such new sources of the opportunity  
45 to bid for contracts for the purchase of supplies, materials or equip-  
46 ment. Such procedures shall include, but not be limited to:

47 (a) advertising in trade journals;

48 (b) cooperation with federal, state and local agencies within its area  
49 of operations;

50 (c) publication in the state register quarterly; and

51 (d) procedures established pursuant to subdivision thirteen of section  
52 thirteen hundred forty-nine-j of this title.

53 6. The provisions of this section shall not supersede any other  
54 provisions of law relative to purchases of products or devices manufac-  
55 tured or provided by the blind or other severely handicapped persons, to  
56 the invitation and acceptance of bids from small or minority business



enterprises or to the purchases of supplies, materials or equipment through the office of general services. Except as may otherwise be provided by law or as more restrictively defined in the official policy or bid specifications of the authority, as used in this section the term "small business" means a small business or similar term, under federal regulations applicable to projects of the authority which are federally assisted.

7. Notwithstanding any other provisions in this section, the authority shall be allowed to use an electronic bidding system for the purchase of goods, materials, and commodities that may inform bidders whether their bid is the current low bid, and allow bidders to submit new bids before the date and time assigned for the opening of bids. Such procedure shall not constitute disclosure of bids in violation of section twenty-eight hundred seventy-eight of this chapter.

8. The provisions of this section shall not apply to any procurement made by any other public entity not otherwise required by law to award contracts for such purchases to the lowest responsible bidder if such purchases are made at the sole cost and expense of such entity.

9. (a) Whenever the comptroller pursuant to section twenty-eight hundred seventy-nine-a of this chapter intends to require supervision in the form of prior review and approval of a contract or contract amendment to be awarded by the authority pursuant to this section, then such contract or contract amendment shall be submitted to the comptroller by the authority for approval and shall not be a valid enforceable contract unless it shall first have been approved by the comptroller but only if the comptroller has notified the authority of such determination within thirty days of having received written notice of such contract or contract amendment either in the authority's annual report or any revised report;

(b) If the comptroller has timely notified the authority as provided in paragraph (a) of this subdivision that any contract or contract amendment shall be subject to comptroller prior review and approval, and such contract or contract amendment has been submitted to the comptroller, it shall become valid and enforceable without such approval if the comptroller has not approved or disapproved it within thirty days of submission to the comptroller.

10. The award of construction contracts by the authority shall not be subject to the provisions of section one hundred one of the general municipal law.

§ 1349-g. Big apple transit authority small business mentoring program. 1. As used in this section, unless the context requires otherwise:

(a) "Small business" means a business in the construction trades which (i) is independently owned and operated; (ii) has annual revenues not exceeding a fiscal limitation of five million dollars or such lesser amount as established by the authority pursuant to these provisions; and (iii) meets additional criteria as otherwise established by the chairperson in consultation with the members of the big apple transit authority small business mentoring program advisory committee. The chair of the committee shall be the chief diversity officer of the authority. The authority shall establish a detailed definition in general and specific to different segments of the construction industry to the extent necessary to reflect differing characteristics of such segments based on the criteria used by the United States small business administration for loans to small businesses as set forth in sections 121.301, 121.302, 121.303, 121.304, and 121.305, or for awarding government procurements

1 as set forth in sections 121.401, 121.402, 121.403, 121.404, 121.405,  
2 121.406, 121.407, 121.408, 121.409, 121.410, 121.411, 121.412, and  
3 121.413 of subpart A of part 121 of chapter I of title 13 of the Code of  
4 Federal Regulations as amended, and such other criteria as determined by  
5 the authority;

6 (b) "Small business mentoring program" means a program established by  
7 the authority pursuant to these provisions to provide small businesses  
8 accepted into the program with the opportunity:

9 (i) for up to four years, to compete for and, where awarded, to  
10 perform certain authority public work contracts to be designated by the  
11 authority for inclusion in this program under this subparagraph, with  
12 the assistance of an authority-provided mentor, which shall be a firm  
13 competitively selected by the authority that has extensive construction  
14 management and mentoring experience, with the mentor to provide the  
15 small business with advice and assistance in competing for and managing  
16 authority public work contracts; and

17 (ii) for a small business mentoring program participant which the  
18 authority has determined has successfully completed the program under  
19 subparagraph (i) of this paragraph, for up to four additional years, (A)  
20 additional opportunities to compete with other designated small busi-  
21 nesses in the program for certain public work contracts to be designated  
22 for inclusion under this subparagraph and, where awarded, to perform  
23 such authority public work contracts, with the further assistance of an  
24 authority-provided mentor, which shall be a firm competitively selected  
25 by the authority that has extensive construction management and mentor-  
26 ing experience, with the mentor to provide the small business with  
27 advice and technical assistance in competing for and managing authority  
28 public work contracts, and (B) authority-provided assistance, as deter-  
29 mined by the authority, for such a small business to obtain bonding for  
30 public work contracts that are competitively awarded pursuant to  
31 provisions of law other than this section.

32 (c) "Small business mentoring program contract" means a non-federally  
33 funded authority public work contract designated by the authority, in an  
34 estimated amount of not more than one million dollars for contracts  
35 under subparagraph (i) of paragraph (b) of this subdivision and three  
36 million dollars for contracts under subparagraph (ii) of paragraph (b)  
37 of this subdivision, for which bids or proposals are to be invited and  
38 accepted only from businesses that are enrolled in the small business  
39 mentoring program and have been selected by the authority to compete for  
40 the contract.

41 2. (a) The authority may establish a small business mentoring program.  
42 In connection therewith, the authority may determine the criteria pursu-  
43 ant to which a small business shall be eligible for and selected to  
44 participate in the program under subparagraphs (i) and (ii) of paragraph  
45 (b) of subdivision one of this section, the number of participants to  
46 participate in each of such components of the program, the criteria for  
47 the competitive selection of the firms that will provide small busi-  
48 nesses with mentoring services, the assignment of a mentor to a specific  
49 small business in the small business mentoring program, and the funding  
50 for the program.

51 (b) Under the small business mentoring program, the chairperson or the  
52 chairperson's designee is authorized, notwithstanding any other  
53 provision of law:

54 (i) to designate which eligible public work contracts shall be small  
55 business mentoring program contracts under subparagraphs (i) and (ii) of  
56 paragraph (b) of subdivision one of this section, respectively;

1 (ii) to establish standards for qualifying small business mentoring  
2 program participants to compete for a small business mentoring program  
3 contract, provided that no less than three qualified small businesses in  
4 the program must submit responsive offers to perform the contract;

5 (iii) to determine when bids or proposals for a small business mentor-  
6 ing program contract should be restricted to small business mentoring  
7 program participants which, prior to the receipt of bids or proposals,  
8 have been qualified by the authority for such competition;

9 (iv) to competitively select, designate and contract with one or more  
10 experienced construction management firms that, under the general super-  
11 vision of the authority, will provide mentoring services to the small  
12 businesses participating in the small business mentoring program, and to  
13 assign such mentors one or more designated small businesses participat-  
14 ing in the program;

15 (v) for small business mentoring program contracts, except as set  
16 forth herein, to waive requirements for the solicitation and award of a  
17 public work contract pursuant to sections twelve hundred nine, thirteen  
18 hundred forty-nine-f and twenty-eight hundred seventy-nine of this chap-  
19 ter and any other provision of law;

20 (vi) to assist only small business mentoring program participants that  
21 have been awarded small business mentoring program contracts to obtain  
22 any surety bond or contract of insurance required of them in connection  
23 with such contract only notwithstanding any provision of section two  
24 thousand five hundred four of the insurance law to the contrary; and

25 (vii) for small businesses that have been accepted into the small  
26 business mentoring program under subparagraph (ii) of paragraph (b) of  
27 subdivision one of this section, in addition to the benefits of such  
28 program and notwithstanding any other provision of law, to provide tech-  
29 nical assistance in obtaining bids, payment and performance bonding for  
30 authority public work contracts that are not small business mentoring  
31 program contracts, for which the small business is otherwise qualified.

32 3. (a) If the total number of qualified small business mentoring  
33 program participants that respond to a competition and are considered  
34 capable of meeting the specifications and terms of the invitation to  
35 compete is less than three, or if the chairperson or the chairperson's  
36 designee determines that acceptance of the best offer will result in the  
37 payment of an unreasonable price, the authority may reject all offers  
38 and withdraw the designation of the contract as a small business mentor-  
39 ing program contract.

40 (b) If the authority withdraws the designation of contract as a small  
41 business mentoring program contract, the firms, if any, that made offers  
42 shall be notified. Invitations to compete containing the same or rewrit-  
43 ten specifications and terms shall then be re-issued as a small business  
44 mentoring program contract for one or more additional contract period.

45 4. A mentor shall provide services and assistance to a small business  
46 as designated by the authority, which may include the following:

47 (a) provide business training in the skills necessary to operate a  
48 successful construction business and to compete for and perform a public  
49 work contract;

50 (b) provide technical assistance to the small business to assess the  
51 outcome if the small business competes for but is not awarded a  
52 contract;

53 (c) if the small business mentoring program contract is awarded to the  
54 small business, provide guidance, advice and technical assistance to the  
55 small business in the performance of the contract; and

1 (d) provide other technical assistance to the small business to facil-  
2 itate learning, training and other issues which may arise.

3 5. The authority may delegate to the chairperson or the chairperson's  
4 designee, the authority's responsibilities set forth in this title.

5 6. The small business mentoring program contracts authorized by this  
6 legislation shall, for the initial year of the program, be in an aggre-  
7 gate amount of not less than ten million dollars, and shall not exceed  
8 one hundred million dollars, with the maximum amount in future years to  
9 be set by the chairperson.

10 § 1349-h. Special powers of the authority. In order to effectuate the  
11 purposes of this title:

12 1. The authority may acquire, by purchase, gift, grant, transfer,  
13 contract or lease, any transportation facility, wholly or partially  
14 within the city, or any part thereof, or the use thereof, and may enter  
15 into any joint service arrangements as hereinafter provided. Any such  
16 acquisition or joint service arrangement shall be authorized only by  
17 resolution of the authority approved by not less than a majority vote.

18 2. The authority may on such terms and conditions as the authority may  
19 determine necessary, convenient or desirable itself plan, design,  
20 acquire, establish, construct, effectuate, operate, maintain, renovate,  
21 improve, extend, rehabilitate or repair any transportation facility, or  
22 may provide for such planning, design, acquisition, establishment,  
23 construction, effectuation, operation, maintenance, renovation, improve-  
24 ment, extension, rehabilitation or repair by contract, lease or other  
25 arrangement on such terms as the authority may deem necessary, conven-  
26 ient or desirable with any person, including but not limited to any  
27 common carrier or freight forwarder, the state, any state agency, the  
28 federal government, any other state or agency or instrumentality there-  
29 of, any public authority of this or any other state, the port of New  
30 York authority or any political subdivision or municipality of the  
31 state. In connection with the operation of any transportation facility,  
32 the authority may plan, design, acquire, establish, construct, effectu-  
33 ate, operate, maintain, renovate, improve, extend or repair or may  
34 provide by contract, lease or other arrangement for the planning,  
35 design, acquisition, establishment, construction, effectuation, opera-  
36 tion, maintenance, renovation, improvement, extension or repair of any  
37 related services and activities it deems necessary, convenient or desir-  
38 able, including but not limited to the transportation and storage of  
39 freight and the United States mail, feeder and connecting transporta-  
40 tion, parking areas, transportation centers, stations and related facil-  
41 ities.

42 3. (a) Except as directed in paragraph (c) of this subdivision, the  
43 authority shall establish, levy and collect or cause to be established,  
44 levied and collected and, in the case of a joint service arrangement,  
45 join with others in the establishment, levy and collection of such  
46 fares, tolls, rentals, rates, charges and other fees necessary for the  
47 use and operation of any transportation facility and related services  
48 operated by the authority or by a subsidiary corporation of the authori-  
49 ty or under contract, lease or other arrangement, including joint  
50 service arrangements, with the authority. Any such fares, tolls,  
51 rentals, rates, charges or other fees for the transportation of passen-  
52 gers shall be established and changed only if approved by resolution of  
53 the authority adopted by not less than a majority vote and only after a  
54 public hearing, provided however, that fares, tolls, rentals, rates,  
55 charges or other fees for the transportation of passengers on any trans-  
56 portation facility which are in effect at the time that the then owner

1 of such transportation facility becomes a subsidiary corporation of the  
2 authority or at the time that operation of such transportation facility  
3 is commenced by the authority or is commenced under contract, lease or  
4 other arrangement, including joint service arrangements, with the  
5 authority may be continued in effect without such a hearing. Such fares,  
6 tolls, rentals, rates, charges and other fees shall be established as  
7 may in the judgment of the authority be necessary to maintain the  
8 combined operations of the authority and its subsidiary corporations on  
9 a self-sustaining basis and to ensure that the operations of the author-  
10 ity are such that, at the end of the fiscal year, the results thereof  
11 shall not show a deficit when reported in accordance with generally  
12 accepted accounting principles unless such deficit is offset by funds  
13 withdrawn from reserves therefor. The said operations shall be deemed to  
14 be on a self-sustaining basis as required by this title, when the  
15 authority is able to pay or cause to be paid from revenue and any other  
16 funds or property actually available to the authority and its subsidiary  
17 corporations (i) as the same shall become due, the principal of and  
18 interest on the bonds and notes and other obligations of the authority  
19 and its subsidiaries, and the metropolitan transportation authority,  
20 together with the maintenance of proper reserves therefor, (ii) the cost  
21 and expense of keeping the properties and assets of the authority and  
22 its subsidiary corporations in good condition and repair, and (iii) the  
23 capital and operating expenses of the authority and its subsidiary  
24 corporations. The authority may contract with the holders of bonds and  
25 notes with respect to the exercise of the powers authorized by this  
26 section. No acts or activities taken or proposed to be taken by the  
27 authority or any subsidiary of the authority pursuant to the provisions  
28 of this subdivision shall be deemed to be "actions" for the purposes or  
29 within the meaning of article eight of the environmental conservation  
30 law.

31 (b) All fares, tolls, rentals, rates, charges, and other fees estab-  
32 lished, levied, and collected or caused to be established, levied, and  
33 collected by the authority and its affiliates, shall first be trans-  
34 ferred to the metropolitan transportation authority in order to maintain  
35 the metropolitan transportation authority on a self-sustaining basis  
36 unless already pledged to secure, and necessary to satisfy the debt  
37 service or reserve requirements of, bonds, notes or other obligations of  
38 the New York city transit authority or the Triborough bridge and tunnel  
39 authority prior to January first, two thousand twenty-four.

40 (c) In the event that the monthly revenues of the metropolitan trans-  
41 portation authority fall below one hundred twenty-five percent of the  
42 amount necessary to maintain the operations of the metropolitan trans-  
43 portation authority on a self-sustaining basis, as defined by section  
44 twelve hundred sixty-six of this article, the authority shall, at the  
45 direction of the metropolitan transportation authority, establish, levy  
46 and collect or cause to be established, levied and collected, in the  
47 case of a joint service arrangement, and join with others in the estab-  
48 lishment, levy and collection of such fares, tolls, rentals, rates,  
49 charges and other fees as the metropolitan transportation authority may  
50 deem necessary, convenient or desirable for the use and operation of any  
51 transportation facility and related services operated by the authority  
52 or by a subsidiary corporation of the authority or under contract, lease  
53 or other arrangement, including joint service arrangements, with the  
54 authority, until such time that monthly revenues of the metropolitan  
55 transportation authority has exceeded, for three consecutive months, two  
56 hundred percent of the amount necessary to maintain the monthly oper-



1 ations of the metropolitan transportation authority on a self-sustaining  
2 basis.

3 4. In furtherance of the authority's mandate to develop and implement  
4 a unified mass transportation policy for the city and the exercise of  
5 its powers, including the power to issue notes, bonds and other obli-  
6 gations secured in whole or in part by the revenues of the authority and  
7 its subsidiaries, and New York city transit authority and its subsid-  
8 aries, the authority shall join with the New York city transit authori-  
9 ty and its subsidiaries in connection with any change in the establish-  
10 ment, levy and collection of fares, tolls, rentals, rates, charges and  
11 other fees for the transportation of passengers on any transportation  
12 facilities operated by New York city transit authority and its subsid-  
13 aries. Such fares, tolls, rentals, charges and other fees on transit  
14 facilities shall be established in accordance with the requirements of  
15 sections twelve hundred five and twelve hundred seven-i of this article.

16 5. The authority may establish and, in the case of joint service  
17 arrangements, join with others in the establishment of such schedules  
18 and standards of operations and such other rules and regulations includ-  
19 ing but not limited to rules and regulations governing the conduct and  
20 safety of the public as it may deem necessary, convenient or desirable  
21 for the use and operation of any transportation facility and related  
22 services operated by the authority or under contract, lease or other  
23 arrangement, including joint service arrangements, with the authority.  
24 In the case of any conflict between any such rule or regulation of the  
25 authority governing the conduct or the safety of the public and any  
26 local law, ordinance, rule or regulation, such rule or regulation of the  
27 authority shall prevail. Violation of any such rule or regulation of the  
28 authority governing the conduct or the safety of the public in or  
29 upon any facility of the authority shall constitute an offense and shall  
30 be punishable by a fine not exceeding fifty dollars or imprisonment for  
31 not more than thirty days or both or may be punishable by the imposition  
32 of a civil penalty by the transit adjudication bureau established pursu-  
33 ant to the provisions of title nine of this article.

34 6. The authority may acquire, hold, own, lease, establish, construct,  
35 effectuate, operate, maintain, renovate, improve, extend or repair any  
36 transportation facilities through, and cause any one or more of its  
37 powers, duties, functions or activities to be exercised or performed by,  
38 one or more wholly owned subsidiary corporations of the authority, or by  
39 New York city transit authority or any of its subsidiary corporations in  
40 the case of transit facilities and may transfer to or from any such  
41 corporations any moneys, real property or other property for any of the  
42 purposes of this title upon such terms and conditions as shall be agreed  
43 to and subject to such payment or repayment obligations as are required  
44 by law or by any agreement to which any of the affected entities is  
45 subject. The directors or members of each such subsidiary corporation of  
46 the authority corporation shall be the same persons holding the offices  
47 of members of the authority. The chairperson of the board of each such  
48 subsidiary shall be the chairperson of the authority, serving ex officio  
49 and, provided that there is an executive director of the big apple tran-  
50 sit authority, the executive director of such subsidiary shall be the  
51 executive director of the big apple transit authority, serving ex offi-  
52 cio. Notwithstanding any provision of law to the contrary, the chair-  
53 person shall be the chief executive officer of each such subsidiary and  
54 shall be responsible for the discharge of the executive and administra-  
55 tive functions and powers of each such subsidiary. The chairperson and  
56 executive director, if any, shall be empowered to delegate his or her

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

13 7. If the authority shall determine that one or more of its subsidiary  
14 corporations should be in the form of a public benefit corporation, it  
15 shall create each such public benefit corporation by executing and  
16 filing with the secretary of state a certificate of incorporation, which  
17 may be amended from time to time by filing, which shall set forth the  
18 name of such public benefit subsidiary corporation, its duration, the  
19 location of its principal office, and any or all of the purposes of  
20 acquiring, owning, leasing, establishing, constructing, effectuating,  
21 operating, maintaining, renovating, improving, extending or repairing  
22 one or more facilities of the authority. Each such public benefit  
23 subsidiary corporation shall be a body politic and corporate and shall  
24 have all those powers vested in the authority by the provisions of this  
25 title which the authority shall determine to include in its certificate  
26 of incorporation except the power to contract indebtedness.

27 8. Whenever any state, political subdivision, municipality, commis-  
28 sion, agency, officer, department, board, division or person is author-  
29 ized and empowered for any of the purposes of this title to co-operate  
30 and enter into agreements with the authority such state, political  
31 subdivision, municipality, commission, agency, officer, department,  
32 board, division or person shall have the same authorization and power  
33 for any of such purposes to co-operate and enter into agreements with a  
34 subsidiary corporation of the authority.

35 9. Each of the authority and its subsidiaries, and the New York city  
36 transit authority and its subsidiaries, in its own name or in the name  
37 of the city, may apply for and receive and accept grants of property,  
38 money and services and other assistance offered or made available to it  
39 by any person, government or agency, which it may use to meet capital or  
40 operating expenses and for any other use within the scope of its powers,  
41 and to negotiate for the same upon such terms and conditions as the  
42 respective authority may determine to be necessary, convenient or desir-  
43 able.

44 10. Subject to the rights of the holders of any outstanding bonds,  
45 notes or other obligations of the authority, New York city transit  
46 authority and Triborough bridge and tunnel authority, and to facilitate  
47 the efficient financial management of the authority, its subsidiary  
48 corporations, New York city transit authority and its subsidiary corpo-  
49 rations, and Triborough bridge and tunnel authority (the "affiliated  
50 entities"), the authority may, and may permit and direct any affiliated  
51 entity to, transfer revenues, subsidies and other monies or securities  
52 to one or more funds or accounts of another affiliated entity for use by  
53 such other affiliated entity, provided at the time of such transfer it  
54 is reasonably anticipated that the monies and securities so transferred  
55 will be reimbursed, repaid or otherwise provided for by the end of the  
56 next succeeding calendar year if reimbursement or repayment is required

1 by law or by any agreement to which any of the affected affiliated enti-  
2 ties is subject. Any revenues of an affiliated entity that are trans-  
3 ferred to another affiliated entity, which transfer was not authorized  
4 by a provision of law other than this subdivision, shall be considered  
5 to be required to be repaid to the affiliated entity which was the  
6 source of such revenues by the end of the next succeeding calendar year  
7 following such transfer.

8 11. The authority may lease railroad cars for use in its passenger  
9 service pursuant to the provisions of chapter six hundred thirty-eight  
10 of the laws of nineteen hundred fifty-nine.

11 12. The authority may do all things it deems necessary, convenient or  
12 desirable to manage, control and direct the maintenance and operation of  
13 transportation facilities, equipment or real property operated by or  
14 under contract, lease or other arrangement with the authority and its  
15 subsidiaries, and New York city transit authority and its subsidiaries.  
16 Except as hereinafter specially provided, no municipality or political  
17 subdivision other than the city of New York, including but not limited  
18 to a county, city, village, town or school or other district shall have  
19 jurisdiction over any facilities of the authority and its subsidiaries,  
20 and New York city transit authority and its subsidiaries, or any of  
21 their activities or operations. The local laws, resolutions, ordinances,  
22 rules and regulations of a municipality or political subdivision, here-  
23 tofore or hereafter adopted, conflicting with this title or any rule or  
24 regulation of the authority or its subsidiaries, or New York city trans-  
25 it authority or its subsidiaries, shall not be applicable to the activ-  
26 ities or operations of the authority and its subsidiaries, and New York  
27 city transit authority, or the facilities of the authority and its  
28 subsidiaries, and New York city transit authority and its subsidiaries,  
29 except such facilities that are devoted to purposes other than transpor-  
30 tation or transit purposes. Each municipality or political subdivision,  
31 including but not limited to a county, city, village, town or district  
32 in which any facilities of the authority or its subsidiaries, or New  
33 York city transit authority or its subsidiaries are located shall  
34 provide for such facilities police, fire and health protection services  
35 of the same character and to the same extent as those provided for resi-  
36 dents of such municipality or political subdivision.

37 13. The jurisdiction, supervision, powers and duties of the department  
38 of transportation of the state under the transportation law shall not  
39 extend to the authority in the exercise of any of its powers under this  
40 title. The authority may agree with such department for the execution by  
41 such department of any grade crossing elimination project or any grade  
42 crossing separation reconstruction project along any railroad facility  
43 operated by the authority or by one of its subsidiary corporations or  
44 under contract, lease or other arrangement with the authority. Any such  
45 project shall be executed as provided in article ten of the transporta-  
46 tion law and the railroad law, respectively, and the costs of any such  
47 project shall be borne as provided in such laws, except that the author-  
48 ity's share of such costs shall be borne by the state.

49 14. Notwithstanding the provisions of any other law, general, special  
50 or local, or of any agreement entered into in pursuance thereof, relat-  
51 ing to the repayment of any loan or advance made by the city or the  
52 state to the authority or to the New York city transit authority,  
53 neither the authority nor the New York city transit authority shall be  
54 required to repay any such loan or advance heretofore made from or by  
55 reason of the issuance of bonds or notes of either of them or from the  
56 proceeds realized upon such issuance or from any other funds received by

1 either of them from any source whatever in aid or assistance of the  
2 project or projects for the financing of which such bonds or notes are  
3 issued.

4 15. No project to be constructed upon real property theretofore used  
5 for a transportation purpose, or on an insubstantial addition to such  
6 property contiguous thereto, which will not change in a material respect  
7 the general character of such prior transportation use, nor any acts or  
8 activities in connection with such project, shall be subject to the  
9 provisions of article eight, nineteen, twenty-four, or twenty-five of  
10 the environmental conservation law, or to any local law or ordinance  
11 adopted pursuant to any such article. Nor shall any acts or activities  
12 taken or proposed to be taken by the authority or by any other person or  
13 entity, public or private, in connection with the planning, design,  
14 acquisition, improvement, construction, reconstruction or rehabilitation  
15 of a transportation facility, other than a marine or aviation facility,  
16 be subject to the provisions of article eight of the environmental  
17 conservation law, or to any local law or ordinance adopted pursuant to  
18 any such article if such acts or activities require the preparation of a  
19 statement under or pursuant to any federal law or regulation as to the  
20 environmental impact thereof.

21 16. The authority may, upon suitable notice to and an offer to consult  
22 with an officer designated by the city of New York, occupy the streets  
23 of the city of New York for the purpose of doing any work over or under  
24 the same in connection with the improvement, construction, recon-  
25 struction or rehabilitation of a transportation facility without the  
26 consent of or payment to such city.

27 17. The authority and each of its subsidiary corporations shall place  
28 on each transformer and substation which contains polychlorinated biphe-  
29 nyls a symbol so indicating the presence of polychlorinated biphenyls.  
30 Use of a polychlorinated biphenyl mark illustrated in the rules and  
31 regulations promulgated pursuant to the federal Toxic Substances Control  
32 Act shall constitute compliance with the provisions of this subdivision.

33 18. (a) Notwithstanding any other provisions of law or the terms of  
34 any contract, the authority shall establish and implement a no fare  
35 program for transportation for individuals serving as personal care  
36 attendants accompanying an Americans with Disabilities Act paratransit  
37 eligible individual.

38 (b) In order to be eligible for such no fare program the personal care  
39 attendant must show his or her community based personal care attendant  
40 agency issued identification card.

41 (c) In order to be considered accompanying an Americans with Disabili-  
42 ties Act paratransit eligible individual the personal care attendant  
43 shall have the same origin and destination as such paratransit eligible  
44 individual.

45 19. Notwithstanding any other provision of law, the authority and any  
46 of its subsidiary corporations shall establish and implement a half fare  
47 rate program for persons with serious mental illness who are eligible to  
48 receive supplemental security income benefits as defined pursuant to  
49 title sixteen of the federal Social Security Act and section two hundred  
50 nine of the social services law.

51 20. The authority shall conduct a campaign of public outreach to  
52 inform the public of the provisions pertaining to assault on employees  
53 as provided by subdivision eleven of section 120.05 of the penal law.

54 § 1349-i. Medical emergency services. The authority is hereby author-  
55 ized and directed to prepare and develop a medical emergency services  
56 program to be implemented at a time to be specified in such program for

1 the benefit of persons utilizing transportation and other related  
2 services of the authority. Such program may include but not be limited  
3 to the provision for the following: the training of designated employees  
4 in first aid, emergency techniques and procedures, handling and posi-  
5 tioning of stricken commuters, and knowledge of procedures and equipment  
6 used for respiratory and cardiac emergencies. Such program shall be  
7 submitted to the legislature not later than one hundred eighty days  
8 after the effective date of this section.

9 § 1349-j. Transit projects. 1. Subject to the provisions of this  
10 section, the authority is hereby authorized, upon the request of the New  
11 York city transit authority and upon such terms and conditions as shall  
12 be agreed to by the authority (a) to plan, design, acquire, construct,  
13 reconstruct, rehabilitate and improve facilities, equipment, devices and  
14 appurtenances, and property or property rights constituting or to  
15 constitute part of, or used or to be used in connection with the opera-  
16 tion of any transit facility now or hereafter owned or operated by the  
17 New York city transit authority or any of its subsidiaries, each of such  
18 activities and programs being referred to in this section as a "transit  
19 project"; (b) to finance the costs of a transit project by the issuance  
20 of its notes, bonds or lease obligations; and (c) upon the completion of  
21 any transit project or part thereof, to cause the same to be trans-  
22 ferred, leased or subleased to the New York city transit authority or  
23 its designated subsidiary or other designee, for consideration. The  
24 terms "facilities", "equipment", "devices and appurtenances", "property"  
25 or "property rights" and "transit facility" shall have the meanings  
26 given to such terms in section twelve hundred of this article. The  
27 authority shall have no obligation to operate or, except as may other-  
28 wise be provided in any lease to which it may be a party as hereinafter  
29 provided, repair or maintain any transit project or part thereof subse-  
30 quent to its completion nor shall it be liable to the transferee, lessee  
31 or sublessee by reason of any warranty, express or implied, in respect  
32 thereof. Warranties furnished in connection with such transit project  
33 shall be assignable and assigned as directed by the New York city trans-  
34 it authority and approved by the authority.

35 2. In connection with any transit project, and in order to effectuate  
36 the purposes of this section, the authority shall, subject to the  
37 provisions of this section, have all of the powers provided elsewhere in  
38 this title, and, in addition, the authority may:

39 (a) issue its notes or bonds to finance all or any part of the costs  
40 of a transit project;

41 (b) finance all or any part of the costs to the authority or to any  
42 other person or entity, public or private, of such transit project  
43 through, or accompanied by, a leasing of such project or any part there-  
44 of by such person or entity to the authority or through or accompanied  
45 by a sale by the authority to any such person or entity and leaseback to  
46 the authority, in each case for subleasing to the New York city transit  
47 authority, its designated subsidiary or other designee for consider-  
48 ation, except that such leasing or leaseback from such person or entity  
49 may be made directly to the New York city transit authority or its  
50 designated subsidiary or other designee with the consent of the authori-  
51 ty;

52 (c) issue its notes or bonds to defease the lien of, refund or other-  
53 wise repay any outstanding notes, bonds or other obligations of the New  
54 York city transit authority which in the judgment of the authority would  
55 otherwise delay, impede or prevent its financing a transit project;



1 (d) accept the notes, bonds, lease, sublease and other contractual  
2 obligations of the New York city transit authority and any of its desig-  
3 nated subsidiaries in payment for a transfer, lease or sublease of a  
4 transit project;

5 (e) accept from the New York city transit authority or its designated  
6 subsidiary or from the city of New York, acting by its mayor alone, a  
7 transfer of title to or the use, occupancy, control or possession of any  
8 real or personal property (or any interest therein) needed or useful for  
9 or in connection with any transit project;

10 (f) obtain security for the payment by the New York city transit  
11 authority or its designated subsidiary of its notes, bonds, lease,  
12 sublease or other contractual obligations, including a pledge of all or  
13 any part of any of their revenues, which pledge may contain covenants  
14 with respect to the charging and fixing of fares, fees and rentals, the  
15 use and disposition of such fares, fees, rentals and other revenues, and  
16 the setting aside of reserves therefrom;

17 (g) with the consent of the New York city transit authority or its  
18 designated subsidiary, use, with or without compensation, its agents,  
19 employees and facilities; and

20 (h) apply for, accept, enter into contracts for, administer and  
21 disburse any federal, state or local aid or assistance, subject to the  
22 terms and conditions thereof, which may be available for any transit  
23 project.

24 3. All of the provisions of this title not inconsistent with the  
25 provisions of this section shall be applicable with respect to any  
26 bonds, notes or lease obligations of the authority issued or entered  
27 into to finance any transit project, or to defease the lien of, refund  
28 or otherwise repay outstanding bonds, notes or other obligations of the  
29 New York city transit authority, subject to the following conditions:

30 (a) such bonds and notes shall be payable as to principal, redemption  
31 premium, if any, and interest and such other obligations shall be paya-  
32 ble, all in the manner more particularly provided by the authority in  
33 the resolution under which the same shall be authorized to be issued;

34 (b) such lease obligations shall be non-recourse obligations limited  
35 to the recovery of the leased property by the lessor and as to the  
36 payments of sums of money coming due thereunder, to proceedings against  
37 the sublessee under any underlying sublease or pursuant to any pledge or  
38 assignment given to secure sums payable under such underlying sublease;

39 (c) no bonds or notes of the authority shall be issued for the purpose  
40 of defeasing the lien of, refunding or otherwise repaying outstanding  
41 bonds, notes or other obligations of the New York city transit authority  
42 unless (i) the city of New York shall have entered into an agreement on  
43 terms satisfactory to the authority to make periodic payments to the New  
44 York city transit authority, and (ii) the New York city transit authori-  
45 ty shall have entered into an agreement on terms satisfactory to the  
46 authority to make periodic payments to the authority, in each case  
47 sufficient to pay, when due, the principal, redemption premium, if any,  
48 and interest upon the bonds or notes of the authority issued to effect  
49 such defeasance, refunding or repayment;

50 (d) notwithstanding and in addition to any provisions for the redemp-  
51 tion of such bonds or notes which may be contained in any contract with  
52 the holders thereof, the city of New York may, upon furnishing suffi-  
53 cient funds therefor, require the authority to redeem as a whole any  
54 issue of such bonds or notes at the time or times and at the place or  
55 places and in accordance with the terms upon which such bonds or notes  
56 are redeemable; and

1 (e) the city of New York shall not be liable on such bonds or notes,  
2 and such bonds or notes shall not be a debt of the city of New York, and  
3 shall contain on the face thereof a statement to such effect.

4 4. The authority shall not undertake any transit project unless the  
5 New York city transit authority or the subsidiary for whose benefit the  
6 transit project is to be undertaken, or both, shall pay or agree to pay,  
7 in the form of a bond, note, lease, sublease or other contractual obli-  
8 gation, in a manner and on terms and conditions satisfactory to the  
9 authority, any portion of the costs to the authority of such transit  
10 project and the financing thereof which is not paid to the authority  
11 from any federal, state or local aid or assistance or which is not paya-  
12 ble from any other moneys made available or payable to the authority by  
13 others for such project.

14 5. Neither the provisions of section one hundred ninety-seven-c of the  
15 New York city charter, relating to a uniform land use review procedure,  
16 nor the provisions of any other local law of the city of New York of  
17 like or similar tenor or import shall apply (a) to the acquisition of  
18 any real property, or any interest therein, for the purposes of any  
19 transit project by the city or by the New York city transit authority or  
20 any of its subsidiaries; (b) to the subsequent transfer of any real  
21 property (or interest therein) so acquired to the authority or its  
22 designee for the purposes of such project or to the transfer to the  
23 authority or its designee for such purposes of any real property (or  
24 interest therein) then owned by the city or by the New York city transit  
25 authority or any such subsidiary; nor (c) to the transfer to the author-  
26 ity or its designee for such purposes of the right of use, occupancy,  
27 control or possession of any real property (or interest therein), wheth-  
28 er presently owned or hereafter acquired by the city or by the New York  
29 city transit authority or any such subsidiary; provided in each such  
30 case, however, that if at the time of such proposed acquisition or  
31 transfer the real property which is the subject of such acquisition or  
32 transfer is not then being utilized for a transit or transportation  
33 purpose or is not an insubstantial addition to such property contiguous  
34 thereto; (i) the authority proposing to acquire or receive such property  
35 shall, unless a submission with respect to such property has previously  
36 been made and approved as herein provided, submit to the community board  
37 for the community district in which such property is located, data with  
38 respect to the proposed use of such property and to the design of any  
39 facility proposed to be constructed thereon; (ii) such community board  
40 shall inform the council of the city of New York, with copies to the  
41 city planning commission of the city of New York and the proposing  
42 authority, of its views and recommendations with respect thereto within  
43 forty-five days of such submission, and if the community board shall  
44 fail to so inform such council within such period it shall be deemed to  
45 have recommended the proposal; and (iii) such council shall, within  
46 forty-five days of the recommendation of the community board, approve or  
47 disapprove such acquisition or transfer, and if such council shall fail  
48 to act within such period it shall be deemed to have approved the same.

49 6. In its performance of any transit project, the authority shall not  
50 be deemed the agent or instrumentality of the city of New York or the  
51 New York city transit authority or any of its subsidiaries notwithstand-  
52 ing the fact that title to any real or personal property (or any inter-  
53 est therein) which is the subject of or is a part of such project is  
54 held by or upon completion of such project is to be transferred to such  
55 other entity. In its performance of any transit project, however, the

1 provisions of section twelve hundred nine of this article shall apply to  
2 the authority as if it were the authority referred to in such section.

3 7. The authority, in addition to the powers provided elsewhere in this  
4 title, shall possess all of the powers, rights and privileges of the New  
5 York city transit authority or its designated subsidiary in connection  
6 with the undertaking by the authority of any transit project. The  
7 authority, upon suitable notice to and an offer to consult with an offi-  
8 cer designated by the city of New York, may occupy the streets of the  
9 city of New York for the purpose of doing any work over or under the  
10 same in connection with any transit project without the consent of or  
11 payment to such city.

12 8. After the transfer, transfer back, lease or sublease to the New  
13 York city transit authority or its designated subsidiary or other desig-  
14 nee of any transit project or part thereof, actions for damages for  
15 injuries to real or personal property or for the destruction thereof, or  
16 for personal injuries or death, based upon the use, condition or state  
17 of such project or part thereof may not be instituted against the  
18 authority, which shall have no liability or responsibility to the trans-  
19 feree, lessee or sublessee or to third parties therefor.

20 9. Except as the authority shall otherwise agree, title to any transit  
21 project or any part thereof or interest therein which shall have been  
22 transferred, leased, or subleased to the New York city transit authority  
23 or its designated subsidiary, shall remain in such transferee, lessee,  
24 or sublessee notwithstanding any provision of title nine of this article  
25 or of any lease or other agreement entered into under the provisions of  
26 such title to the contrary.

27 10. The providing of any transit project shall not relieve the city of  
28 New York of its obligations under law and by lease to pay the capital  
29 costs of the New York city transit authority or its subsidiaries.

30 11. No transit project to be constructed upon real property to be used  
31 for a transit or transportation purpose, or on an insubstantial addition  
32 to such property contiguous thereto, which will not change in a material  
33 respect the general character of such prior transit or transportation  
34 use, nor any acts or activities in connection with such project, shall  
35 be subject to the provisions of article eight, nineteen, twenty-four or  
36 twenty-five of the environmental conservation law, or to any local law  
37 or ordinance adopted pursuant to any such article. Nor shall any trans-  
38 it project or any acts or activities in connection therewith taken by  
39 any person or entity, public or private, pursuant to this section be  
40 subject to the provisions of article eight of the environmental conser-  
41 vation law if such project, acts or activities require the preparation  
42 of a statement under or pursuant to any federal law or regulation as to  
43 the environmental impact thereof.

44 12. The provisions of this section and of all agreements undertaken by  
45 the New York city transit authority in accordance therewith shall in all  
46 respects be subject to the rights of the holders of any outstanding  
47 bonds or notes of such authority.

48 13. (a) All contracts for design, construction, services and materials  
49 pursuant to this title of whatever nature and all documents soliciting  
50 bids or proposals therefor shall contain or make reference to the  
51 following provisions:

52 (i) The contractor will not discriminate against employees or appli-  
53 cants for employment because of race, creed, color, national origin,  
54 sex, age, disability, or marital status, and will undertake or continue  
55 existing programs of affirmative action to ensure that minority group  
56 persons and women are afforded equal opportunity without discrimination.

1 Such programs shall include, but not be limited to, recruitment, employ-  
2 ment, job assignment, promotion, upgrading, demotion, transfer, layoff,  
3 termination, rates of pay or other forms of compensation, and selections  
4 for training or retraining, including apprenticeship and on-the-job  
5 training.

6 (ii) At the request of the New York city transit authority, the big  
7 apple transit authority, and their subsidiaries, the contractor shall  
8 request each employment agency, labor union, or authorized represen-  
9 tative of workers with which it has a collective bargaining or other  
10 agreement or understanding and which is involved in the performance of  
11 the contract with the authority to furnish a written statement that such  
12 employment agency, labor union or representative shall not discriminate  
13 because of race, creed, color, national origin, sex, age, disability or  
14 marital status and that such union or representative will cooperate in  
15 the implementation of the contractor's obligations under this section.

16 (iii) The contractor will state, in all solicitations or advertise-  
17 ments for employees placed by or on behalf of the contractor in the  
18 performance of the contract with the authority, that all qualified  
19 applicants will be afforded equal employment opportunity without  
20 discrimination because of race, creed, color, national origin, sex, age,  
21 disability or marital status.

22 (iv) The contractor will include the provisions of subparagraphs (i),  
23 (ii), and (iii) of this paragraph in every subcontract or purchase order  
24 in such a manner that such provisions will be binding upon each subcon-  
25 tractor or vendor as to its work in connection with the contract with  
26 the authority.

27 (b) The authority shall establish procedures and guidelines to ensure  
28 that contractors and subcontractors undertake programs of affirmative  
29 action and equal employment opportunity as required by this subdivision.  
30 Such procedures may require after notice in a bid solicitation, the  
31 submission of an affirmative action program prior to the award of any  
32 contract, or at any time thereafter, and may require the submission of  
33 compliance reports relating to the operation and implementation of any  
34 affirmative action program adopted pursuant to this section. The author-  
35 ity may take appropriate action including contractual sanctions for  
36 non-compliance to effectuate the provisions of this subdivision and  
37 shall be responsible for monitoring compliance with this title.

38 14. (a)(i) In the performance of projects pursuant to this title  
39 minority and women-owned business enterprises shall be given the oppor-  
40 tunity for meaningful participation. The authority provided for in this  
41 title shall establish measures and procedures to secure meaningful  
42 participation and identify those contracts and items of work for which  
43 minority and women-owned business enterprises may best bid to actively  
44 and affirmatively promote and assist their participation in the  
45 projects, so as to facilitate the award of a fair share of contracts to  
46 such enterprises; provided, however, that nothing in this title shall be  
47 construed to limit the ability of the authority to assure that qualified  
48 minority and women-owned business enterprises may participate in the  
49 program.

50 (A) For purposes of this section, minority business enterprise shall  
51 mean any business enterprise which is at least fifty-one per centum  
52 owned by, or in the case of a publicly owned business, at least fifty-  
53 one per centum of the stock of which is owned by citizens or permanent  
54 resident aliens who are African-American, Hispanic, Asian or American  
55 Indian, Pacific Islander or Alaskan natives and such ownership interest  
56 is real, substantial and continuing and have the authority to independ-

1 ently control the day to day business decisions of the entity for at  
2 least one year; and women-owned business enterprise shall mean any busi-  
3 ness enterprise which is at least fifty-one per centum owned by, or in  
4 the case of a publicly owned business, at least fifty-one per centum of  
5 the stock of which is owned by citizens or permanent resident aliens who  
6 are women, and such ownership interest is real, substantial and continu-  
7 ing and have the authority to independently control the day to day busi-  
8 ness decisions of the entity for at least one year.

9 (B) The provisions of this paragraph shall not be construed to limit  
10 the ability of any minority or women-owned business enterprise to bid on  
11 any contract.

12 (ii) In the implementation of this subdivision, the authority shall  
13 consider compliance by any contractor with the requirements of any  
14 federal, state, or local law concerning minority and women-owned busi-  
15 ness enterprises, which may effectuate the requirements of this subdivi-  
16 sion. If the authority determines that by virtue of the imposition of  
17 the requirements of any such law, in respect to capital project  
18 contracts, the provisions thereof duplicate or conflict with such law,  
19 the authority may waive the applicability of this subdivision to the  
20 extent of such duplication or conflict.

21 (iii) Nothing in this subdivision shall be deemed to require that  
22 overall state and federal requirements for participation of minority and  
23 women-owned business enterprises in programs authorized under this title  
24 be applied without regard to local circumstances to all projects or in  
25 all communities.

26 (b) In order to implement the requirements and objectives of this  
27 subdivision, the authority shall establish procedures to monitor the  
28 contractors' compliance with provisions hereof, provide assistance in  
29 obtaining competing qualified minority and women-owned business enter-  
30 prises to perform contracts proposed to be awarded, and take other  
31 appropriate measures to improve the access of minority and women-owned  
32 business enterprises to these contracts.

33 15. (a) In connection with the performance of projects pursuant to  
34 this section, the authority shall, to the extent practicable and not  
35 inconsistent with any federal law, regulation or requirement, promote  
36 the meaningful participation of small business and New York state busi-  
37 ness enterprises in the provision of goods and services that are  
38 produced or manufactured in New York state as part of procurements  
39 undertaken by the authority.

40 (b) The authority shall within one hundred eighty days after the  
41 effective date of this subdivision develop, and review annually there-  
42 after, a plan to effect the purposes of this subdivision.

43 § 1349-k. Excess loss fund. 1. Subject to the provisions of this  
44 section, the authority is authorized to issue bonds and notes, in  
45 accordance with section thirteen hundred forty-nine-u of this title, in  
46 such principal amounts not in excess of the seventy-five million dollar  
47 limitation established in subdivision four of this section as, in the  
48 opinion of the authority, shall be necessary to provide sufficient funds  
49 to meet the capital and reserve requirements of a trust, pooling  
50 arrangement or other entity established for the purpose of providing  
51 reimbursement and funding to the authority and its subsidiaries, the New  
52 York city transit authority and its subsidiaries and Triborough bridge  
53 and tunnel authority for excess or extraordinary losses for damages to  
54 real or personal property or for the destruction thereof or for personal  
55 injuries or death and for certain property damage losses which may be  
56 incurred or sustained by any of them in connection with the use and



1 operation of their respective facilities and in the conduct of their  
2 respective activities, the trust, pooling arrangement or other entity  
3 established in order to provide such benefits to such participants being  
4 referred to in this section as the "excess loss fund". Prior to the  
5 issuance of any bonds or notes, other than refunding bonds or notes,  
6 authorized by this section, the authority shall make a finding that such  
7 issue is expected to result, on a present value basis, in a lower effec-  
8 tive cost to the participating authorities than funding the requirements  
9 of the excess loss fund solely through the payment of premiums and  
10 assessments by such participating authorities.

11 2. In order to effectuate the purposes of the excess loss fund, the  
12 authority shall, subject to the provisions of this section, have all the  
13 powers provided elsewhere in this title and may:

14 (a) accept the notes, bonds and other contractual obligations of the  
15 excess loss fund for funds provided to it by the authority;

16 (b) obtain security for the payment by the excess loss fund of its  
17 notes, bonds and other contractual obligations issued to the authority,  
18 including a pledge of all or any part of the assets and revenues of the  
19 excess loss fund, including its receipts and rights to receive premiums,  
20 assessments, reimbursements and other payments from the participants in  
21 the excess loss fund, which pledge may contain covenants with respect to  
22 the charging and fixing by actuarial estimates, where appropriate, of  
23 premiums, assessments, reimbursements and other payments and the use and  
24 disposition thereof; and

25 (c) enter into contracts with the excess loss fund and with the  
26 participants therein, on such terms and conditions as the parties may  
27 agree, with respect to the payment of premiums, assessments, reimburse-  
28 ments and other payments to the excess loss fund and the nature and  
29 extent of the benefits to be paid by the excess loss fund to such  
30 participants.

31 3. The bonds and notes of the authority authorized by this section  
32 shall not constitute general obligations of the authority, but shall be  
33 special obligations of the authority payable as to principal, redemption  
34 premium, if any, and interest solely from the security, sources of  
35 payment and funds obtained from or on behalf of the excess loss fund,  
36 all in the manner more particularly provided by the authority in the  
37 resolution under which such bonds and notes shall be authorized to be  
38 issued.

39 4. The aggregate principal amount of bonds and notes issued for the  
40 purposes enumerated in subdivision one of this section shall not exceed  
41 seventy-five million dollars, excluding:

42 (a) bonds and notes issued to fund costs of issuance and any reason-  
43 ably required debt service reserve fund for such bonds or notes;

44 (b) an amount equal to any original issue discount from the principal  
45 amount of any bonds or notes issued; and

46 (c) bonds and notes issued to refund or otherwise repay bonds or notes  
47 theretofore issued for such purposes, provided, however, that upon any  
48 such refunding or repayment of the total aggregate principal amount of  
49 outstanding bonds and notes, including for purpose of such calculation  
50 the principal amount of the refunding bonds or notes then to be issued  
51 and excluding the principal amount of the bonds or notes so to be  
52 refunded or repaid and any amounts excluded under paragraph (a) or (b)  
53 of this subdivision, may be greater than seventy-five million dollars,  
54 only if the present value of the aggregate debt service of the refunding  
55 or repayment bonds or notes to be issued shall not exceed the present  
56 value of the aggregate debt service of the bonds or notes so to be

1 refunded or repaid. For purposes of this subparagraph, the present  
2 values of the aggregate debt service of the refunding or repayment bonds  
3 or notes and of the aggregate debt service of the bonds or notes so to  
4 be refunded or repaid, shall be calculated by utilizing the effective  
5 interest rate of the refunding or repayment bonds or notes, which shall  
6 be that rate arrived at by doubling the semi-annual interest rate,  
7 compounded semi-annually, necessary to discount the debt service  
8 payments on the refunding or repayment bonds or notes from the payment  
9 dates thereof to the date of issue of the refunding or repayment bonds  
10 or notes and to the price bid including estimated accrued interest or  
11 proceeds received by the authority including estimated accrued interest  
12 from the sale thereof.

13 5. The term "excess loss fund" as used in this section shall not  
14 include any trust, pooling arrangements or other entity (a) which  
15 provides or offers to provide reimbursement or funding for losses or  
16 liabilities to any entity other than the authority and its subsidiaries,  
17 the New York city transit authority and its subsidiaries and Triborough  
18 bridge and tunnel authority, or (b) in which any entity other than the  
19 authority and its subsidiaries, the New York city transit authority and  
20 its subsidiaries and Triborough bridge and tunnel authority holds an  
21 equity interest.

22 § 1349-1. Authority police force. 1. The authority is hereby author-  
23 ized and empowered, to provide and maintain an authority police depart-  
24 ment and a uniformed authority police force. Each member of such  
25 uniformed police force shall be a "police officer" for the purposes of  
26 the criminal procedure law, with all of the powers of such police offi-  
27 cers thereunder and subject to the same jurisdictional provisions on the  
28 exercise of that power as set forth in such law. The geographical area  
29 of employment of such police officers for the purposes of the criminal  
30 procedure law shall embrace the city of New York. Such department and  
31 force shall have the power, in and about any or all of the facilities  
32 owned, occupied and/or operated by the authority and its subsidiary  
33 corporations, the New York city transit authority and its subsidiaries,  
34 and the Triborough bridge and tunnel authority, as determined in the  
35 discretion of the authority, to enforce and prevent violation of all  
36 laws and ordinances. Nothing in this section shall confer upon the  
37 authority police force or upon their collective negotiations represen-  
38 tatives exclusive jurisdiction or claim over the exercise of police  
39 power or security work on behalf of the authority and its subsidiary  
40 corporations, the New York city transit authority and its subsidiaries,  
41 and the Triborough bridge and tunnel authority. Nothing in this section  
42 shall limit the authority and its subsidiary corporations, the New York  
43 city transit authority and its subsidiaries, and the Triborough bridge  
44 and tunnel authority from continuing to rely on local police for police  
45 services.

46 2. Initial appointments to such authority police force shall from the  
47 incumbent police officers of the metropolitan transportation authority  
48 at the time of such appointment. The executive director of the authori-  
49 ty, through the chief of police, shall have the power and authority to  
50 appoint and employ such number of police officers as he or she deems  
51 necessary to act as police officers of the authority and to administer  
52 to the officers an oath or affirmation faithfully to perform the duties  
53 of their respective positions or offices. Unless, at the time of  
54 appointment, the person is a police officer of the metropolitan trans-  
55 portation authority, only persons who have never been convicted of a  
56 felony and are citizens of the United States shall be appointed police

1 officers on the authority police force. After the initial appointments  
2 are made, selection of police officer candidates shall be made pursuant  
3 to an examination process to be determined at the discretion of the  
4 authority and candidates must receive a certificate attesting to satis-  
5 factory completion of an approved municipal police basic training  
6 program, as described in section two hundred nine-q of the general  
7 municipal law. No person shall be eligible for appointment unless such  
8 person is not less than twenty years of age as of the date of appoint-  
9 ment nor more than thirty-five years of age as of the date when the  
10 applicant takes the written examination, provided, however, that time  
11 spent on military duty or on terminal leave, not exceeding a total of  
12 six years, shall be subtracted from the age of any applicant who has  
13 passed his or her thirty-fifth birthday as provided in subdivision ten-a  
14 of section two hundred forty-three of the military law. Upon appoint-  
15 ments made by transferring an entire group of police officers into the  
16 authority police force, thereby eliminating such other group of police  
17 officers, the authority shall recognize any representative previously  
18 chosen by the police officers for the purposes of collective negoti-  
19 ations consistent with the bargaining units already established and  
20 shall also assume and continue to observe any existing labor contracts  
21 covering these police officers including such provisions which relate to  
22 the grievance and disciplinary procedures and interest arbitration.  
23 Subsequent to the establishment of the consolidated police force the  
24 authority and the collective bargaining representatives shall be author-  
25 ized to negotiate a merger of the separate bargaining units.

26 3. The authority may appoint a chief and one or more deputy chiefs of  
27 the authority police department who, in the discretion of the authority,  
28 may be selected from the ranks of the authority police force, and assign  
29 powers and duties to them and fix their compensation. The chief shall be  
30 the head of such department. The deputy chief designated by the chief  
31 shall possess all the powers and perform all the duties of the chief  
32 during his or she absence or disability. The authority police force  
33 shall consist of such divisions, supervisors and officers, including but  
34 not limited to police officers, detectives, sergeants, lieutenants and  
35 captains as designated by the authority. Notwithstanding any law or  
36 provision to the contrary, the members of the uniformed authority police  
37 force shall not acquire civil service status or become members of the  
38 New York state and local employees' retirement system, except as set in  
39 this section.

40 4. The authority may, in its sole discretion, establish within the  
41 authority's defined benefit program, a retirement program consistent  
42 with the foregoing. If the authority has not so established such program  
43 in its defined benefit program within one hundred eighty days after  
44 enactment, then the authority shall elect to participate in article  
45 fourteen-B of the retirement and social security law.

46 5. If the authority elects to participate in the New York city employ-  
47 ees' retirement system, such election to participate shall be made by  
48 resolution filed with the comptroller and accepted by him or her pursu-  
49 ant to section thirty-one of the retirement and social security law.

50 6. Nothing contained in this section shall be deemed to diminish,  
51 suspend or abolish an existing benefit inured to a police officer,  
52 transferred from the metropolitan transportation authority police force  
53 and subject to the provisions of this section in and to the rights,  
54 privileges or status previously earned within a pension or retirement  
55 system of which they were a member immediately prior to the enactment of  
56 this section; and any such existing right, privilege or status shall

1 survive the effect of any decisions or determinations lawfully made in  
2 accordance with the provisions of this section so long as such right,  
3 privilege or status is greater in benefit to that which would be imposed  
4 or imputed to any subject officer as a result of actions of the authori-  
5 ty authorized by this section.

6 § 1349-m. The permanent citizens advisory committee. There is hereby  
7 established a permanent citizens advisory committee. The members of the  
8 committee shall consist of the New York city transit authority advisory  
9 council, as defined in section twelve hundred four-e of this article.

10 § 1349-n. Big apple transit authority pledge to customers. 1. A big  
11 apple transit authority pledge to customers shall be created and adopted  
12 by the big apple transit authority. A copy of such pledge shall be post-  
13 ed on the website of the authority and shall be posted in stations where  
14 the authority makes regular postings. The authority shall post the  
15 pledge in the language or languages it deems necessary and appropriate.

16 2. The big apple transit authority pledge to customers shall be in the  
17 form and manner as prescribed by the authority, include the contact  
18 information of the authority, and include, but not be limited to, the  
19 following:

20 (a) a description of the authority's commitment to provide safe and  
21 reliable services;

22 (b) a description of the authority's commitment to provide timely and  
23 accurate information on its services;

24 (c) a commitment that employees will provide service in a courteous  
25 manner;

26 (d) a description of the authority's commitment to maintain clean  
27 stations, facilities, subways and buses;

28 (e) a description of the authority's policies when it comes to arrang-  
29 ing alternative transportation when service is interrupted;

30 (f) when service is interrupted, a description of the authority's  
31 policies when it comes to considering the comfort of inconvenienced  
32 customers;

33 (g) when service is interrupted due to weather conditions, a  
34 description of the authority's policies on notifying customers; and

35 (h) when service is severely interrupted, a description of the author-  
36 ity's policies on service restoration.

37 3. The authority from time to time may update and amend the big apple  
38 transit authority pledge to customers as it deems necessary and proper  
39 and may adopt rules and regulations for the proper administration of  
40 this section.

41 § 1349-o. Expired fare transfer policy. Notwithstanding any other  
42 provision of law to the contrary, the authority shall, within ninety  
43 days of the effective date of this section, establish an expired fare  
44 transfer policy that may be amended from time to time. Such policy shall  
45 provide any person who purchases a fare the ability to transfer any  
46 remaining balance for two years after such fare is deemed expired.

47 § 1349-p. Acquisition and disposition of real property. 1. In addi-  
48 tion to the powers provided in section thirteen hundred forty-nine-h of  
49 this title to acquire transportation facilities, equipment and real  
50 property, the authority may acquire, by condemnation pursuant to the  
51 eminent domain procedure law, any real property within the city of New  
52 York it may deem necessary, convenient or desirable to effectuate the  
53 purposes of this title, provided however, that any such condemnation  
54 proceedings shall be brought only in the supreme court and the compen-  
55 sation to be paid shall be ascertained and determined by the court with-  
56 out a jury. Notwithstanding the provisions of this subdivision, no real

1 property may be acquired by the authority by condemnation for purposes  
2 other than a transportation facility unless the governing body of the  
3 city, village or town in which such real property is located shall first  
4 consent to such condemnation.

5 2. Nothing contained in this section shall be construed to prevent the  
6 authority from bringing any proceedings to remove a cloud on title or  
7 such other proceedings as it may, in its discretion, deem proper and  
8 necessary or from acquiring any such property by negotiation or  
9 purchase.

10 3. Where a person entitled to an award in the proceedings to condemn  
11 any real property for any of the purposes of this title remains in  
12 possession of such property after the time of the vesting of title in  
13 the condemnor, the reasonable value of his or her use and occupancy of  
14 such property subsequent to such time as fixed by agreement or by the  
15 court in such proceedings or by any court of competent jurisdiction  
16 shall be a lien against such award subject only to the liens of record  
17 at the time of vesting of title in the condemnor.

18 4. Subject to the provisions of sections thirteen hundred forty-nine-h  
19 and thirteen hundred forty-nine-j of this title, title to all property  
20 acquired under this title shall vest in the authority or one of its  
21 subsidiary corporations, or in the New York city transit authority or  
22 one of its subsidiary corporations as the authority directs.

23 5. The authority may, whenever it determines that it is in the inter-  
24 est of the authority, dispose of any real property or property other  
25 than real property, which it determines is not necessary, convenient or  
26 desirable for its purposes.

27 6. The authority may, whenever it shall determine that it is in the  
28 interest of the authority, rent, lease, or grant easements or other  
29 rights in, any land or property of the authority.

30 § 1349-q. Acquisition and disposition of real property by department  
31 of transportation. If funds are made available by the authority for the  
32 payment of the cost and expense of the acquisition thereof, the commis-  
33 sioner of transportation of the state of New York, when requested by the  
34 authority, may acquire such real property in the name of the state as  
35 may be determined from time to time by the authority as being necessary,  
36 convenient or desirable to effectuate the purposes of this title, may  
37 remove the owner or occupant thereof where necessary and obtain  
38 possession and, when requested by the authority, may dispose of any real  
39 property so acquired, all according to the procedure provided in section  
40 thirty of the highway law. The authority shall have the right to possess  
41 and use for its corporate purposes all such real property so acquired.  
42 Claims for the value of the property appropriated and for legal damages  
43 caused by any such appropriation shall be adjusted and determined by  
44 such commissioner with the approval of the authority or by the court of  
45 claims as provided in section thirty of the highway law. When a claim  
46 has been filed with the court of claims, the claimant shall cause a copy  
47 of such claim to be served upon the authority and the authority shall  
48 have the right to be represented and heard before such court. All awards  
49 and judgments arising from such claims shall be paid out of moneys of  
50 the authority. No real property may be acquired pursuant to the  
51 provisions of this section for purposes other than a transportation  
52 facility unless the governing body of the city, village or town in which  
53 such real property is located shall first consent to such acquisition.

54 § 1349-r. Transit facilities for transit construction fund. 1. As  
55 used in this section, unless a different meaning clearly appears from  
56 the context:



1 (a) "City" shall mean the city of New York.

2 (b) "Transit construction fund act" shall mean title nine-A of this  
3 article.

4 (c) "Transit construction fund" shall mean the corporation created by  
5 section twelve hundred twenty-five-c of this article.

6 (d) "Transit facility" shall mean such term as defined from time to  
7 time in section twelve hundred twenty-five-b of this article.

8 2. In addition to the powers provided elsewhere in this title, and to  
9 effectuate the purposes of the transit construction fund act, the  
10 authority may:

11 (a) Plan, design, construct, acquire, extend, reconstruct, rehabili-  
12 tate, modernize and otherwise improve transit facilities in accordance  
13 with the terms and conditions of any lease or other agreement with the  
14 transit construction fund;

15 (b) Occupy the streets of the city of New York in the course of  
16 constructing and thereafter owning a transit facility which consists of  
17 a rapid transit railroad or portion thereof, provided such construction  
18 is carried out in accordance with the terms of a lease or other agree-  
19 ment with the transit construction fund entered into pursuant to the  
20 provisions of the transit construction fund act;

21 (c) Make and execute contracts, leases, subleases, and all other  
22 instruments or agreements deemed necessary or convenient;

23 (d) Authorize the use by the transit construction fund, either with or  
24 without compensation to the authority or any subsidiary of the agents,  
25 employees and facilities of the authority or any subsidiary;

26 (e) Undertake planning, design and feasibility studies in accordance  
27 with the terms and conditions of any agreement with the transit  
28 construction fund or the city; and

29 (f) Do any and all other things deemed necessary or convenient.

30 3. All of the provisions of this title not inconsistent with the  
31 provisions of this section shall be applicable with respect to any bonds  
32 or notes of the authority issued to finance any purpose authorized under  
33 this section or the transit construction fund act, subject to the  
34 following conditions and exceptions:

35 (a) Payment of the principal, redemption premium, if any, and interest  
36 on such bonds and notes shall be made only from monies payable to the  
37 authority from the transit construction fund under a lease or other  
38 agreement entered into pursuant to the provisions of the transit  
39 construction fund act, and any security given by the authority for the  
40 payment of such principal, redemption premium or interest on such bonds  
41 and notes shall be limited to the monies so payable from the transit  
42 construction fund. The authority shall not grant any security interest  
43 in or otherwise encumber any transit facility leased to the transit  
44 construction fund.

45 (b) The provisions of section thirteen hundred forty-nine-aa of this  
46 title, relating to the creation and establishment of and appropriations  
47 and payments to certain debt service reserve funds shall be inapplica-  
48 ble; provided that nothing in this section shall be deemed to prohibit  
49 the creation and establishment of one or more reserve funds for debt  
50 service as authorized by section thirteen hundred forty-nine-u of this  
51 title;

52 (c) In addition to the statement required by subdivision nine of  
53 section thirteen hundred forty-nine-u of this title, such bonds and  
54 notes shall contain on the face thereof a statement to the effect that  
55 the city shall not be liable thereon and that the same shall not be a  
56 debt of the city.

1 4. Notwithstanding the provisions of any general or special law to the  
2 contrary, or of any agreement entered into in pursuance thereof relating  
3 to the repayment of any loan or advance made by the state to the author-  
4 ity, the authority shall not be required to repay any such loan or  
5 advance from or by reason of the issuance: (a) of bonds or notes of the  
6 authority issued to finance any purpose authorized under this section or  
7 the transit construction fund act, or the proceeds realized upon such  
8 issuance; or (b) from any other funds of the authority derived from the  
9 transit construction fund or from any other source whatever to effectu-  
10 ate the purposes of the transit construction fund act.

11 § 1349-s. Co-operation and assistance of other agencies. 1. To avoid  
12 duplication of effort and in the interests of economy, the authority may  
13 make use of existing studies, surveys, plans, data and other materials  
14 in the possession of any state agency or any municipality or political  
15 subdivision of the state. Each such agency, municipality or subdivision  
16 is hereby authorized to make the same available to the authority and  
17 otherwise to assist it in the performance of its functions. At the  
18 request of the authority, each such agency, municipality or subdivision  
19 which is engaged in highway or other transportation activities or in  
20 land use or development planning, or which is charged with the duty of  
21 providing or regulating any transportation facility or any other public  
22 facility, is further authorized to provide the authority with informa-  
23 tion regarding its plans and programs affecting the transportation  
24 district so that the authority may have available to it current informa-  
25 tion with respect thereto. The officers and personnel of such agencies,  
26 municipalities or subdivisions, and of any other government or agency  
27 whatever, may serve at the request of the authority upon such advisory  
28 committees as the authority shall determine to create and such officers  
29 and personnel may serve upon such committees without forfeiture of  
30 office or employment and with no loss or diminution in the compensation,  
31 status, rights and privileges which they otherwise enjoy.

32 2. The authority shall, at the request of any state agency, munici-  
33 pality or political subdivision of the state, engaged in highway or  
34 other transportation activities or in land use or development planning,  
35 provide said state agency, municipality or political subdivision with  
36 all current and relevant information regarding its plans or programs, so  
37 as to enable said agency, municipality or subdivision to properly effec-  
38 tuate said activities or planning.

39 3. To the extent that the provisions of this title authorize the  
40 authority to enter into any agreement or arrangement with, or undertake  
41 any other activity requiring the participation of, the New York city  
42 transit authority or any of its subsidiary corporations in furtherance  
43 of their respective purposes and powers or the Triborough bridge and  
44 tunnel authority in furtherance of its purposes and powers, such enti-  
45 ties are hereby authorized and empowered to enter into and perform such  
46 contract or other arrangement and to undertake such activities.

47 § 1349-t. Promotion of qualified transportation fringes. The authori-  
48 ty shall promote the broad use of qualified transportation fringes,  
49 under section one hundred thirty-two of the federal internal revenue  
50 code, in order to increase the number of participating companies and  
51 employees in such programs. The authority may also study and report on  
52 ways in which programs may be improved so as to increase public partic-  
53 ipation.

54 § 1349-u. Notes, bonds and other obligations of the authority. 1. (a)  
55 The authority shall have power and is hereby authorized from time to  
56 time to issue its bonds, notes and other obligations in such principal

1 amount as, in the opinion of the authority, shall be necessary, conven-  
2 ient or desirable to effectuate any of its powers and purposes, includ-  
3 ing to provide sufficient funds for achieving its purposes, including  
4 the acquisition, establishment, construction, effectuation, operation,  
5 maintenance, renovation, improvement, extension, rehabilitation or  
6 repair of any transportation facility, the payment of principal, redemp-  
7 tion premium and interest on bonds, notes and other obligations of the  
8 authority, establishment of reserves to secure such bonds, notes and  
9 other obligations, the provision of working capital and all other  
10 expenditures of the authority and its subsidiary corporations, and New  
11 York city transit authority and its subsidiary corporations incident to  
12 and necessary or convenient to carry out their purposes and powers. Such  
13 bonds, notes or other obligations may be issued for an individual trans-  
14 portation facility or issued on a consolidated basis for such groups or  
15 classes of facilities and projects as the authority in its discretion  
16 deems appropriate and be payable from and secured separately or on a  
17 consolidated basis by, among other things, all or any portion of such  
18 revenues and other monies and assets of the authority and its subsidiary  
19 corporations, and New York city transit authority and its subsidiary  
20 corporations as the authority determines in accordance with the  
21 provisions of section thirteen hundred forty-nine-dd of this title;

22 (b) The authority shall have power, from time to time, to issue  
23 renewal notes, to issue bonds to refund, redeem or otherwise pay,  
24 including by purchase or tender, notes of the authority and its subsid-  
25 iary corporations, the metropolitan transportation authority, and the  
26 New York city transit authority and its subsidiary corporations and  
27 whenever it deems refunding, redemption or payment expedient, to refund,  
28 redeem or otherwise pay, including by purchase or tender, any bonds of  
29 the authority and its subsidiary corporations, the metropolitan trans-  
30 portation authority, the New York city transit authority and its subsid-  
31 iary corporations and the Triborough bridge and tunnel authority by the  
32 issuance of new bonds, whether the bonds to be refunded, redeemed or  
33 otherwise paid have or have not matured, and to issue bonds partly for  
34 such purpose and partly for any other purpose and to otherwise refund,  
35 redeem, acquire by purchase or tender, or in any other way repay any  
36 outstanding notes, bonds or other obligations of the authority, any of  
37 its subsidiary corporations, the metropolitan transportation authority,  
38 the New York city transit authority, any of its subsidiary corporations  
39 and the Triborough bridge and tunnel authority;

40 (c) Every issue of its notes, bonds or other obligations shall be  
41 general obligations or special obligations. Every issue of general obli-  
42 gations of the authority shall be payable out of any revenues or monies  
43 of the authority, subject only to any agreements with the holders of  
44 particular notes or bonds pledging any particular receipts or revenues.  
45 Every issue of special obligations shall be payable out of any revenues,  
46 receipts, monies or other assets of the authority and its subsidiary  
47 corporations, the New York city transit authority and its subsidiary  
48 corporations and the Triborough bridge and tunnel authority identified  
49 for such purposes in accordance with agreements with the holders of  
50 particular notes, bonds or other obligations. The authority may issue  
51 transportation revenue special obligation bonds, notes or other obli-  
52 gations as provided in section thirteen hundred forty-nine-dd of this  
53 title;

54 2. The authority may from time to time issue its bonds and notes in  
55 such principal amounts as, in the opinion of the authority, shall be  
56 necessary to finance the unfunded pension fund liabilities of the

1 authority, its affiliates and subsidiaries, provided, however, that in  
2 no event shall the cumulative amounts of bonds and notes issued pursuant  
3 to the authority under this subdivision exceed one billion two hundred  
4 million dollars or sixty percent of such unfunded pension fund liabil-  
5 ities, whichever is less, and provided, further, that no bonds shall be  
6 issued under this subdivision for a term longer than twenty years. The  
7 authority may not issue bonds or notes in any twelve month period in a  
8 cumulative principal amount in excess of forty percent of the total  
9 amount permitted to be issued under this subdivision. Prior to the issu-  
10 ance of any bonds or notes, the authority shall make a finding that such  
11 issue is expected to result, on a present value basis, in a lower effec-  
12 tive cost to the authority than funding the unfunded pension fund  
13 liability solely through the payment of annual amounts to the pension  
14 fund, assuming that the principal component of the unfunded liability  
15 will be amortized over the same number of years as the term of the bonds  
16 or notes and that the interest payable thereon is the actuarial rate of  
17 interest determined by the actuary for the pension fund at the time of  
18 the issuance of such bonds or notes. The aggregate principal amount of  
19 bonds and notes issued for such purposes may be increased to fund costs  
20 of issuance and reasonably required debt service or other reserve funds.  
21 Bonds and notes may be issued to refund or otherwise repay bonds or  
22 notes theretofore issued for such purposes; provided, however, that upon  
23 any such refunding or repayment, including for purpose of such calcu-  
24 lation the principal amount of the refunding bonds or notes then to be  
25 issued and excluding the principal amount of the bonds or notes so to be  
26 refunded or repaid and also excluding any amounts used to pay costs of  
27 issuance and reasonably required debt service or other reserve funds,  
28 the present value of the aggregate debt service of the refunding or  
29 repayment bonds or notes to be issued shall not exceed the present value  
30 of the aggregate debt service of the bonds or notes so to be refunded or  
31 repaid. For purposes of the preceding sentence, the present values of  
32 the aggregate debt service of the refunding or repayment bonds or notes  
33 and of the aggregate debt service of the bonds or notes so to be  
34 refunded or repaid shall be calculated by utilizing the effective inter-  
35 est rate of the refunding or repayment bonds or notes, which shall be  
36 that rate arrived at by doubling the semi-annual interest rate,  
37 compounded semi-annually, necessary to discount the debt service  
38 payments on the refunding or repayment bonds or notes from the payment  
39 dates thereof to the date of issue of the refunding or repayment bonds  
40 or notes and to the price bid including estimated accrued interest or  
41 proceeds received by the authority including estimated accrued interest  
42 from the sale thereof. Debt service on the bonds or notes shall be  
43 structured so that the economic benefits thereof shall be relatively  
44 uniform for each full year throughout the term of the bonds or notes.  
45 Beginning with the date of first issuance of bonds under this section,  
46 the authority and its subsidiaries shall make annual payments into the  
47 pension fund in amounts at least equal to the current pension contrib-  
48 ution liability applicable to such year. The net proceeds of the bonds  
49 or notes intended to be invested in non-debt securities may be invested  
50 by the recipient pension fund in a fiscally prudent manner in securities  
51 consistent with any trust indentures and all applicable state and feder-  
52 al law over a reasonable period of time not less than thirty days  
53 following the issuance of the bonds or notes. The operating budget  
54 savings associated with the issuance of pension obligation bonds pursu-  
55 ant to this subdivision shall be dedicated to reducing service elimi-  
56 nations projected to occur within that period.

1     3. The notes, bonds and other obligations shall be authorized by  
2 resolution approved by not less than a majority vote of the whole number  
3 of members of the authority then in office, except that in the event of  
4 a tie vote the chairperson shall cast one additional vote. Such notes,  
5 bonds and other obligations shall bear such date or dates, and shall  
6 mature at such time or times, in the case of any such note or any  
7 renewals thereof not exceeding five years from the date of issue of such  
8 original note, and in the case of any such bond not exceeding fifty  
9 years from the date of issue, as such resolution or resolutions may  
10 provide. The notes, bonds and other obligations shall bear interest at  
11 such rate or rates, be in such denominations, be in such form, either  
12 coupon or registered, carry such registration privileges, be executed in  
13 such manner, be payable in such medium of payment, at such place or  
14 places and be subject to such terms of redemption as such resolution or  
15 resolutions may provide. The notes, bonds and other obligations of the  
16 authority may be sold by the authority, at public or private sale, at  
17 such price or prices as the authority shall determine. No notes or bonds  
18 of the authority may be sold by the authority at private sale, however,  
19 unless such sale and the terms thereof have been approved in writing by  
20 (a) the comptroller, where such sale is not to the comptroller, or (b)  
21 the director of the office of management and budget, where such sale is  
22 to the comptroller.

23     4. Any resolution or resolutions authorizing any notes, bonds or any  
24 issue thereof, or any other obligations of the authority, may contain  
25 provisions, which shall be a part of the contract with the holders ther-  
26 eof, as to:

27     (a) pledging all or any part of the revenues of the authority or of  
28 any of its subsidiary corporations or New York city transit authority or  
29 any of its subsidiary corporations or Triborough bridge and tunnel  
30 authority to secure the payment of the notes or bonds or of any issue  
31 thereof, or any other obligations of the authority, subject to such  
32 applicable agreements with bondholders, noteholders, or holders of other  
33 obligations of the authority, the metropolitan transportation authority,  
34 the New York city transit authority and its subsidiary corporations, and  
35 Triborough bridge and tunnel authority;

36     (b) pledging all or any part of the assets of the authority or of any  
37 of its subsidiary corporations or New York city transit authority or any  
38 of its subsidiary corporations or Triborough bridge and tunnel authority  
39 to secure the payment of the notes or bonds or of any issue of notes or  
40 bonds, or any other obligations of the authority, subject to such agree-  
41 ments with noteholders, bondholders, or holders of other obligations of  
42 the authority, the New York city transit authority and its subsidiary  
43 corporations, and Triborough bridge and tunnel authority;

44     (c) the use and disposition of revenues, including fares, tolls,  
45 rentals, rates, charges and other fees, made or received by the authori-  
46 ty, any of its subsidiary corporations, New York city transit authority  
47 or any of its subsidiary corporations, or Triborough bridge and tunnel  
48 authority;

49     (d) the setting aside of reserves or sinking funds and the regulation  
50 and disposition thereof;

51     (e) limitations on the purpose to which the proceeds of sale of notes,  
52 bonds or other obligations of the authority may be applied and pledging  
53 such proceeds to secure the payment of the notes or bonds or of any  
54 issue thereof or of other obligations;

55     (f) limitations on the issuance of additional notes, bonds or other  
56 obligations of the authority; the terms upon which additional notes,



1 bonds or other obligations of the authority may be issued and secured;  
2 the refunding of outstanding or other notes, bonds or other obligations  
3 of the authority;

4 (g) the procedure, if any, by which the terms of any contract with  
5 noteholders, bondholders, or holders of other obligations of the author-  
6 ity, may be amended or abrogated, the amount of notes, bonds or other  
7 obligations of the authority the holders of which must consent thereto,  
8 and the manner in which such consent may be given;

9 (h) limitations on the amount of monies to be expended by the authori-  
10 ty or any of its subsidiary corporations or New York city transit  
11 authority or any of its subsidiary corporations or Triborough bridge and  
12 tunnel authority for operating, administrative or other expenses of the  
13 authority or any of its subsidiary corporations or New York city transit  
14 authority or any of its subsidiary corporations or Triborough bridge and  
15 tunnel authority;

16 (i) vesting in a trustee or trustees such property, rights, powers and  
17 duties in trust as the authority may determine, which may include any or  
18 all of the rights, powers and duties of the trustee appointed by the  
19 bondholders, noteholders or holders of other obligations of the authori-  
20 ty pursuant to this title, and limiting or abrogating the right of the  
21 bondholders, noteholders or holders of other obligations of the authori-  
22 ty to appoint a trustee under this article or limiting the rights,  
23 powers and duties of such trustee; and

24 (j) any other matters, of like or different character, which in any  
25 way affect the security or protection of the notes, bonds or other obli-  
26 gations of the authority.

27 5. In addition to the powers conferred by this section upon the  
28 authority to secure its notes, bonds and other obligations, the authori-  
29 ty shall have power in connection with the issuance of notes, bonds and  
30 other obligations to enter into such agreements as the authority may  
31 deem necessary, convenient or desirable concerning the use or disposi-  
32 tion of the monies or property of the authority, its subsidiary corpo-  
33 rations, New York city transit authority, or any of its subsidiary  
34 corporations, or Triborough bridge and tunnel authority, including the  
35 mortgaging of any such property and the entrusting, pledging or creation  
36 of any other security interest in any such monies or property and the  
37 doing of any act (including refraining from doing any act) which the  
38 authority would have the right to do in the absence of such agreements.  
39 The authority shall have power to enter into amendments of any such  
40 agreements within the powers granted to the authority by this title and  
41 to perform such agreements. The provisions of any such agreements may be  
42 made a part of the contract with the holders of the notes, bonds and  
43 other obligations of the authority.

44 6. Any pledge, mortgage or security instrument made by the authority  
45 shall be valid and binding from the time when the pledge, mortgage or  
46 security instrument is made; the monies or property so pledged, mort-  
47 gaged and entrusted and thereafter received by the authority, or any of  
48 its subsidiary corporations shall immediately be subject to the lien of  
49 such pledge, mortgage or security instrument without any physical deliv-  
50 ery thereof or further act; and the lien of any such pledge, mortgage or  
51 security instrument shall be valid and binding as against all parties  
52 having claims of any kind in tort, contract or otherwise against the  
53 authority, or any of its subsidiary corporations, irrespective of wheth-  
54 er such parties have notice thereof. Neither the resolution nor any  
55 mortgage, security instrument or other instrument by which a pledge,  
56 mortgage lien or other security is created shall need to be recorded or

1 filed and neither the authority nor, any of its subsidiary corporations  
2 shall be required to comply with any of the provisions of the uniform  
3 commercial code.

4 7. Neither the members of the authority, the New York city transit  
5 authority or the Triborough bridge and tunnel authority nor any person  
6 executing the notes, bonds or other obligations shall be liable  
7 personally on the notes, bonds or other obligations or be subject to any  
8 personal liability or accountability by reason of the issuance thereof.

9 8. The authority, subject to such agreements with the holders of  
10 notes, bonds or other obligations as may then exist, shall have power  
11 out of any funds available therefor to purchase notes, bonds or other  
12 obligations of the authority. The authority may hold, cancel or sell  
13 such bonds, notes and other obligations, subject to and in accordance  
14 with agreements with such holders.

15 9. Neither the state nor the city of New York shall be liable on  
16 notes, bonds or other obligations of the authority and such notes, bonds  
17 and other obligations shall not be a debt of the state or the city of  
18 New York, and such notes, bonds and other obligations shall contain on  
19 the face thereof, or in an equally prominent place, a statement to such  
20 effect.

21 10. So long as the authority has any outstanding bonds, notes or other  
22 obligations issued pursuant to this section or any bonds, notes or other  
23 obligations issued or incurred pursuant to section thirteen hundred  
24 forty-nine-j of this title, none of the authority or any of its subsid-  
25 iary corporations, New York city transit authority or any of its subsid-  
26 iary corporations, or Triborough bridge and tunnel authority shall have  
27 the authority to file a voluntary petition under chapter nine of the  
28 federal bankruptcy code or such corresponding chapter, chapters or  
29 sections as may, from time to time, be in effect, and neither any public  
30 officer nor any organization, entity or other person shall authorize the  
31 authority or any of its subsidiary corporations, New York city transit  
32 authority or any of its subsidiary corporations, or Triborough bridge  
33 and tunnel authority to be or become a debtor under chapter nine of the  
34 federal bankruptcy code or said corresponding chapter, chapters or  
35 sections during any such period.

36 11. The term "monies" as used in this section shall include, but not  
37 be limited to, all operating subsidies provided by (i) any public bene-  
38 fit corporation, including without limitation transfers of operating  
39 surplus by Triborough bridge and tunnel authority pursuant to section  
40 twelve hundred nineteen-a of this article, or (ii) any governmental  
41 entity, federal, state or local and shall exclude all funds required to  
42 be transferred to the metropolitan transportation authority pursuant to  
43 section thirteen hundred forty-nine-h of this title.

44 12. Any resolution or agreement authorizing the issuance of bonds,  
45 notes or other obligations pursuant to this section may, in addition,  
46 authorize and provide for the issuance of lease obligations of the  
47 authority which may be issued for the purposes and on the terms and  
48 conditions under which the bonds, notes and other obligations authorized  
49 under this section may be issued, and may be secured in the same manner  
50 as such bonds, notes and other obligations, and which resolution with  
51 respect to such lease obligations, may contain such other provisions  
52 applicable to bonds, notes and other obligations not inconsistent with  
53 the provisions of this section, as the authority may determine.

54 13. The aggregate principal amount of bonds, notes or other obli-  
55 gations issued after the first of January next succeeding the effective  
56 date of this title, by the authority, the Triborough bridge and tunnel

1 authority and the New York city transit authority to fund projects  
2 contained in capital program plans approved pursuant to section thirteen  
3 hundred forty-nine-v of this title for the capital program authorization  
4 period shall not exceed fifty-five billion four hundred ninety-seven  
5 million dollars. Such aggregate principal amount of bonds, notes or  
6 other obligations or the expenditure thereof shall not be subject to any  
7 limitation contained in any other provision of law on the principal  
8 amount of bonds, notes or other obligations or the expenditure thereof  
9 applicable to the authority, the Triborough bridge and tunnel authority  
10 or the New York city transit authority. The aggregate limitation estab-  
11 lished by this subdivision shall not include: (a) obligations issued to  
12 refund, redeem or otherwise repay, including by purchase or tender,  
13 obligations theretofore issued either by the issuer of such refunding  
14 obligations or by the authority, the New York city transit authority or  
15 the Triborough bridge and tunnel authority; (b) obligations issued to  
16 fund any debt service or other reserve funds for such obligations; (c)  
17 obligations issued or incurred to fund the costs of issuance, the  
18 payment of amounts required under bond and note facilities, federal or  
19 other governmental loans, security or credit arrangements or other  
20 agreements related thereto and the payment of other financing, original  
21 issue premiums and related costs associated with such obligations; (d)  
22 an amount equal to any original issue discount from the principal amount  
23 of such obligations or to fund capitalized interest; (e) obligations  
24 incurred pursuant to section twelve hundred seven-m of this article; (f)  
25 obligations incurred to fund the acquisition of certain buses for the  
26 New York city transit authority as identified in a capital program plan  
27 approved pursuant to chapter fifty-three of the laws of nineteen hundred  
28 ninety-two; (g) obligations incurred in connection with the leasing,  
29 selling or transferring of equipment; and (h) bond anticipation notes or  
30 other obligations payable solely from the proceeds of other bonds, notes  
31 or other obligations which would be included in the aggregate principal  
32 amount specified in the first sentence of this subdivision, whether or  
33 not additionally secured by revenues of the authority, or any of its  
34 subsidiary corporations, New York city transit authority, or any of its  
35 subsidiary corporations, or Triborough bridge and tunnel authority.

36 § 1349-v. Capital program plans; approvals; effect of disapproval. 1.  
37 On or before October first next succeeding the effective date of this  
38 section, and every fifth year thereafter, the authority shall submit to  
39 the mayor a capital program plan for the ten-year period commencing  
40 January first of the following year.

41 2. For the period described in subdivision one of this section, the  
42 plan shall contain the capital program for the transit facilities oper-  
43 ated by the New York city transit authority and its subsidiaries and for  
44 the Staten Island rapid transit operating authority.

45 3. The plan shall set system-wide goals and objectives for capital  
46 spending, establish standards for service and operations, and describe  
47 each capital element proposed to be initiated in each of the years  
48 covered by the plan and explain how each proposed element supports the  
49 achievement of the service and operational standards established in the  
50 plan. The plan shall also set forth an estimate of the amount of capital  
51 funding required each year and the expected sources of such funding.  
52 Each plan subsequent to the first such plan and each proposed amendment  
53 or modification thereof shall also describe the current status of each  
54 capital element included in the previously approved plan, if any. The  
55 plan shall be accompanied or supplemented by such supporting materials  
56 as the mayor shall require.

1 4. A "capital element", as used in this section, shall mean either a  
2 category of expenditure itemized in a plan, as hereinafter provided, for  
3 which a specified maximum dollar amount is proposed to be expended, or a  
4 particularly described capital project within one or more categories for  
5 which no maximum expenditure is proposed, but for which an estimate of  
6 expected cost is provided. A capital element shall be deemed to have  
7 been initiated for purposes of this section if in connection with such  
8 element the authority shall certify that:

9 (a) purchase or construction contracts have been entered into, obli-  
10 gating in the aggregate an amount exceeding ten percent of the maximum  
11 or estimated cost of the element as set forth in a plan;

12 (b) financing specific to the project has been undertaken; or

13 (c) in a case where such element is limited to design or engineering,  
14 a contract therefor has been entered into.

15 5. The plan shall itemize the capital elements included in each  
16 section of the plan under the following categories of expenditure: (a)  
17 rolling stock and buses; (b) passenger stations; (c) track; (d) line  
18 equipment; (e) line structures; (f) signals and communications; (g)  
19 power equipment, emergency power equipment and substations; (h) shops,  
20 yards, maintenance facilities, depots and terminals; (i) service vehi-  
21 cles; (j) security systems; (k) electrification extensions; and (l)  
22 unspecified, miscellaneous and emergency.

23 6. A capital program plan must be approved only by resolution of the  
24 authority approved by not less than a majority vote. After approval, the  
25 authority must submit the plan to the mayor, who has ninety days to  
26 approve the plan.

27 7. A copy of any capital program plan that has been approved by the  
28 authority and distributed to the mayor shall be simultaneously provided  
29 to the public by the big apple transit authority, via its official or  
30 shared internet website.

31 8. If the mayor takes no action within ninety days after receiving the  
32 plan, the plan shall be deemed to have been approved.

33 9. If the mayor vetoes the plan, the authority may only override the  
34 veto by unanimous vote.

35 10. If the mayor vetoes the plan and the authority does not override  
36 the veto, the authority may thereafter reformulate and resubmit such  
37 plan at any time. Within thirty days of the submission of such reformu-  
38 lated plan, the mayor may notify the authority of its approval, or, if  
39 the reformulated plan is not approved and the mayor has not notified the  
40 authority of his or her disapproval within such period, the reformulated  
41 plan shall be deemed to have been approved.

42 11. No general obligation bonds or notes of the authority, no special  
43 obligation bonds or notes of the authority to finance a transit project,  
44 as such term is defined in section thirteen hundred forty-nine-j of this  
45 title, and no bonds or notes of the Triborough bridge and tunnel author-  
46 ity to finance a project pursuant to the authorization contained in  
47 paragraph (r) of subdivision nine of section five hundred fifty-three of  
48 this chapter shall be issued to finance the costs of a capital element  
49 unless such capital element and such source of funding was set forth in  
50 a plan approved as provided in this section.

51 12. The disapproval of a capital program plan shall not affect: (a)  
52 the right of the authority, of the Triborough bridge and tunnel authori-  
53 ty, or of the New York city transit authority, or of the subsidiaries of  
54 any of them to initiate and complete any capital element which will be  
55 financed otherwise than through the issuance of the bonds or notes the  
56 issuance of which is prohibited under subdivision eleven of this

1 section; (b) the right of the authority or the Triborough bridge and  
2 tunnel authority to issue bonds or notes to finance a capital element  
3 which was initiated prior to such disapproval in conformity with a  
4 previously approved plan; (c) the right of the New York city transit  
5 authority to issue its bonds, notes, lease, sublease or other contractu-  
6 al obligations in payment for a transit project initiated prior to such  
7 disapproval in conformity with a previously approved plan; (d) the right  
8 of the authority or of the Triborough bridge and tunnel authority to  
9 issue bonds or notes to refund or otherwise repay any of its outstanding  
10 bonds or notes or to fulfill any of their obligations to the holders of  
11 any of their outstanding bonds or notes; or (e) the right of the New  
12 York city transit authority to issue its bonds, notes, lease, sublease  
13 or other contractual obligations to refund or otherwise repay any of its  
14 outstanding bonds or notes or to fulfill any of its obligations to the  
15 holders of any of its outstanding bonds or notes.

16 13. Notwithstanding the provisions of subdivision eight of this  
17 section, if a source of funding described in an approved plan shall be  
18 unavailable or be available in a lesser amount than that set forth in  
19 such plan, the authority and the Triborough bridge and tunnel authority  
20 may issue bonds or notes as necessary to provide the requisite funding  
21 for the capital elements included in the plan to the extent that the  
22 aggregate amount of such bonds or notes to be issued in substitution for  
23 such unavailable amounts shall not exceed the greater of fifty million  
24 dollars or twenty percent of the total amount described in such plan for  
25 either the substitute funding source or the funding source being substi-  
26 tuted for, subject to the limitations set forth in subdivision eleven of  
27 section five hundred fifty-three-e of this chapter and paragraph (a) of  
28 subdivision four of section twelve hundred seven-m of this article.

29 14. (a) The authority may from time to time submit to the mayor amend-  
30 ments or modifications to any ten-year plan theretofore submitted, and  
31 shall submit such an amendment or modification (i) if the estimated cost  
32 of any capital element for which a specified dollar amount was proposed  
33 to be expended exceeds the amount set forth in the approved plan for  
34 such element by more than ten percent, (ii) if with respect to a partic-  
35 ularly described capital element for which only an estimate of projected  
36 cost has been provided in the plan there is a material change in the  
37 description of such element from that contained in the approved plan,  
38 (iii) if a capital element not previously included in the approved plan  
39 is proposed to be undertaken and its cost, together with the cost of  
40 other elements included in category (1) of the plan, exceeds by ten  
41 percent the amount provided for such category (1) elements, (iv) if the  
42 authority shall propose to change by more than one year from the time  
43 when any capital element is proposed to be initiated or the effect of  
44 such change will be to increase the estimated amount of capital funding  
45 required in any year covered by the plan by more than twenty percent, or  
46 (v) if the availability of funding sources changes to the degree to  
47 which the authority or the Triborough bridge and tunnel authority are  
48 precluded from exercising the authorization provided in subdivision nine  
49 of this section and the authority wishes to do so.

50 (b) An amendment or modification may only be approved in two ways: (i)  
51 an amendment or modification shall only be approved by the mayor and  
52 within thirty days of the submission of an amendment or modification the  
53 mayor may notify the authority of its approval of the same; or (ii) if  
54 the amendment or modification is not approved by the mayor within such  
55 thirty day period and the mayor has not notified the authority in writ-



1 ing of his or her disapproval within such period, the amendment or  
2 modification shall be deemed to have been approved.

3 15. In formulating its capital program plans, the authority shall give  
4 consideration to the physical condition and urgency of need of each of  
5 the several transportation and transit systems involved, to the needs of  
6 all of the communities and areas serviced by these systems, to the  
7 extent to which other capital aid or assistance may be available to each  
8 of these systems, and to the safety, comfort and convenience of its  
9 passengers. In determining the source or method of funding which the  
10 authority is to use to finance the cost of the capital elements included  
11 in its capital program plans, the authority shall, insofar as practica-  
12 ble, give consideration, among other things, to: (a) the potential  
13 impact of each such source or method upon the level of passenger fares;  
14 (b) the relative cost of the several funding alternatives; and (c) the  
15 relative ability of each source or method to provide funding at times  
16 and in amounts estimated to be required by the capital program plan. To  
17 the extent funding is proposed to be obtained through the issuance and  
18 sale of bonds or notes, the authority shall, insofar as practicable and  
19 consistent with the matters set forth in paragraphs (a), (b) and (c) of  
20 this subdivision, give preference to the use of funds appropriated or to  
21 be appropriated to the authority by virtue of service contracts with the  
22 director of the office of management and budget entered into pursuant to  
23 the provisions of the transportation systems assistance and financing  
24 act of nineteen hundred eighty-one for purposes of paying the annual  
25 cost of debt service for such bonds or notes.

26 16. On or before the first of October succeeding the effective date of  
27 this subdivision, and on or before October first of every fifth year  
28 thereafter, the authority shall submit to the mayor a twenty-year capi-  
29 tal needs assessment. Such assessment shall begin with the period  
30 commencing on the first of January after such submission, and begin each  
31 assessment with every fifth year thereafter, and describe capital  
32 investments over the succeeding twenty years. Such assessment shall: (a)  
33 set forth broad long-term capital investments to be made throughout the  
34 district; and (b) establish a non-binding basis to be used by the  
35 authority in the planning of strategic investments involving capital  
36 elements in its five-year capital plan. Such assessment shall not  
37 require approval of the mayor and shall be for informational purposes  
38 only.

39 17. For purposes of this section, "broad long-term capital invest-  
40 ments" shall include but not be limited to: system rebuilding, enhance-  
41 ment, and expansion needs; agency needs broken down by capital element  
42 or investment category; and projected future trends and network impli-  
43 cations. Such assessment shall be certified by the chairperson of the  
44 authority and shall be entered into the permanent record of the minutes  
45 of the review board.

46 § 1349-w. Submission of strategic operation plan. 1. On or before the  
47 first of July next succeeding the effective date of this section, the  
48 authority shall submit to the mayor a strategic operation plan for the  
49 bus and subway services of the New York city transit authority and its  
50 subsidiaries and for the Staten Island rapid transit operating authority  
51 for the five year period commencing January first of the following year.  
52 The plan may be amended as required but shall be updated at least annu-  
53 ally. The plan shall include, but need not be limited to, the following:

54 (a) Long-range goals and objectives for the operation of services and  
55 facilities;

(b) Planned service and performance standards for each year of the period covered by the plan; including, in such plan submitted after the first of July next succeeding the effective date of this section: (i) standards for determining frequency of service at peak hours and off-peak hours; (ii) frequency of service at peak and off-peak hours based on the application of such standards to the current period for each subway line, bus route or group of bus routes; and (iii) projected performance for each subway line, bus route or group of bus routes as measured by reliability indicators commonly utilized within the transit industry, including such measures as mean distance between failures for subway cars, planned number of vehicles with air conditioning and projected reliability of such equipment, planned standards for cleanliness of the interior and exterior of subway cars, buses, and passenger stations, and other appropriate measures of planned performance influencing the quality of services;

(c) Level and structure of fares projected for each year of the period covered by the plan;

(d) Estimated operating and capital resources anticipated to be available from internal sources as well as from federal, state, regional and local sources;

(e) Estimated operating and capital costs to satisfy planned standards of performance and service;

(f) Strategies to improve productivity; control cost growth; integrate and coordinate the delivery of services provided by the authority as well as other public and private transportation providers in the service area;

(g) Specific allocation of operating and capital resources by mode and operation, including funds, personnel and equipment;

(h) Configuration by mode, operation and route of the services to be provided and the facilities to be operated, identifying major planned changes in services and routes;

(i) Identification of the operating and capital costs as compared to the revenues anticipated from system users for the big apple transit authority and its subsidiaries and the New York city transit authority and its subsidiaries; and

(j) An analysis of the relationship between specific planned capital elements contained in approved capital program plans and the achievement of planned service and performance standards. Such analysis shall include the relationship of specific planned capital elements to the achievement of such service and performance standards for each subway line, bus route or group of bus routes as appropriate.

2. Each annual update of the plan shall include a status report summarizing the extent to which planned service and performance standards developed for the previous year were achieved, the causes of any failure to achieve projected standards of service, and corrective measures the authority intends to take to avoid non-achievement of projected standards in the next upcoming year.

3. The big apple transit authority shall take into consideration any petitions from local officials for improved services, including how these service improvements relate to the service and performance standards described in subdivision two of this section, and shall consult with appropriate local officials in its preparation and periodic updates to the operation plan.

§ 1349-x. Financial and operational reports. The authority shall submit to the mayor and speaker of the city council, no later than thirty days following the submission of the annual independent audit report

1 pursuant to section twenty-eight hundred two of this chapter, a complete  
2 detailed report or reports setting forth, to the extent such matters are  
3 not fully addressed in the annual independent audit report, the follow-  
4 ing:

5 1. its financial reports, including:

6 (a) audited financials in accordance with all applicable regulations  
7 and following generally accepted accounting principles as defined in  
8 subdivision ten of section two of the state finance law;

9 (b) grant and subsidy programs;

10 (c) operating and financial risks;

11 (d) current ratings of its bonds issued by recognized municipal bond  
12 rating agencies and notice changes in such ratings; and

13 (e) long-term liabilities, including leases and employee benefit  
14 plans; and

15 2. an assessment of the effectiveness of its internal control struc-  
16 ture and procedures, including:

17 (a) descriptions of the authority and its major units and subsid-  
18 iaries;

19 (b) the number of employees, and minority and women employees, for  
20 each;

21 (c) an organizational chart;

22 (d) its charter, if any and by-laws;

23 (e) the extent of participation by minority and women-owned enter-  
24 prises in authority contracts and services in accordance with article  
25 fifteen-A of the executive law; and

26 (f) a listing of material changes in internal operations and programs  
27 during the reporting year.

28 § 1349-y. Mission statement and measurement report. 1. The authority  
29 shall submit to the mayor and speaker of the city council, on or before  
30 the first of October next succeeding the effective date of this title, a  
31 proposed authority mission statement and proposed measurements. The  
32 proposed mission statement and proposed measurements shall have the  
33 following components: a brief mission statement expressing the purpose  
34 and goals of the authority; a description of the stakeholders of the  
35 authority and their reasonable expectations from the authority, which  
36 stakeholders shall include at a minimum: the residents and taxpayers of  
37 the area of the state served by the authority, the persons that use the  
38 services provided by the authority, and the employees of the authority  
39 and any employee organization; the goals of the authority in response to  
40 the needs of each group of stakeholders; and a list of measures by which  
41 performance of the authority and the achievement of its goals may be  
42 evaluated.

43 2. The authority shall thereafter reexamine its mission statement and  
44 measurements on an annual basis and publish on its website self-evalua-  
45 tions based on the stated measures.

46 § 1349-z. Requirements for certain authority contracts and related  
47 subcontracts. 1. Any contractor or subcontractor subject to the posting  
48 requirements of paragraph a of subdivision three-a of section two  
49 hundred twenty of the labor law with respect to a public works contract  
50 of the authority shall:

51 (a) post information conforming to the provisions of subdivision two  
52 of this section in one or more conspicuous places at each major work-  
53 place site where persons who perform work on the contract or subcon-  
54 tract, including management, are most likely to see such postings;  
55 provided that, this requirement may be satisfied by the displaying of  
56 such information with other notices that inform persons of rights under

1 federal or state laws or rules, human resource policies, or collective  
2 bargaining agreements;

3 (b) post information conforming to the provisions of subdivision two  
4 of this section on an internet and intranet website, if any, of that  
5 person or business organization; provided that, this requirement may be  
6 satisfied by providing on such website a conspicuous hyperlink to the  
7 authority website maintained pursuant to subdivision three of this  
8 section, which hyperlink shall be labeled "Protections for Reporting  
9 Fraud in New York";

10 (c) distribute information specified in subdivision two of this  
11 section to those persons, including employees and managers, who perform  
12 work on the contract; provided that, this requirement may be satisfied  
13 by distributing such information in an employee handbook or through a  
14 specific electronic communication containing the information to a known  
15 electronic mail address maintained by the person; and

16 (d) comply with the provisions of this subdivision, and provide to the  
17 authority satisfactory evidence of such compliance, within ninety days.

18 2. The disclosures required by subdivision one of this section shall:

19 (a) provide the telephone numbers and addresses to report information  
20 of fraud or other illegal activity to the appropriate officers of the  
21 inspector general of the authority and the attorney general of the  
22 state;

23 (b) describe in detail conduct prohibited by section one hundred  
24 eighty-nine of the state finance law, and the role of that act in  
25 preventing and detecting fraud and abuse in work paid for by the author-  
26 ity or with funds originating from the authority;

27 (c) notify prospective qui tam plaintiffs on how to file a qui tam  
28 action, including the necessity to contact private counsel skilled in  
29 filing such actions and of the potential for cash rewards in such  
30 actions based on the percentage of the funds recovered by the govern-  
31 ment; and

32 (d) describe prohibitions on employer retaliation against persons who  
33 file or assist actions under article thirteen of the state finance law,  
34 the New York false claims act pursuant to section one hundred ninety-one  
35 of the state finance law, or who report illegal conduct that threatens  
36 the health or safety of the public pursuant to section seven hundred  
37 forty of the labor law.

38 3. No later than forty-five days after the effective date of this  
39 section, the authority shall establish and continuously maintain on its  
40 public website and its intranet site a page that shall provide the  
41 information specified in subdivision two of this section, and that shall  
42 also provide sample statements, displays and other materials suitable  
43 for insertion in employee handbooks or posting at workplaces or on  
44 websites that would satisfy the disclosure requirements of this section.

45 4. On and after the effective date of this section, the authority  
46 shall not enter into any contract described in subdivision one of this  
47 section that does not incorporate the terms of this section.

48 5. Material compliance by a covered person or business organization  
49 that has contracted with the authority under a contract that incorpo-  
50 rates the terms of this section shall be a material condition of payment  
51 for the provision of goods or services.

52 6. The authority is authorized to adopt such rules and regulations as  
53 are necessary to effectuate the purposes of this section.

54 § 1349-aa. Reserve funds and appropriations. The authority may create  
55 and establish one or more reserve funds in accordance with agreements  
56 with bondholders, noteholders or the holders of other obligations of the

1 authority and may pay into such reserve funds (a) any monies appropri-  
2 ated and made available by the state for the purposes of such funds, (b)  
3 any proceeds of sales of notes, bonds or other obligations to the extent  
4 provided in the resolution of the authority authorizing the issuance  
5 thereof, and (c) any other moneys which may be made available to the  
6 authority for the purpose of such funds from any other source or sourc-  
7 es. In lieu thereof, the authority may provide for the deposit therein  
8 of, or substitute for moneys on deposit therein, a liquidity or credit  
9 facility, surety bond or other similar agreement.

10 § 1349-bb. Big apple transit authority special assistance fund. 1. The  
11 authority shall create and establish a fund to be known as the "big  
12 apple transit authority special assistance fund" which shall be kept  
13 separate from and shall not be commingled with any other moneys of the  
14 authority. The special assistance fund shall consist of two separate  
15 accounts: (i) the "transit account"; and (ii) the "corporate transporta-  
16 tion account".

17 2. Moneys in the transit account may be pledged to the Triborough  
18 bridge and tunnel authority to secure bonds and notes and, if so  
19 pledged, shall be paid to the Triborough bridge and tunnel authority in  
20 such amounts and at such times as necessary to pay or to reimburse that  
21 authority for its payment of debt service and reserve requirements on  
22 that portion of special Triborough bridge and tunnel authority bonds and  
23 notes issued by that authority pursuant to section five hundred fifty-  
24 three-d of this chapter for transit projects undertaken for the New York  
25 city transit authority and its subsidiaries. Subject to the provisions  
26 of such pledge, any excess moneys, or in the event there is no such  
27 pledge, any moneys in such account shall, at the direction of the big  
28 apple transit authority, be: (a) deposited into one or more funds or  
29 accounts and used as contemplated by section thirteen hundred forty-  
30 nine-dd of this title; or (b) used for the payment of operating and  
31 capital costs of the New York city transit authority and its subsid-  
32 aries and the Staten Island rapid transit operating authority.

33 3. (a) Moneys in the corporate transportation account shall be pledged  
34 by the authority, or pledged to the Triborough bridge and tunnel author-  
35 ity, to secure bonds, notes or other obligations of the authority or the  
36 Triborough bridge and tunnel authority, as the case may be, and, if so  
37 pledged to the Triborough bridge and tunnel authority, shall be paid to  
38 the Triborough bridge and tunnel authority in such amounts and at such  
39 times as necessary to pay or to reimburse that authority for its payment  
40 of debt service and reserve requirements, if any, on that portion of  
41 special Triborough bridge and tunnel authority bonds and notes issued by  
42 that authority pursuant to section five hundred fifty-three-d of this  
43 chapter. Subject to the provisions of any such pledge, or in the event  
44 there is no such pledge, any excess moneys in the corporate transporta-  
45 tion account may be used by the authority for payment of operating costs  
46 of, and capital costs, including debt service and reserve requirements,  
47 if any, of or for the authority, the New York city transit authority and  
48 their subsidiaries as the authority shall determine.

49 § 1349-cc. Big apple transit authority dedicated tax fund. 1. The  
50 authority shall establish a fund to be known as the "big apple transit  
51 authority dedicated tax fund" which shall be kept separate from and  
52 shall not be commingled with any other moneys of the authority. The fund  
53 shall consist of a "pledged amounts account" and an "operating and capi-  
54 tal costs account" and such other accounts and subaccounts as the  
55 authority may determine.

56 2. Moneys in the fund may be:



1 (a) pledged by the authority to secure and be applied to the payment  
2 of its bonds, notes or other obligations specified by the authority and  
3 issued to finance: (i) transit projects undertaken for the New York city  
4 transit authority and its subsidiaries; and (ii) transportation facili-  
5 ties undertaken for the authority and its subsidiaries; and

6 (b) used for payment of operating costs, and capital costs, including  
7 debt service, reserve requirements, if any, the payment of amounts  
8 required under bond and note facilities or agreements related thereto,  
9 the payment of federal government loans, security or credit arrangements  
10 or other agreements related thereto, and the payment of all costs  
11 related to such obligations, of or for the authority, the New York city  
12 transit authority and their subsidiaries as the authority shall deter-  
13 mine. To the extent moneys in the fund have been pledged by the authori-  
14 ty to secure and pay its bonds, notes or other obligations as herein  
15 provided, moneys deposited into the fund shall first be deposited into  
16 the pledged amounts account to the extent necessary to satisfy the  
17 requirements of any debt service or reserve requirements, if any, of the  
18 resolution authorizing such bonds, notes or other obligations. After  
19 satisfaction of such requirements of the resolution, or if the authority  
20 has not so pledged the moneys in the fund, moneys deposited in the fund  
21 shall be directly deposited into the operating and capital costs account  
22 and, subject to the provisions of any resolutions of the authority not  
23 secured by the pledged amounts account, transferred forthwith to or for  
24 the benefit of the New York city transit authority and its subsidiaries  
25 and the Staten Island rapid transit operating authority.

26 3. Any moneys deposited in the fund shall be held in the fund free and  
27 clear of any claim by any person arising out of or in connection with  
28 article thirteen-A of the tax law. Without limiting the generality of  
29 the foregoing and without limiting the rights and duties of the commis-  
30 sioner of taxation and finance under article thirteen-A of the tax law,  
31 or any other person, including the state, a person shall have any right  
32 or claim against the authority, any of its bondholders, the authority or  
33 the commuter transportation authority to any moneys in or distributed  
34 from the fund or in respect of a refund, rebate, credit or reimbursement  
35 of taxes paid under article thirteen-A of the tax law.

36 § 1349-dd. Consolidated financings. 1. Notwithstanding any inconsist-  
37 ent provisions of this law or any other law, general, special or local,  
38 the authority may issue its notes, bonds and other obligations to  
39 finance transportation facilities, including transit projects and  
40 Triborough bridge and tunnel authority projects, utilizing a consol-  
41 idated pledge of all or any portion of the revenues and other moneys and  
42 assets of the authority and its subsidiaries, New York city transit  
43 authority and its subsidiaries, and the Triborough bridge and tunnel  
44 authority, together with those other sources of payment described in  
45 this section. In connection therewith, at its discretion, the authority,  
46 subject to the rights of the holders of notes, bonds or other obli-  
47 gations of the authority, the metropolitan transportation authority, the  
48 New York city transit authority or the Triborough bridge and tunnel  
49 authority, may: (a) agree with the New York city transit authority or  
50 the Triborough bridge and tunnel authority that any such entity shall  
51 deposit all or any portion of the revenues, other monies and assets  
52 received by it or its subsidiaries into one or more funds or accounts;  
53 and (b) deposit or cause to be deposited into one or more funds and  
54 accounts: (i) all or any portion of the revenues, other monies and  
55 assets received by the authority and its subsidiaries; (ii) all or any  
56 portion of the annual operating surplus of the Triborough bridge and

1 tunnel authority as certified pursuant to paragraph (b) of subdivision  
2 two of section twelve hundred nineteen-a of this article; (iii) all or  
3 any portion of the amounts from the operating and capital costs account  
4 of the metropolitan transportation authority dedicated tax fund required  
5 to be distributed to New York city transit authority under the  
6 provisions of section twelve hundred seventy-c of this article; (iv) all  
7 or any portion of the available monies in the transit account of the  
8 metropolitan transportation authority special assistance fund estab-  
9 lished under the provisions of section twelve hundred seventy-a of this  
10 article available for payment of operating and capital costs of New York  
11 city transit authority and its subsidiaries and Staten Island rapid  
12 transit operating authority as provided in subdivision two of section  
13 twelve hundred seventy-a of this article; (v) all or any portion of the  
14 available moneys in the corporate transportation account of the metro-  
15 politan transportation authority special assistance fund established  
16 under the provisions of section twelve hundred seventy-a of this article  
17 available for use by the authority for payment of operating costs of,  
18 and capital costs, including debt service and reserve requirements, if  
19 any, of or for the authority, the New York city transit authority and  
20 their subsidiaries as provided in paragraph (a) of subdivision four of  
21 section twelve hundred seventy-a of this article; and (vi) any other  
22 monies of the authority, its subsidiaries, the New York city transit  
23 authority and its subsidiaries, and the Triborough bridge and tunnel  
24 authority from any source whatsoever.

25 2. Amounts so deposited in such funds or accounts may be: (a) pledged  
26 by the authority to secure, and be applied to, the payment of its bonds,  
27 notes or other obligations issued to finance transportation facilities  
28 undertaken for the authority and its subsidiaries, transportation facil-  
29 ities, including transit projects, undertaken for New York city transit  
30 authority and its subsidiaries, and Triborough bridge and tunnel author-  
31 ity projects undertaken for the Triborough bridge and tunnel authority;  
32 and (b) used for payment of operating costs, and capital costs, includ-  
33 ing debt service, reserve requirements, if any, the payment of amounts  
34 required under bond, note or other financing facilities or agreements,  
35 and the payment of all costs related to such obligations, of or for the  
36 authority and its subsidiaries, and the New York city transit authority  
37 and its subsidiaries as the authority in its full discretion shall  
38 determine. To the extent moneys so deposited have been pledged by the  
39 authority to secure and pay its bonds, notes or other obligations pursu-  
40 ant to this subdivision, such moneys shall first be applied to satisfy  
41 the requirements of any debt service or reserve requirements of the  
42 resolution or resolutions or other contractual arrangements authorizing  
43 such bonds, notes or other obligations. After satisfaction of such  
44 requirements of any such resolution, resolutions, or other contractual  
45 arrangements or if the authority has not so pledged such moneys, such  
46 moneys so deposited, subject to the provisions of any other resolutions  
47 or contractual arrangements of the authority and the New York city tran-  
48 sit authority and applicable provisions of law, may be transferred to or  
49 for the benefit of the authority and its subsidiaries and New York city  
50 transit authority and its subsidiaries. Revenues and other monies of the  
51 authority and its subsidiaries and New York city transit authority and  
52 its subsidiaries, respectively, which are deposited in the funds or  
53 accounts authorized by this section, as reduced by any application of  
54 such revenues or monies to the payment of debt service, reserve require-  
55 ments, if any, and other costs attributable to the funding of the capi-  
56 tal costs of such entity, shall be allocated, credited and distributed

1 to such source entity. Any other revenues or monies which are deposited  
2 in the funds or accounts authorized by this section which are required  
3 by law to be allocated or paid to the authority or its subsidiaries or  
4 New York city transit authority or its subsidiaries, shall be allocated  
5 or paid to the entity to which it is required to be allocated or paid by  
6 law after reduction by an amount equal to the portion thereof applied to  
7 the payment of debt service, reserve requirements, if any, and other  
8 costs attributable to the funding of the capital costs of such entity.  
9 In determining the amount of debt service, reserve requirements, if any,  
10 and other costs attributable to the authority and its subsidiaries and  
11 the New York city transit authority and its subsidiaries, the authority  
12 shall make such calculation based upon the percentage of the proceeds of  
13 the bonds, notes and other obligations expended for the capital costs  
14 attributable to each such entity. The authority may utilize any interim  
15 allocation of such distributions, provided that within ninety days after  
16 the end of each calendar year, the authority shall certify that the  
17 aggregate amount of moneys transferred to each of the authority and its  
18 subsidiaries, and the New York city transit authority and its subsid-  
19 aries in respect of such calendar year, taking into account any intera-  
20 gency repayments or reimbursements anticipated to be made in the next  
21 succeeding calendar year, is not less than the amounts required to be  
22 paid or transferred to such entities.

23 3. For the purpose of appropriately aligning and allocating the ulti-  
24 mate responsibility for debt service among and between the authority and  
25 its subsidiaries, New York city transit authority and its subsidiaries,  
26 or the Triborough bridge and tunnel authority, each being an "affiliated  
27 group", and except as otherwise authorized or required by law, in  
28 connection with the application of revenues, subsidies or other moneys  
29 or securities of an affiliated group to pay the debt service attribut-  
30 able to bonds, notes or other obligations which provide funding of the  
31 capital costs of another affiliated group or to refund or redeem bonds,  
32 notes or other obligations, the proceeds of which were used to fund the  
33 capital costs of another affiliated group, the affiliated group for  
34 whose benefit debt service is paid or obligations refunded or redeemed,  
35 shall repay, through payments, adjustments or other form of reconcil-  
36 iation, such amounts to the affiliated group that made such payments not  
37 later than the end of the next succeeding fiscal year; provided, howev-  
38 er, that in connection with any refunding or redemption of bonds, notes  
39 or other obligations, such repayment, adjustments or other form of  
40 reconciliation shall be completed within the period of the applicable  
41 capital program plan.

42 § 1349-ee. Regulation of certain authority expenditures. The authori-  
43 ty shall implement policies as appropriate to minimize unwarranted  
44 expenses and to protect against abuses in connection with (i) the grant-  
45 ing of any privileges or benefits having financial value, other than  
46 wage payments or expense reimbursements, to members or staff of the  
47 authority, or any subsidiary or other authority created by the authori-  
48 ty; and (ii) the full-time and part-time assignment and use of automo-  
49 biles owned or leased by the authority, or any subsidiary or other  
50 authority created by the authority, and the use by authority employees  
51 and board members of livery vehicles, as defined in section one hundred  
52 twenty-one-e of the vehicle and traffic law.

53 § 1349-ff. Metropolitan transportation authority finance fund. 1. The  
54 authority shall establish a fund to be known as the "metropolitan trans-  
55 portation authority finance fund" which shall be kept separate from and  
56 shall not be commingled with any other moneys of the authority.

1 2. Moneys in the fund may be: (a) pledged by the authority to secure  
2 and be applied to the payment of the bonds, notes or other obligations  
3 of the authority issued on or after the effective date of this section  
4 to finance capital projects of the authority and its subsidiaries and  
5 the New York city transit authority and any subsidiaries; or (b) used  
6 for payment of capital costs, including debt service, reserve require-  
7 ments, if any, the payment of amounts required under bond and note  
8 facilities or agreements related thereto, the payment of federal govern-  
9 ment loans, security or credit arrangements or other agreements related  
10 thereto, and the payment of all costs related to such obligations, of or  
11 for the authority, the New York city transit authority and their subsid-  
12 aries as the authority shall determine. Subject to the provisions of  
13 any such pledge, or in the event there is no such pledge, any excess  
14 moneys in this fund may be used by the authority for payment of operat-  
15 ing costs of, and capital costs, including debt service and reserve  
16 requirements, if any, of or for the authority, the New York city transit  
17 authority and their subsidiaries as the authority shall determine. To  
18 the extent moneys in the fund have been pledged by the authority to  
19 secure and pay the bonds, notes or other obligations of the authority  
20 issued to finance capital projects of the authority and its subsidiaries  
21 and the New York city transit authority and any subsidiaries as herein  
22 provided, moneys deposited into the fund shall be deposited to the  
23 extent necessary to satisfy the requirements of any debt service or  
24 reserve requirements, if any, of the resolution authorizing such bonds,  
25 notes or other obligations.

26 3. Any moneys deposited in the fund shall be held in the fund free and  
27 clear of any claim by any person arising out of or in connection with  
28 article twenty-three of the tax law. Without limiting the generality of  
29 the foregoing and without limiting the rights and duties of the commis-  
30 sioner of taxation and finance under article twenty-three of the tax  
31 law, a person shall have any right or claim against the authority, any  
32 of their bondholders, any of the authority's other subsidiaries or the  
33 New York city transit authority or any subsidiary to any moneys in or  
34 distributed from the fund or in respect of a refund, rebate, credit or  
35 reimbursement of taxes paid under article twenty-three of the tax law.

36 § 1349-gg. New York city transportation assistance fund. 1. The  
37 authority shall create and establish a fund to be known as the "New York  
38 city transportation assistance fund" which shall be kept separate from  
39 and shall not be commingled with any other moneys of the authority. The  
40 New York city transportation assistance fund shall consist of three  
41 separate accounts: (i) the "subway action plan account"; (ii) the "outer  
42 borough transportation account"; and (iii) the "general transportation  
43 account".

44 2. Moneys in the subway action plan account shall be used for the  
45 exclusive purpose of funding the operating and capital costs of the  
46 metropolitan transportation authority's New York city subway action  
47 plan. Such funds may be used for infrastructure including construction,  
48 reconstruction, reconditioning and preservation of transportation  
49 systems, facilities and equipment, acquisition of property, and for  
50 operating costs including personal services, non-personal services,  
51 fringe benefits, and contractual services. Funds may also be used to pay  
52 or to reimburse the authority for its payment of debt service and  
53 reserve requirements on that portion of authority bonds and notes issued  
54 by the authority for capital costs of the metropolitan transportation  
55 authority's New York city subway action plan.

1 3. Moneys in the outer borough transportation account shall be used  
2 for the exclusive purpose of funding the operating and capital costs of  
3 metropolitan transportation authority facilities, equipment and services  
4 in the counties of Bronx, Kings, Queens and Richmond, and any projects  
5 improving transportation connections from such counties to New York  
6 county. Such funds may be used for infrastructure including  
7 construction, reconstruction, reconditioning and preservation of trans-  
8 portation systems, facilities and equipment, acquisition of property,  
9 and for operating costs including personal services, non-personal  
10 services, fringe benefits, and contractual services. Funds may also be  
11 used to fund a toll reduction program for any crossings under the juris-  
12 isdiction of the metropolitan transportation authority or its subsidiaries  
13 or affiliates. Funds may also be used to pay or to reimburse the author-  
14 ity for its payment of debt service and reserve requirements on that  
15 portion of authority bonds and notes that have been issued by the  
16 authority specifically for the authorized purpose of this account.  
17 Notwithstanding any law to the contrary, final approval of the use of  
18 any funds paid into the outer borough transportation account shall be  
19 approved by the mayor.

20 4. Moneys in the general transportation account shall be used for  
21 funding the operating and capital costs of the metropolitan transporta-  
22 tion authority. Such funds may be used for infrastructure including  
23 construction, reconstruction, reconditioning and preservation of trans-  
24 portation systems, facilities and equipment, acquisition of property,  
25 and for operating costs including personal services, non-personal  
26 services, fringe benefits, and contractual services. Funds may also be  
27 used to pay or to reimburse the authority for its payment of debt  
28 service and reserve requirements on that portion of authority bonds and  
29 notes that have been issued by the authority specifically for the  
30 purposes of this account.

31 5. Any revenues deposited in the subway action plan account, the outer  
32 borough transportation account, or the general transportation account  
33 pursuant to subdivision one of this section shall be used exclusively  
34 for the purposes described, respectively, in subdivisions two, three,  
35 and four of this section. Such revenues shall only supplement and shall  
36 not supplant any federal, state, or local funds expended by the metro-  
37 politan transportation authority, such authority's affiliates or subsid-  
38 aries for such respective purposes.

39 6. Any revenues deposited into the New York city transportation  
40 assistance fund pursuant to subdivision one of this section shall not be  
41 diverted into the general fund of the state, any other fund maintained  
42 for the support of any other governmental purpose, or for any other  
43 purpose not authorized by subdivisions two, three and four of this  
44 section.

45 7. The authority shall report on the receipt and uses of all funds  
46 received by the New York city transportation assistance fund, and in  
47 each of its accounts, to the director of the budget, the temporary pres-  
48 ident of the senate, and the speaker of the assembly, on an annual basis  
49 no later than the first day of February.

50 § 1349-hh. Agreement of the state. The state does hereby pledge to and  
51 agree with the authority and its subsidiaries, the New York city transit  
52 authority and its subsidiaries, and the Triborough bridge and tunnel  
53 authority, and the holders of any notes, bonds or other obligations,  
54 including lease obligations, issued or incurred under this title, that  
55 the state shall not limit or alter the denial of authority under subdivi-  
56 sion nine of section thirteen hundred forty-nine-u of this title, or



1 the rights and powers vested in the authority and its subsidiaries, the  
2 New York city transit authority and its subsidiaries, and the Triborough  
3 bridge and tunnel authority by this title to fulfill the terms of any  
4 agreements made by any of them with the holders thereof, or in any way  
5 impair the rights and remedies of such holders until such notes, bonds  
6 or other obligations, including lease obligations, together with the  
7 interest thereon, with interest on any unpaid installments of interest,  
8 and all costs and expenses for which the authority or its subsidiaries,  
9 the New York city transit authority and its subsidiaries, and the  
10 Triborough bridge and tunnel authority is liable in connection with any  
11 action or proceeding by or on behalf of such holders, are fully met and  
12 discharged. The authority and its subsidiaries, the New York city trans-  
13 it authority and its subsidiaries, and the Triborough bridge and tunnel  
14 authority are each authorized to include this pledge and agreement of  
15 the state in any agreement with the holders of such notes, bonds or  
16 other obligations, including lease obligations.

17 § 1349-ii. Right of state to require redemption of bonds. Notwith-  
18 standing, and in addition to any provisions for the redemption of bonds  
19 which may be contained in any contract with the holders of the bonds,  
20 the state may, upon furnishing sufficient funds therefor, require the  
21 authority to redeem, prior to maturity, as a whole, any issue of bonds  
22 on any interest payment date not less than twenty years after the date  
23 of the bonds of such issue at one hundred five per centum of their face  
24 value and accrued interest or at such lower redemption price as may be  
25 provided in the bonds in case of the redemption thereof as a whole on  
26 the redemption date. Notice of such redemption shall be published in at  
27 least two newspapers publishing and circulating respectively in the  
28 cities of Albany and New York at least twice, the first publication to  
29 be at least thirty days before the date of redemption.

30 § 1349-jj. Remedies of noteholders and bondholders. 1. In the event  
31 that the authority shall default in the payment of principal of or  
32 interest on any issue of notes or bonds after the same shall become due,  
33 whether at maturity or upon call for redemption, and such default shall  
34 continue for a period of thirty days, or in the event that the authority  
35 shall fail or refuse to comply with the provisions of this title or  
36 shall default in any agreement made with the holders of any issue of  
37 notes or bonds, the holders of twenty-five per centum in aggregate prin-  
38 cipal amount of the notes or bonds of such issue then outstanding, by  
39 instrument or instruments filed in the office of the clerk of any county  
40 in which the authority operates and has an office and proved or acknowl-  
41 edged in the same manner as a deed to be recorded, may appoint a trustee  
42 to represent the holders of such notes or bonds for the purposes  
43 provided by this section.

44 2. Such trustee may, and upon written request of the holders of twen-  
45 ty-five per centum in principal amount of such notes or bonds then  
46 outstanding, shall, in his or her own name:

47 (a) by suit, action or proceeding in accordance with the civil prac-  
48 tice law and rules, enforce all rights of the noteholders or bondhold-  
49 ers, including the right to require the authority to collect fares,  
50 tolls, rentals, rates, charges and other fees adequate to carry out any  
51 agreement as to, or pledge of, such fares, tolls, rentals, rates, charg-  
52 es and other fees and to require the authority to carry out any other  
53 agreements with the holders of such notes or bonds and to perform its  
54 duties under this title;

55 (b) bring suit upon such notes or bonds;

1 (c) by action or suit, require the authority to account as if it were  
2 the trustee of an express trust for the holders of such notes or bonds;

3 (d) by action or suit, enjoin any acts or things which may be unlawful  
4 or in violation of the rights of the holders of such notes or bonds; and

5 (e) declare all such notes or bonds due and payable, and if all  
6 defaults shall be made good, then, with the consent of the holders of  
7 twenty-five per centum of the principal amount of such notes or bonds  
8 then outstanding, to annul such declaration and its consequences.

9 3. Such trustee shall in addition to the foregoing have and possess  
10 all of the powers necessary or appropriate for the exercise of any func-  
11 tions specifically set forth herein or incident to the general represen-  
12 tation of bondholders or noteholders in the enforcement and protection  
13 of their rights.

14 4. The supreme court shall have jurisdiction of any suit, action or  
15 proceeding by the trustee on behalf of such noteholders or bondholders.  
16 The venue of any such suit, action or proceeding shall be laid in the  
17 county in which the instrument or instruments are filed in accordance  
18 with subdivision one of this section.

19 5. Before declaring the principal of notes or bonds due and payable,  
20 the trustee shall first give thirty days' notice, in writing, to the  
21 mayor, the authority, the comptroller and the public advocate.

22 § 1349-kk. Notes and bonds as legal investment. The notes and bonds of  
23 the authority are hereby made securities in which all public officers  
24 and bodies of the state and all municipalities and political subdivi-  
25 sions, all insurance companies and associations and all other persons  
26 carrying on an insurance business, all banks, bankers, trust companies,  
27 savings banks and savings associations, including savings and loan asso-  
28 ciations, building and loan associations, investment companies and other  
29 persons carrying on a banking business, all administrators, guardians,  
30 executors, trustees and other fiduciaries, and all other persons whatso-  
31 ever who are now or who may hereinafter be authorized to invest in bonds  
32 or other obligations of the state, may properly and legally invest  
33 funds, including capital, in their control or belonging to them.  
34 Notwithstanding any other provisions of law, the bonds of the authority  
35 are also hereby made securities which may be deposited with and shall be  
36 received by all public officers and bodies of this state and all munici-  
37 palities and political subdivisions for any purpose for which the depos-  
38 it of bonds or other obligations of the state is now or may hereinafter  
39 be authorized.

40 § 1349-ll. Exemption from taxation. It is hereby found, determined and  
41 declared that the creation of the authority and the carrying out of its  
42 purposes is, in all respects, for the benefit of the people of the city  
43 of New York and for the improvement of their health, welfare and pros-  
44 perity and is a public purpose, and that the authority shall be perform-  
45 ing an essential governmental function in the exercise of the powers  
46 conferred upon it by this title. Without limiting the generality of the  
47 following provisions of this section, property owned by the authority,  
48 property leased by the authority and used for transportation purposes,  
49 and property used for transportation purposes by or for the benefit of  
50 the authority exclusively pursuant to the provisions of a joint service  
51 arrangement or of a joint facilities agreement or trackage rights agree-  
52 ment shall all be exempt from taxation and special ad valorem levies.  
53 The authority shall be required to pay no fees, taxes or assessments,  
54 whether state or local, including but not limited to fees, taxes or  
55 assessments on real estate, franchise taxes, sales taxes or other excise  
56 taxes, upon any of its property, or upon the use thereof, or upon its

1 activities in the operation and maintenance of its facilities or on any  
2 fares, tolls, rentals, rates, charges or other fees, revenues or other  
3 income received by the authority and the bonds of the authority and the  
4 income therefrom shall at all times be exempt from taxation, except for  
5 gift and estate taxes and taxes on transfers. This section shall consti-  
6 tute a covenant and agreement with the holders of all bonds issued by  
7 the authority. The terms "taxation" and "special ad valorem levy" shall  
8 have the same meanings as defined in section one hundred two of the real  
9 property tax law and the term "transportation purposes" shall have the  
10 same meaning as used in titles two-A and two-B of article four of such  
11 law.

12 § 1349-mm. Actions against the authority. 1. As a condition to the  
13 consent of the state to suits against the authority, in every action  
14 against the authority for damages, for injuries to real or personal  
15 property or for the destruction thereof, or for personal injuries or  
16 death, the complaint shall contain an allegation that at least thirty  
17 days have elapsed since the demand, claim or claims upon which such  
18 action is founded were presented to a member of the authority or other  
19 officer designated for such purpose and that the authority has neglected  
20 or refused to make an adjustment or payment thereof.

21 2. An action against the authority founded on tort, except an action  
22 for wrongful death, shall not be commenced more than fifteen months  
23 after the cause of action therefor shall have accrued, nor unless a  
24 notice of claim shall have been served on the authority within the time  
25 limited by and in compliance with all the requirements of section  
26 fifty-e of the general municipal law. An action against the authority  
27 for wrongful death shall be commenced in accordance with the notice of  
28 claim and time limitation provisions of title eleven of article nine of  
29 this chapter.

30 3. The authority shall be liable, and shall assume the liability to  
31 the extent that it shall save harmless any duly appointed officer or  
32 employee of the authority, for the negligence of such officer or employ-  
33 ee, in the operation of a vehicle or other facility of transportation  
34 owned or otherwise under the jurisdiction and control of the authority  
35 in the discharge of a duty imposed upon such officer or employee at the  
36 time of the accident, injury or damages complained of, while otherwise  
37 acting in the performance of his or her duties and within the scope of  
38 his or her employment.

39 4. The authority may require any person, presenting for settlement an  
40 account or claim for any cause whatever against the authority, to be  
41 sworn before a member, counsel or an attorney, officer or employee of  
42 the authority designated for such purpose, concerning such account or  
43 claim and when so sworn to answer orally as to any facts relative to  
44 such account or claim. The authority shall have power to settle or  
45 adjust all claims in favor of or against the authority.

46 5. The rate of interest to be paid by the authority upon any judgment  
47 for which it is liable shall not exceed four per centum per annum.

48 6. The provisions of this section which relate to the requirement for  
49 service of a notice of claim shall not apply to a subsidiary corporation  
50 of the authority. In all other respects, each subsidiary corporation of  
51 the authority shall be subject to the provisions of this section as if  
52 such subsidiary corporation were separately named herein, provided,  
53 however, that a subsidiary corporation of the authority which is a stock  
54 corporation shall not be subject to the provisions of this section  
55 except with respect to those causes of action arising on and after the  
56 first day of the twelfth calendar month following that calendar month in

1 which such stock corporation becomes a subsidiary corporation of the  
2 authority.

3 § 1349-nn. Annual audit of authority. The comptroller shall conduct an  
4 annual audit of the books and records of the authority and its subsid-  
5 iary corporations. Such audit shall include a complete and thorough  
6 examination of such authority's receipts, disbursements, revenues and  
7 expenses during the prior fiscal year in accordance with the categories  
8 or classifications established by such authority for its own operating  
9 and capital outlay purposes; assets and liabilities at the end of its  
10 last fiscal year including the status of reserve, depreciation, special  
11 or other funds and including the receipts and payments of these funds;  
12 schedule of bonds and notes outstanding at the end of its fiscal year  
13 and their redemption dates, together with a statement of the amounts  
14 redeemed and incurred during such fiscal year; operations, debt service  
15 and capital construction during the prior fiscal year.

16 The comptroller, upon completion of such audit, shall within sixty  
17 days thereafter, report to the mayor and city council of his or her  
18 findings, conclusions and recommendations thereof.

19 § 1349-oo. Authority budget and financial plan. 1. In addition to the  
20 requirements of section twenty-eight hundred two of this chapter, each  
21 authority budget and plan shall be posted on its website and shall: (a)  
22 present information relating to the authority and each of its agencies  
23 in a clear and consistent manner and format; (b) be prepared in accord-  
24 ance with generally accepted accounting principles, except as otherwise  
25 consented to by the comptroller upon a showing of good cause; (c) be  
26 based on reasonable assumptions and methods of estimation; (d) include  
27 estimates of projected operating revenues and expenses; (e) identify any  
28 planned transaction that would shift resources, from any source, from  
29 one fiscal year to another, and the amount of any reserves; and (f)  
30 contain a summary in plain English of the principal information in the  
31 budget and conclusions to be drawn from it.

32 2. The authority shall prepare and make available for public  
33 inspection on its website information that details the sources of data  
34 and the assumptions and methods of estimation used to calculate all  
35 operating and capital budget projections, consistent with generally  
36 accepted budgetary practices.

37 3. The authority shall establish, at least annually, the quarterly  
38 revenue and expense targets for the authority, and for each subsidiary  
39 or other authority created by the authority itself and for which it  
40 reports financial data.

41 4. The authority shall prepare and make available for public  
42 inspection on its website: (a) within sixty days of the release of the  
43 adopted budget and any updates to the budget, except updates released  
44 within ninety days of the close of the fiscal year, monthly projections  
45 for the current fiscal year of all revenues and expenses, staffing for  
46 the authority and each of its agencies, and utilization for each of the  
47 authority's agencies that operate transportation systems, including  
48 bridges and tunnels; (b) within sixty days after the close of each quar-  
49 ter, a comparison of actual revenues and expenses, actual staffing and  
50 actual utilization to planned or projected levels for each of the  
51 authority's agencies that operate transportation systems, including  
52 bridges and tunnels, with an explanation of each material variance and  
53 its budgetary impact; and (c) within ninety days after the close of each  
54 quarter, the status of each gap-closing initiative with a projected  
55 value greater than one million dollars in any given fiscal year; the  
56 status of capital projects by capital element, including but not limited

1 to commitments, expenditures and completions; and an explanation of  
2 material variances from the plan, cost overruns and delays.

3 5. Financial information required to be submitted by the authority  
4 pursuant to paragraphs (d) and (e) of subdivision one of section thir-  
5 teen hundred forty-nine-x of this title shall be presented in a format  
6 consistent with the budget and plan, in downloadable, searchable format.

7 § 1349-pp. Independent audit of authority. The independent auditor  
8 retained by the authority shall not provide to the authority, contempo-  
9 ranously with the audit, unless it shall have previously received writ-  
10 ten approval by the audit committee, any non-audit service, including:

- 11 1. routine bookkeeping or other services;
- 12 2. financial information systems design and implementation;
- 13 3. appraisal or valuation services, fairness opinions, or contribu-  
14 tion-in-kind reports;
- 15 4. actuarial services;
- 16 5. outsourcing services;
- 17 6. authority management functions or human resources;
- 18 7. broker or dealer, investment advisor or investment banking  
19 services; and
- 20 8. legal services and expert services unrelated to the audit.

21 § 1349-qq. Independent audit by the legislature. After the submission  
22 of the annual independent audit report to the legislature pursuant to  
23 section twenty-eight hundred two of this chapter, and after review of  
24 such report, the temporary president of the senate and the speaker of  
25 the assembly may commission an auditing firm, every two years, to  
26 conduct an independent audit of the authority, including its subsid-  
27 aries. The temporary president of the senate and the speaker of the  
28 assembly shall set the scope of such audit and determine the terms of  
29 the request for proposal for such audit. Such audit shall be performed  
30 for the second year after the effective date of this section. The  
31 authority shall fully cooperate with and assist in such an audit.

32 § 1349-rr. Reporting. The authority shall post on its website on or  
33 before the first of May, the law firms retained by the authority which  
34 in the past year received payment for services in such year.

35 § 1349-ss. Transfer and receipt of surplus funds. Notwithstanding any  
36 provision of this title or any other provision of law, general, special  
37 or local, the authority may from time to time transfer and pay over to  
38 New York city transit authority or Triborough bridge and tunnel authori-  
39 ty all or any part of its surplus funds; and may accept and use any  
40 moneys transferred and paid over to it by New York city transit authori-  
41 ty or Triborough bridge and tunnel authority.

42 § 1349-tt. Title not affected if in part unconstitutional or ineffec-  
43 tive. If any provision of any section of this title or the application  
44 thereof to any person or circumstance shall be adjudged invalid by a  
45 court of competent jurisdiction, such order or judgment shall be  
46 confined in its operation to the controversy in which it was rendered,  
47 and shall not affect or invalidate the remainder of any provision of any  
48 section of this title or the application of any part thereof to any  
49 other person or circumstance and to this end the provisions of each  
50 section of this title are hereby declared to be severable.

51 § 1349-uu. Big apple transit authority inspector general. 1. There is  
52 hereby created in the big apple transit authority an office of big apple  
53 transit authority inspector general. The inspector general shall be  
54 appointed by the mayor with the advice and consent of the city council.  
55 The inspector general shall, prior to his or her appointment, have had  
56 at least ten years experience in the management of transportation



1 services, in auditing and investigation of governmental operations, or  
2 in services related to management and productivity improvement. The term  
3 of office of the inspector general shall be five years from the effec-  
4 tive date of appointment, and he or she shall serve at the pleasure of  
5 the mayor. The salary of the inspector general shall be determined by  
6 the authority board.

7 2. The inspector general shall annually submit to the board of the big  
8 apple transit authority a budget request for the operation of the  
9 office. If the board disapproves any portion of such request and the  
10 commissioner determines such disapproval to be unreasonable, such  
11 commissioner shall withhold from payments due such authority, the amount  
12 so determined to be unreasonable and transfer such amount to the office  
13 of the big apple transit authority inspector general.

14 3. The inspector general shall have full and unrestricted access to  
15 all records, information, data, reports, plans, projections, matters,  
16 contracts, memoranda, correspondence and any other materials of the big  
17 apple transit authority and its affiliates, or any other agency that may  
18 come under the control of the authority, or within their custody or  
19 control.

20 4. The inspector general, notwithstanding the provisions of this  
21 title, title nine of this article and title three of article three of  
22 this chapter, shall have the following functions, powers and duties:

23 (a) to receive and investigate complaints from any source or upon his  
24 or her own initiative concerning alleged abuses, frauds and service  
25 deficiencies, including deficiencies in the maintenance and operation of  
26 facilities, relating to the authority and its affiliates;

27 (b) to initiate such reviews as he or she may deem appropriate of the  
28 operations of the authority and its affiliate subsidiaries, in order to  
29 identify areas in which performance might be improved and available  
30 funds used more effectively;

31 (c) to recommend remedial actions to be taken by the authority and its  
32 affiliates, to overcome or correct operating or maintenance deficiencies  
33 and inefficiencies that he or she determines to exist;

34 (d) to make available to appropriate law enforcement officials infor-  
35 mation and evidence that relate to criminal acts that he or she may  
36 obtain in carrying out his or her duties;

37 (e) to subpoena witnesses, administer oaths or affirmations, take  
38 testimony and compel the production of such books, papers, records and  
39 documents as he or she may deem to be relevant to any inquiry or inves-  
40 tigation undertaken pursuant to this section and to delegate such powers  
41 to a duly authorized deputy inspector general;

42 (f) to monitor the implementation by the authority and its subsid-  
43 aries, the Triborough bridge and tunnel authority and the New York city  
44 transit authority and its subsidiaries of recommendations made by the  
45 inspector general or other audit agencies; and

46 (g) to do all things necessary to carry out the functions, powers and  
47 duties set forth in this section.

48 5. The inspector general shall cooperate, consult and coordinate with  
49 the state public transportation safety board with regard to any activity  
50 concerning the operations of the big apple transit authority. With  
51 respect to any accident on the facilities of the big apple transit  
52 authority, the primary responsibility for investigation shall be that of  
53 the board which shall share its findings with the big apple transit  
54 authority inspector general.

55 6. The inspector general shall make annual public reports on his or  
56 her findings and recommendations. Such a report shall be filed in the

1 office of the mayor and with the city council on or before the first day  
2 of February for the preceding year. The big apple transit authority and  
3 its applicable constituent agencies shall prepare a response to the  
4 annual report and to any and all other final reports made by the inspec-  
5 tor general within thirty days of receipt, which time may be extended by  
6 the inspector general in his or her discretion, indicating whether such  
7 authority intends to implement the recommendations in such reports, and,  
8 if not, an explanation of why not. In addition, the big apple transit  
9 authority and its applicable constituent agencies shall give quarterly  
10 reports to the inspector general outlining the status of each of the  
11 recommendations made by the inspector general in his or her final  
12 reports. Copies of all such reports shall be sent to the mayor and the  
13 speaker of the city council.

14 7. To effectuate the purposes of this section, the inspector general  
15 may request from any department, board, bureau, commission, office or  
16 other agency of the state, or of any of its political subdivisions, such  
17 cooperation, assistance, services and data as shall enable him or her to  
18 carry out his or her functions, powers and duties hereunder, and such  
19 departments, boards, bureaus, commissions, offices or other agencies of  
20 the state are authorized and directed to provide such cooperation,  
21 assistance, services and data.

22 § 1349-vv. Management advisory board. 1. There is hereby created in  
23 the office of the big apple transit authority inspector general a  
24 management advisory board, consisting of thirteen members appointed by  
25 the mayor, of whom two shall be appointed upon nomination by the city  
26 council. All members shall serve for a term of three years. One of the  
27 members appointed to the management advisory board directly by the mayor  
28 shall be designated by the mayor to serve as its chairman.

29 2. All members of the management advisory board shall be residents of  
30 the city and shall be persons with substantial experience in the manage-  
31 ment of private enterprises, in the delivery of public services, or in  
32 labor or labor-management relations.

33 3. The management advisory board shall assist the big apple transit  
34 authority inspector general in identifying ways to improve services,  
35 reduce costs and increase the efficiency of the authority and its  
36 subsidiaries, the Triborough bridge and tunnel authority or the New York  
37 city transit authority and its subsidiaries.

38 4. No later than April first, two thousand twenty-four. Proceeding the  
39 effective date of this section, and annually thereafter, the management  
40 advisory board shall submit to the mayor and the city council a report  
41 on its activities during the previous year.

42 5. The office of the big apple transit authority inspector general  
43 shall provide the management advisory board with such staff support as  
44 may be required for the performance of its duties.

45 6. Members of the management advisory board shall serve without  
46 compensation, but shall be reimbursed for expenses reasonably incurred  
47 in the performance of their duties.

48 § 1349-ww. The office of legislative and community input. 1. The  
49 chairperson of the authority shall establish the office of legislative  
50 and community input for the purpose of communicating information to, and  
51 receiving comments, concerns and recommendations from, members of the  
52 city council, and members of the permanent citizens advisory committee  
53 to the authority, as defined in section thirteen hundred forty-nine-m of  
54 this title, on the following:

55 (a) the operations of the rapid transit and omnibus facilities of the  
56 authority, including but not limited to:

1 (i) the quality of service provided on any rapid transit, and omnibus  
2 line or route;

3 (ii) the frequency of operating service on the authority's mass trans-  
4 it facilities;

5 (iii) the maintenance and condition of the authority's mass transit  
6 facilities, including but not limited to, rapid transit and buses, fare  
7 collection systems and sound systems; and

8 (iv) proposed service changes, including any reductions or expansion  
9 of services, as it relates to the authority's mass transit facilities;  
10 and

11 (b) any proposed, submitted and/or approved capital program plan, its  
12 components, elements and projects, and associated expenditures. Any such  
13 comments, concerns and recommendations relating to the capital program  
14 plan, its components, elements and projects, and associated expenditures  
15 shall be taken into consideration in the development of the current and  
16 each successive capital program plan and/or any amendment to such plan.

17 2. The office shall establish a process to ensure timely notification  
18 of the receipt of, and response to, comments, concerns, and recommenda-  
19 tions by members of the legislature or members of the permanent citizens  
20 advisory committee to the authority.

21 3. The chair and office shall prepare a report containing the follow-  
22 ing information:

23 (a) a compilation of the comments, concerns, and recommendations  
24 received by the office;

25 (b) how these comments, concerns or recommendations were or will be  
26 addressed, such as the authority's response by the incorporation or  
27 initiation of system and operational adjustments, improvements or expan-  
28 sions if applicable; and

29 (c) how these comments, concerns or recommendations were or will be  
30 addressed, such as the authority's response by changing or amending the  
31 capital plan, as well as providing status updates on the progress of  
32 such plan.

33 4. Such report shall, on a biannual basis commencing September first,  
34 two thousand twenty-four, succeeding the effective date of this section,  
35 be submitted to the mayor, the speaker of the city council and be posted  
36 on the authority's website and also be made readily available to the  
37 public.

38 § 1349-xx. Supplemental revenue reporting program. 1. On or before the  
39 first of January next succeeding the effective date of this section, the  
40 authority shall develop a supplemental revenue reporting program. Such  
41 program shall provide a detailed accounting of the amount spent from  
42 supplemental revenues on actions, measures or projects undertaken to  
43 reduce major incidents that have been found to cause delays to the New  
44 York city subway system, including but not limited to: track incidents;  
45 signal failure; persons on the track; police and medical activity;  
46 structural and electrical problems; and broken traincar equipment. The  
47 information described in this subdivision, including the spending  
48 details and the associated category of major incident, shall be updated  
49 quarterly and be prominently posted together on the authority's website.

50 2. For purposes of this section, "supplemental revenues" shall include  
51 any funds appropriated by the state or the city of New York to support  
52 the NYC subway action plan approved by the board of the authority.

53 § 2. This act shall take effect January 1, 2024.

1 Section 1. Article 5 of the public authorities law is amended by  
2 adding a new title 11-F to read as follows:

3 TITLE 11-F

4 COMMUTER TRANSPORTATION AUTHORITY

5 Section 1349-aaaa. Short title.

6 1349-bbbb. Definitions.

7 1349-cccc. Commuter transportation authority.

8 1349-dddd. Purposes of the authority.

9 1349-eeee. State of emergency; boarding of a commuter transpor-  
10 tation by domestic companion animals.

11 1349-ffff. General powers of the authority.

12 1349-gggg. Contracts.

13 1349-hhhh. Commuter transportation authority small business  
14 mentoring program.

15 1349-iiii. Special powers of the authority.

16 1349-jjjj. Medical emergency services.

17 1349-kkkk. Medical emergency services plan; implementation on  
18 Long Island Rail Road.

19 1349-llll. Long Island Rail Road commuter council.

20 1349-mmmmm. Metro-North rail commuter council.

21 1349-nnnn. Medical emergency services plan; implementation on  
22 Metro-North Commuter Railroad Company.

23 1349-oooo. Excess loss fund.

24 1349-pppp. Authority police force.

25 1349-qqqq. The permanent citizens advisory committee.

26 1349-rrrr. Commuter transportation authority pledge to custom-  
27 ers.

28 1349-ssss. Expired fare transfer policy.

29 1349-tttt. Acquisition and disposition of real property.

30 1349-uuuu. Acquisition and disposition of real property by  
31 department of transportation.

32 1349-vvvv. Cooperation and assistance of other agencies.

33 1349-www. Promotion of qualified transportation fringes.

34 1349-xxxx. Notes, bonds and other obligations of the authority.

35 1349-yyyy. Capital program plans; approvals; effect of disap-  
36 proval.

37 1349-zzzz. Submission of strategic operation plan.

38 1349-aaaaa. Financial and operational reports.

39 1349-bbbbbb. Mission statement and measurement report.

40 1349-cccc. Requirements for certain authority contracts and  
41 related subcontracts.

42 1349-ddddd. Reserve funds and appropriations.

43 1349-eeee. Consolidated financings.

44 1349-fffff. Regulation of certain authority expenditures.

45 1349-ggggg. Agreement of the state.

46 1349-hhhhh. Right of state to require redemption of bonds.

47 1349-iiiii. Remedies of noteholders and bondholders.

48 1349-jjjjj. Notes and bonds as legal investment.

49 1349-kkkkk. Exemption from taxation.

50 1349-lllll. Actions against the authority.

51 1349-mmmmm. Annual audit of the authority.

52 1349-nnnnn. Authority budget and financial plan.

53 1349-ooooo. Independent audit of the authority.

54 1349-ppppp. Independent audit by the legislature.

55 1349-qqqqq. Reporting.

1 1349-rrrrr. Station operation and maintenance.

2 1349-sssss. Transfer and receipt of surplus funds.

3 1349-ttttt. Title not affected if in part unconstitutional or  
4 ineffective.

5 1349-uuuuu. Commuter transportation authority inspector general.

6 1349-vvvvv. Management advisory board.

7 1349-wwwww. Transition-election to withdraw from the metropol-  
8 itan commuter transportation district.

9 1349-xxxxx. The office of legislative and community input.

10 1349-yyyyy. Debarment.

11 1349-zzzzz. Right to share employees.

12 § 1349-aaaa. Short title. This title may be known and may be cited as  
13 the "Metropolitan Commuter Authority Act".

14 § 1349-bbbb. Definitions. As used or referred to in this title, unless  
15 a different meaning clearly appears from the context:

16 1. "Authority" shall mean the corporation created by section thirteen  
17 hundred forty-nine-cccc of this title.

18 2. "Authority facilities" shall mean the authority's railroad, omni-  
19 bus, marine and aviation facilities and operations pursuant to joint  
20 service arrangements.

21 3. "Budget" shall mean the preliminary, final proposed and adopted  
22 final plans of the authority, and each of its agencies.

23 4. "Comptroller" shall mean the comptroller of the state of New York.

24 5. "Equipment" shall mean rolling stock, omnibuses, vehicles, air,  
25 marine or surface craft, motors, boilers, engines, wires, ways, conduits  
26 and mechanisms, machinery, tools, implements, materials, supplies,  
27 instruments and devices of every nature whatsoever used or useful for  
28 transportation purposes or for the generation or transmission of motive  
29 power including but not limited to all power houses, and all apparatus  
30 and all devices for signaling, communications and ventilation as may be  
31 necessary, convenient or desirable for the operation of a transportation  
32 facility.

33 6. "Federal government" shall mean the United States of America, and  
34 any officer, department, board, commission, bureau, division, corpo-  
35 ration, agency or instrumentality thereof.

36 7. "Gap" shall mean the difference between projected revenues and  
37 expenses for any given fiscal year based on the existing fare structure.

38 8. "Gap-closing initiative" shall mean any action to reduce a project-  
39 ed gap.

40 9. "Joint service arrangements" shall mean agreements between or among  
41 the authority and any common carrier or freight forwarder, the state,  
42 any state agency, the federal government, any other state or agency or  
43 instrumentality thereof, any public authority of this or any other  
44 state, or any political subdivision or municipality of the state, relat-  
45 ing to property, buildings, structures, facilities, services, rates,  
46 fares, classifications, divisions, allowances or charges, including  
47 charges between operators of railroad, omnibus, marine and aviation  
48 facilities, or rules or regulations pertaining thereto, for or in  
49 connection with or incidental to transportation in part in or upon rail-  
50 road, omnibus, marine or aviation facilities located within the district  
51 and in part in or upon railroad, omnibus, marine or aviation facilities  
52 located outside the district.

53 10. "Marine and aviation facilities" shall mean equipment and craft  
54 for the transportation of passengers, mail and cargo between points  
55 within the district or pursuant to joint service arrangements, by marine  
56 craft and aircraft of all types including but not limited to hydrofoils,



1 ferries, lighters, tugs, barges, helicopters, amphibians, seaplanes or  
2 other contrivances now or hereafter used in navigation or movement on  
3 waterways or in the navigation of or flight in airspace. It shall also  
4 mean any marine port or airport facility within the transportation  
5 district but outside the port of New York district as defined in chapter  
6 one hundred fifty-four of the laws of nineteen hundred twenty-one,  
7 including but not limited to terminals, docks, piers, bulkheads, ramps  
8 or any facility or real property necessary, convenient or desirable for  
9 the accommodation of passengers and cargo or the docking, sailing, land-  
10 ing, taking off, accommodation or servicing of such marine craft or  
11 aircraft.

12 11. "Omnibus facilities" shall mean motor vehicles, of the type oper-  
13 ated by carriers subject to the jurisdiction of the public service  
14 commission, engaged in the transportation of passengers and their  
15 baggage, express and mail between points within the district or pursuant  
16 to joint service arrangements, and equipment, property, buildings,  
17 structures, improvements, loading or unloading areas, parking areas or  
18 other facilities, necessary, convenient or desirable for the accommo-  
19 modation of such motor vehicles or their passengers, including but not  
20 limited to buildings, structures and areas notwithstanding that portions  
21 shall not be devoted to any omnibus purpose other than the production of  
22 revenues available for the costs and expenses of all or any facilities  
23 of the authority.

24 12. "Railroad facilities" shall mean right of way and related track-  
25 age, rails, cars, locomotives, other rolling stock, signal, power, fuel,  
26 communication and ventilation systems, power plants, stations, termi-  
27 nals, storage yards, repair and maintenance shops, yards, equipment and  
28 parts, offices and other real estate or personal property used or held  
29 for or incidental to the operation, rehabilitation or improvement of any  
30 railroad operating or to operate between points within the district or  
31 pursuant to joint service arrangements, including but not limited to  
32 buildings, structures, and areas notwithstanding that portions thereof  
33 shall not be devoted to any railroad purpose other than the production  
34 of revenues available for the costs and expenses of all or any facili-  
35 ties of the authority.

36 13. "Real property" shall mean lands, structures, franchises and  
37 interests in land, waters, lands under water, riparian rights and air  
38 rights and any and all things and rights included within said term and  
39 includes not only fees simple absolute but also any and all lesser  
40 interests including but not limited to easements, rights of way, uses,  
41 leases, licenses and all other incorporeal hereditaments and every  
42 estate, interest or right, legal or equitable, including terms for years  
43 and liens thereon by way of judgments, mortgages or otherwise.

44 14. "State" shall mean the state of New York.

45 15. "State agency" shall mean any officer, department, board, commis-  
46 sion, bureau, division, public benefit corporation, agency or instrumen-  
47 talities of the state.

48 16. "Transportation facility" shall mean any transit, railroad, omni-  
49 bus, marine or aviation facility and any person, firm, partnership,  
50 association or, corporation which owns, leases or operates any such  
51 facility or any other facility used for service in the transportation of  
52 passengers, United States mail or personal property as a common carrier  
53 for hire and any portion thereof and the rights, leaseholds or other  
54 interest therein together with routes, tracks, extensions, connections,  
55 parking lots, garages, warehouses, yards, storage yards, maintenance and  
56 repair shops, terminals, stations and other related facilities thereof,

1 the devices, appurtenances, and equipment thereof and power plants and  
2 other instrumentalities used or useful therefor or in connection there-  
3 with.

4 17. "Transportation district" and "district" shall mean the metropol-  
5 itan commuter transportation district created by section twelve hundred  
6 sixty-two of this article.

7 18. "Transportation purpose" shall mean a purpose that directly  
8 supports the missions or purposes of the authority, any of its subsid-  
9 iaries, including the realization of revenues derived from property that  
10 is, or is to be used as, a transportation facility.

11 19. "New York city transit authority" shall mean the corporation  
12 created by section twelve hundred one of this article.

13 20. "Triborough bridge and tunnel authority" shall mean the corpo-  
14 ration created by section five hundred fifty-two of this chapter.

15 21. "Inspector general" shall mean the commuter transportation author-  
16 ity inspector general.

17 22. "Revenues" shall mean all monies received by the authority or its  
18 subsidiaries from whatever source, derived directly or indirectly from  
19 or in connection with the operations of the respective entity except for  
20 any monies transferred to the metropolitan transportation authority  
21 pursuant to section thirteen hundred forty-nine-h of this article that  
22 is not returned to the authority pursuant to paragraph (c) of subdivi-  
23 sion two of section twelve hundred sixty-six of this article.

24 23. "Transit facility" shall mean rapid transit railroad, omnibus line  
25 or any other facility or any railroad used for local service in the  
26 transportation of passengers as common carriers for hire or in the  
27 transportation of the United States mail or personal property, and any  
28 portion thereof and the rights, leaseholds or other interests therein,  
29 together with the devices and appurtenances, facilities and equipment  
30 thereof and power plants and other instrumentalities used or useful  
31 therefor or in connection therewith.

32 24. "Utilization" shall mean public usage of buses and railroads as  
33 reflected in empirical data.

34 § 1349-cccc. Commuter transportation authority. 1. (a) (i) There is  
35 hereby created the "commuter transportation authority". The authority  
36 shall be a body corporate and politic constituting a public benefit  
37 corporation. The authority shall consist of a chairperson, seven other  
38 voting members, and four non-voting members, as described in subpara-  
39 graph (ii) of this paragraph, appointed by the governor and with the  
40 advice and consent of the senate. Any member appointed shall have expe-  
41 rience in one or more of the following areas of expertise: transporta-  
42 tion, public administration, business management, finance, accounting,  
43 law, engineering, land use, urban and regional planning, management of  
44 large capital projects, labor relations, or have experience in some  
45 other area of activity central to the mission of the authority. Each  
46 voting member other than the chairperson shall be appointed after  
47 selection from a written list of three recommendations from the chief  
48 executive officer of the county in which such member is required to  
49 reside pursuant to the provisions of this subdivision. Of the members  
50 appointed on recommendation of the chief executive officer of a county,  
51 one such member shall be, at the time of appointment: a resident of the  
52 county of Nassau; one a resident of the county of Suffolk; one a resi-  
53 dent of the county of Westchester; one a resident of the county of  
54 Dutchess; one a resident of the county of Orange; one a resident of the  
55 county of Putnam; and one a resident of the county of Rockland. The term  
56 of any member who is a resident of a county that has withdrawn from the

1 metropolitan commuter transportation district pursuant to section twelve  
2 hundred seventy-nine-b of this article shall terminate upon the effec-  
3 tive date of such county's withdrawal from such district. The chair-  
4 person and each of the members shall be appointed for a term of six  
5 years. The members from the counties of Dutchess, Orange, Putnam and  
6 Rockland shall cast one collective vote.

7 (ii) There shall be four non-voting members, as referred to in subpar-  
8 agraph (i) of this paragraph. The first non-voting member shall be a  
9 regular user of the facilities of the authority and be recommended to  
10 the governor by the Metro-North commuter council. The second non-voting  
11 member shall be a regular mass transit user of the facilities of the  
12 authority and be recommended to the governor by the Long Island Rail  
13 Road commuter council. The third non-voting member shall be recommended  
14 to the governor by the labor organization representing the majority of  
15 employees of the Long Island Rail Road. The fourth non-voting member  
16 shall be recommended to the governor by the labor organization repres-  
17 enting the majority of employees of the Metro-North Commuter Railroad  
18 Company. The chairperson of the authority, at their direction, may  
19 exclude such non-voting member from attending any portion of a meeting  
20 of the authority or of any committee established pursuant to paragraph  
21 (b) of subdivision four of this section held for the purpose of discuss-  
22 ing negotiations with labor organizations.

23 (b) Vacancies occurring otherwise than by expiration of term shall be  
24 filled in the same manner as original appointments for the balance of  
25 the unexpired term.

26 2. The chairperson and the first vice chairperson shall be paid a  
27 salary in the amount determined by the authority; the other members  
28 shall not receive a salary or other compensation. Each member, includ-  
29 ing the chairperson and the first vice chairperson, shall be entitled to  
30 reimbursement for actual and necessary expenses incurred in the perform-  
31 ance of his or her official duties.

32 3. (a) A majority of the whole number of members of the authority then  
33 in office shall constitute a quorum for the transaction of any business  
34 or the exercise of any power of the authority. Except as otherwise spec-  
35 ified in this title, for the transaction of any business or the exercise  
36 of any power of the authority, the authority shall have power to act by  
37 a majority vote of the members present at any meeting at which a quorum  
38 is in attendance and except further, that in the event of a tie vote the  
39 chairperson shall cast one additional vote.

40 (b) For purposes of determining the presence of a quorum, and for  
41 purposes of participation on any committee or subcommittee, those  
42 members who collectively cast a single vote pursuant to the provisions  
43 of paragraph (a) of subdivision one of this section shall be considered  
44 to be a single member, and the presence of such member shall be deter-  
45 mined as provided in this subdivision. Except as otherwise provided in a  
46 by-law adopted as hereinafter provided, such single member constituting  
47 those members entitled to a collective vote shall be deemed present as a  
48 single member for purposes of a quorum if one or more of the members  
49 then in office entitled to cast such collective vote is present, and  
50 such collective vote shall be cast in accordance with the majority  
51 agreement of the members entitled to a collective vote who are present  
52 or in the event a single member entitled to a collective vote is present  
53 it shall be cast by that member. To evidence the existence of such  
54 majority agreement among the members entitled to a collective vote, each  
55 such member shall be polled as to his or her vote and such poll shall be  
56 recorded in the minutes. In the event a majority vote is not achieved by

1 the members entitled to a collective vote who are present, then the vote  
2 shall not be cast. Nothing herein shall limit the right of an individual  
3 member to participate in board meetings or in other activities of the  
4 authority when the other members then in office entitled to collectively  
5 cast a vote are not present. At any meeting of the authority at which  
6 there is a quorum including all the members then in office entitled to  
7 cast a collective vote, the authority may adopt a by-law or by-laws  
8 regulating the casting of such collective vote, provided all members  
9 then in office entitled to cast a collective vote affirmatively approve  
10 such by-law or by-laws. Any action taken by the authority in accordance  
11 with any such by-law or by-laws adopted pursuant to the provisions of  
12 this paragraph shall take effect in the same manner as any other action  
13 of the authority. Any such by-law or by-laws shall not provide for the  
14 casting of any fractional vote. Nor shall such a by-law or by-laws  
15 provide for the amendment, repeal or adoption in the future of such a  
16 by-law or by-laws in a manner other than that set forth in this para-  
17 graph.

18 (c) No provision of paragraph (b) of this subdivision relating to the  
19 adoption of certain by-laws by the authority shall affect the manner in  
20 which by-laws of the authority are adopted concerning any subject other  
21 than the voting and presence for quorum purposes of the members from the  
22 counties of Dutchess, Putnam, Orange and Rockland.

23 4. (a) Notwithstanding any provision of law to the contrary, the  
24 chairperson shall be the chief executive officer of the authority and  
25 shall be responsible for the discharge of the executive and administra-  
26 tive functions and powers of the authority. The chairperson may appoint  
27 an executive director and such other officials and employees as shall in  
28 his or her judgment be needed to discharge the executive and administra-  
29 tive functions and powers of the authority.

30 (b) The chairperson shall establish committees to assist in the  
31 performance of their duties and shall appoint members of the authority  
32 to such committees. Among such committees, there shall be: (i) a commit-  
33 tee on operations of the Long Island Rail Road and the metropolitan  
34 suburban bus authority; (ii) a committee on operations of the Metro-  
35 North commuter railroad; (iii) a committee on finance; (iv) a committee  
36 on capital program oversight; and (v) a committee on safety. The commit-  
37 tee on capital program oversight shall include not less than four  
38 members, and shall include the chairpersons of the committee on oper-  
39 ations of the Long Island Rail Road and the metropolitan suburban bus  
40 authority, the committee on operations of the Metro-North commuter rail-  
41 road, and the committee on safety. The committee on safety shall convene  
42 at least once annually and each committee chairperson, that is a member  
43 of the committee on safety, shall report to the committee on safety any  
44 and all initiatives, concerns, improvements, or failures involving the  
45 safety of: (i) customers; (ii) employees; and (iii) the public at large,  
46 in relation to authority facilities and services. The capital program  
47 committee shall, with respect to any approved or proposed capital  
48 program plans: (i) monitor the current and future availability of funds  
49 to be utilized for such plans; (ii) monitor the contract awards of the  
50 commuter transportation authority to ensure that such awards are  
51 consistent with: (A) provisions of law authorizing United States content  
52 and New York state content; (B) collective bargaining agreements; (C)  
53 provisions of law providing for participation by minority and women-  
54 owned businesses; (D) New York state labor laws; (E) competitive bidding  
55 requirements including those regarding sole source contracts; and (F)  
56 any other relevant requirements established by law; (iii) monitor the

1 award of contracts to determine if such awards are consistent with the  
2 manner in which the work was traditionally performed in the past  
3 provided, however, that any such determination shall not be admissible  
4 as evidence in any arbitration or judicial proceeding; (iv) review the  
5 relationship between capital expenditures pursuant to each such capital  
6 program plan and current and future operating budget requirements; (v)  
7 monitor the progress of capital elements described in each capital  
8 program plan; (vi) monitor the expenditures incurred and to be incurred  
9 for each such element; and (vii) identify capital elements not progress-  
10 ing on schedule, ascertain responsibility therefor and recommend those  
11 actions required or appropriate to accelerate their implementation. The  
12 capital program committee shall issue a quarterly report on its activ-  
13 ities and findings, and shall in connection with the preparation of such  
14 quarterly report, consult with the division of the budget, the depart-  
15 ment of transportation, the governor, and any other group the committee  
16 deems relevant, including public employee organizations, and, at least  
17 annually, with a nationally recognized independent transit engineering  
18 firm. Such report shall be made available to the members of the authori-  
19 ty, to the governor, and the directors of the municipal assistance  
20 corporation for the city of New York.

21 (c) The chairperson shall ensure that at every meeting of the board  
22 and at every meeting of each committee the public shall be allotted a  
23 period of time, not less than thirty minutes, to speak on any topic on  
24 the agenda.

25 (d) Notwithstanding paragraph (c) of subdivision one of section twen-  
26 ty-eight hundred twenty-four of this chapter or any other provision of  
27 law to the contrary, the chairperson shall not participate in establish-  
28 ing authority policies regarding the payment of salary, compensation and  
29 reimbursement to, nor establish rules for the time and attendance of,  
30 the chief executive officer. The salary of the chairperson, as deter-  
31 mined pursuant to subdivision two of this section, shall also be compen-  
32 sation for all services performed as chief executive officer.

33 5. The authority shall be a "state agency" for the purposes of  
34 sections seventy-three and seventy-four of the public officers law.

35 6. Notwithstanding any inconsistent provisions of this or any other  
36 law, general, special or local, no officer or employee of the state, or  
37 of any public corporation, shall be deemed to have forfeited or shall  
38 forfeit his or her office or employment or any benefits provided under  
39 the retirement and social security law or under any public retirement  
40 system maintained by the state by reason of their acceptance of member-  
41 ship on or chairpersonship of the authority; provided, however, a member  
42 or chairperson who holds such other public office or employment shall  
43 receive no additional compensation for services rendered pursuant to  
44 this title, but shall be entitled to reimbursement for their actual and  
45 necessary expenses incurred in the performance of such services.

46 7. The governor may remove any member for inefficiency, neglect of  
47 duty, breach of fiduciary duty or misconduct in office after giving the  
48 member a copy of the charges against the member and an opportunity to be  
49 heard, in person or by counsel in the member's defense, upon not less  
50 than ten days' notice. If any member shall be so removed, the governor  
51 shall file in the office of the department of state a complete statement  
52 of charges made against such member, and his or her findings thereon,  
53 together with a complete record of the proceedings.

54 8. The authority shall continue so long as it shall have bonds or  
55 other obligations outstanding and until its existence shall be termi-



1 nated by law. Upon the termination of the existence of the authority,  
2 all its rights and properties shall pass to and be vested in the state.

3 9. Whenever the authority causes notices of hearings on proposed  
4 changes in services or fares to be posted pursuant to this section or  
5 any statute, regulation, or authority policy, or where it voluntarily  
6 posts such notices, such notices shall: (a) be written in a clear and  
7 coherent manner using words with common and every day meaning; (b) be  
8 captioned in large point type bold lettering with a title that fairly  
9 and accurately conveys the basic nature of such change or changes; (c)  
10 where such change involves a proposed change in levels of fare, include  
11 in its title the range of amounts of fare changes under consideration;  
12 (d) contain, to the extent practicable, a concise description of the  
13 specific nature of the change or changes, including but not limited to a  
14 concise description of those changes that affect the largest number of  
15 passengers; (e) where such change involves a change in the nature of a  
16 route, contain, to the extent practicable, a clear graphic illustration  
17 of such change or changes; and (f) where such change involves a partial  
18 or complete station closing, such notice shall be posted at the affected  
19 station with a clear graphic illustration depicting the nature of any  
20 closing for such station.

21 § 1349-dddd. Purposes of the authority. 1. The purposes of the author-  
22 ity shall be the continuance, further development and improvement of  
23 commuter transportation and other services related thereto within the  
24 metropolitan commuter transportation district, except within the city of  
25 New York, including but not limited to such transportation by railroad,  
26 omnibus, marine and air, in accordance with the provisions of this  
27 title, in an efficient and cost-effective manner that includes the use  
28 of design-build contracting on all appropriate projects.

29 2. It is hereby found and declared that such purposes are in all  
30 respects for the benefit of the people of the state of New York and the  
31 authority shall be regarded as performing an essential governmental  
32 function in carrying out its purposes and in exercising the powers  
33 granted by this title.

34 § 1349-eeee. State of emergency; boarding of a commuter transportation  
35 by domestic companion animals. 1. For the purposes of this section:

36 (a) "Commuter transportation" means commuter transportation, and other  
37 related services and facilities, operated by the authority or any of its  
38 subsidiaries, including but not limited to such transportation by rail-  
39 road, omnibus, marine and air, in accordance with this title.

40 (b) "Domestic companion animal" means a companion animal or pet as  
41 defined in section three hundred fifty of the agriculture and markets  
42 law and shall also mean any other domesticated animal normally main-  
43 tained in or near the household of the owner or person who cares for  
44 such other domesticated animal. "Domestic companion animal" shall not  
45 include a "farm animal", as defined in section three hundred fifty of  
46 the agriculture and markets law.

47 2. (a) In the event that a state of emergency has been declared and an  
48 evacuation of any region of the state is in progress, the owner of a  
49 domestic companion animal shall be permitted to board any commuter  
50 transportation with such domestic companion animal so long as that  
51 animal is under the owner's control by use of a leash or tether, or is  
52 properly confined in an appropriate container or by other suitable  
53 means, provided that such boarding is authorized by and consistent with  
54 the provisions of state disaster emergency plans or local state of emer-  
55 gency plans pertaining to the needs of animals and individuals with an  
56 animal under their care. The provisions of this section shall only apply

1 to the owners of domestic companion animals who are evacuating from a  
2 region of the state affected by an emergency or disaster, or a local  
3 state of emergency, as defined in section twenty-four of the executive  
4 law.

5 (b) A domestic companion animal may be refused permission to board any  
6 commuter transportation, even if the animal is under the owner's control  
7 or properly confined in accordance with this subdivision if there is  
8 reasonable cause to believe that, due to attendant circumstances,  
9 permitting the animal to board would pose a health or safety hazard.

10 3. All passengers with service animals shall be given priority seating  
11 on all means of transportation regulated by this title in accordance  
12 with the federal "Americans with Disabilities Act of 1990", 42 U.S.C.  
13 s.12101 et seq. For the purposes of this section, "service animal" shall  
14 have the same meaning as set forth in the federal "Americans with Disa-  
15 bilities Act of 1990", 42 U.S.C. s.12101 et seq. and any regulations  
16 under such act.

17 4. All passengers on any commuter transportation shall be provided  
18 seating before a domestic companion animal may be placed in a seat.

19 5. The authority is authorized and directed to promulgate and enforce  
20 such rules and regulations as shall be necessary for the implementation  
21 of this section.

22 § 1349-ffff. General powers of the authority. Except as otherwise  
23 limited by this title, the authority shall have power:

24 1. To sue and be sued;

25 2. To have a seal and alter the same at pleasure;

26 3. To borrow money, to issue negotiable notes, bonds or other obli-  
27 gations and to provide for the rights of the holders thereof, and to  
28 finance or refinance all or any part of the costs to the authority or to  
29 any other person or entity, public or private, of the planning, design,  
30 acquisition, construction, improvement, reconstruction or rehabilitation  
31 of any transportation facility;

32 4. To invest any funds, accounts or other monies not required for  
33 immediate use or disbursement, at the discretion of the authority, in:

34 (a) obligations of the state or the United States government;

35 (b) obligations of the principal and interest of which are guaranteed by  
36 the state or the United States government;

37 (c) certificates of deposit of banks or trust companies in this state,  
38 secured, if the authority shall so require, by obligations of the United  
39 States or of the state of New York of a market value equal at all times  
40 to the amount of the deposit;

41 (d) banker's acceptances with a maturity of ninety days or less which  
42 are eligible for purchase by the Federal Reserve Banks and whose rating  
43 at the time of purchase is in the highest rating category of two  
44 nationally recognized independent rating agencies, provided, however,  
45 that the amount of banker's acceptances of any one bank shall not exceed  
46 two hundred fifty million dollars;

47 (e) obligations of any bank or corporation created under the laws of  
48 either the United States or any state of the United States maturing  
49 within two hundred seventy days, provided that such obligations receive  
50 the highest rating of two nationally recognized independent rating agen-  
51 cies and, provided further, that no more than two hundred fifty million  
52 dollars may be invested in such obligations of any one bank or corpo-  
53 ration;

54 (f) as to any such moneys held in reserve and sinking funds, other  
55 securities in which the trustee or trustees of any public retirement  
56 system or pension fund has the power to invest the monies thereof pursu-

1 ant to article four-A of the retirement and social security law, each  
2 such reserve and sinking fund being treated as a separate fund for the  
3 purposes of article four-A of the retirement and social security law;

4 (g) notes, bonds, debentures, mortgages and other evidences of indebt-  
5 edness, issued or guaranteed at the time of the investment by the United  
6 States Postal Service, the federal national mortgage association, the  
7 federal home loan mortgage corporation, the student loan marketing asso-  
8 ciation, the federal farm credit system, or any other United States  
9 government sponsored agency, provided that at the time of the investment  
10 such agency or its obligations are rated and the agency receives, or its  
11 obligations receive, the highest rating of all independent rating agen-  
12 cies that rate such agency or its obligations, provided, however, that  
13 no more than two hundred fifty million dollars or such greater amount as  
14 may be authorized for investment by the state comptroller by section  
15 ninety-eight of the state finance law may be invested in the obligations  
16 of any one agency;

17 (h) general obligation bonds and notes of any state other than the  
18 state, provided that such bonds and notes receive the highest rating of  
19 at least one independent rating agency, and bonds and notes of any coun-  
20 ty, town, city, village, fire district or school district of the state,  
21 provided that such bonds and notes receive either of the two highest  
22 ratings of at least two independent rating agencies;

23 (i) mutual funds registered with the United States securities and  
24 exchange commission whose investments are limited to obligations of the  
25 state described in paragraph (a) of this subdivision, obligations the  
26 principal and interest of which are guaranteed by the state described in  
27 paragraph (b) of this subdivision, and those securities described in  
28 paragraph (h) of this subdivision and that have received the highest  
29 rating of at least one independent rating agency, provided that the  
30 aggregate amount invested at any one time in all such mutual funds shall  
31 not exceed ten million dollars, and, provided further, that the authori-  
32 ty shall not invest such funds, accounts or other monies in any mutual  
33 fund for longer than thirty days; and

34 (j) financial contracts in a foreign currency entered into for the  
35 purpose of minimizing the foreign currency exchange risk of the purchase  
36 price of a contract with a vendor chosen through competitive process for  
37 the acquisition of capital assets for the benefit of the transportation  
38 capital program;

39 5. To make and alter by-laws for its organization and internal manage-  
40 ment, and rules and regulations governing the exercise of its powers and  
41 the fulfillment of its purposes under this title;

42 6. (a) To enter into contracts and leases and to execute all instru-  
43 ments necessary or convenient;

44 (b) With respect to any lease transaction entered into pursuant to  
45 section 168(f)(8) of the United States internal revenue code or any  
46 successor provisions, the authority shall meet the following standards  
47 and procedures:

48 (i) notice of intention to negotiate shall be published in at least  
49 one newspaper of general circulation, and a copy thereof shall be mailed  
50 to all parties who have requested notification from the authority to  
51 engage in transactions of this type. Such notice shall describe the  
52 nature of the proposed transaction and the factors subject to negoti-  
53 ation, which shall include, but not be limited to, the price to be paid  
54 to the authority;

55 (ii) the authority shall negotiate with those respondents whose  
56 response complies with the requirements set forth in the notice; and

1 (iii) the board of the authority shall resolve on the basis of parti-  
2 cularized findings relevant to the factors negotiated that such trans-  
3 action will provide maximum available financial benefits, consistent  
4 with other defined objectives and requirements;

5 (c) The authority shall provide to the governor, the temporary presi-  
6 dent of the senate, the speaker of the assembly, the minority leader of  
7 the senate and the minority leader of the assembly notice of each lease  
8 entered into pursuant to paragraph (b) of this subdivision and support-  
9 ing documentation of compliance by the authority with subparagraphs (i),  
10 (ii) and (iii) of paragraph (b) of this subdivision;

11 7. To acquire, hold and dispose of real or personal property in the  
12 exercise of its powers;

13 8. To appoint such officers and employees as it may require for the  
14 performance of its duties, and to fix and determine their qualifica-  
15 tions, duties, and compensation and to retain or employ counsel, audi-  
16 tors, engineers and private consultants on a contract basis or otherwise  
17 for rendering professional or technical services and advice;

18 9. (a) Notwithstanding section one hundred thirteen of the retirement  
19 and social security law or any other general or special law, the author-  
20 ity and any of its subsidiary corporations may continue or provide to  
21 its affected officers and employees any retirement, disability, death or  
22 other benefits provided or required for railroad personnel pursuant to  
23 federal or state law;

24 (b) The authority and any of its public benefit subsidiary corpo-  
25 rations may be a participating employer in the New York state employees'  
26 retirement system with respect to one or more classes of officers and  
27 employees of such authority or any such public benefit subsidiary corpo-  
28 ration, as may be provided by resolution of such authority or any such  
29 public benefit subsidiary corporation, as the case may be, or any subse-  
30 quent amendment thereof, filed with the comptroller and accepted by him  
31 or her pursuant to section thirty-one of the retirement and social secu-  
32 rity law. In taking any action pursuant to this paragraph, the authority  
33 and any of its public benefit subsidiary corporations shall consider the  
34 coverages and benefits continued or provided pursuant to paragraph (a)  
35 of this subdivision;

36 10. To make plans, surveys, and studies necessary, convenient or  
37 desirable to the effectuation of the purposes and powers of the authori-  
38 ty and to prepare recommendations in regard thereto;

39 11. To enter upon such lands, waters or premises as in the judgment of  
40 the authority may be necessary, convenient or desirable for the purpose  
41 of making surveys, soundings, borings and examinations to accomplish any  
42 purpose authorized by this title. The authority shall be liable for  
43 actual damage done due to the entering upon such lands, waters or prem-  
44 ises and any activities taken thereon;

45 12. The authority may conduct investigations and hearings in the  
46 furtherance of its general purposes, and in aid thereof have access to  
47 any books, records or papers relevant thereto. If any person whose  
48 testimony shall be required for the proper performance of the duties of  
49 the authority shall fail or refuse to aid or assist the authority in the  
50 conduct of any investigation or hearing, or to produce any relevant  
51 books, records or other papers, the authority is authorized to apply for  
52 process of subpoena, to issue out of any court of general original  
53 jurisdiction whose process can reach such person, upon due cause shown;

54 13. A copy of any report submitted by the authority pursuant to  
55 sections twenty-eight hundred, twenty-eight hundred one and twenty-eight  
56 hundred two of this chapter shall be forwarded to the mayor of the city

1 of New York and to the chairperson of the board of supervisors and to  
2 the county executive, if any, of each county within the district; and

3 14. To do all things necessary, convenient or desirable to carry out  
4 its purposes and for the exercise of the powers granted in this title.

5 § 1349-gggg. Contracts. 1. The provisions of this section shall not  
6 apply to:

7 (a) the award of any contract of the authority if the bid documents  
8 for such contract so provide and such bid documents are issued within  
9 sixty days of the effective date of this section; or

10 (b) for a period of one hundred eighty days after the effective date  
11 of this section, the award of any contract for which an invitation to  
12 bid, solicitation, request for proposal, or any similar document has  
13 been issued by the authority prior to the effective date of this  
14 section.

15 2. (a) Except as otherwise provided in this section, all purchase  
16 contracts for supplies, materials or equipment involving an estimated  
17 expenditure in excess of one million dollars and all contracts for  
18 public work involving an estimated expenditure in excess of one million  
19 dollars shall be awarded by the authority to the lowest responsible  
20 bidder after obtaining sealed bids in the manner hereinafter set forth.  
21 For purposes hereof, contracts for public work shall exclude contracts  
22 for personal, engineering and architectural, or professional services.  
23 The authority may reject all bids and obtain new bids in the manner  
24 provided by this section when it is deemed in the public interest to do  
25 so or, in cases where two or more responsible bidders submit identical  
26 bids which are the lowest bids, award the contract to any of such  
27 bidders or obtain new bids from such bidders. Nothing in this paragraph  
28 shall obligate the authority to seek new bids after the rejection of  
29 bids or after cancellation of an invitation to bid. Nothing in this  
30 section shall prohibit the evaluation of bids on the basis of costs or  
31 savings including life cycle costs of the item to be purchased,  
32 discounts, and inspection services so long as the invitation to bid  
33 reasonably sets forth the criteria to be used in evaluating such costs  
34 or savings. Life cycle costs may include but shall not be limited to  
35 costs or savings associated with installation, energy use, maintenance,  
36 operation and salvage or disposal.

37 (b) Section twenty-eight hundred seventy-nine of this chapter shall  
38 apply to the authority's acquisition of goods or services of any kind,  
39 in the actual or estimated amount of fifteen thousand dollars or more,  
40 provided: (i) that a contract for services in the actual or estimated  
41 amount of one million dollars or less shall not require approval by the  
42 board of the authority regardless of the length of the period over which  
43 the services are rendered, and provided further that a contract for  
44 services in the actual or estimated amount of one million dollars or  
45 more shall require approval by the board of the authority regardless of  
46 the length of the period over which the services are rendered unless  
47 such a contract is awarded to the lowest responsible bidder after  
48 obtaining sealed bids; and (ii) the board of the authority may by resol-  
49 ution adopt guidelines that authorize the award of contracts to small  
50 business concerns, to service disabled veteran owned businesses certi-  
51 fied pursuant to article three of the veterans' services law, or minori-  
52 ty or women-owned business enterprises certified pursuant to article  
53 fifteen-A of the executive law, or purchases of goods or technology that  
54 are recycled or remanufactured, in an amount not to exceed one million  
55 dollars without a formal competitive process and without further board  
56 approval. The board of the authority shall adopt guidelines which shall



1 be made publicly available for the awarding of such contract without a  
2 formal competitive process.

3 (c)(i) Notwithstanding the provisions of paragraph (a) of this subdivi-  
4 vision, the authority shall establish guidelines governing the quali-  
5 fications of bidders entering into contracts for its project to bring  
6 the Long Island Rail Road into Grand Central Terminal, referred to as  
7 the "East Side Access Project" for the purposes of this section. The  
8 bidding may be restricted to those who have qualified prior to the  
9 receipt of bids according to standards fixed by the authority; provided,  
10 however, that the award of contracts shall, to the extent not inconsis-  
11 ent with this paragraph, be in accordance with paragraph (a) of this  
12 subdivision.

13 (ii) In determining whether a prospective bidder qualifies for the  
14 inclusion on a list of prequalified bidders for the East Side Access  
15 Project, the authority shall consider: (A) the experience and past  
16 performance of the prospective bidder; (B) the prospective bidder's  
17 ability to undertake work, including but not limited to whether it  
18 participates in state approved apprenticeship programs and whether it  
19 utilizes employees who are represented by labor organizations; (C) the  
20 financial capability and responsibility of the prospective bidder; and  
21 (D) the records of the prospective bidder in complying with existing  
22 labor standards. The authority may also consider such other factors as  
23 it deems appropriate.

24 3. (a) Advertisement for bids, when required by this section, shall be  
25 published at least once in a newspaper of general circulation in the  
26 area served by the authority and in the procurement opportunities news-  
27 letter published pursuant to article four-C of the economic development  
28 law provided that, notwithstanding the provisions of article four-C of  
29 the economic development law, an advertisement shall only be required  
30 for a purchase contract for supplies, materials or equipment when  
31 required by this section. Publication in a newspaper of general circu-  
32 lation in the area served or in the procurement opportunities newsletter  
33 shall not be required if bids for contracts for supplies, materials or  
34 equipment are of a type regularly purchased by the authority and are to  
35 be solicited from a list of potential suppliers, if such list is or has  
36 been developed consistent with the provisions of subdivision six of this  
37 section. Any such advertisement shall contain a statement of: (i) the  
38 time and place where bids received pursuant to any notice requesting  
39 sealed bids will be publicly opened and read; (ii) the name of the  
40 contracting agency; (iii) the contract identification number; (iv) a  
41 brief description of the public work, supplies, materials, or equipment  
42 sought, the location where work is to be performed, goods are to be  
43 delivered or services provided and the contract term; (v) the address  
44 where bids or proposals are to be submitted; (vi) the date when bids or  
45 proposals are due; (vii) a description of any eligibility or qualifica-  
46 tion requirement or preference; (viii) a statement as to whether the  
47 contract requirements may be fulfilled by a subcontracting, joint  
48 venture, or co-production arrangement; (ix) any other information deemed  
49 useful to potential contractors; and (x) the name, address, and tele-  
50 phone number of the person to be contacted for additional information.  
51 At least fifteen business days shall elapse between the first publica-  
52 tion of such advertisement or the solicitation of bids, as the case may  
53 be, and the date of opening and reading of bids.

54 (b) The authority may designate any officer or employee to open the  
55 bids at the time and place bids are to be opened and may designate an  
56 officer to award the contract to the lowest responsible bidder. Such

1 designee shall make a record of all bids in such form and detail as the  
2 authority shall prescribe. All bids received shall be publicly opened  
3 and read at the time and place specified in the advertisement or at the  
4 time of solicitation, or to which the opening and reading have been  
5 adjourned by the authority. All bidders shall be notified of the time  
6 and place of any such adjournment.

7 4. Notwithstanding the foregoing, the authority may, by resolution  
8 approved by a two-thirds vote of its members then in office, or by a  
9 majority vote of its members with respect to contracts proposed to be  
10 let pursuant to paragraph (a) of this subdivision declare that compet-  
11 itive bidding is impractical or inappropriate because of the existence  
12 of any of the circumstances hereinafter set forth and thereafter the  
13 authority may proceed to award contracts without complying with the  
14 requirements of subdivision two or three of this section. In each case  
15 where the authority declares competitive bidding impractical or inappro-  
16 priate, it shall state the reason therefor in writing and summarize any  
17 negotiations that have been conducted. Except for contracts awarded  
18 pursuant to paragraphs (a), (b), (c) and (e) of this subdivision, the  
19 authority shall not award any contract pursuant to this subdivision  
20 earlier than thirty days from the date on which the authority declares  
21 that competitive bidding is impractical or inappropriate. Competitive  
22 bidding may only be declared impractical or inappropriate where:

23 (a) the existence of an emergency involving danger to life, safety or  
24 property requires immediate action and cannot await competitive bidding  
25 or the item to be purchased is essential to efficient operation or the  
26 adequate provision of service and as a consequence of an unforeseen  
27 circumstance such purchase cannot await competitive bidding;

28 (b) the item to be purchased is available only from a single responsi-  
29 ble source, provided that if bids have not been solicited for such item  
30 pursuant to subdivision two of this section within the preceding twelve  
31 months, public notice shall first be given pursuant to subdivision three  
32 of this section;

33 (c) the authority receives no responsive bids or only a single respon-  
34 sive bid in response to an invitation for competitive bids;

35 (d) the authority wishes to experiment with or test a product or tech-  
36 nology or new source for such product or technology or evaluate the  
37 service or reliability of such product or technology;

38 (e) the item is available through an existing contract between a  
39 vendor and: (i) another public authority provided that such other  
40 authority utilized a process of competitive bidding or a process of  
41 competitive requests for proposals to award such contracts; (ii) Nassau  
42 county; (iii) the state of New York; or (iv) the city of New York,  
43 provided that in any case when under this paragraph the authority deter-  
44 mines that obtaining such item thereby would be in the public interest  
45 and sets forth the reasons for such determination. The authority shall  
46 accept sole responsibility for any payment due the vendor as a result of  
47 the authority's order; or

48 (f) the authority determines that it is in the public interest to  
49 award contracts pursuant to a process for competitive requests for  
50 proposals as hereinafter set forth. For purposes of this section, a  
51 process for competitive requests for proposals shall mean a method of  
52 soliciting proposals and awarding a contract on the basis of a formal  
53 evaluation of the characteristics, such as quality, cost, delivery sche-  
54 dule and financing of such proposals against stated selection criteria.  
55 Public notice of the requests for proposals shall be given in the same  
56 manner as provided in subdivision three of this section and shall

1 include the selection criteria. In the event the authority makes a mate-  
2 rial change in the selection criteria from those previously stated in  
3 the notice, it will inform all proposers of such change and permit  
4 proposers to modify their proposals;

5 (i) The authority may award a contract pursuant to this paragraph only  
6 after a resolution approved by a two-thirds vote of its members then in  
7 office at a public meeting of the authority with such resolution: (A)  
8 disclosing the other proposers and the substance of their proposals; (B)  
9 summarizing the negotiation process including the opportunities, if any,  
10 available to proposers to present and modify their proposals; and (C)  
11 setting forth the criteria upon which the selection was made.

12 (ii) Nothing in this paragraph shall require or preclude: (A) negoti-  
13 ations with any proposers following the receipt of responses to the  
14 request for proposals; or (B) the rejection of any or all proposals at  
15 any time. Upon the rejection of all proposals, the authority may solicit  
16 new proposals or bids in any manner prescribed in this section.

17 (g) The authority issues a competitive request for proposals pursuant  
18 to the procedures of paragraph (f) of this subdivision for the purchase  
19 or rehabilitation of rail cars and omnibuses. Any such request may  
20 include among the stated selection criteria the performance of all or a  
21 portion of the contract at sites within the state of New York or the use  
22 of goods produced or services provided within the state of New York,  
23 provided however that in no event shall the authority award a contract  
24 to a manufacturer whose final offer, as expressed in unit cost is more  
25 than ten percent higher than the unit cost of any qualified competing  
26 final offer, if the sole basis for such award is that the higher priced  
27 offer includes more favorable provision for the performance of the  
28 contract within the state of New York or the use of goods produced or  
29 services provided within the state of New York, and further provided  
30 that the authority's discretion to award a contract to any manufacturer  
31 shall not be so limited if a basis for such award, as determined by the  
32 authority, is superior financing, delivery schedule, life cycle, reli-  
33 ability, or any other factor the authority deems relevant to its oper-  
34 ations;

35 (i) The authority may award a contract pursuant to this paragraph only  
36 after a resolution approved by a vote of not less than a two-thirds vote  
37 of its members then in office at a public meeting of the authority with  
38 such resolution; (A) disclosing the other proposers and the substance of  
39 their proposals; (B) summarizing the negotiation process including the  
40 opportunities, if any, available to proposers to present and modify  
41 their proposals; and (C) setting forth the criteria upon which the  
42 selection was made.

43 (ii) Nothing in this paragraph shall require or preclude: (A) negoti-  
44 ations with any proposers following the receipt of responses to the  
45 request for proposals; or (B) the rejection of any or all proposals at  
46 any time. Upon the rejection of all proposals, the authority may solicit  
47 new proposals or bids in any manner prescribed in this section.

48 5. Upon the adoption of a resolution by the authority stating, for  
49 reasons of efficiency, economy, compatibility or maintenance reliabil-  
50 ity, that there is a need for standardization, the authority may estab-  
51 lish procedures whereby particular supplies, materials or equipment are  
52 identified on a qualified products list. Such procedures shall provide  
53 for products or vendors to be added to or deleted from such list and  
54 shall include provisions for public advertisement of the manner in which  
55 such lists are compiled. The authority shall review such list no less  
56 than twice a year for the purpose of making such modifications.

1 Contracts for particular supplies, materials or equipment identified on  
2 a qualified products list may be awarded by the authority to the lowest  
3 responsible bidder after obtaining sealed bids in accordance with this  
4 section or without competitive sealed bids in instances when the item is  
5 available from only a single source, except that the authority may  
6 dispense with advertising provided that it mails copies of the invita-  
7 tion to bid to all vendors of the particular item on the qualified  
8 products list.

9 6. The authority shall compile a list of potential sources of  
10 supplies, materials or equipment regularly purchased. The authority  
11 shall, by resolution, set forth the procedures it has established to  
12 identify new sources and to notify such new sources of the opportunity  
13 to bid for contracts for the purchase of supplies, materials or equip-  
14 ment. Such procedures shall include, but not be limited to: (a) adver-  
15 tising in trade journals; (b) cooperation with federal, state and local  
16 agencies within its area of operations; (c) publication in the state  
17 register quarterly; and (d) procedures established pursuant to subdivi-  
18 sion thirteen of section thirteen hundred forty-nine-j of this article.

19 7. The provisions of this section shall not supersede any other  
20 provisions of law relative to purchases of products or devices manufac-  
21 tured or provided by the blind or other severely handicapped persons, to  
22 the invitation and acceptance of bids from small or minority business  
23 enterprises or to the purchases of supplies, materials or equipment  
24 through the office of general services. Except as may otherwise be  
25 provided by law or as more restrictively defined in the official policy  
26 or bid specifications of the authority, the term "small business" means  
27 a small business or similar term, under federal regulations applicable  
28 to projects of the authority which are federally assisted.

29 8. Notwithstanding any other provisions in this section, the authority  
30 shall be allowed to use an electronic bidding system for the purchase of  
31 goods, materials, and commodities that may inform bidders whether their  
32 bid is the current low bid and allow bidders to submit new bids before  
33 the date and time assigned for the opening of bids. Such procedure shall  
34 not constitute disclosure of bids in violation of section twenty-eight  
35 hundred seventy-eight of this chapter.

36 9. The provisions of this section shall not apply to any procurement  
37 made by any other public entity not otherwise required by law to award  
38 contracts for such purchases to the lowest responsible bidder if such  
39 purchases are made at the sole cost and expense of such entity.

40 10. (a) Whenever the comptroller pursuant to section twenty-eight  
41 hundred seventy-nine-a of this chapter intends to require supervision in  
42 the form of prior review and approval of a contract or contract amend-  
43 ment to be awarded by the authority pursuant to this section, then such  
44 contract or contract amendment shall be submitted to the comptroller by  
45 the authority for approval and shall not be a valid enforceable contract  
46 unless it shall first have been approved by the comptroller but only if  
47 the comptroller has notified the authority of such determination within  
48 thirty days of having received written notice of such contract or  
49 contract amendment either in the authority's annual report or any  
50 revised report.

51 (b) If the comptroller has timely notified the authority as provided  
52 in paragraph (a) of this subdivision that any contract or contract  
53 amendment shall be subject to comptroller prior review and approval, and  
54 such contract or contract amendment has been submitted to the comp-  
55 troller, it shall become valid and enforceable without such approval if

1 the comptroller has not approved or disapproved it within thirty days of  
2 submission to the comptroller.

3 11. The award of construction contracts by the authority shall not be  
4 subject to the provisions of section one hundred one of the general  
5 municipal law.

6 § 1349-hhhh. Commuter transportation authority small business mentor-  
7 ing program. 1. As used in this section, unless the context requires  
8 otherwise:

9 (a) "authority" means commuter transportation authority and its  
10 subsidiaries;

11 (b) "chairperson" means the chairperson of the authority and its  
12 subsidiaries and affiliates;

13 (c) "small business" means a business in the construction trades  
14 which: (i) is independently owned and operated; (ii) has annual revenues  
15 not exceeding a fiscal limitation of five million dollars or such lesser  
16 amount as established by the authority pursuant to these provisions; and  
17 (iii) meets additional criteria as otherwise established by the chair-  
18 person in consultation with the members of the commuter transportation  
19 small business mentoring program advisory committee. The chair of the  
20 committee shall be the chief diversity officer of the authority. The  
21 authority shall establish a detailed definition in general and specific  
22 to different segments of the construction industry to the extent neces-  
23 sary to reflect differing characteristics of such segments based on the  
24 criteria used by the United States small business administration for  
25 loans to small businesses as set forth in Sections 121.301 through  
26 121.305, or for awarding government procurements as set forth in  
27 Sections 121.401 through 121.413, of Subpart A of Part 121 of Chapter I  
28 of Title 13 of the Code of Federal Regulations as amended, and such  
29 other criteria as determined by the authority;

30 (d) "small business mentoring program" is a program established by the  
31 authority pursuant to these provisions to provide small businesses  
32 accepted into the program with the opportunity:

33 (i) for up to four years, to compete for and, where awarded, to  
34 perform certain authority public work contracts to be designated by the  
35 authority for inclusion in this program under this subparagraph, with  
36 the assistance of an authority-provided mentor, which shall be a firm  
37 competitively selected by the authority that has extensive construction  
38 management and mentoring experience, with the mentor to provide the  
39 small business with advice and assistance in competing for and managing  
40 authority public work contracts; and

41 (ii) for a small business mentoring program participant which the  
42 authority has determined has successfully completed the program under  
43 subparagraph (i) of this paragraph, for up to four additional years: (A)  
44 additional opportunities to compete with other designated small busi-  
45 nesses in the program for certain public work contracts to be designated  
46 for inclusion under this subparagraph and, where awarded, to perform  
47 such authority public work contracts, with the further assistance of an  
48 authority-provided mentor, which shall be a firm competitively selected  
49 by the authority that has extensive construction management and mentor-  
50 ing experience, with the mentor to provide the small business with  
51 advice and technical assistance in competing for and managing authority  
52 public work contracts; and (B) authority-provided assistance, as deter-  
53 mined by the authority, for such a small business to obtain bonding for  
54 public work contracts that are competitively awarded pursuant to  
55 provisions of law other than this section;



1 (e) "small business mentoring program contract" means a non-federally  
2 funded authority public work contract designated by the authority, in an  
3 estimated amount of not more than one million dollars for contracts  
4 under subparagraph (i) of paragraph (d) of this subdivision and three  
5 million dollars for contracts under subparagraph (ii) of paragraph (d)  
6 of this subdivision, for which bids or proposals are to be invited and  
7 accepted only from businesses that are enrolled in the small business  
8 mentoring program and have been selected by the authority to compete for  
9 the contract.

10 2. (a) Pursuant to these provisions, the authority may establish a  
11 small business mentoring program. In connection therewith, the authority  
12 may determine the criteria pursuant to which a small business shall be  
13 eligible for and selected to participate in the program under subpara-  
14 graphs (i) and (ii) of paragraph (d) of subdivision one of this section,  
15 the number of participants to participate in each such components of the  
16 program, the criteria for the competitive selection of the firms that  
17 will provide small businesses with mentoring services, the assignment of  
18 a mentor to a specific small business in the small business mentoring  
19 program, and the funding for the program.

20 (b) Under the small business mentoring program, the chairperson or the  
21 chairperson's designee is authorized, notwithstanding any other  
22 provision of law:

23 (i) to designate which eligible public work contracts shall be small  
24 business mentoring program contracts under subparagraphs (i) and (ii) of  
25 paragraph (d) of subdivision one of this section, respectively;

26 (ii) to establish standards for qualifying small business mentoring  
27 program participants to compete for a small business mentoring program  
28 contract, provided that no less than three qualified small businesses in  
29 the program submit responsive offers to perform the contract;

30 (iii) to determine when bids or proposals for a small business mentor-  
31 ing program contract should be restricted to small business mentoring  
32 program participants which, prior to the receipt of bids or proposals,  
33 have been qualified by the authority for such competition;

34 (iv) to competitively select, designate and contract with one or more  
35 experienced construction management firms that, under the general super-  
36 vision of the authority, will provide mentoring services to the small  
37 businesses participating in the small business mentoring program, and to  
38 assign such mentors one or more designated small businesses participat-  
39 ing in the program;

40 (v) for small business mentoring program contracts, except as set  
41 forth herein, to waive requirements for the solicitation and award of a  
42 public work contract pursuant to sections thirteen hundred forty-nine-  
43 qqqq and twenty-eight hundred seventy-nine of this chapter and any other  
44 provision of law;

45 (vi) to assist only small business mentoring program participants that  
46 have been awarded small business mentoring program contracts to obtain  
47 any surety bond or contract of insurance required of them in connection  
48 with such contract only notwithstanding any provision of section two  
49 thousand five hundred four of the insurance law to the contrary; and

50 (vii) for small businesses that have been accepted into the small  
51 business mentoring program under subparagraph (ii) of paragraph (d) of  
52 subdivision one of this section, in addition to the benefits of such  
53 program and notwithstanding any other provision of law, to provide tech-  
54 nical assistance in obtaining bids, payment and performance bonding for  
55 authority public work contracts that are not small business mentoring  
56 program contracts, for which the small business is otherwise qualified.

1     3. (a) If the total number of qualified small business mentoring  
2 program participants that respond to a competition and are considered  
3 capable of meeting the specifications and terms of the invitation to  
4 compete is less than three, or if the chairperson or the chairperson's  
5 designee determines that acceptance of the best offer will result in the  
6 payment of an unreasonable price, the authority may reject all offers  
7 and withdraw the designation of the contract as a small business mentor-  
8 ing program contract.

9     (b) If the authority withdraws the designation of contract as a small  
10 business mentoring program contract, the firms, if any, that made offers  
11 shall be notified. Invitations to compete containing the same or rewrit-  
12 ten specifications and terms shall then be re-issued as a small business  
13 mentoring program contract for one or more additional contract period.

14     4. A mentor shall provide services and assistance to a small business  
15 as designated by the authority, which may include the following:

16     (a) provide business training in the skills necessary to operate a  
17 successful construction business and to compete for and perform a public  
18 work contract;

19     (b) provide technical assistance to the small business to assess the  
20 outcome if the small business competes for but is not awarded a  
21 contract;

22     (c) if the small business mentoring program contract is awarded to the  
23 small business, provide guidance, advice and technical assistance to the  
24 small business in the performance of the contract; and

25     (d) provide other technical assistance to the small business to facil-  
26 itate learning, training and other issues which may arise.

27     5. The authority may delegate to the chairperson or the chairperson's  
28 designee the authority's responsibilities set forth herein.

29     6. The small business mentoring program contracts authorized by this  
30 legislation shall, for the initial year of the program, be in an aggre-  
31 gate amount of not less than ten million dollars, and shall not exceed  
32 one hundred million dollars, with the maximum amount in future years to  
33 be set by the chairperson.

34     § 1349-iiii. Special powers of the authority. In order to effectuate  
35 the purposes of this title:

36     1. The authority may acquire, by purchase, gift, grant, transfer,  
37 contract or lease, any transportation facility other than a transit  
38 facility wholly or partially within the metropolitan commuter transpor-  
39 tation district, or any part thereof, or the use thereof, and may enter  
40 into any joint service arrangements as hereinafter provided. Any such  
41 acquisition or joint service arrangement shall be authorized only by  
42 resolution of the authority approved by not less than a majority vote of  
43 the whole number of members of the authority then in office, except that  
44 in the event of a tie vote the chairperson shall cast one additional  
45 vote.

46     2. The authority may on such terms and conditions as the authority may  
47 determine necessary, convenient or desirable itself plan, design,  
48 acquire, establish, construct, effectuate, operate, maintain, renovate,  
49 improve, extend, rehabilitate or repair any transportation facility  
50 other than a transit project, or may provide for such planning, design,  
51 acquisition, establishment, construction, effectuation, operation, main-  
52 tenance, renovation, improvement, extension, rehabilitation or repair by  
53 contract, lease or other arrangement on such terms as the authority may  
54 deem necessary, convenient or desirable with any person, including but  
55 not limited to any common carrier or freight forwarder, the state, any  
56 state agency, the federal government, any other state or agency or

1 instrumentality thereof, any public authority of this or any other  
2 state, the port of New York authority or any political subdivision or  
3 municipality of the state. In connection with the operation of any  
4 transportation facility, the authority may plan, design, acquire, estab-  
5 lish, construct, effectuate, operate, maintain, renovate, improve,  
6 extend or repair or may provide by contract, lease or other arrangement  
7 for the planning, design, acquisition, establishment, construction,  
8 effectuation, operation, maintenance, renovation, improvement, extension  
9 or repair of any related services and activities it deems necessary,  
10 convenient or desirable, including but not limited to the transportation  
11 and storage of freight and the United States mail, feeder and connecting  
12 transportation, parking areas, transportation centers, stations and  
13 related facilities.

14 3. (a) Except as directed in paragraph (c) of this subdivision, the  
15 authority may establish, levy and collect or cause to be established,  
16 levied and collected and, in the case of a joint service arrangement,  
17 join with others in the establishment, levy and collection of such  
18 fares, tolls, rentals, rates, charges and other fees as it may deem  
19 necessary, convenient or desirable for the use and operation of any  
20 transportation facility and related services operated by the authority  
21 or by a subsidiary corporation of the authority or under contract, lease  
22 or other arrangement, including joint service arrangements, with the  
23 authority. Any such fares, tolls, rentals, rates, charges or other fees  
24 for the transportation of passengers shall be established and changed  
25 only if approved by resolution of the authority adopted by not less than  
26 a majority vote of the whole number of members of the authority then in  
27 office, with the chairperson having one additional vote in the event of  
28 a tie vote, and only after a public hearing, provided however, that  
29 fares, tolls, rentals, rates, charges or other fees for the transporta-  
30 tion of passengers on any transportation facility which are in effect at  
31 the time that the then owner of such transportation facility becomes a  
32 subsidiary corporation of the authority or at the time that operation of  
33 such transportation facility is commenced by the authority or is  
34 commenced under contract, lease or other arrangement, including joint  
35 service arrangements, with the authority may be continued in effect  
36 without such a hearing. Such fares, tolls, rentals, rates, charges and  
37 other fees shall be established as may in the judgment of the authority  
38 be necessary to maintain the combined operations of the authority and  
39 its subsidiary corporations on a self-sustaining basis. The said oper-  
40 ations shall be deemed to be on a self-sustaining basis as required by  
41 this title, when the authority is able to pay or cause to be paid from  
42 revenue and any other funds or property actually available to the  
43 authority and its subsidiary corporations: (i) as the same shall become  
44 due, the principal of and interest on the bonds and notes and other  
45 obligations of the authority and its subsidiaries and the metropolitan  
46 transportation authority, together with the maintenance of proper  
47 reserves therefor; (ii) the cost and expense of keeping the properties  
48 and assets of the authority and its subsidiary corporations in good  
49 condition and repair; and (iii) the capital and operating expenses of  
50 the authority and its subsidiary corporations. The authority may  
51 contract with the holders of bonds and notes with respect to the exer-  
52 cise of the powers authorized by this section. No acts or activities  
53 taken or proposed to be taken by the authority or any subsidiary of the  
54 authority pursuant to the provisions of this subdivision shall be deemed  
55 to be "actions" for the purposes or within the meaning of article eight  
56 of the environmental conservation law.

1 (b) All fares, tolls, rentals, rates, charges, and other fees estab-  
2 lished, levied, and collected or caused to be established, levied, and  
3 collected, shall first be transferred to the metropolitan transportation  
4 authority in order to maintain the metropolitan transportation authority  
5 on a self-sustaining basis unless already pledged to secure, and neces-  
6 sary to satisfy the debt service or reserve requirements of, bonds,  
7 notes or other obligations of the authority prior to January first, two  
8 thousand twenty-four.

9 (c) In the event that the monthly revenues of the metropolitan trans-  
10 portation authority fall below one hundred twenty-five percent of the  
11 amount necessary to maintain the operations of the metropolitan trans-  
12 portation authority on a self-sustaining basis, as defined by section  
13 twelve hundred sixty-six of this article, the authority shall, at the  
14 direction of the metropolitan transportation authority, establish, levy  
15 and collect or cause to be established, levied and collected, in the  
16 case of a joint service arrangement, and join with others in the estab-  
17 lishment, levy and collection of such fares, tolls, rentals, rates,  
18 charges and other fees as the metropolitan transportation authority may  
19 deem necessary, convenient or desirable for the use and operation of any  
20 transportation facility and related services operated by the authority  
21 or by a subsidiary corporation of the authority or under contract, lease  
22 or other arrangement, including joint service arrangements, with the  
23 authority, until such time that monthly revenues of the metropolitan  
24 transportation authority has exceeded, for three consecutive months, two  
25 hundred percent of the amount necessary to maintain the operations of  
26 the metropolitan transportation authority on a self-sustaining basis.

27 4. The authority may establish and, in the case of joint service  
28 arrangements, join with others in the establishment of such schedules  
29 and standards of operations and such other rules and regulations includ-  
30 ing but not limited to rules and regulations governing the conduct and  
31 safety of the public as it may deem necessary, convenient or desirable  
32 for the use and operation of any transportation facility and related  
33 services operated by the authority or under contract, lease or other  
34 arrangement, including joint service arrangements, with the authority.  
35 Such rules and regulations governing the conduct and safety of the  
36 public shall be filed with the department of state in the manner  
37 provided by section one hundred two of the executive law. In the case of  
38 any conflict between any such rule or regulation of the authority  
39 governing the conduct or the safety of the public and any local law,  
40 ordinance, rule or regulation, such rule or regulation of the authority  
41 shall prevail. Violation of any such rule or regulation of the authority  
42 governing the conduct or the safety of the public in or upon any facili-  
43 ty of the authority shall constitute an offense and shall be punishable  
44 by a fine not exceeding fifty dollars or imprisonment for not more than  
45 thirty days or both or may be punishable by the imposition of a civil  
46 penalty by the transit adjudication bureau established pursuant to the  
47 provisions of title nine of this article.

48 5. (a) The authority may acquire, hold, own, lease, establish,  
49 construct, effectuate, operate, maintain, renovate, improve, extend or  
50 repair any transportation facilities through, and cause any one or more  
51 of its powers, duties, functions or activities to be exercised or  
52 performed by, one or more wholly owned subsidiary corporations of the  
53 authority, and may transfer to or from any such corporations any moneys,  
54 real property or other property for any of the purposes of this title  
55 upon such terms and conditions as shall be agreed to and subject to such  
56 payment or repayment obligations as are required by law or by any agree-

1 ment to which any of the affected entities is subject. The directors or  
2 members of each such subsidiary corporation of the authority corporation  
3 shall be the same persons holding the offices of members of the authori-  
4 ty. The chairperson of the board of each such subsidiary shall be the  
5 chairperson of the authority, serving ex officio and, provided that  
6 there is an executive director of the commuter transportation authority,  
7 the executive director of such subsidiary shall be the executive direc-  
8 tor of the commuter transportation authority, serving ex officio.  
9 Notwithstanding any provision of law to the contrary, the chairperson  
10 shall be the chief executive officer of each such subsidiary and shall  
11 be responsible for the discharge of the executive and administrative  
12 functions and powers of each such subsidiary. The chairperson and execu-  
13 tive director, if any, shall be empowered to delegate his or her func-  
14 tions and powers to one or more officers or employees of each such  
15 subsidiary designated by him or her. Each such subsidiary corporation of  
16 the authority and any of its property, functions and activities shall  
17 have all of the privileges, immunities, tax exemptions and other  
18 exemptions of the authority and of the authority's property, functions  
19 and activities. Each such subsidiary corporation shall be subject to the  
20 restrictions and limitations to which the authority may be subject. Each  
21 such subsidiary corporation of the authority shall be subject to suit in  
22 accordance with section thirteen hundred forty-nine-11111 of this title.  
23 The employees of any such subsidiary corporation, except those who are  
24 also employees of the authority, shall not be deemed employees of the  
25 authority.

26 (b) If the authority shall determine that one or more of its subsid-  
27 iary corporations should be in the form of a public benefit corporation,  
28 it shall create each such public benefit corporation by executing and  
29 filing with the secretary of state a certificate of incorporation, which  
30 may be amended from time to time by filing, which shall set forth the  
31 name of such public benefit subsidiary corporation, its duration, the  
32 location of its principal office, and any or all of the purposes of  
33 acquiring, owning, leasing, establishing, constructing, effectuating,  
34 operating, maintaining, renovating, improving, extending or repairing  
35 one or more facilities of the authority. Each such public benefit  
36 subsidiary corporation shall be a body politic and corporate and shall  
37 have all those powers vested in the authority by the provisions of this  
38 title which the authority shall determine to include in its certificate  
39 of incorporation except the power to contract indebtedness.

40 (c) Whenever any state, political subdivision, municipality, commis-  
41 sion, agency, officer, department, board, division or person is author-  
42 ized and empowered for any of the purposes of this title to co-operate  
43 and enter into agreements with the authority such state, political  
44 subdivision, municipality, commission, agency, officer, department,  
45 board, division or person shall have the same authorization and power  
46 for any of such purposes to co-operate and enter into agreements with a  
47 subsidiary corporation of the authority.

48 6. Each of the authority and its subsidiaries, in its own name or in  
49 the name of the state, may apply for and receive and accept grants of  
50 property, money and services and other assistance offered or made avail-  
51 able to it by any person, government or agency, which it may use to meet  
52 capital or operating expenses and for any other use within the scope of  
53 its powers, and to negotiate for the same upon such terms and conditions  
54 as the respective authority may determine to be necessary, convenient or  
55 desirable.



1     7. The authority may lease railroad cars for use in its passenger  
2 service pursuant to the provisions of chapter six hundred thirty-eight  
3 of the laws of nineteen hundred fifty-nine.

4     8. (a) The authority may do all things it deems necessary, convenient  
5 or desirable to manage, control and direct the maintenance and operation  
6 of transportation facilities, equipment or real property operated by or  
7 under contract, lease or other arrangement with the authority and its  
8 subsidiaries. Except as hereinafter specially provided, no municipality  
9 or political subdivision, including but not limited to a county, city,  
10 village, town or school or other district shall have jurisdiction over  
11 any facilities of the authority and its subsidiaries, or any of their  
12 activities or operations. The local laws, resolutions, ordinances, rules  
13 and regulations of a municipality or political subdivision, heretofore  
14 or hereafter adopted, conflicting with this title or any rule or regu-  
15 lation of the authority or its subsidiaries, shall not be applicable to  
16 the activities or operations of the authority and its subsidiaries, or  
17 the facilities of the authority and its subsidiaries, except such facil-  
18 ities that are devoted to purposes other than transportation or transit  
19 purposes. Each municipality or political subdivision, including but not  
20 limited to a county, city, village, town or district in which any facil-  
21 ities of the authority or its subsidiaries are located shall provide for  
22 such facilities police, fire and health protection services of the same  
23 character and to the same extent as those provided for residents of such  
24 municipality or political subdivision.

25     (b) The jurisdiction, supervision, powers and duties of the department  
26 of transportation of the state under the transportation law shall not  
27 extend to the authority in the exercise of any of its powers under this  
28 title. The authority may agree with such department for the execution by  
29 such department of any grade crossing elimination project or any grade  
30 crossing separation reconstruction project along any railroad facility  
31 operated by the authority or by one of its subsidiary corporations or  
32 under contract, lease or other arrangement with the authority. Any such  
33 project shall be executed as provided in article ten of the transporta-  
34 tion law and the railroad law, and the costs of any such project shall  
35 be borne as provided in such laws, except that the authority's share of  
36 such costs shall be borne by the state.

37     9. Upon approval by the commissioner of transportation of the state of  
38 New York of detailed plans and specifications, which approval may be  
39 based upon considerations of relative need and the timing of  
40 construction, the authority is authorized to design, construct, main-  
41 tain, operate, improve and reconstruct a highway bridge crossing Long  
42 Island sound, as follows:

43     (a) Upon: (i) the enactment by the state of Connecticut of legislation  
44 having like effect as the provisions of this paragraph and the granting  
45 of the consent of the congress of the United States of America to the  
46 interstate compact thereby created; and (ii) in conformity with recom-  
47 mendations of the New York-Connecticut bi-state bridge study commission,  
48 the authority is authorized, in cooperation with any duly designated  
49 agency or agencies of the state of Connecticut, to design, construct,  
50 maintain, operate, improve and reconstruct a highway bridge crossing  
51 Long Island sound from a point in the vicinity of the city of Bridgeport  
52 in the state of Connecticut to a point in the vicinity of the village of  
53 Port Jefferson in the state of New York, together with approaches to  
54 such bridge; and to contract from time to time with such agency or agen-  
55 cies of the state of Connecticut with respect to all matters affecting  
56 these authorizations, including, without limitation, the sharing of all

1 capital, operational and maintenance expense, except that the capital  
2 expense of the original construction of such bridge, other than the  
3 expense of acquiring the needed real property, shall be in the ratio of  
4 fifty per centum for the authority and fifty per centum for such agency  
5 or agencies of the state of Connecticut, the manner and by whom the work  
6 of design, construction, reconstruction, improvement, maintenance and  
7 operation is to be performed or contracted to others for performance,  
8 the tolls, fees and other charges to be imposed from time to time for  
9 the use of such bridge, and the sharing of revenues derived from the  
10 imposition of such tolls, fees and charges, except that net revenues  
11 remaining after deduction of operational and maintenance expense of such  
12 bridge shall be in the ratio of fifty per centum for the authority and  
13 fifty per centum for the state of Connecticut or for such agency or  
14 agencies of the state of Connecticut. Subject to the limitations imposed  
15 upon the authority by the provisions of the said contracts, that portion  
16 of the said bridge and its approaches situate and lying within the  
17 territorial boundaries of the state of New York shall be deemed a  
18 "transportation facility" of the authority for all the purposes of this  
19 title, but tolls, fees and other charges imposed for the use of such  
20 bridge shall not be deemed to have been imposed "for the transportation  
21 of passengers" within the intendment of subdivision three of this  
22 section.

23 (b) If funds are made available by the authority for the payment of  
24 the cost and expense of the acquisition thereof, the commissioner of  
25 transportation of the state of New York, when requested by the authori-  
26 ty, may acquire in the name of the state such real property lying within  
27 the territorial boundaries of the state as may be determined from time  
28 to time by the authority to be necessary, convenient or desirable to  
29 carry out the authorizations set forth in paragraph (a) of this subdivi-  
30 sion and this paragraph, may remove the owner or occupant thereof where  
31 necessary and obtain possession and, when requested by the authority,  
32 may dispose of any real property so acquired, all according to the  
33 procedures provided in section thirty of the highway law. The authority  
34 shall have the right to possess and use for its corporate purposes all  
35 such real property so acquired, all according to the procedures provided  
36 in section thirty of the highway law. The authority shall have the right  
37 to possess and use for its corporate purposes all such real property so  
38 acquired. Claims for the value of the property appropriated and for  
39 legal damages caused by any such appropriation shall be adjusted and  
40 determined by the commissioner of transportation with the approval of  
41 the authority or by the court of claims as provided in section thirty of  
42 the highway law. When a claim has been filed with the court of claims,  
43 the claimant shall cause a copy of such claim to be served upon the  
44 authority and the authority shall have the right to be represented and  
45 heard before such court. All awards and judgments arising from such  
46 claims shall be paid out of moneys of the authority.

47 (c) The authority, acting independently or jointly or in cooperation  
48 with such agency or agencies of the state of Connecticut, may also apply  
49 for and accept, upon condition or otherwise, from the duly authorized  
50 agencies of the federal government, and of the governments of the states  
51 of Connecticut and New York, such underwater and overwater grants of  
52 real property, licenses or permits as shall be necessary, convenient or  
53 desirable to carry out the authorizations set forth in paragraphs (a)  
54 and (b) of this subdivision.

55 (d) The provisions of chapter four hundred forty-two of the laws of  
56 nineteen hundred sixty-five, and of any agreement entered into in

pursuance thereof, relating to the repayment of a loan made by the state to the authority for the purchase of the Long Island Rail Road shall be inapplicable to: (i) the construction of such bridges and their approaches; (ii) bonds, notes or other obligations of the authority issued for or in connection with the financing of the cost of design, construction and reconstruction of such bridges and their approaches, or the proceeds realized upon such issuance; and (iii) revenues derived from the investment of such proceeds or of any part thereof, and from the imposition of tolls, fees or other charges for the use of such bridges.

10. Notwithstanding the provisions of any other law, general, special or local, or of any agreement entered into in pursuance thereof, relating to the repayment of any loan or advance made by the state to the authority, the authority shall not be required to repay any such loan or advance heretofore made from or by reason of the issuance of bonds or notes or from the proceeds realized upon such issuance or from any other funds received from any source whatever in aid or assistance of the project or projects for the financing of which such bonds or notes are issued.

11. No project to be constructed upon real property theretofore used for a transportation purpose, or on an insubstantial addition to such property contiguous thereto, which will not change in a material respect the general character of such prior transportation use, nor any acts or activities in connection with such project, shall be subject to the provisions of article eight, nineteen, twenty-four or twenty-five of the environmental conservation law, or to any local law or ordinance adopted pursuant to any such article. Nor shall any acts or activities taken or proposed to be taken by the authority or by any other person or entity, public or private, in connection with the planning, design, acquisition, improvement, construction, reconstruction or rehabilitation of a transportation facility, other than a marine or aviation facility, be subject to the provisions of article eight of the environmental conservation law, or to any local law or ordinance adopted pursuant to any such article if such acts or activities require the preparation of a statement under or pursuant to any federal law or regulation as to the environmental impact thereof.

12. The authority and each of its subsidiary corporations shall place on each transformer and substation which contains polychlorinated biphenyls (PCBs) a symbol so indicating the presence of PCBs. Use of a PCB mark illustrated in the rules and regulations promulgated pursuant to the federal Toxic Substances Control Act shall constitute compliance with the provisions of this subdivision.

13. Notwithstanding any other provisions of law or the terms of any contract, the authority, in consultation with the Long Island Rail Road, shall establish and implement a no fare program for transportation on the Long Island Rail Road for police officers employed by the city of New York, county of Nassau, Nassau county villages and cities, county of Suffolk, Suffolk county villages and towns, the division of state police, the port authority of New York and New Jersey, the Metro-North Commuter Railroad Company, the New York city housing authority and the New York city transit authority. In establishing such program, which has as its goal increased protection and improved safety for its commuters, the authority and the Long Island Rail Road shall, among other things, consider: (a) requiring police officers who ride without cost to register with the Long Island Rail Road as a condition of riding without cost; (b) requiring such officers to indicate during such registration

1 process their regular working hours and the Long Island Rail Road trains  
2 that such officers expect to ride; and (c) periodically re-registering  
3 and re-validating such officers. The authority and the Long Island Rail  
4 Road shall also have the power to consider other matters necessary to  
5 carry out the goals and objectives of this section.

6 14. (a) Notwithstanding any other provisions of law or the terms of  
7 any contract, the authority, in consultation with the Long Island Rail  
8 Road and the Metro-North Commuter Railroad Company, shall establish and  
9 implement a no fare program for transportation on the Long Island Rail  
10 Road and the Metro-North Commuter Railroad Company for individuals serv-  
11 ing as personal care attendants accompanying an Americans with Disabili-  
12 ties Act paratransit eligible individual.

13 (b) In order to be eligible for such no fare program the personal care  
14 attendant shall show his or her community based personal care attendant  
15 agency issued identification card.

16 (c) In order to be considered accompanying an Americans with Disabili-  
17 ties Act paratransit eligible individual the personal care attendant  
18 shall have the same origin and destination as such paratransit eligible  
19 individual.

20 15. Notwithstanding any other provision of law, the authority and any  
21 of its subsidiary corporations shall establish and implement a half fare  
22 rate program for persons with serious mental illness who are eligible to  
23 receive supplemental security income benefits as defined pursuant to  
24 title sixteen of the federal social security act and section two hundred  
25 nine of the social services law.

26 16. The authority shall conduct a campaign of public outreach to  
27 inform the public of the provisions pertaining to assault on employees  
28 described in subdivision eleven of section 120.05 of the penal law.

29 § 1349-jjjj. Medical emergency services. The authority is hereby  
30 authorized and directed to prepare and develop a medical emergency  
31 services program to be implemented at a time to be specified in such  
32 program for the benefit of persons utilizing transportation and other  
33 related services of the authority. Such program may include but not be  
34 limited to provisions for the following:

- 35 1. the training of designated employees in first aid;  
36 2. emergency techniques and procedures;  
37 3. handling and positioning of stricken commuters; and  
38 4. knowledge of procedures and equipment used for respiratory and  
39 cardiac emergencies.

40 Such program shall be submitted to the legislature not later than one  
41 hundred eighty days after the effective date of this section.

42 § 1349-kkkk. Medical emergency services plan; implementation on Long  
43 Island Rail Road. 1. (a) The authority in consultation with the Long  
44 Island Rail Road is hereby authorized and directed to implement a  
45 comprehensive medical emergency services program, including an emergency  
46 response protocol, not later than the first of September next succeeding  
47 the effective date of this section, for the benefit of persons utilizing  
48 transportation and other related services of the Long Island Rail Road.  
49 Such program shall include but not be limited to provisions for the  
50 following:

- 51 (i) the training of designated employees in first aid;  
52 (ii) emergency techniques and procedures;  
53 (iii) handling and positioning of stricken commuters;  
54 (iv) knowledge of procedures and equipment used for respiratory and  
55 cardiac emergencies and an emergency response protocol for all employ-  
56 ees.

(b) Such program and plan shall be submitted to the temporary president of the senate, the speaker of the assembly and the governor on or before the first of September next succeeding the effective date of this section and shall be updated as necessary. The authority will issue an annual report on or before April first of each year, which will include current updates, descriptions of medical emergencies, responses and outcomes since the most recent report, information regarding training of personnel, analysis of the current plan and any recommendations for improving the program.

2. Notwithstanding any inconsistent provision of any general, special or local law, a designated employee employed upon facilities of the Long Island Rail Road who has been trained in first aid, emergency techniques and procedures, handling and positioning of stricken commuters, and the applicable procedures and equipment used for respiratory and cardiac emergencies who voluntarily and without the expectation of monetary compensation renders any of the foregoing treatment in an emergency to a commuter upon facilities of the Long Island Rail Road who is unconscious, ill or injured shall not be liable for damages for injuries alleged to have been sustained by such commuter or for damages for the death of such commuter alleged to have occurred by reason of an act or omission in the rendering of such treatment in an emergency unless it is established that such injuries were or such death was caused by gross negligence on the part of such designated employee.

§ 1349-llll. Long Island Rail Road commuter council. 1. There is hereby created the Long Island Rail Road commuter council, to study, investigate, monitor and make recommendations with respect to the maintenance and operation of the Long Island Rail Road. Such council shall study and investigate all aspects of the day to day operations of such railroad, monitor its performance and recommend changes to improve the efficiency of the operation thereof.

2. Such council shall consist of twelve members who shall be commuters who regularly use the transportation services of such railroad, and who shall be residents of Nassau, Suffolk, Queens or Brooklyn county. Members shall be appointed by the governor upon the recommendation of the county executive of each such county, provided, however, that such members shall be chosen from a list of ten names submitted by each such county executive and provided further however that no more than six members of such council shall be residents of either such county. Provided, however, that one member shall be appointed on the recommendation of the borough president of Queens and one member shall be appointed on the recommendation of the borough president of Brooklyn. Vacancies occurring in the membership of the council shall be filled in the same manner as original appointments, provided, however, that such vacancy shall be filled from a list of three names submitted by each such county executive.

3. The members of the council shall receive no compensation for their services but shall be reimbursed for their expenses actually and necessarily incurred in the performance of their duties hereunder.

4. The council may request and shall receive from any department, division, board, bureau, commission, agency, public authority of the state or any political subdivision thereof such assistance and data as will enable it properly to carry out its activities hereunder and effectuate the purposes set forth herein.

§ 1349-mmmm. Metro-North rail commuter council. 1. There is hereby created the Metro-North rail commuter council to study, investigate, monitor and make recommendations with respect to the maintenance and



1 operation of those portions of, if any, the Hudson, Harlem, New Haven,  
2 Pascack Valley and Port Jervis commuter railroad lines remaining within  
3 the metropolitan commuter transportation district. Such council shall  
4 study and investigate all aspects of the day to day operation of such  
5 railroad lines, monitor their performance and recommend changes to  
6 improve the efficiency of the operation thereof.

7 2. Such council shall consist of eleven members and shall be commuters  
8 who regularly use the transportation services of such railroad lines. At  
9 least five of such members shall be residents of the county of Westches-  
10 ter. Of the other six members, at least one of such members shall be a  
11 resident of each of the counties of Rockland, Putnam, Dutchess, Orange  
12 and Bronx, provided that such county has not withdrawn from the metro-  
13 politan commuter transportation district pursuant to section thirteen  
14 hundred forty-nine-wwwww of this title; provided further, should only  
15 the county of Putnam remain in the metropolitan commuter transportation  
16 district then membership on such council shall consist of seven members,  
17 five of whom reside in the county of Westchester and two of whom reside  
18 in the county of Putnam. Members shall be appointed by the governor. In  
19 making such appointments the governor shall consult with and solicit  
20 recommendations from local officials and to the extent possible appoint  
21 members who represent the ridership of the several commuter railroad  
22 lines. Vacancies occurring in the membership of the council shall be  
23 filled in the same manner as original appointments.

24 3. The members of the council shall receive no compensation for their  
25 services but shall be reimbursed for their expenses actually and neces-  
26 sarily incurred by them in the performance of their duties hereunder  
27 from funds appropriated to the commissioner of transportation.

28 4. The council may request and shall receive from any department,  
29 division, board, bureau, commission, agency, public authority of the  
30 state or any political subdivision thereof such assistance and data as  
31 it requests and will enable it to properly carry out its activities for  
32 the purposes set forth herein.

33 § 1349-nnnn. Medical emergency services plan; implementation on  
34 Metro-North Commuter Railroad Company. 1. The authority is hereby  
35 authorized and directed to implement a medical emergency services  
36 program for the benefit of persons utilizing transportation and other  
37 related services of the Metro-North Commuter Railroad Company. Such  
38 program shall include but not be limited to provisions for the follow-  
39 ing:

40 (a) the training of conductors, trainmen and other designated employ-  
41 ees in first aid;

42 (b) emergency techniques and procedures;

43 (c) handling and positioning of stricken commuters; and

44 (d) knowledge of procedures and equipment used for respiratory and  
45 cardiac emergencies.

46 2. Notwithstanding any inconsistent provision of any general, special  
47 or local law, a designated employee employed upon facilities of the  
48 Metro-North Commuter Railroad Company who has successfully completed a  
49 course in first aid, including instruction and training in cardiopulmo-  
50 nary resuscitation and who voluntarily and without expectation of mone-  
51 tary compensation renders first aid, emergency treatment or cardiopulmo-  
52 nary resuscitation at the scene of an accident or other emergency, in  
53 the course of his or her duties as an employee of the Metro-North Commu-  
54 ter Railroad Company to a person who is unconscious, ill or injured,  
55 shall not be liable for damages and injuries alleged to have been  
56 sustained by such person or for damages for death of such person alleged

1 to have occurred by reason of an act or omission in the rendering of  
2 such first aid, emergency treatment or cardiopulmonary resuscitation  
3 unless it is established that such injuries were or such death was  
4 caused by gross negligence on the part of such designated employee.

5 § 1349-oooo. Excess loss fund. 1. Subject to the provisions of this  
6 section, the authority is authorized to issue bonds and notes, in  
7 accordance with section thirteen hundred forty-nine-xxxx of this title,  
8 in such principal amounts not in excess of the seventy-five million  
9 dollar limitation established in subdivision four of this section as, in  
10 the opinion of the authority, shall be necessary to provide sufficient  
11 funds to meet the capital and reserve requirements of a trust, pooling  
12 arrangement or other entity established for the purpose of providing  
13 reimbursement and funding to the authority and its subsidiaries for  
14 excess or extraordinary losses for damages to real or personal property  
15 or for the destruction thereof or for personal injuries or death and for  
16 certain property damage losses which may be incurred or sustained by any  
17 of them in connection with the use and operation of their respective  
18 facilities and in the conduct of their respective activities, the trust,  
19 pooling arrangement or other entity established in order to provide such  
20 benefits to such participants being referred to in this section as the  
21 "excess loss fund". Prior to the issuance of any bonds or notes, other  
22 than refunding bonds or notes, authorized by this section, the authority  
23 shall make a finding that such issue is expected to result, on a present  
24 value basis, in a lower effective cost to the participating authorities  
25 than funding the requirements of the excess loss fund solely through the  
26 payment of premiums and assessments by such participating authorities.

27 2. In order to effectuate the purposes of the excess loss fund, the  
28 authority shall, subject to the provisions of this section, have all the  
29 powers provided elsewhere in this title and may:

30 (a) accept the notes, bonds and other contractual obligations of the  
31 excess loss fund for funds provided to it by the authority;

32 (b) obtain security for the payment by the excess loss fund of its  
33 notes, bonds and other contractual obligations issued to the authority,  
34 including a pledge of all or any part of the assets and revenues of the  
35 excess loss fund, including its receipts and rights to receive premiums,  
36 assessments, reimbursements and other payments from the participants in  
37 the excess loss fund, which pledge may contain covenants with respect to  
38 the charging and fixing by actuarial estimates, where appropriate, of  
39 premiums, assessments, reimbursements and other payments and the use and  
40 disposition thereof; and

41 (c) enter into contracts with the excess loss fund and with the  
42 participants therein, on such terms and conditions as the parties may  
43 agree, with respect to the payment of premiums, assessments, reimburse-  
44 ments and other payments to the excess loss fund and the nature and  
45 extent of the benefits to be paid by the excess loss fund to such  
46 participants.

47 3. The bonds and notes of the authority authorized by this section  
48 shall not constitute general obligations of the authority, but shall be  
49 special obligations of the authority payable as to principal, redemption  
50 premium, if any, and interest solely from the security, sources of  
51 payment and funds obtained from or on behalf of the excess loss fund,  
52 all in the manner more particularly provided by the authority in the  
53 resolution under which such bonds and notes shall be authorized to be  
54 issued.

55 4. The aggregate principal amount of bonds and notes issued for the  
56 purposes enumerated in subdivision one of this section shall not exceed

1 seventy-five million dollars, excluding: (a) bonds and notes issued to  
2 fund costs of issuance and any reasonably required debt service reserve  
3 fund for such bonds or notes; (b) an amount equal to any original issue  
4 discount from the principal amount of any bonds or notes issued; and (c)  
5 bonds and notes issued to refund or otherwise repay bonds or notes ther-  
6 etofore issued for such purposes, provided, however, that upon any such  
7 refunding or repayment of the total aggregate principal amount of  
8 outstanding bonds and notes, including for purpose of such calculation  
9 the principal amount of the refunding bonds or notes then to be issued  
10 and excluding the principal amount of the bonds or notes so to be  
11 refunded or repaid and any amounts excluded under paragraph (a) or (b)  
12 of this subdivision, may be greater than seventy-five million dollars,  
13 only if the present value of the aggregate debt service of the refunding  
14 or repayment bonds or notes to be issued shall not exceed the present  
15 value of the aggregate debt service of the bonds or notes so to be  
16 refunded or repaid. For purposes of paragraph (c) of this subdivision,  
17 the present values of the aggregate debt service of the refunding or  
18 repayment bonds or notes and of the aggregate debt service of the bonds  
19 or notes so to be refunded or repaid, shall be calculated by utilizing  
20 the effective interest rate of the refunding or repayment bonds or  
21 notes, which shall be that rate arrived at by doubling the semi-annual  
22 interest rate, compounded semi-annually, necessary to discount the debt  
23 service payments on the refunding or repayment bonds or notes from the  
24 payment dates thereof to the date of issue of the refunding or repayment  
25 bonds or notes and to the price bid including estimated accrued interest  
26 or proceeds received by the authority including estimated accrued inter-  
27 est from the sale thereof.

28 5. The term "excess loss fund" as used in this section shall not  
29 include any trust, pooling arrangements or other entity: (a) which  
30 provides or offers to provide reimbursement or funding for losses or  
31 liabilities to any entity other than the authority and its subsidiaries;  
32 or (b) in which any entity other than the authority and its subsidiaries  
33 holds an equity interest.

34 § 1349-pppp. Authority police force. 1. The authority is hereby  
35 authorized and empowered, to provide and maintain an authority police  
36 department and a uniformed authority police force. Each member of such  
37 uniformed police force shall be a "police officer" for the purposes of  
38 the criminal procedure law, with all of the powers of such police offi-  
39 cers thereunder and subject to the same jurisdictional provisions on the  
40 exercise of that power as set forth in such law. The geographical area  
41 of employment of such police officers for the purposes of the criminal  
42 procedure law shall embrace the metropolitan commuter transportation  
43 district as defined in section twelve hundred sixty-two of this article.  
44 Such department and force shall have the power, in and about any or all  
45 of the facilities owned, occupied and/or operated by the authority and  
46 its subsidiary corporations, as determined in the discretion of the  
47 authority, to enforce and prevent violation of all laws and ordinances.  
48 Nothing herein shall confer upon the authority police force or upon  
49 their collective negotiations representatives exclusive jurisdiction or  
50 claim over the exercise of police power or security work on behalf of  
51 the authority and its subsidiary corporations. Nothing herein shall  
52 limit the authority and its subsidiary corporations from continuing to  
53 rely on local police for police services. However, traditional police  
54 functions previously performed by the Long Island Rail Road Company  
55 and/or the Metro-North Commuter Railroad Company police force shall  
56 continue to be performed by the authority police forces.

1     2. Initial appointments to such authority police force shall be all  
2 incumbent police officers from the Long Island Rail Road Company and/or  
3 the Metro-North Commuter Railroad Company at the time of such appoint-  
4 ment. The executive director of the authority, through the chief of  
5 police, shall have the power and authority to appoint and employ such  
6 number of police officers as he or she deems necessary to act as police  
7 officers of the authority and to administer to the officers an oath or  
8 affirmation faithfully to perform the duties of their respective posi-  
9 tions or offices. Unless, at the time of appointment, the person is a  
10 police officer of the Long Island Rail Road Company or the Metro-North  
11 Commuter Railroad Company, only persons who have never been convicted of  
12 a felony and are citizens of the United States shall be appointed police  
13 officers on the authority police force. After the initial appointments  
14 are made, selection of police officer candidates shall be made pursuant  
15 to an examination process to be determined at the discretion of the  
16 authority and candidates shall receive a certificate attesting to satis-  
17 factory completion of an approved municipal police basic training  
18 program, as described in section two hundred nine-q of the general  
19 municipal law. No person shall be eligible for appointment unless such  
20 person is not less than twenty years of age as of the date of appoint-  
21 ment nor more than thirty-five years of age as of the date when the  
22 applicant takes the written examination, provided, however, that time  
23 spent on military duty or on terminal leave, not exceeding a total of  
24 six years, shall be subtracted from the age of any applicant who has  
25 passed his or her thirty-fifth birthday as provided in subdivision ten-a  
26 of section two hundred forty-three of the military law. Upon appoint-  
27 ments made by transferring an entire group of police officers into the  
28 authority police force, thereby eliminating such other group of police  
29 officers, the authority shall recognize any representative previously  
30 chosen by the police officers for the purposes of collective negoti-  
31 ations consistent with the bargaining units already established and  
32 shall also assume and continue to observe any existing labor contracts  
33 covering these police officers including such provisions which relate to  
34 the grievance and disciplinary procedures and interest arbitration.  
35 Subsequent to the establishment of the consolidated police force the  
36 authority and the collective bargaining representatives shall be author-  
37 ized to negotiate a merger of the separate bargaining units.

38     3. The authority may appoint a chief and one or more deputy chiefs of  
39 the authority police department who, in the discretion of the authority,  
40 may be selected from the ranks of the authority police force, and assign  
41 powers and duties to them and fix their compensation. The chief shall be  
42 the head of such department. The deputy chief designated by the chief  
43 shall possess all the powers and perform all the duties of the chief  
44 during his or her absence or disability. The authority police force  
45 shall consist of such divisions, supervisors and officers, including but  
46 not limited to police officers, detectives, sergeants, lieutenants and  
47 captains as designated by the authority. Notwithstanding any law or  
48 provision to the contrary, the members of the uniformed authority police  
49 force shall not acquire civil service status or become members of the  
50 New York state and local employees' retirement system, except as set  
51 forth in this section.

52     4. The authority shall provide for a twenty year retirement plan under  
53 the same terms and conditions as provided by section three hundred  
54 eighty-nine of the retirement and social security law as enacted by  
55 chapter six hundred twenty-eight of the laws of nineteen hundred nine-  
56 ty-one; except that:

1 (a) any benefit provided pursuant to such plan shall be subject to an  
2 offset, as defined in this paragraph, for any tier II benefit payable  
3 pursuant to the federal Railroad Retirement Act to or in the respect of  
4 a member. The offset provided for by this paragraph shall be the amount  
5 of the tier II benefit which would be payable to or in respect to such  
6 member pursuant to the federal Railroad Retirement Act multiplied by a  
7 fraction, the numerator of which is the member's years of credited  
8 service covered by the federal Railroad Retirement Act rendered to, or  
9 credited by, the authority or any subsidiary corporation of the authori-  
10 ty, and the denominator of which is the member's total years of service  
11 covered by the federal Railroad Retirement Act;

12 (b) references to the Long Island Rail Road shall be to the authority;

13 (c) the transfer of funds described in subdivision f of section three  
14 hundred eighty-nine of the retirement and social security law as enacted  
15 by chapter six hundred twenty-eight of the laws of nineteen hundred  
16 ninety-one shall include the Metro-North Commuter Railroad Company  
17 Defined Contribution Pension Plan for Agreement Employees;

18 (d) the provisions of subdivision g of section three hundred eighty-  
19 nine of the retirement and social security law as enacted by chapter six  
20 hundred twenty-eight of the laws of nineteen hundred ninety-one to the  
21 extent of requiring contributions for past service liability shall not  
22 be applicable; and

23 (e) when a police officer transferred from the Long Island Rail Road  
24 Company police force to the authority police force reaches age sixty-two  
25 the authority will offset the amount payable under this plan by the  
26 amount of tier II benefit payable from the Railroad Retirement Board for  
27 a service age annuity or disability payable at the participants age  
28 sixty-two.

29 5. The authority may, in its sole discretion, establish within the  
30 authority's defined benefit program, a retirement program consistent  
31 with the foregoing. If the authority has not so established such program  
32 in its defined benefit program within one hundred eighty days after  
33 enactment, then the authority shall elect to participate in article  
34 fourteen-B of the retirement and social security law.

35 6. If the authority elects to participate in the New York state and  
36 local employees' retirement system, such election to participate shall  
37 be made by resolution filed with the comptroller and accepted by him or  
38 her pursuant to section thirty-one of the retirement and social security  
39 law.

40 7. Nothing herein contained shall be deemed to diminish, suspend or  
41 abolish an existing benefit inured to a police officer, transferred from  
42 the Long Island Rail Road Company and/or Metro-North Commuter Railroad  
43 Company police force and subject to the provisions of this section in  
44 and to the rights, privileges or status previously earned within a  
45 pension or retirement system of which they were a member immediately  
46 prior to the enactment of this section; and any such existing right,  
47 privilege or status shall survive the effect of any decisions or deter-  
48 minations lawfully made in accordance with the provisions hereof so long  
49 as such right, privilege or status is greater in benefit to that which  
50 would be imposed or imputed to any subject officer as a result of  
51 actions of the authority authorized herein.

52 § 1349-gqqq. The permanent citizens advisory committee. There is  
53 hereby established a permanent citizens advisory committee. The members  
54 of the committee shall consist of the following members: the Long Island  
55 Rail Road commuter council and the Metro-North commuter council.



1 § 1349-rrrr. Commuter transportation authority pledge to customers. 1.  
2 A commuter transportation authority pledge to customers shall be created  
3 and adopted by the commuter transportation authority. A copy of such  
4 pledge shall be posted on the website of the authority and shall be  
5 posted in stations where the authority makes regular postings. The  
6 authority shall post the pledge in the language or languages it deems  
7 necessary and appropriate.

8 2. The commuter transportation authority pledge to customers shall be  
9 in the form and manner as prescribed by the authority, include the  
10 contact information of the authority, and include, but not be limited  
11 to, the following:

12 (a) a description of the authority's commitment to provide safe and  
13 reliable services;

14 (b) a description of the authority's commitment to provide timely and  
15 accurate information on its services;

16 (c) a commitment that employees will provide service in a courteous  
17 manner;

18 (d) a description of the authority's commitment to maintain clean  
19 stations, facilities, and buses;

20 (e) a description of the authority's policies when it comes to arrang-  
21 ing alternative transportation when service is interrupted;

22 (f) when service is interrupted, a description of the authority's  
23 policies when it comes to considering the comfort of inconvenienced  
24 customers;

25 (g) when service is interrupted due to weather conditions, a  
26 description of the authority's policies on notifying customers;

27 (h) when service is severely interrupted, a description of the author-  
28 ity's policies on service restoration.

29 3. The authority from time to time may, update and amend the commuter  
30 transportation authority pledge to customers as it deems necessary and  
31 proper and may adopt rules and regulations for the proper administration  
32 of this section.

33 § 1349-ssss. Expired fare transfer policy. Notwithstanding any other  
34 provision of law to the contrary, the authority shall, within ninety  
35 days of the effective date of this section, establish an expired fare  
36 transfer policy that may be amended from time to time. Such policy shall  
37 provide any person who purchases a fare the ability to transfer any  
38 remaining balance for two years after such fare is deemed expired.

39 § 1349-tttt. Acquisition and disposition of real property. 1. In  
40 addition to the powers provided in section thirteen hundred forty-nine-  
41 iiii of this title to acquire transportation facilities, equipment and  
42 real property, the authority may acquire, by condemnation pursuant to  
43 the condemnation law, any real property it may deem necessary, conven-  
44 ient or desirable to effectuate the purposes of this title, provided  
45 however, that any such condemnation proceedings shall be brought only in  
46 the supreme court and the compensation to be paid shall be ascertained  
47 and determined by the court without a jury. Notwithstanding the forego-  
48 ing provisions of this subdivision, no real property may be acquired by  
49 the authority by condemnation for purposes other than a transportation  
50 facility unless the governing body of the city, village or town in which  
51 such real property is located shall first consent to such condemnation.

52 2. Nothing herein contained shall be construed to prevent the authori-  
53 ty from bringing any proceedings to remove a cloud on title or such  
54 other proceedings as it may, in its discretion, deem proper and neces-  
55 sary or from acquiring any such property by negotiation or purchase.

1     3. Where a person entitled to an award in the proceedings to condemn  
2 any real property for any of the purposes of this title remains in  
3 possession of such property after the time of the vesting of title in  
4 the condemnor, the reasonable value of his or her use and occupancy of  
5 such property subsequent to such time as fixed by agreement or by the  
6 court in such proceedings or by any court of competent jurisdiction  
7 shall be a lien against such award subject only to the liens of record  
8 at the time of vesting of title in the condemnor.

9     4. Subject to the provisions of section thirteen hundred forty-nine-  
10 iiii of this title, title to all property acquired under this title  
11 shall vest in the authority or one of its subsidiary corporations as the  
12 authority directs.

13     5. The authority may, whenever it determines that it is in the inter-  
14 est of the authority, dispose of any real property or property other  
15 than real property, which it determines is not necessary, convenient or  
16 desirable for its purposes.

17     6. The authority may, whenever it shall determine that it is in the  
18 interest of the authority, rent, lease, or grant easements or other  
19 rights in, any land or property of the authority.

20     § 1349-uuuu. Acquisition and disposition of real property by depart-  
21 ment of transportation. If funds are made available by the authority for  
22 the payment of the cost and expense of the acquisition thereof, the  
23 commissioner of transportation of the state of New York, when requested  
24 by the authority, may acquire such real property in the name of the  
25 state as may be determined from time to time by the authority as being  
26 necessary, convenient or desirable to effectuate the purposes of this  
27 title, may remove the owner or occupant thereof where necessary and  
28 obtain possession and, when requested by the authority, may dispose of  
29 any real property so acquired, all according to the procedures provided  
30 in section thirty of the highway law. The authority shall have the right  
31 to possess and use for its corporate purposes all such real property so  
32 acquired. Claims for the value of the property appropriated and for  
33 legal damages caused by any such appropriation shall be adjusted and  
34 determined by such commissioner with the approval of the authority or by  
35 the court of claims as provided in section thirty of the highway law.  
36 When a claim has been filed with the court of claims, the claimant shall  
37 cause a copy of such claim to be served upon the authority and the  
38 authority shall have the right to be represented and heard before such  
39 court. All awards and judgments arising from such claims shall be paid  
40 out of moneys of the authority. No real property may be acquired pursu-  
41 ant to the provisions of this section for purposes other than a trans-  
42 portation facility unless the governing body of the city, village or  
43 town in which such real property is located shall first consent to such  
44 acquisition. The provisions of this section shall not be applicable to  
45 the acquisition or disposition of real property required for the  
46 construction of the two highway bridges crossing Long Island sound  
47 referred to in section thirteen hundred forty-nine-iiii of this title.  
48 The authority shall be empowered to lease for such other purposes as the  
49 authority may determine any part or parts of Republic airport not needed  
50 for transportation purposes.

51     § 1349-vvvv. Cooperation and assistance of other agencies. 1. To  
52 avoid duplication of effort and in the interests of economy, the author-  
53 ity may make use of existing studies, surveys, plans, data and other  
54 materials in the possession of any state agency or any municipality or  
55 political subdivision of the state. Each such agency, municipality or  
56 subdivision is hereby authorized to make the same available to the

1 authority and otherwise to assist it in the performance of its func-  
2 tions. At the request of the authority, each such agency, municipality  
3 or subdivision which is engaged in highway or other transportation  
4 activities or in land use or development planning, or which is charged  
5 with the duty of providing or regulating any transportation facility or  
6 any other public facility, is further authorized to provide the authori-  
7 ty with information regarding its plans and programs affecting the  
8 transportation district so that the authority may have available to it  
9 current information with respect thereto. The officers and personnel of  
10 such agencies, municipalities or subdivisions, and of any other govern-  
11 ment or agency whatever, may serve at the request of the authority upon  
12 such advisory committees as the authority shall determine to create and  
13 such officers and personnel may serve upon such committees without  
14 forfeiture of office or employment and with no loss or diminution in the  
15 compensation, status, rights and privileges which they otherwise enjoy.

16 2. The authority shall, at the request of any state agency, munici-  
17 pality or political subdivision of the state, engaged in highway or  
18 other transportation activities or in land use or development planning,  
19 provide said state agency, municipality or political subdivision with  
20 all current and relevant information regarding its plans or programs, so  
21 as to enable said agency, municipality or subdivision to properly effec-  
22 tuate said activities or planning.

23 3. To the extent that the provisions of this title authorize the  
24 authority to enter into any agreement or arrangement with, or undertake  
25 any other activity requiring the participation of, the big apple transit  
26 authority, the New York city transit authority or any of their subsid-  
27 iary corporations in furtherance of their respective purposes and powers  
28 or the Triborough bridge and tunnel authority in furtherance of its  
29 purposes and powers, such entities are hereby authorized and empowered  
30 to enter into and perform such contract or other arrangement and to  
31 undertake such activities.

32 § 1349-www. Promotion of qualified transportation fringes. The  
33 authority shall promote the broad use of qualified transportation fring-  
34 es, under section 132(f) of the internal revenue code, in order to  
35 increase the number of participating companies and employees in such  
36 programs. The authority may also study and report on ways in which  
37 programs may be improved so as to increase public participation.

38 § 1349-xxxx. Notes, bonds and other obligations of the authority. 1.  
39 (a) The authority shall have power and is hereby authorized from time to  
40 time to issue its bonds, notes and other obligations in such principal  
41 amount as, in the opinion of the authority, shall be necessary, conven-  
42 ient or desirable to effectuate any of its powers and purposes, includ-  
43 ing to provide sufficient funds for achieving its purposes, including  
44 the acquisition, establishment, construction, effectuation, operation,  
45 maintenance, renovation, improvement, extension, rehabilitation or  
46 repair of any transportation facility, the payment of principal, redemp-  
47 tion premium and interest on bonds, notes and other obligations of the  
48 authority, establishment of reserves to secure such bonds, notes and  
49 other obligations, the provision of working capital and all other  
50 expenditures of the authority and its subsidiary corporations incident  
51 to and necessary or convenient to carry out their purposes and powers.  
52 Such bonds, notes or other obligations may be issued for an individual  
53 transportation facility or issued on a consolidated basis for such  
54 groups or classes of facilities and projects as the authority in its  
55 discretion deems appropriate and be payable from and secured separately  
56 or on a consolidated basis by, among other things, all or any portion of

1 such revenues and other monies and assets of the authority and its  
2 subsidiary corporations as the authority determines in accordance with  
3 the provisions of section thirteen hundred forty-nine-ddddd of this  
4 title;

5 (b) The authority shall have power, from time to time, to issue  
6 renewal notes, to issue bonds to refund, redeem or otherwise pay,  
7 including by purchase or tender, notes of the authority and its subsid-  
8 iary corporations and whenever it deems refunding, redemption or payment  
9 expedient, to refund, redeem or otherwise pay, including by purchase or  
10 tender, any bonds of the authority and its subsidiary corporations, by  
11 the issuance of new bonds, whether the bonds to be refunded, redeemed or  
12 otherwise paid have or have not matured, and to issue bonds partly for  
13 such purpose and partly for any other purpose and to otherwise refund,  
14 redeem, acquire by purchase or tender, or in any other way repay any  
15 outstanding notes, bonds or other obligations of the authority, and any  
16 of its subsidiary corporations;

17 (c) Every issue of its notes, bonds or other obligations shall be  
18 general obligations or special obligations. Every issue of general obli-  
19 gations of the authority shall be payable out of any revenues or monies  
20 of the authority, subject only to any agreements with the holders of  
21 particular notes or bonds pledging any particular receipts or revenues.  
22 Every issue of special obligations shall be payable out of any revenues,  
23 receipts, monies or other assets of the authority and its subsidiary  
24 corporations, identified for such purposes in accordance with agreements  
25 with the holders of particular notes, bonds or other obligations. The  
26 authority may issue transportation revenue special obligation bonds,  
27 notes or other obligations as provided in section thirteen hundred  
28 forty-nine-eeeeee of this title;

29 2. The authority may from time to time issue its bonds and notes in  
30 such principal amounts as, in the opinion of the authority, shall be  
31 necessary to finance the unfunded pension fund liabilities of the  
32 authority, its affiliates and subsidiaries, provided, however, that in  
33 no event shall the cumulative amounts of bonds and notes issued pursuant  
34 to the authority of this subdivision exceed one billion two hundred  
35 million dollars or sixty percent of such unfunded pension fund liabil-  
36 ities, whichever is less, and provided, further, that no bonds shall be  
37 issued under this subdivision for a term longer than twenty years. The  
38 authority shall not issue bonds or notes in any twelve-month period in a  
39 cumulative principal amount in excess of forty percent of the total  
40 amount permitted to be issued under this subdivision. Prior to the issu-  
41 ance of any bonds or notes, the authority shall make a finding that such  
42 issue is expected to result, on a present value basis, in a lower effec-  
43 tive cost to the authority than funding the unfunded pension fund  
44 liability solely through the payment of annual amounts to the pension  
45 fund, assuming that the principal component of the unfunded liability  
46 will be amortized over the same number of years as the term of the bonds  
47 or notes and that the interest payable thereon is the actuarial rate of  
48 interest determined by the actuary for the pension fund at the time of  
49 the issuance of such bonds or notes. The aggregate principal amount of  
50 bonds and notes issued for such purposes may be increased to fund costs  
51 of issuance and may reasonably require debt service of other reserve  
52 funds. Bonds and notes may be issued to refund or otherwise repay bonds  
53 or notes theretofore issued for such purposes; provided, however, that  
54 upon any such refunding or repayment, including for the purpose of such  
55 calculation the principal amount of the refunding bonds or notes then to  
56 be issued and excluding the principal amount of the bonds or notes so to

1 be refunded or repaid and also excluding any amounts used to pay costs  
2 of issuance and reasonably required debt service or other reserve funds,  
3 the present value of the aggregate debt service of the refunding or  
4 repayment bonds or notes to be issued shall not exceed the present value  
5 of the aggregate debt service of the bonds or notes so to be refunded or  
6 repaid. For purposes of the preceding sentence, the present values of  
7 the aggregate debt service of the refunding or repayment bonds or notes  
8 and of the aggregate debt service of the bonds or notes so to be  
9 refunded or repaid shall be calculated by utilizing the effective inter-  
10 est rate of the refunding or repayment bonds or notes, which shall be  
11 that rate arrived at by doubling the semi-annual interest rate,  
12 compounded semi-annually, necessary to discount the debt service  
13 payments on the refunding or repayment bonds or notes from the payment  
14 dates thereof to the date of issue of the refunding or repayment bonds  
15 or notes and to the price bid including estimated accrued interest or  
16 proceeds received by the authority including estimated accrued interest  
17 from the sale thereof. Debt service on the bonds or notes shall be  
18 structured so that the economic benefits thereof shall be relatively  
19 uniform for each full year throughout the term of the bonds or notes.  
20 Beginning with the date of first issuance of bonds under this section,  
21 the authority and its subsidiaries shall make annual payments into the  
22 pension fund in amounts at least equal to the current pension contrib-  
23 ution liability applicable to such year. The net proceeds of the bonds  
24 or notes intended to be invested in non-debt securities may be invested  
25 by the recipient pension fund in a fiscally prudent manner in securities  
26 consistent with any trust indentures and all applicable state and feder-  
27 al law over a reasonable period of time not less than thirty days  
28 following the issuance of the bonds or notes. The operating budget  
29 savings associated with the issuance of pension obligation bonds pursu-  
30 ant to this subdivision shall be dedicated to reducing service elimi-  
31 nations projected to occur within that period.

32 3. The notes, bonds and other obligations shall be authorized by  
33 resolution approved by not less than a majority vote of the whole number  
34 of members of the authority then in office, except that in the event of  
35 a tie vote the chairperson shall cast one additional vote. Such notes,  
36 bonds and other obligations shall bear such date or dates, and shall  
37 mature at such time or times, in the case of any such note or any  
38 renewals thereof not exceeding five years from the date of issue of such  
39 original note, and in the case of any such bond not exceeding fifty  
40 years from the date of issue, as such resolution or resolutions may  
41 provide. The notes, bonds and other obligations shall bear interest at  
42 such rate or rates, be in such denominations, be in such form, either  
43 coupon or registered, carry such registration privileges, be executed in  
44 such manner, be payable in such medium of payment, at such place or  
45 places and be subject to such terms of redemption as such resolution or  
46 resolutions may provide. The notes, bonds and other obligations of the  
47 authority may be sold by the authority, at public or private sale, at  
48 such price or prices as the authority shall determine. No notes or bonds  
49 of the authority may be sold by the authority at private sale, however,  
50 unless such sale and the terms thereof have been approved in writing by  
51 (a) the comptroller, where such sale is not to the comptroller, or (b)  
52 the director of the budget, where such sale is to the comptroller.

53 4. Any resolution or resolutions authorizing any notes, bonds or any  
54 issue thereof, or any other obligations of the authority, may contain  
55 provisions, which shall be a part of the contract with the holders ther-  
56 eof, as to:



1 (a) pledging all or any part of the revenues of the authority or of  
2 any of its subsidiary corporations to secure the payment of the notes or  
3 bonds or of any issue thereof, or any other obligations of the authori-  
4 ty, subject to such applicable agreements with bondholders, noteholders,  
5 or holders of other obligations of the authority and the metropolitan  
6 transportation authority, as may then exist;

7 (b) pledging all or any part of the assets of the authority or of any  
8 of its subsidiary corporations to secure the payment of the notes or  
9 bonds or of any issue of notes or bonds, or any other obligations of the  
10 authority, subject to such agreements with noteholders, bondholders, or  
11 holders of other obligations of the authority as may then exist;

12 (c) the use and disposition of revenues, including fares, tolls,  
13 rentals, rates, charges and other fees, made or received by the authori-  
14 ty, or any of its subsidiary corporations;

15 (d) the setting aside of reserves or sinking funds and the regulation  
16 and disposition thereof;

17 (e) limitations on the purpose to which the proceeds of sale of notes,  
18 bonds or other obligations of the authority may be applied and pledging  
19 such proceeds to secure the payment of the notes or bonds or of any  
20 issue thereof or of other obligations;

21 (f) limitations on the issuance of additional notes, bonds or other  
22 obligations of the authority; the terms upon which additional notes,  
23 bonds or other obligations of the authority may be issued and secured;  
24 the refunding of outstanding or other notes, bonds or other obligations  
25 of the authority;

26 (g) the procedure, if any, by which the terms of any contract with  
27 noteholders, bondholders, or holders of other obligations of the author-  
28 ity, may be amended or abrogated, the amount of notes, bonds or other  
29 obligations of the authority the holders of which shall consent thereto,  
30 and the manner in which such consent may be given;

31 (h) limitations on the amount of monies to be expended by the authori-  
32 ty or any of its subsidiary corporations for operating, administrative  
33 or other expenses of the authority or any of its subsidiary corpo-  
34 rations;

35 (i) vesting in a trustee or trustees such property, rights, powers and  
36 duties in trust as the authority may determine, which may include any or  
37 all of the rights, powers and duties of the trustee appointed by the  
38 bondholders, noteholders or holders of other obligations of the authori-  
39 ty pursuant to this title, and limiting or abrogating the right of the  
40 bondholders, noteholders or holders of other obligations of the authori-  
41 ty to appoint a trustee under this article or limiting the rights,  
42 powers and duties of such trustee;

43 (j) any other matters, of like or different character, which in any  
44 way affect the security or protection of the notes, bonds or other obli-  
45 gations of the authority.

46 5. In addition to the powers herein conferred upon the authority to  
47 secure its notes, bonds and other obligations, the authority shall have  
48 power in connection with the issuance of notes, bonds and other obli-  
49 gations to enter into such agreements as the authority may deem neces-  
50 sary, convenient or desirable concerning the use or disposition of the  
51 monies or property of any of the authority, its subsidiary corporations,  
52 including the mortgaging of any such property and the entrusting, pledg-  
53 ing or creation of any other security interest in any such monies or  
54 property and the doing of any act, including refraining from doing any  
55 act, which the authority would have the right to do in the absence of  
56 such agreements. The authority shall have power to enter into amendments

1 of any such agreements within the powers granted to the authority by  
2 this title and to perform such agreements. The provisions of any such  
3 agreements may be made a part of the contract with the holders of the  
4 notes, bonds and other obligations of the authority.

5 6. It is the intention hereof that any pledge, mortgage or security  
6 instrument made by the authority shall be valid and binding from the  
7 time when the pledge, mortgage or security instrument is made; that the  
8 monies or property so pledged, mortgaged and entrusted and thereafter  
9 received by the authority, or any of its subsidiary corporations shall  
10 immediately be subject to the lien of such pledge, mortgage or security  
11 instrument without any physical delivery thereof or further act; and  
12 that the lien of any such pledge, mortgage or security instrument shall  
13 be valid and binding as against all parties having claims of any kind in  
14 tort, contract or otherwise against the authority, or any of its subsid-  
15 iary corporations, irrespective of whether such parties have notice  
16 thereof. Neither the resolution nor any mortgage, security instrument  
17 or other instrument by which a pledge, mortgage lien or other security  
18 is created need be recorded or filed and neither the authority nor, any  
19 of its subsidiary corporations shall be required to comply with any of  
20 the provisions of the uniform commercial code.

21 7. Neither the members of the authority nor any person executing the  
22 notes, bonds or other obligations shall be liable personally on the  
23 notes, bonds or other obligations or be subject to any personal liabil-  
24 ity or accountability by reason of the issuance thereof.

25 8. The authority, subject to such agreements with the holders of  
26 notes, bonds or other obligations as may then exist, shall have power  
27 out of any funds available therefor to purchase notes, bonds or other  
28 obligations of the authority. The authority may hold, cancel or sell  
29 such bonds, notes and other obligations, subject to and in accordance  
30 with agreements with such holders.

31 9. Neither the state nor the city of New York shall be liable on  
32 notes, bonds or other obligations of the authority and such notes, bonds  
33 and other obligations shall not be a debt of the state or the city of  
34 New York, and such notes, bonds and other obligations shall contain on  
35 the face thereof, or in an equally prominent place, a statement to such  
36 effect.

37 10. So long as the authority has any outstanding bonds, notes or other  
38 obligations issued pursuant to this section, none of the authority or  
39 any of its subsidiary corporations shall have the authority to file a  
40 voluntary petition under chapter nine of the federal bankruptcy code or  
41 such corresponding chapter, chapters or sections as may, from time to  
42 time, be in effect, and neither any public officer nor any organization,  
43 entity or other person shall authorize the authority or any of its  
44 subsidiary corporations to be or become a debtor under chapter nine or  
45 said corresponding chapter, chapters or sections during any such period.

46 11. The term "monies" as used in this section shall include, but not  
47 be limited to, all operating subsidies provided by: (i) any public bene-  
48 fit corporation; or (ii) any governmental entity, federal, state or  
49 local and shall exclude all funds required to be transferred to the  
50 metropolitan transportation authority pursuant to section thirteen  
51 hundred forty-nine-iiii of this title.

52 12. Any resolution or agreement authorizing the issuance of bonds,  
53 notes or other obligations pursuant to this section may, in addition,  
54 authorize and provide for the issuance of lease obligations of the  
55 authority which may be issued for the purposes and on the terms and  
56 conditions under which the bonds, notes and other obligations authorized

1 under this section may be issued, and may be secured in the same manner  
2 as such bonds, notes and other obligations, and which resolution with  
3 respect to such lease obligations, may contain such other provisions  
4 applicable to bonds, notes and other obligations not inconsistent with  
5 the provisions of this section, as the authority may determine.

6 13. The aggregate principal amount of bonds, notes or other obli-  
7 gations issued after the effective date of this title by the authority  
8 to fund projects contained in capital program plans approved pursuant to  
9 section thirteen hundred forty-nine-yyy of this title for the new capi-  
10 tal program period shall not exceed the new capital program debt limit.  
11 Such aggregate principal amount of bonds, notes or other obligations or  
12 the expenditure thereof shall not be subject to any limitation contained  
13 in any other provision of law on the principal amount of bonds, notes or  
14 other obligations or the expenditure thereof applicable to the authori-  
15 ty. The aggregate limitation established by this subdivision shall not  
16 include:

17 (a) obligations issued to refund, redeem or otherwise repay, including  
18 by purchase or tender, obligations theretofore issued either by the  
19 issuer of such refunding obligations or by the authority;

20 (b) obligations issued to fund any debt service or other reserve funds  
21 for such obligations;

22 (c) obligations issued or incurred to fund the costs of issuance, the  
23 payment of amounts required under bond and note facilities, federal or  
24 other governmental loans, security or credit arrangements or other  
25 agreements related thereto and the payment of other financing, original  
26 issue premiums and related costs associated with such obligations;

27 (d) an amount equal to any original issue discount from the principal  
28 amount of such obligations or to fund capitalized interest;

29 (e) obligations incurred in connection with the leasing, selling or  
30 transferring of equipment; and

31 (f) bond anticipation notes or other obligations payable solely from  
32 the proceeds of other bonds, notes or other obligations which would be  
33 included in the aggregate principal amount specified in the opening  
34 paragraph of this subdivision, whether or not additionally secured by  
35 revenues of the authority, or any of its subsidiary corporations.

36 § 1349-yyy. Capital program plans; approvals; effect of disapproval.  
37 1. (a) On or before the first of October next succeeding the effective  
38 date of this section and every fifth year thereafter, the authority  
39 shall submit to the governor a capital program plan for the ten-year  
40 period commencing January first of the following year.

41 (b) Each such plan shall contain the capital program for the railroad  
42 facilities, not including the Staten Island rapid transit operating  
43 authority, under the jurisdiction of the authority.

44 (c) The plan shall set system-wide goals and objectives for capital  
45 spending, establish standards for service and operations, and describe  
46 each capital element proposed to be initiated in each of the years  
47 covered by the plan and explain how each proposed element supports the  
48 achievement of the service and operational standards established in the  
49 plan. The plan shall also set forth an estimate of the amount of capital  
50 funding required each year and the expected sources of such funding.  
51 Each plan subsequent to the first such plan and each proposed amendment  
52 or modification thereof shall also describe the current status of each  
53 capital element included in the previously approved plan, if any. The  
54 plan shall be accompanied or supplemented by such supporting materials  
55 as the governor shall require.

1 (d) A capital element shall mean either a category of expenditure  
2 itemized in a plan, as hereinafter provided, for which a specified maxi-  
3 imum dollar amount is proposed to be expended, or a particularly  
4 described capital project within one or more categories for which no  
5 maximum expenditure is proposed, but for which an estimate of expected  
6 cost is provided. A capital element shall be deemed to have been initi-  
7 ated for purposes of this section if in connection with such element the  
8 authority shall certify that: (i) purchase or construction contracts  
9 have been entered into, obligating in the aggregate an amount exceeding  
10 ten percent of the maximum or estimated cost of the element as set forth  
11 in a plan; (ii) financing specific to the project has been undertaken;  
12 or (iii) in a case where such element is limited to design or engineer-  
13 ing, a contract therefor has been entered into.

14 2. The plan shall itemize the capital elements included in each  
15 section of the plan under the following categories of expenditure: (a)  
16 rolling stock and buses; (b) passenger stations; (c) track; (d) line  
17 equipment; (e) line structures; (f) signals and communications; (g)  
18 power equipment, emergency power equipment and substations; (h) shops,  
19 yards, maintenance facilities, depots and terminals; (i) service vehi-  
20 cles; (j) security systems; (k) electrification extensions; and (l)  
21 unspecified, miscellaneous and emergency.

22 3. A capital program plan shall be approved only by resolution of the  
23 authority approved by not less than a majority vote of the whole number  
24 of members of the authority then in office, except that in the event of  
25 a tie vote the chairperson shall cast one additional vote. After  
26 approval, the authority shall submit the plan to the governor, who has  
27 ninety days to approve the plan.

28 4. A copy of any capital program plan that has been approved by the  
29 authority and distributed to the governor shall be simultaneously  
30 provided to the public by the commuter transportation authority, via its  
31 official or shared internet website.

32 5. If the governor takes no action within ninety days after receiving  
33 the plan, the plan shall be deemed to have been approved.

34 6. If the governor vetoes the plan, the authority may only override  
35 the veto by unanimous vote.

36 7. If the governor vetoes the plan and the authority does not override  
37 the veto, the authority may thereafter reformulate and resubmit such  
38 plan at any time. Within thirty days of the submission of such reformu-  
39 lated plan, the governor shall notify the authority of its approval, or,  
40 if the reformulated plan is not approved and the governor has not noti-  
41 fied the authority of his or her disapproval within such period, the  
42 reformulated plan shall be deemed to have been approved.

43 8. No general obligation bonds or notes of the authority, no special  
44 obligation bonds or notes of the authority to finance a transit project  
45 shall be issued to finance the costs of a capital element unless such  
46 capital element and such source of funding was set forth in a plan  
47 approved as provided in this section.

48 9. The disapproval of a capital program plan shall not affect: (a) the  
49 right of the authority or of its subsidiaries to initiate and complete  
50 any capital element which will be financed otherwise than through the  
51 issuance of the bonds or notes the issuance of which is prohibited under  
52 subdivision four of this section; (b) the right of the authority to  
53 issue bonds or notes to finance a capital element which was initiated  
54 prior to such disapproval in conformity with a previously approved plan;  
55 or (c) the right of the authority to issue bonds or notes to refund or  
56 otherwise repay any of its outstanding bonds or notes or to fulfill any

1 of their obligations to the holders of any of their outstanding bonds or  
2 notes.

3 10. Notwithstanding the provisions of subdivision eight of this  
4 section, if a source of funding described in an approved plan shall be  
5 unavailable or be available in a lesser amount than that set forth in  
6 such plan, the authority may issue bonds or notes as necessary to  
7 provide the requisite funding for the capital elements included in the  
8 plan to the extent that the aggregate amount of such bonds or notes to  
9 be issued in substitution for such unavailable amounts shall not exceed  
10 the greater of fifty million dollars or twenty percent of the total  
11 amount described in such plan for either the substitute funding source  
12 or the funding source being substituted for.

13 11. (a) The authority may from time to time submit to the governor  
14 amendments or modifications to any ten-year plan theretofore submitted,  
15 and shall submit such an amendment or modification: (i) if the estimated  
16 cost of any capital element for which a specified dollar amount was  
17 proposed to be expended exceeds the amount set forth in the approved  
18 plan for such element by more than ten percent; (ii) if with respect to  
19 a particularly described capital element for which only an estimate of  
20 projected cost has been provided in the plan there is a material change  
21 in the description of such element from that contained in the approved  
22 plan; (iii) if a capital element not previously included in the approved  
23 plan is proposed to be undertaken and its cost, together with the cost  
24 of other elements included in category (1) of the plan, exceeds by ten  
25 percent the amount provided for such category (1) elements; (iv) if the  
26 authority shall propose to change by more than one year the time when  
27 any capital element is proposed to be initiated or the effect of such  
28 change will be to increase the estimated amount of capital funding  
29 required in any year covered by the plan by more than twenty percent; or  
30 (v) if the availability of funding sources changes to the degree to  
31 which the authority is precluded from exercising the authorization  
32 provided in subdivision six of this section and the authority wishes to  
33 do so.

34 (b) An amendment or modification may only be approved in two ways: (i)  
35 an amendment or modification shall only be approved by the governor and  
36 within thirty days of the submission of an amendment or modification the  
37 governor shall notify the authority of its approval of the same; or (ii)  
38 if the amendment or modification is not approved by the governor within  
39 such thirty day period and the governor has not notified the authority  
40 in writing of his or her disapproval within such period, the amendment  
41 or modification shall be deemed to have been approved.

42 12. In formulating its capital program plans, the authority shall give  
43 consideration to the physical condition and urgency of need of each of  
44 the several transportation and transit systems involved, to the needs of  
45 all of the communities and areas serviced by these systems, to the  
46 extent to which other capital aid or assistance may be available to each  
47 of these systems, and to the safety, comfort and convenience of its  
48 passengers. In determining the source or method of funding which the  
49 authority is to use to finance the cost of the capital elements included  
50 in its capital program plans, the authority shall, insofar as practica-  
51 ble, give consideration, among other things, to: (a) the potential  
52 impact of each such source or method upon the level of passenger fares;  
53 (b) the relative cost of the several funding alternatives; and (c) the  
54 relative ability of each source or method to provide funding at times  
55 and in amounts estimated to be required by the capital program plan. To  
56 the extent funding is proposed to be obtained through the issuance and



1 sale of bonds or notes, the authority shall, insofar as practicable and  
2 consistent with the matters set forth in paragraphs (a), (b) and (c) of  
3 this subdivision, give preference to the use of funds appropriated or to  
4 be appropriated to the authority by virtue of service contracts with the  
5 director of the budget entered into pursuant to the provisions of the  
6 transportation systems assistance and financing act of 1981 for purposes  
7 of paying the annual cost of debt service for such bonds or notes.

8 13. On or before the fourth first of October succeeding the effective  
9 date of this subdivision, and on or before October first of every fifth  
10 year thereafter, the authority shall submit to the governor a twenty-  
11 year capital needs assessment. Such assessment shall begin with the  
12 period commencing on the second first of January after such submission,  
13 and begin each assessment with every fifth year thereafter, and describe  
14 capital investments over the succeeding twenty years. Such assessment  
15 shall: (a) set forth broad long-term capital investments to be made  
16 throughout the district; and (b) establish a non-binding basis to be  
17 used by the authority in the planning of strategic investments involving  
18 capital elements in its five-year capital plans. Such assessment shall  
19 not require the approval of the governor and shall be for informational  
20 purposes only. For purposes of this section, "broad long-term capital  
21 investments" shall include but not be limited to: system rebuilding,  
22 enhancement, and expansion needs; agency needs broken down by capital  
23 element or investment category; and projected future trends and network  
24 implications. Such assessment shall be certified by the chairperson of  
25 the authority and shall be entered into the permanent record of the  
26 minutes of the review board.

27 § 1349-zzzz. Submission of strategic operation plan. 1. On or before  
28 the first of July next succeeding the effective date of this section,  
29 the authority shall submit to the governor a strategic operation plan  
30 for the commuter railroad services under the jurisdiction of the author-  
31 ity for the five-year period commencing January first of the following  
32 year. The plan may be amended as required but shall be updated at least  
33 annually. The plan shall include, but need not be limited to, the  
34 following:

35 (a) Long-range goals and objectives for the operation of services and  
36 facilities;

37 (b) Planned service and performance standards for each year of the  
38 period covered by the plan; including, in such plan submitted after the  
39 first of July next succeeding the effective date of this section: (i)  
40 standards for determining frequency of service at peak hours and off-  
41 peak hours; (ii) frequency of service at peak and off-peak hours based  
42 on the application of such standards to the current period for bus route  
43 or group of bus routes, and commuter rail lines, divisions or branches  
44 as appropriate; (iii) projected performance for each bus route or group  
45 of bus routes, and commuter rail lines, divisions or branches as appro-  
46 priate as measured by reliability indicators commonly utilized within  
47 the transit industry, including such measures as planned number of vehi-  
48 cles with air conditioning and projected reliability of such equipment,  
49 planned standards for cleanliness of the interior and exterior of commu-  
50 ter rail cars, buses, and passenger stations, and other appropriate  
51 measures of planned performance influencing the quality of services;

52 (c) Level and structure of fares projected for each year of the period  
53 covered by the plan;

54 (d) Estimated operating and capital resources anticipated to be avail-  
55 able from internal sources as well as from federal, state, regional and  
56 local sources;

1 (e) Estimated operating and capital costs to satisfy planned standards  
2 of performance and service;

3 (f) Strategies to improve productivity; control cost growth; integrate  
4 and coordinate the delivery of services provided by the authority as  
5 well as other public and private transportation providers in the service  
6 area;

7 (g) Specific allocation of operating and capital resources by mode and  
8 operation, including funds, personnel, and equipment;

9 (h) Configuration by mode, operation and route of the services to be  
10 provided and the facilities to be operated, identifying major planned  
11 changes in services and routes; and

12 (i) Identification of the operating and capital costs as compared to  
13 the revenues anticipated from system users for the commuter transporta-  
14 tion authority.

15 An analysis of the relationship between specific planned capital  
16 elements contained in approved capital program plans and the achievement  
17 of planned service and performance standards. Such analysis shall  
18 include the relationship of specific planned capital elements to the  
19 achievement of such service and performance standards for each bus route  
20 or group of bus routes, or commuter rail lines, divisions or branches as  
21 appropriate.

22 2. Each annual update of the plan shall include a status report summa-  
23 rizing the extent to which planned service and performance standards  
24 developed for the previous year were achieved, the causes of any failure  
25 to achieve projected standards of service, and corrective measures the  
26 authority intends to take to avoid non-achievement of projected stand-  
27 ards in the next upcoming year.

28 3. The commuter transportation authority shall take into consideration  
29 any petitions from local officials for improved services, including how  
30 these service improvements relate to the service and performance stand-  
31 ards described in this section, and shall consult with appropriate local  
32 officials in its preparation and periodic updates to the operation plan.

33 § 1349-aaaaa. Financial and operational reports. The authority shall  
34 submit to the governor, the temporary president of the senate and the  
35 speaker of the assembly, no later than thirty days following the  
36 submission of the annual independent audit report pursuant to section  
37 twenty-eight hundred two of this chapter, a complete detailed report or  
38 reports setting forth, to the extent such matters are not fully  
39 addressed in the annual independent audit report, the following:

40 1. its financial reports, including, but not limited to:

41 (a) audited financials in accordance with all applicable regulations  
42 and following generally accepted accounting principles as defined in  
43 subdivision ten of section two of the state finance law;

44 (b) grant and subsidy programs;

45 (c) operating and financial risks;

46 (d) current ratings of its bonds issued by recognized municipal bond  
47 rating agencies and notice changes in such ratings; and

48 (e) long-term liabilities, including leases and employee benefit  
49 plans; and

50 2. an assessment of the effectiveness of its internal control struc-  
51 ture and procedures, including, but not limited to:

52 (a) descriptions of the authority and its major units and subsid-  
53 iaries;

54 (b) the number of employees, and minority and women employees, for  
55 each;

56 (c) an organizational chart;

1 (d) its charter, if any and by-laws;

2 (e) the extent of participation by minority and women-owned enter-  
3 prises in authority contracts and services in accordance with article  
4 fifteen-A of the executive law; and

5 (f) a listing of material changes in internal operations and programs  
6 during the reporting year.

7 § 1349-bbbbbb. Mission statement and measurement report. 1. The  
8 authority shall submit to the governor, the temporary president of the  
9 senate and the speaker of the assembly, on or before the thirty-first of  
10 October next succeeding the effective date of this section, a proposed  
11 authority mission statement and proposed measurements. The proposed  
12 mission statement and proposed measurements shall have the following  
13 components: (a) a brief mission statement expressing the purpose and  
14 goals of the authority; (b) a description of the stakeholders of the  
15 authority and their reasonable expectations from the authority, which  
16 stakeholders shall include at a minimum: (i) the residents and taxpayers  
17 of the area of the state served by the authority; (ii) the persons that  
18 use the services provided by the authority; and (iii) the employees of  
19 the authority and any employee organization; (c) the goals of the  
20 authority in response to the needs of each group of stakeholders; and  
21 (d) a list of measures by which performance of the authority and the  
22 achievement of its goals may be evaluated.

23 2. The authority shall thereafter reexamine its mission statement and  
24 measurements on an annual basis, and publish on its website self evalu-  
25 ations based on the stated measures.

26 § 1349-ccccc. Requirements for certain authority contracts and related  
27 subcontracts. 1. Any contractor or subcontractor subject to the posting  
28 requirements of paragraph a of subdivision three-a of section two  
29 hundred twenty of the labor law with respect to a public works contract  
30 of the authority shall:

31 (a) post information conforming to the provisions of subdivision two  
32 of this section in one or more conspicuous places at each major work-  
33 place site where persons who perform work on the contract or subcon-  
34 tract, including management, are most likely to see such postings;  
35 provided that, this requirement may be satisfied by the displaying of  
36 such information with other notices that inform persons of rights under  
37 federal or state laws or rules, human resource policies, or collective  
38 bargaining agreements;

39 (b) post information conforming to the provisions of subdivision two  
40 of this section on an internet and intranet website, if any, of that  
41 person or business organization; provided that, this requirement may be  
42 satisfied by providing on such website a conspicuous hyperlink to the  
43 authority website maintained pursuant to subdivision three of this  
44 section, which hyperlink shall be labeled "Protections for Reporting  
45 Fraud in New York";

46 (c) distribute information specified in subdivision two of this  
47 section to those persons, including employees and managers, who perform  
48 work on the contract; provided that, this requirement may be satisfied  
49 by distributing such information in an employee handbook or through a  
50 specific electronic communication containing the information to a known  
51 electronic mail address maintained by the person; and

52 (d) comply with the provisions of this subdivision, and provide to the  
53 authority satisfactory evidence of such compliance, within ninety days.

54 2. The disclosures required by subdivision one of this section shall:

55 (a) provide the telephone numbers and addresses to report information  
56 of fraud or other illegal activity to the appropriate officers of the

1 inspector general of the authority and the attorney general of the  
2 state;

3 (b) describe in detail conduct prohibited by section one hundred  
4 eighty-nine of the state finance law, and the role of that act in  
5 preventing and detecting fraud and abuse in work paid for by the author-  
6 ity or with funds originating from the authority;

7 (c) notify prospective qui tam plaintiffs on how to file a qui tam  
8 action, including the necessity to contact private counsel skilled in  
9 filing such actions and of the potential for cash rewards in such  
10 actions based on the percentage of the funds recovered by the govern-  
11 ment; and

12 (d) describe prohibitions on employer retaliation against persons who  
13 file or assist actions under article thirteen of the state finance law,  
14 the New York false claims act, pursuant to section one hundred ninety-  
15 one of the state finance law, or who report illegal conduct that threat-  
16 ens the health or safety of the public pursuant to section seven hundred  
17 forty of the labor law.

18 3. No later than forty-five days after the effective date of this  
19 section, the authority shall establish and continuously maintain on its  
20 public website and its intranet site a page that shall provide the  
21 information specified in subdivision two of this section, and that shall  
22 also provide sample statements, displays and other materials suitable  
23 for insertion in employee handbooks or posting at workplaces or on  
24 websites that would satisfy the disclosure requirements of this section.

25 4. The authority shall not enter into any contract described in subdi-  
26 vision one of this section that does not incorporate the terms of this  
27 section.

28 5. Material compliance by a covered person or business organization  
29 that has contracted with the authority under a contract that incorpo-  
30 rates the terms of this section shall be a material condition of payment  
31 for the provision of goods or services.

32 6. The authority is authorized to adopt such rules and regulations as  
33 are necessary to effect the purposes of this section.

34 § 1349-ddddd. Reserve funds and appropriations. The authority may  
35 create and establish one or more reserve funds in accordance with agree-  
36 ments with bondholders, noteholders or the holders of other obligations  
37 of the authority and may pay into such reserve funds: (a) any monies  
38 appropriated and made available by the state for the purposes of such  
39 funds; (b) any proceeds of sale of notes, bonds or other obligations to  
40 the extent provided in the resolution of the authority authorizing the  
41 issuance thereof; and (c) any other monies which may be made available  
42 to the authority for the purpose of such funds from any other source or  
43 sources. In lieu thereof, the authority may provide for the deposit  
44 therein of, or substitute for monies on deposit therein, a liquidity or  
45 credit facility, surety bond or other similar agreement.

46 § 1349-eeee. Consolidated financings. 1. Notwithstanding any incon-  
47 sistent provisions of this or any other law, general, special or local,  
48 the authority may issue its notes, bonds and other obligations to  
49 finance transportation facilities utilizing a consolidated pledge of all  
50 or any portion of the revenues and other monies and assets of the  
51 authority and its subsidiaries, together with those other sources of  
52 payment described in this section. In connection therewith, at its  
53 discretion, the authority, subject to the rights of the holders of  
54 notes, bonds or other obligations of the authority, and the metropolitan  
55 transportation authority, may deposit or cause to be deposited into one  
56 or more funds and accounts: (a) all or any portion of the revenues,

1 other monies and assets received by the authority and its subsidiaries;  
2 (b) all or any portion of the amounts from the operating and capital  
3 costs account of the metropolitan transportation authority dedicated tax  
4 fund required to be distributed to the authority under the provisions of  
5 section twelve hundred seventy-c of this article; (c) all or any portion  
6 of the available monies in the commuter railroad account of the metro-  
7 politan transportation authority special assistance fund established  
8 under the provisions of section twelve hundred seventy-a of this article  
9 available for payment of operating and capital costs of the Long Island  
10 Rail Road company and the Metro-North Commuter Railroad Company as  
11 provided in subdivision three of section twelve hundred seventy-a of  
12 this article; and (d) any other monies of the authority and its subsid-  
13 aries from any source whatsoever.

14 2. Amounts so deposited in such funds or accounts may be: (a) pledged  
15 by the authority to secure, and be applied to, the payment of its bonds,  
16 notes or other obligations issued to finance transportation facilities  
17 undertaken for the authority and its subsidiaries; and (b) used for  
18 payment of operating costs, and capital costs, including debt service,  
19 reserve requirements, if any, the payment of amounts required under  
20 bonds, notes or other financing facilities or agreements, and the  
21 payment of all costs related to such obligations, of or for the authori-  
22 ty and its subsidiaries as the authority in its full discretion shall  
23 determine. To the extent moneys so deposited have been pledged by the  
24 authority to secure and pay its bonds, notes or other obligations as  
25 herein provided, such moneys shall first be applied to satisfy the  
26 requirements of any debt service or reserve requirements of the resol-  
27 ution or resolutions or other contractual arrangements authorizing such  
28 bonds, notes or other obligations. After satisfaction of such require-  
29 ments of any such resolution, resolutions, or other contractual arrange-  
30 ments or if the authority has not so pledged such moneys, such moneys so  
31 deposited, subject to the provisions of any other resolutions or  
32 contractual arrangements of the authority applicable provisions of law,  
33 may be transferred to or for the benefit of the authority and its  
34 subsidiaries. Revenues and other monies of the authority and its subsid-  
35 aries which are deposited in the funds or accounts authorized by this  
36 section, as reduced by any application of such revenues or monies to the  
37 payment of debt service, reserve requirements, if any, and other costs  
38 attributable to the funding of the capital costs of such entity, shall  
39 be allocated, credited and distributed to such source entity. Any other  
40 revenues or monies which are deposited in the funds or accounts author-  
41 ized by this section which are required by law to be allocated or paid  
42 to the authority or its subsidiaries shall be allocated or paid to the  
43 entity to which it is required to be allocated or paid by law after  
44 reduction by an amount equal to the portion thereof applied to the  
45 payment of debt service, reserve requirements, if any, and other costs  
46 attributable to the funding of the capital costs of such entity. In  
47 determining the amount of debt service, reserve requirements, if any,  
48 and other costs attributable to the authority and its subsidiaries the  
49 authority shall make such calculation based upon the percentage of the  
50 proceeds of the bonds, notes and other obligations expended for the  
51 capital costs attributable to each such entity. The authority may  
52 utilize any interim allocation of such distributions, provided that  
53 within ninety days after the end of each calendar year, the authority  
54 shall certify to the director of the budget, the chairperson of the  
55 senate finance committee and the chairperson of the assembly ways and  
56 means committee, that the aggregate amount of monies transferred to each



1 of the authority and its subsidiaries in respect of such calendar year,  
2 taking into account any interagency repayments or reimbursements antic-  
3 ipated to be made in the next succeeding calendar year, is not less than  
4 the amounts required to be paid or transferred to such entities.

5 § 1349-fffff. Regulation of certain authority expenditures. The  
6 authority shall implement policies as appropriate to minimize unwar-  
7 ranted expenses and to protect against abuses in connection with: (a)  
8 the granting of any privileges or benefits having financial value, other  
9 than wage payments or expense reimbursements, to members or staff of the  
10 authority, or any subsidiary or other authority created by the authori-  
11 ty; and (b) the full-time and part-time assignment and use of automo-  
12 biles owned or leased by the authority, or any subsidiary or other  
13 authority created by the authority, and the use by authority employees  
14 and board members of livery vehicles, as defined in section one hundred  
15 twenty-one-e of the vehicle and traffic law.

16 § 1349-ggggg. Agreement of the state. The state does hereby pledge to  
17 and agree with the authority and its subsidiaries, and the holders of  
18 any notes, bonds or other obligations, including lease obligations,  
19 issued or incurred under this title, that the state will not limit or  
20 alter the denial of authority under subdivision nine of section thirteen  
21 hundred forty-nine-xxxx of this title, or the rights and powers vested  
22 in the authority and its subsidiaries, by this title to fulfill the  
23 terms of any agreements made by any of them with the holders thereof, or  
24 in any way impair the rights and remedies of such holders until such  
25 notes, bonds or other obligations, including lease obligations, together  
26 with the interest thereon, with interest on any unpaid installments of  
27 interest, and all costs and expenses for which the authority or its  
28 subsidiaries is liable in connection with any action or proceeding by or  
29 on behalf of such holders, are fully met and discharged. The authority  
30 and its subsidiaries are each authorized to include this pledge and  
31 agreement of the state in any agreement with the holders of such notes,  
32 bonds or other obligations, including lease obligations.

33 § 1349-hhhhh. Right of state to require redemption of bonds. Notwith-  
34 standing and in addition to any provisions for the redemption of bonds  
35 which may be contained in any contract with the holders of the bonds,  
36 the state may, upon furnishing sufficient funds therefor, require the  
37 authority to redeem, prior to maturity, as a whole, any issue of bonds  
38 on any interest payment date not less than twenty years after the date  
39 of the bonds of such issue at one hundred five per centum of their face  
40 value and accrued interest or at such lower redemption price as may be  
41 provided in the bonds in case of the redemption thereof as a whole on  
42 the redemption date. Notice of such redemption shall be published in at  
43 least two newspapers publishing and circulating respectively in the  
44 cities of Albany and New York at least twice, the first publication to  
45 be at least thirty days before the date of redemption.

46 § 1349-iiiiii. Remedies of noteholders and bondholders. 1. In the  
47 event that the authority shall default in the payment of principal of or  
48 interest on any issue of notes or bonds after the same shall become due,  
49 whether at maturity or upon call for redemption, and such default shall  
50 continue for a period of thirty days, or in the event that the authority  
51 shall fail or refuse to comply with the provisions of this title or  
52 shall default in any agreement made with the holders of any issue of  
53 notes or bonds, the holders of twenty-five per centum in aggregate prin-  
54 cipal amount of the notes or bonds of such issue then outstanding, by  
55 instrument or instruments filed in the office of the clerk of any county  
56 in which the authority operates and has an office and proved or acknowl-

1 edged in the same manner as a deed to be recorded, may appoint a trustee  
2 to represent the holders of such notes or bonds for the purposes herein  
3 provided.

4 2. Such trustee may, and upon written request of the holders of twen-  
5 ty-five per centum in principal amount of such notes or bonds then  
6 outstanding shall, in his or her own name:

7 (a) by suit, action or proceeding in accordance with the civil prac-  
8 tice law and rules, enforce all rights of the noteholders or bondhold-  
9 ers, including the right to require the authority to collect fares,  
10 tolls, rentals, rates, charges and other fees adequate to carry out any  
11 agreement as to, or pledge of, such fares, tolls, rentals, rates, charg-  
12 es and other fees and to require the authority to carry out any other  
13 agreements with the holders of such notes or bonds and to perform its  
14 duties under this title;

15 (b) bring suit upon such notes or bonds;

16 (c) by action or suit, require the authority to account as if it were  
17 the trustee of an express trust for the holders of such notes or bonds;

18 (d) by action or suit, enjoin any acts or things which may be unlawful  
19 or in violation of the rights of the holders of such notes or bonds;  
20 and/or

21 (e) declare all such notes or bonds due and payable, and if all  
22 defaults shall be made good, then, with the consent of the holders of  
23 twenty-five per centum of the principal amount of such notes or bonds  
24 then outstanding, to annul such declaration and its consequences.

25 3. Such trustee shall in addition to the foregoing have and possess  
26 all of the powers necessary or appropriate for the exercise of any func-  
27 tions specifically set forth herein or incident to the general represen-  
28 tation of bondholders or noteholders in the enforcement and protection  
29 of their rights.

30 4. The supreme court shall have jurisdiction of any suit, action or  
31 proceeding by the trustee on behalf of such noteholders or bondholders.  
32 The venue of any such suit, action or proceeding shall be laid in the  
33 county in which the instrument or instruments are filed in accordance  
34 with subdivision one of this section.

35 5. Before declaring the principal of notes or bonds due and payable,  
36 the trustee shall first give thirty days' notice in writing to the  
37 governor, to the authority, to the comptroller and to the attorney  
38 general of the state.

39 § 1349-jjjjj. Notes and bonds as legal investment. The notes and bonds  
40 of the authority are hereby made securities in which all public officers  
41 and bodies of the state and all municipalities and political subdivi-  
42 sions, all insurance companies and associations and other persons carry-  
43 ing on an insurance business, all banks, bankers, trust companies,  
44 savings banks and savings associations, including savings and loan asso-  
45 ciations, building and loan associations, investment companies and other  
46 persons carrying on a banking business, all administrators, guardians,  
47 executors, trustees and other fiduciaries, and all other persons whatso-  
48 ever who are now or who may hereafter be authorized to invest in bonds  
49 or other obligations of the state, may properly and legally invest funds  
50 including capital in their control or belonging to them. Notwithstand-  
51 ing any other provisions of law, the bonds of the authority are also  
52 hereby made securities which may be deposited with and shall be received  
53 by all public officers and bodies of this state and all municipalities  
54 and political subdivisions for any purpose for which the deposit of  
55 bonds or other obligations of the state is now or may hereafter be  
56 authorized.

1     § 1349-kkkkk. Exemption from taxation. It is hereby found, determined  
2 and declared that the creation of the authority and the carrying out of  
3 its purposes is in all respects for the benefit of the people of the  
4 state of New York and for the improvement of their health, welfare and  
5 prosperity and is a public purpose, and that the authority will be  
6 performing an essential governmental function in the exercise of the  
7 powers conferred upon it by this title. Without limiting the generality  
8 of the following provisions of this section, property owned by the  
9 authority, property leased by the authority and used for transportation  
10 purposes, and property used for transportation purposes by or for the  
11 benefit of the authority exclusively pursuant to the provisions of a  
12 joint service arrangement or of a joint facilities agreement or trackage  
13 rights agreement shall all be exempt from taxation and special ad valo-  
14 rem levies. The authority shall be required to pay no fees, taxes or  
15 assessments, whether state or local, including but not limited to fees,  
16 taxes or assessments on real estate, franchise taxes, sales taxes or  
17 other excise taxes, upon any of its property, or upon the use thereof,  
18 or upon its activities in the operation and maintenance of its facili-  
19 ties or on any fares, tolls, rentals, rates, charges or other fees,  
20 revenues or other income received by the authority and the bonds of the  
21 authority and the income therefrom shall at all times be exempt from  
22 taxation, except for gift and estate taxes and taxes on transfers. This  
23 section shall constitute a covenant and agreement with the holders of  
24 all bonds issued by the authority. The terms "taxation" and "special ad  
25 valorem levy" shall have the same meanings as defined in section one  
26 hundred two of the real property tax law and the term "transportation  
27 purposes" shall have the same meaning as used in titles two-A and two-B  
28 of article four of such law.

29     § 1349-lllll. Actions against the authority. 1. As a condition to the  
30 consent of the state to such suits against the authority, in every  
31 action against the authority for damages, for injuries to real or  
32 personal property or for the destruction thereof, or for personal inju-  
33 ries or death, the complaint shall contain an allegation that at least  
34 thirty days have elapsed since the demand, claim or claims upon which  
35 such action is founded were presented to a member of the authority or  
36 other officer designated for such purpose and that the authority has  
37 neglected or refused to make an adjustment or payment thereof.

38     2. An action against the authority founded on tort, except an action  
39 for wrongful death, shall not be commenced more than one year and ninety  
40 days after the cause of action therefor shall have accrued, nor unless a  
41 notice of claim shall have been served on the authority within the time  
42 limited by and in compliance with all the requirements of section  
43 fifty-e of the general municipal law. An action against the authority  
44 for wrongful death shall be commenced in accordance with the notice of  
45 claim and time limitation provisions of title eleven of article nine of  
46 this chapter.

47     3. The authority shall be liable, and shall assume the liability to  
48 the extent that it shall save harmless any duly appointed officer or  
49 employee of the authority, for the negligence of such officer or employ-  
50 ee, in the operation of a vehicle or other facility of transportation  
51 owned or otherwise under the jurisdiction and control of the authority  
52 in the discharge of a duty imposed upon such officer or employee at the  
53 time of the accident, injury or damages complained of, while otherwise  
54 acting in the performance of his or her duties and within the scope of  
55 his employment.

4. The authority may require any person, presenting for settlement an account or claim for any cause whatever against the authority, to be sworn before a member, counsel or an attorney, officer or employee of the authority designated for such purpose, concerning such account or claim and when so sworn to answer orally as to any facts relative to such account or claim. The authority shall have power to settle or adjust all claims in favor of or against the authority.

5. The rate of interest to be paid by the authority upon any judgment for which it is liable shall not exceed four per centum per annum.

6. The provisions of this section which relate to the requirement for service of a notice of claim shall not apply to a subsidiary corporation of the authority. In all other respects, each subsidiary corporation of the authority shall be subject to the provisions of this section as if such subsidiary corporation were separately named herein, provided, however, that a subsidiary corporation of the authority which is a stock corporation shall not be subject to the provisions of this section except with respect to those causes of action arising on and after the first day of the twelfth calendar month following that calendar month in which such stock corporation becomes a subsidiary corporation of the authority.

§ 1349-~~mmmmmm~~. Annual audit of the authority. 1. The comptroller shall conduct an annual audit of the books and records of the authority and its subsidiary corporations. Such audit shall include a complete and thorough examination of such authority's receipts, disbursements, revenues and expenses during the prior fiscal year in accordance with the categories or classifications established by such authority for its own operating and capital outlay purposes; assets and liabilities at the end of its last fiscal year including the status of reserve, depreciation, special or other funds and including the receipts and payments of these funds; schedule of bonds and notes outstanding at the end of its fiscal year and their redemption dates, together with a statement of the amounts redeemed and incurred during such fiscal year; operations, debt service and capital construction during the prior fiscal year.

2. The comptroller, upon completion of such audit, shall within sixty days thereafter, report to the governor and the legislature his or her findings, conclusions and recommendations thereof.

§ 1349-~~nnnnn~~. Authority budget and financial plan. 1. In addition to the requirements of section twenty-eight hundred two of this chapter, each authority budget and plan shall be posted on its website and shall: (a) present information relating to the authority and each of its agencies in a clear and consistent manner and format; (b) be prepared in accordance with generally accepted accounting principles, except as otherwise consented to by the comptroller upon good cause shown; (c) be based on reasonable assumptions and methods of estimation; (d) include estimates of projected operating revenues and expenses; (e) identify any planned transaction that would shift resources, from any source, from one fiscal year to another, and the amount of any reserves; and (f) contain a summary in plain English of the principal information in the budget and conclusions to be drawn from it.

2. The authority shall prepare and make available for public inspection on its website information that details the sources of data and the assumptions and methods of estimation used to calculate all operating and capital budget projections, consistent with generally accepted budgetary practices.

3. The authority shall establish at least annually the quarterly revenue and expense targets for the authority, and for each subsidiary

1 or other authority created by the authority itself and for which it  
2 reports financial data.

3 4. The authority shall prepare and make available for public  
4 inspection on its website: (a) within sixty days of the release of the  
5 adopted budget and any updates to the budget, except updates released  
6 within ninety days of the close of the fiscal year, monthly projections  
7 for the current fiscal year of all revenues and expenses, staffing for  
8 the authority and each of its agencies, and utilization for each of the  
9 authority's agencies that operate transportation systems, including  
10 bridges and tunnels; (b) within sixty days after the close of each quar-  
11 ter, a comparison of actual revenues and expenses, actual staffing and  
12 actual utilization to planned or projected levels for each of the  
13 authority's agencies that operate transportation systems, including  
14 bridges and tunnels, with an explanation of each material variance and  
15 its budgetary impact; and (c) within ninety days after the close of each  
16 quarter, the status of each gap-closing initiative with a projected  
17 value greater than one million dollars in any given fiscal year; the  
18 status of capital projects by capital element, including but not limited  
19 to commitments, expenditures and completions; and an explanation of  
20 material variances from the plan, cost overruns and delays.

21 5. Financial information required to be submitted by the authority  
22 pursuant to paragraphs (d) and (e) of subdivision one of section thir-  
23 teen hundred forty-nine-aaaaa of this title shall be presented in a  
24 format consistent with the budget and plan, in downloadable, searchable  
25 format.

26 § 1349-ooooo. Independent audit of the authority. The independent  
27 auditor retained by the authority shall not provide to the authority,  
28 contemporaneously with the audit unless it shall have previously  
29 received written approval by the audit committee any non-audit service,  
30 including:

- 31 1. routine bookkeeping or other services;
- 32 2. financial information systems design and implementation;
- 33 3. appraisal or valuation services, fairness opinions, or contribu-  
34 tion-in-kind reports;
- 35 4. actuarial services;
- 36 5. outsourcing services;
- 37 6. authority management functions or human resources;
- 38 7. broker or dealer, investment advisor or investment banking  
39 services;
- 40 8. legal services and expert services unrelated to the audit.

41 § 1349-ppppp. Independent audit by the legislature. After the  
42 submission of the annual independent audit report to the legislature  
43 pursuant to section twenty-eight hundred two of this chapter, and after  
44 review of such report, the temporary president of the senate and the  
45 speaker of the assembly may commission an auditing firm, every two  
46 years, to conduct an independent audit of the authority, including its  
47 subsidiaries. The temporary president of the senate and the speaker of  
48 the assembly shall set the scope of such audit, and determine the terms  
49 of the request for proposal for such audit. Such audit shall be  
50 performed for the second year after the effective date of this section.  
51 The authority shall fully cooperate with and assist in such an audit.

52 § 1349-gqqqq. Reporting. The authority shall post on its website on or  
53 before the first of May, the law firms retained by the authority which  
54 in the past year received payment for services in such year.

55 § 1349-rrrrr. Station operation and maintenance. 1. (a) The operation,  
56 maintenance and use of passenger stations shall be public purposes of



the city of New York and the counties within the district. The total cost to the authority and each of its subsidiary corporations of operation, maintenance and use of each passenger station within the district serviced by one or more railroad facilities of the authority or of such subsidiary corporation, including the buildings, appurtenances, platforms, lands and approaches incidental or adjacent thereto, shall be borne by the city of New York if such station is located in such city or, if not located in such city, by such county within the district in which such station is located. On or before June first of each year, the authority shall, in accordance with the method specified herein, determine and certify to the city of New York and to each county within the district the respective allocation of costs related to the operation, maintenance and use of passenger stations within such city and each such other county, for the twelve-month period ending the preceding March thirty-first.

(i) The total payment amount to be billed by the authority for the operation, maintenance and use of each passenger station within the city of New York and the counties of Nassau, Suffolk, Westchester, Dutchess, Putnam, Orange, and Rockland shall be calculated by summing the total amount listed in the base amount table plus an adjustment to such base year amount equal to the base amount times the increase or decrease in the Consumer Price Index for Wage Earners and Clerical Workers for the New York, Northeastern-New Jersey Standard Metropolitan Statistical Area for the twelve-month period being billed.

#### BASE AMOUNT TABLE

<u>County</u>	<u>Base Amount</u>
<u>Nassau</u>	<u>\$19,200,000</u>
<u>Suffolk</u>	<u>\$11,834,091</u>
<u>Westchester</u>	<u>\$13,269,310</u>
<u>Dutchess</u>	<u>\$1,581,880</u>
<u>Putnam</u>	<u>\$618,619</u>
<u>Orange</u>	<u>\$327,247</u>
<u>Rockland</u>	<u>\$34,791</u>
<u>City of New York</u>	<u>\$61,435,330</u>

(ii) For each year thereafter, such total payment for each such county shall be the same amount as the total payment during the immediately prior year, plus an adjustment equal to the prior year amount times the increase or decrease in the Consumer Price Index for Wage Earners and Clerical Workers for the New York, Northeastern-New Jersey Standard Metropolitan Statistical Area for the twelve-month period being billed.

(b) On or before the following September first, of each year, such city and each such county shall pay to the authority such cost or amount so certified to it on or before the preceding June first. Such city and each such county shall have power to finance such costs to it by the issuance of budget notes pursuant to section 29.00 of the local finance law. Each year, the authority, the city of New York and the counties of Nassau, Suffolk, Westchester, Dutchess, Putnam, Orange, and Rockland may, after having reached an agreement, recommend to the legislature modifications to the amounts set forth in this section based upon changes made to commuter services including but not limited to changes in the number of passenger stations within such counties or the level of commuter rail service provided to any such passenger stations. Failure

1 between the authority and between the counties to reach agreement will  
2 be referred to the state comptroller for mediation. If the mediation is  
3 unsuccessful, each party and the state comptroller may submit a recom-  
4 mendation to the governor and the legislature for legislative action.

5 (c) In the event that a city or county shall fail to make payment to  
6 the authority for station maintenance as required pursuant to this  
7 section, or any part thereof, the chief executive officer of the author-  
8 ity or such other person as the chairperson shall designate shall certi-  
9 fy to the state comptroller the amount due and owing the authority at  
10 the end of the state fiscal year and the state comptroller shall with-  
11 hold an equivalent amount from the next succeeding state aid allocated  
12 to such county or city from the motor fuel tax and the motor vehicle  
13 registration fee distributed pursuant to former section one hundred  
14 twelve of the highway law, or amounts distributed pursuant to section  
15 ten-c of the highway law, or per capita local assistance pursuant to  
16 section fifty-four of the state finance law subject to the following  
17 limitations: (i) prior to withholding amounts due the authority from  
18 such county or city, the comptroller shall pay in full any amount due  
19 the state of New York municipal bond bank agency, on account of any such  
20 county's or city's obligation to such agency; the city university  
21 construction fund pursuant to the provisions of the city university  
22 construction fund act; the New York city housing development corpo-  
23 ration, pursuant to the provisions of the New York city housing develop-  
24 ment corporation act, article twelve of the private housing finance law;  
25 and (ii) the transit construction fund pursuant to the provisions of  
26 title nine-A of this article. The comptroller shall give the director of  
27 the budget notification of any such payment. Such amount or amounts so  
28 withheld by the comptroller shall be paid to the authority and the  
29 authority shall use such amount for the repayment of the state advances  
30 hereby authorized. When such amount or amounts are received by the  
31 authority, it shall credit such amounts against any amounts due and  
32 owing by the city or county on whose account such amount was withheld  
33 and paid.

34 2. A public hearing or hearings shall be held at least thirty days  
35 prior to the closure of any transportation facility due to construction,  
36 improvement, reconstruction or rehabilitation where such facility will  
37 be out-of-service for ninety days or longer. Public hearings required by  
38 this subdivision shall be held at one or more locations conveniently  
39 accessible to the persons who would be affected by such closure.

40 § 1349-sssss. Transfer and receipt of surplus funds. Notwithstanding  
41 any provision of this title or any other provision of law, general,  
42 special or local, the authority may from time to time transfer and pay  
43 over to the New York city transit authority or the Triborough bridge and  
44 tunnel authority all or any part of its surplus funds and may accept and  
45 use any monies transferred and paid over to it by the New York city  
46 transit authority or the Triborough bridge and tunnel authority.

47 § 1349-ttttt. Title not affected if in part unconstitutional or inef-  
48 fective. If any provision of any section of this title or the applica-  
49 tion thereof to any person or circumstance shall be adjudged invalid by  
50 a court of competent jurisdiction, such order or judgment shall be  
51 confined in its operation to the controversy in which it was rendered,  
52 and shall not affect or invalidate the remainder of any provision of any  
53 section of this title or the application of any part thereof to any  
54 other person or circumstance and to this end the provisions of each  
55 section of this title are hereby declared to be severable.

1 § 1349-uuuuu. Commuter transportation authority inspector general. 1.  
2 There is hereby created in the commuter transportation authority an  
3 office of commuter transportation authority inspector general. The  
4 inspector general shall be appointed by the governor with the advice and  
5 consent of the senate. The inspector general shall, prior to his or her  
6 appointment, have had at least ten years experience in the management of  
7 transportation services, in auditing and investigation of governmental  
8 operations, or in services related to management and productivity  
9 improvement. The term of office of the inspector general shall be five  
10 years from the effective date of appointment, and he or she shall serve  
11 at the pleasure of the governor. The salary of the inspector general  
12 shall be determined by the authority board.

13 2. The inspector general shall annually submit to the board of the  
14 commuter transportation authority a budget request for the operation of  
15 the office. If the board disapproves any portion of such request and the  
16 commissioner of transportation determines such disapproval to be unrea-  
17 sonable, such commissioner shall withhold from payments due such author-  
18 ity, the amount so determined to be unreasonable and transfer such  
19 amount to the office of the commuter transportation authority inspector  
20 general.

21 3. The inspector general shall have full and unrestricted access to  
22 all records, information, data, reports, plans, projections, matters,  
23 contracts, memoranda, correspondence and any other materials of the  
24 authority and its subsidiaries, the Long Island Rail Road, Metro-North  
25 Railroad, and metropolitan suburban bus authority, or any other agency  
26 that may come under the control of the authority, or within their custo-  
27 dy or control.

28 4. The inspector general, notwithstanding the provisions of title nine  
29 of this article and this title, and of title three of article three of  
30 this chapter, shall have the following functions, powers and duties:

31 (a) to receive and investigate complaints from any source or upon his  
32 or her own initiative concerning alleged abuses, frauds and service  
33 deficiencies, including deficiencies in the maintenance and operation of  
34 facilities, relating to the authority and its subsidiaries;

35 (b) to initiate such reviews as he or she may deem appropriate of the  
36 operations of the authority and its subsidiaries, in order to identify  
37 areas in which performance might be improved and available funds used  
38 more effectively;

39 (c) to recommend remedial actions to be taken by the authority and its  
40 subsidiaries, to overcome or correct operating or maintenance deficien-  
41 cies and inefficiencies that he or she determines to exist;

42 (d) to make available to appropriate law enforcement officials infor-  
43 mation and evidence which relate to criminal acts that he or she may  
44 obtain in carrying out his or her duties;

45 (e) to subpoena witnesses, administer oaths or affirmations, take  
46 testimony and compel the production of such books, papers, records and  
47 documents as he or she may deem to be relevant to any inquiry or inves-  
48 tigation undertaken pursuant to this section and to delegate such powers  
49 to a duly authorized deputy inspector general;

50 (f) to monitor the implementation by the authority and its subsid-  
51 aries of recommendations made by the inspector general or other audit  
52 agencies; and

53 (g) to do all things necessary to carry out the functions, powers and  
54 duties set forth in this section.

55 5. The inspector general shall cooperate, consult and coordinate with  
56 the state public transportation safety board with regard to any activity

1 concerning the operations of the commuter transportation authority. With  
2 respect to any accident on the facilities of the commuter transportation  
3 authority, the primary responsibility for investigation shall be that of  
4 the board which shall share its findings with the commuter transporta-  
5 tion authority inspector general.

6 6. The inspector general shall make annual public reports on his or  
7 her findings and recommendations. Such a report shall be filed in the  
8 office of the governor and with the legislature on or before the first  
9 of February for the preceding year. The commuter transportation authori-  
10 ty and its applicable constituent agencies shall prepare a response to  
11 the annual report and to any and all other final reports made by the  
12 inspector general within thirty days of receipt, which time may be  
13 extended by the inspector general in his or her discretion, indicating  
14 whether such authority intends to implement the recommendations in such  
15 reports, and, if not, why not. In addition, the commuter transportation  
16 authority and its applicable constituent agencies shall give quarterly  
17 reports to the inspector general outlining the status of each of the  
18 recommendations made by the inspector general in his or her final  
19 reports. Copies of all of these reports shall be sent to the governor,  
20 the temporary president of the senate, the speaker of the assembly, the  
21 chairperson of the senate transportation committee, the chairperson of  
22 the senate finance committee, the chairperson of the assembly corpo-  
23 rations, authorities and commissions committee and the chairperson of  
24 the assembly ways and means committee.

25 7. To effectuate the purposes of this section, the inspector general  
26 may request from any department, board, bureau, commission, office or  
27 other agency of the state, or any of its political subdivisions, such  
28 cooperation, assistance, services and data as will enable him or her to  
29 carry out his or her functions, powers and duties hereunder, and they  
30 are authorized and directed to provide said cooperation, assistance,  
31 services and data.

32 § 1349-vvvvv. Management advisory board. 1. There is hereby created in  
33 the office of the commuter transportation authority inspector general a  
34 management advisory board, consisting of thirteen members appointed by  
35 the governor, of whom two shall be appointed upon nomination by the  
36 temporary president of the senate, two upon nomination by the speaker of  
37 the assembly, one upon nomination by the minority leader of the senate  
38 and one upon nomination by the minority leader of the assembly. All  
39 members shall serve for a term of three years, except that, of the two  
40 members first appointed upon nomination by the temporary president of  
41 the senate, one shall serve for a term of two years and one shall serve  
42 for a term of one year; of the two members first appointed upon nomi-  
43 nation by the speaker of the assembly, one shall serve for a term of two  
44 years and one shall serve for a term of one year; and, of two of the  
45 members first appointed by the governor without nomination by any other  
46 person, two shall each serve for a term of two years and two shall each  
47 serve for a term of one year. One of the members appointed to the  
48 management advisory board directly by the governor shall be designated  
49 by the governor to serve as its chairperson.

50 2. All members of the management advisory board shall be residents of  
51 the metropolitan transportation district, and shall be persons with  
52 substantial experience in the management of private enterprise, in the  
53 delivery of public services, or in labor or labor-management relations.

54 3. The management advisory board shall assist the commuter transporta-  
55 tion authority inspector general in identifying ways to improve

1 services, reduce costs and increase the efficiency of the authority and  
2 its subsidiaries.

3 4. No later than the first of April next succeeding the effective date  
4 of this section, and annually thereafter, the management advisory board  
5 shall submit to the governor and the legislature a report on its activ-  
6 ities during the previous year.

7 5. The office of the commuter transportation authority inspector  
8 general shall provide the management advisory board with such staff  
9 support as may be required for the performance of its duties.

10 6. Members of the management advisory board shall serve without  
11 compensation, but shall be reimbursed for expenses reasonably incurred  
12 in the performance of their duties.

13 § 1349-wwwww. Transition-election to withdraw from the metropolitan  
14 commuter transportation district. 1. The counties of Dutchess, Orange  
15 and Rockland shall have an option to withdraw from the metropolitan  
16 commuter transportation district and have such withdrawal take effect on  
17 either: (a) The first of January next succeeding the effective date of  
18 this section. If any such county plans to withdraw from the district on  
19 the first of January next succeeding the effective date of this section,  
20 it shall: (i) no later than seventy-five days after the effective date  
21 of this section, furnish the commissioner of transportation, and chair-  
22 person of the authority and the other counties which have an option to  
23 withdraw, a resolution adopted by the county legislature providing  
24 notice of intent to withdraw; (ii) on or before the first of October  
25 next succeeding the effective date of this section, furnish to the  
26 commissioner of transportation, the chairperson of the authority and  
27 other counties which have an option to withdraw, a resolution adopted by  
28 the county legislature providing for a public transportation plan. For  
29 the purposes of this section, a "public transportation plan" shall mean  
30 a plan that maintains adequate and continuous public transportation  
31 services from the withdrawing county to the city of New York or any  
32 terminus previously served, provides a reasonable level of rail passen-  
33 ger service, provides a schedule for implementing such service, protects  
34 the public investment in the rail transportation system and any other  
35 criteria deemed necessary by the commissioner of transportation. Prior  
36 to withdrawal pursuant to this paragraph or paragraph (b) of this subdi-  
37 vision, a county shall receive approval of its public transportation  
38 plan pursuant to paragraph (c) of this subdivision; and (iii) on or  
39 before the first of December next succeeding the effective date of this  
40 section, furnish the commissioner of transportation, a copy of an agree-  
41 ment with the authority or an operator of rail passenger service for the  
42 provision of rail passenger service to and from such county and the city  
43 of New York or any terminus previously served.

44 If a county planning to withdraw on the first of January next succeed-  
45 ing the effective date of this section is unable to withdraw because it  
46 could not meet the requirements of this paragraph, it may elect to with-  
47 draw pursuant to paragraph (b) of this subdivision.

48 (b) The second or third first of January succeeding the effective date  
49 of this section. If any such county plans to withdraw on either the  
50 second or third first of January next succeeding the effective date of  
51 this section, it shall: (i) no later than ninety days after the first of  
52 January of the year immediately preceding the year in which such county  
53 plans to withdraw from the district, furnish the commissioner of trans-  
54 portation, the chairperson of the authority and the other counties which  
55 have an option to withdraw, a resolution adopted by the county legisla-  
56 ture providing notice of intent to withdraw from the district; (ii) no



1 later than one hundred twenty days after the first of January of the  
2 year immediately preceding the year in which such county plans to with-  
3 draw from the district furnish to the commissioner of transportation,  
4 the chairperson of the authority and the counties which have an option  
5 to withdraw a resolution adopted by the county legislature providing a  
6 public transportation plan as described in this section; and (iii) on or  
7 before October first of the year immediately preceding the year in which  
8 such county plans to withdraw from the district, furnish to the commis-  
9 sioner a copy of an agreement with the authority or an operator of rail  
10 passenger service for the provision of rail passenger service to and  
11 from such county and the city of New York or any terminus previously  
12 served.

13 (c) No later than thirty days after receipt of the public transporta-  
14 tion plan the commissioner of transportation shall, in writing, either  
15 approve such plan as conforming with the requirements heretofore  
16 described or disapprove such plan as failing to meet such requirements  
17 and the reasons therefor. Disapproval of a plan shall not prohibit a  
18 county from resubmitting a public transportation plan and such resubmit-  
19 ted plan shall be approved or disapproved no later than fifteen days  
20 after receipt by the commissioner of transportation. The public trans-  
21 portation plan shall be subject to any state or federal public hearing  
22 requirements which the authority would be subject to if the authority  
23 made the changes proposed by such plan.

24 (d) Any such county which plans to withdraw from the district shall  
25 meet the requirements of this section prior to the effective date of  
26 withdrawal, and no withdrawal for the purposes of this section shall  
27 take effect unless such county furnishes the resolutions and agreement  
28 prior to the effective date of withdrawal.

29 2. The authority and any subsidiary corporation of the authority shall  
30 enter into an agreement or agreements with a county that plans to with-  
31 draw from the district to transfer and assign to such county all author-  
32 ity and subsidiary railroad facilities and operations, rights and obli-  
33 gations, and contract rights and obligations, including operating  
34 contract rights and obligations, which are owned, operated, maintained  
35 or used directly or by contract or which are otherwise involved in the  
36 provision of railroad services to such counties. Such agreement shall  
37 provide, in the event a facility, operation, right or obligation is  
38 necessary and material to the provision of rail passenger service in the  
39 district or is not assignable under applicable bond covenants or  
40 contracts or the parties agree that it should not be assigned, that the  
41 authority or subsidiary thereof shall continue to hold and be responsi-  
42 ble for such facility, operation, right or obligation and that such  
43 county shall reimburse to the authority that portion of the cost to the  
44 authority or subsidiary of its retention of such facility, operation,  
45 right or obligation that is allocable to such county. If the parties  
46 agree that the authority or subsidiary thereof shall operate the rail-  
47 road facilities in a county after the effective date of such county's  
48 withdrawal, the agreement also shall provide for the terms and condi-  
49 tions of the operation of such service.

50 3. Within forty-five days of the effective date of this section, the  
51 authority and any subsidiary corporation of the authority shall provide  
52 to the counties of Dutchess, Orange and Rockland a written statement,  
53 including cost estimates and the useful life, if any, of all of its  
54 facilities, operations, rights and obligations relating to the provision  
55 of rail service in such counties.

1     4. The authority and any subsidiary corporation of the authority is  
2 authorized to enter into an agreement or agreements with a county that  
3 plans to withdraw from the district, pursuant to which the authority or  
4 subsidiary thereof will provide technical assistance to such county  
5 prior to, during and after the withdrawal, with respect to the transfer  
6 of ownership, operation, maintenance and use of railroad facilities  
7 within such county. Such agreement may provide that the county reimburse  
8 the authority or its subsidiary for the cost to the authority and its  
9 subsidiary for the provision of such technical assistance.

10    5. The authority shall have no obligation to undertake or continue any  
11 project or part thereof in a current or future capital program plan  
12 which pertains to railroad facilities within or services to a county  
13 that withdraws from the district on or after such date of withdrawal nor  
14 shall the authority enter into any contract for a project or part there-  
15 of which would increase liabilities pursuant to subdivision six of this  
16 section in a county after such county notifies the authority of its  
17 intent to withdraw as provided in subdivision one of this section,  
18 provided, however, that if the authority has executed a contract for the  
19 effectuation of a project or part thereof in a capital program plan in  
20 such county, it shall be assigned to such county in accordance with  
21 subdivision two of this section, unless the parties agree that it shall  
22 not be assigned and that the authority or its subsidiary shall continue  
23 to be responsible therefor, in which event the county shall reimburse  
24 the authority or its subsidiary in accordance with the provisions of  
25 subdivision two of this section.

26    6. Any county which withdraws from the district shall reimburse to the  
27 authority or its subsidiary, within the time period agreed to by the  
28 parties, any capital expenditures heretofore undertaken by the authori-  
29 ty, the metropolitan transportation authority or its subsidiary for  
30 railroad facilities only within such county which were financed by  
31 commuter railroad revenue bonds issued by the metropolitan transporta-  
32 tion authority pursuant to section twelve hundred sixty-nine of this  
33 article or by the authority pursuant to section thirteen hundred forty-  
34 nine-xxxx of this title and are assigned to such county in accordance  
35 with the provisions of subdivision two of this section.

36    7. The obligations of a county that withdraws from the district to  
37 reimburse the authority and any subsidiary corporation of the authority  
38 for the costs of operation, maintenance and use of passenger stations  
39 pursuant to section thirteen hundred forty-nine-rrrrr of this title,  
40 shall continue for any such costs incurred up to the effective date of  
41 the county's withdrawal from the district and for costs incurred there-  
42 after that result from acts preceding such withdrawal, and the applica-  
43 bility of the payment provisions and procedures of such section thirteen  
44 hundred forty-nine-rrrrr to such county shall continue thereafter with  
45 respect to the aforesaid costs.

46    8. In the event of a county's failure to make payment of any monies  
47 determined by the authority to be owed and due it or any subsidiary  
48 corporation of the authority pursuant to the terms of any agreement  
49 entered into pursuant to this section, the authority is authorized to  
50 recover such payments in the same manner as in section thirteen hundred  
51 forty-nine-rrrrr of this title and the state comptroller shall withhold  
52 and pay monies to the authority in accordance with the procedures set  
53 forth in that section.

54    9. The term of office of any resident of a county that withdraws from  
55 the district under this section, as a member of the board of the author-  
56 ity, the Metro-North rail commuter council or the management advisory

1 board, which is based upon residence in such county, shall terminate  
2 upon the county's withdrawal and the office shall be deemed vacant and  
3 filled in the manner provided by law.

4 10. The provisions of this section and all agreements undertaken in  
5 accordance herewith shall be subject to the rights of the holders of any  
6 outstanding bonds or notes issued by the authority.

7 § 1349-xxxxx. The office of legislative and community input. 1. The  
8 chairperson of the authority shall establish the office of legislative  
9 and community input for the purpose of communicating information to, and  
10 receiving comments, concerns and recommendations from, members of the  
11 legislature, and members of the permanent citizens advisory committee to  
12 the authority, as defined in section thirteen hundred forty-nine-qqqq of  
13 this title, on the following:

14 (a) the operations of the rapid transit, omnibus and commuter rail  
15 line facilities of the authority including, but not limited to:

16 (i) the quality of service provided on any rapid transit, omnibus, and  
17 commuter rail line or route;

18 (ii) the frequency of operating service on the authority's mass trans-  
19 it facilities;

20 (iii) the maintenance and condition of the authority's mass transit  
21 facilities including, but not limited to, rapid transit and commuter  
22 rail stations, railcars, buses, rail lines, fare collection systems and  
23 sound systems; and

24 (iv) proposed service changes, including any reductions or expansion  
25 of services, as it relates to the authority's mass transit facilities;  
26 and

27 (b) any proposed, submitted and/or approved capital program plan, its  
28 components, elements and projects, and associated expenditures. Any such  
29 comments, concerns and recommendations relating to the capital program  
30 plan, its components, elements and projects, and associated expenditures  
31 shall be taken into consideration in the development of the current and  
32 each successive capital program plan and/or any amendment to such plan.

33 2. The office shall establish a process to ensure timely notification  
34 of the receipt of, and response to, comments, concerns, and recommenda-  
35 tions by members of the legislature or members of the permanent citizens  
36 advisory committee to the authority.

37 3. The chair and office shall prepare a report containing the follow-  
38 ing information:

39 (a) a compilation of the comments, concerns, and recommendations  
40 received by the office;

41 (b) how these comments, concerns or recommendations were or will be  
42 addressed, such as the authority's response by the incorporation or  
43 initiation of system and operational adjustments, improvements or expan-  
44 sions if applicable; and

45 (c) how these comments, concerns or recommendations were or will be  
46 addressed, such as the authority's response by changing or amending the  
47 capital plan, as well as providing status updates on the progress of  
48 such plan.

49 4. Such report shall on a biannual basis, commencing the first of  
50 September next succeeding the effective date of this section, be submit-  
51 ted to the governor, the temporary president of the senate and the  
52 speaker of the assembly, be posted on the authority's website and also  
53 be made readily available to the public.

54 § 1349-yyyyy. Debarment. The authority shall establish, pursuant to  
55 regulation, a debarment process for contractors of the authority that  
56 prohibits such contractors from bidding on future contracts, after a

1 debarment determination by such authority, for a period of five years  
2 from such determination. Such regulations shall ensure notice and an  
3 opportunity to be heard before such debarment determination and provide  
4 as a defense acts such as force majeure. Such regulations shall only  
5 provide for a debarment in situations involving a contractor's failure  
6 to substantially complete the work within the time frame set forth in  
7 the contract, or in any subsequent change order, by more than ten  
8 percent of the contract term; or where a contractor's disputed work  
9 exceeds ten percent or more of the total contract cost where claimed  
10 costs are deemed to be invalid pursuant by the contractual dispute  
11 resolution process.

12 § 1349-zzzzz. Right to share employees. 1. It is hereby found and  
13 declared to be necessary and proper to authorize the authority, its  
14 subsidiaries, affiliates, and subsidiaries of affiliates, powers to  
15 effectuate and ensure such entities continued financial viability, which  
16 is at issue given sizable operating deficits and significant capital  
17 needs. Allowing wholesale internal management reforms will create  
18 savings, combat entrenched bureaucracies, create streamlined, uniform,  
19 and efficient services, ensure public accountability and reestablish  
20 public trust. In order to facilitate these necessary goals it is both  
21 reasonable and a legitimate public purpose to provide systematic author-  
22 ity for the sharing of employees within and between the respective enti-  
23 ties.

24 2. Notwithstanding any provision of law to the contrary, the authori-  
25 ty, its subsidiaries, affiliates, and subsidiaries of affiliates shall  
26 each have the right to share employees within and between such entities  
27 and to assign such employees to perform any operation or function  
28 subject only to a determination that they are substantially similar to  
29 any operation or function currently performed. Substantially similar  
30 operation or function shall be determined exclusively by the authority.

31 3. Nothing set forth in this subdivision shall be construed to impede,  
32 infringe or diminish the rights and benefits that accrue to employees  
33 and employers through collective bargaining agreements, or impact or  
34 change an employee's membership in a bargaining unit.

35 § 2. This act shall take effect January 1, 2024.

36 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-  
37 sion, section or part of this act shall be adjudged by any court of  
38 competent jurisdiction to be invalid, such judgment shall not affect,  
39 impair, or invalidate the remainder thereof, but shall be confined in  
40 its operation to the clause, sentence, paragraph, subdivision, section  
41 or part thereof directly involved in the controversy in which such judg-  
42 ment shall have been rendered. It is hereby declared to be the intent of  
43 the legislature that this act would have been enacted even if such  
44 invalid provisions had not been included herein.

45 § 3. This act shall take effect immediately provided, however, that  
46 the applicable effective date of Parts A through E of this act shall be  
47 as specifically set forth in the last section of such Parts.