# STATE OF NEW YORK

2196

2023-2024 Regular Sessions

# IN ASSEMBLY

January 23, 2023

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:**

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

PART A

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

LBD01134-01-3

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

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

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

2. [~~"Authority facilities" shall mean the authority's railroad, omnibus, marine and aviation facilities and operations pursuant to joint service arrangements.~~

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

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

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

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

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

~~8. "Gap-closing initiative" shall mean any action to reduce a projected gap.~~

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

[~~10.~~] 7. "Joint service arrangements" shall mean agreements between or among the authority and 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, or any political subdivision or municipality of the state, relating to property, buildings, structures, facilities, services, rates, fares, classifications, divisions, allowances or charges (including charges between operators of railroad, omnibus, marine and aviation facilities), or rules or regulations pertaining thereto, for or in connection with or incidental to transportation in part in or upon railroad, omnibus, marine or aviation facilities located within the district and in part in or upon railroad, omnibus, marine or aviation facilities located outside the district.

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

ramps or any facility or real property necessary, convenient or desirable for the accommodation of passengers and cargo or the docking, sailing, landing, taking off, accommodation or servicing of such marine craft or aircraft.

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

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

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

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

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

[~~17.~~] **14.** "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.

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

[~~18-a.~~] 16. "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.

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

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

[~~21.~~] 19. "Inspector general" shall mean the metropolitan transportation authority inspector general.

[~~22. "Revenues." All~~] 20. "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.

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

~~24. "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.~~]

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

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

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

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

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

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

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

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

[~~(d)~~] (c) Notwithstanding paragraph [~~(c)~~] (b) of subdivision one of section twenty-eight hundred twenty-four of this chapter or any other provision of law to the contrary, the chairman shall not participate in establishing authority policies regarding the payment of salary, compensation 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

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

**(d)** Any such fares, tolls, rentals, rates, charges or other fees for the transportation of passengers shall be established and changed only if approved by resolution of the authority adopted by not less than a majority vote of the whole number of members of the authority then in office, with the chairman having one additional vote in the event of a tie vote, and only after a public hearing, provided however, that fares, tolls, rentals, rates, charges or other fees for the transportation of passengers on any transportation facility which are in effect at the time that the then owner of such transportation facility becomes a subsidiary corporation of the authority or at the time that operation of such transportation facility is commenced by the authority or is commenced under contract, lease or other arrangement, including joint service arrangements, with the authority may be continued in effect without such a hearing. [~~Such fares, tolls, rentals, rates, charges and other fees shall be established as may in the judgment of the authority be necessary to maintain the combined operations of the authority and its subsidiary corporations on a self-sustaining basis. The said operations 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 and its subsidiary corporations (a) as the same shall become due, the principal of and interest on the bonds and notes and other obligations of the authority and of such subsidiary corporations, together with the maintenance of proper reserves therefor, (b) the cost and expense of keeping the properties and assets of the authority and its subsidiary corporations in good condition and repair, and (c) the capital and operating expenses of the authority and its subsidiary corporations.~~]

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

**(f)** No acts or activities taken or proposed to be taken by the authority or any subsidiary of the authority pursuant to the provisions of this subdivision shall be deemed to be "actions" for the purposes or within the meaning of article eight of the environmental conservation law.

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

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

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

~~5. The authority may acquire, hold, own, lease, establish, construct, effectuate, operate, maintain, renovate, improve, extend or repair any transportation facilities through, and cause any one or more of its powers, duties, functions or activities to be exercised or performed by, one or more wholly owned subsidiary corporations of the authority, or by New York city transit authority or any of its subsidiary corporations in the case of transit facilities and may transfer to or from any such corporations any moneys, real property or other property for any of the purposes of this title upon such terms and conditions as shall be agreed to and subject to such payment or repayment obligations as are required by law or by any agreement to which any of the affected entities is subject. The directors or members of each such subsidiary corporation of the authority corporation shall be the same persons holding the offices of members of the authority. The chairman of the board of each such subsidiary shall be the chairman of the authority, serving ex officio and, provided that there is an executive director of the metropolitan transportation authority, the executive director of such subsidiary shall be the executive director of the metropolitan transportation authority, serving ex officio. Notwithstanding any provision of law to the contrary, the chairman shall be the chief executive officer of each such subsidiary and shall be responsible for the discharge of the executive and administrative functions and powers of each such subsidiary. The chairman and executive director, if any, shall be empowered to delegate his or her functions and powers to one or more officers or employees of each such subsidiary designated by him or her. Each such subsidiary corporation of the authority and any of its property, functions and activities shall have all of the privileges, immunities, tax exemptions and other exemptions of the authority and of the authority's property, functions and activities. Each such subsidiary corporation shall be subject to the restrictions and limitations to which the authority may be subject. Each such subsidiary corporation of the authority shall be subject to suit in accordance with section twelve hundred seventy-six of 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

authority, [~~its subsidiary corporations, New York city transit authority and its subsidiary corporations, and Triborough bridge and tunnel authority~~] **the big apple transit authority and its affiliates, and the commuter transportation authority,** (the "affiliated entities"), the authority may[~~, and may permit and direct any affiliated entity to,~~] transfer revenues, subsidies and other monies or securities to one or more funds or accounts of another affiliated entity for use by such other affiliated entity, provided at the time of such transfer it is reasonably anticipated that the monies and securities so transferred will be reimbursed, repaid or otherwise provided for by the end of the next succeeding calendar year if reimbursement or repayment is required by law or by any agreement to which any of the affected affiliated entities is subject. Any revenues of an affiliated entity that are transferred to another affiliated entity, which transfer was not authorized by a provision of law other than this subdivision, shall be considered to be required to be repaid to the affiliated entity which was the source of such revenues by the end of the next succeeding calendar year following such transfer.

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

~~8. The authority may do all things it deems necessary, convenient or desirable to manage, control and direct the maintenance and operation of transportation facilities, equipment or real property operated by or under contract, lease or other arrangement with the authority and its subsidiaries, and New York city transit authority and its subsidiaries. Except as hereinafter specially provided, no municipality or political subdivision, including but not limited to a county, city, village, town or school or other district shall have jurisdiction over any facilities of the authority and its subsidiaries, and New York city transit authority and its subsidiaries, or any of their activities or operations. The local laws, resolutions, ordinances, rules and regulations of a municipality or political subdivision, heretofore or hereafter adopted, conflicting with this title or any rule or regulation of the authority or its subsidiaries, or New York city transit authority or its subsidiaries, shall not be applicable to the activities or operations of the authority and its subsidiaries, and New York city transit authority, or the facilities of the authority and its subsidiaries, and New York city transit authority and its subsidiaries, except such facilities that are devoted to purposes other than transportation or transit purposes. Each municipality or political subdivision, including but not limited to a county, city, village, town or district in which any facilities of the authority or its subsidiaries, or New York city transit authority or its subsidiaries are located shall provide for such facilities police, fire and health protection services of the same character and to the same extent as those provided for residents of such municipality or political subdivision.~~

~~The jurisdiction, supervision, powers and duties of the department of transportation of the state under the transportation law shall not extend to the authority in the exercise of any of its powers under this title. The authority may agree with such department for the execution by such department of any grade crossing elimination project or any grade crossing separation reconstruction project along any railroad facility operated by the authority or by one of its subsidiary corporations or under contract, lease or other arrangement with the authority. Any such 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 intendment 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

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

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

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

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

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

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

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

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

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

**§ 1266-h. Transfer of employees. 1. In order to assist the big apple transportation authority and the commuter transportation authority in carrying out their powers and responsibilities, the authority shall develop and complete a personnel reorganization plan to transfer its employees to the big apple transportation authority and the commuter transportation authority to perform any operation or function subject only to a determination that they are substantially similar to any operation or function currently performed. Substantially similar operation or function shall be determined by the authority receiving the employees.**

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

**3. Nothing set forth in this section 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.**

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

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

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

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

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

(a) the rights of employees pursuant to a collective bargaining agreement;

(b) the representational relationships among employee organizations or the bargaining relationships between the state and an employee organization; or

(c) existing law with respect to an application to the public employment relations board, provided, however, that the merger of such negotiating units of employees shall be effected only with the consent of the recognized and certified representatives of such units and of the authority.

8. Notwithstanding the provisions of any other law to the contrary, all lawful appointees holding positions which hereinbefore were subject to the civil service law and are transferred to the authority shall continue to hold their positions without further examination or qualifications.

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

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

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

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

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

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

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

§ 27. Subdivisions 1-a and 12 of section 1269 of the public authorities law are REPEALED.

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

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

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

(b) [~~The authority shall have power, from time to time, to issue renewal notes, to issue bonds to refund, redeem or otherwise pay, including by purchase or tender, notes of the authority and its subsidiary corporations, and New York city transit authority and its subsidiary corporations and whenever it deems refunding, redemption or payment expedient, to refund, redeem or otherwise pay, including by purchase or tender, any bonds of the authority and its subsidiary corporations, New York city transit authority and its subsidiary corporations and Triborough bridge and tunnel authority by the issuance of new bonds, whether the bonds to be refunded, redeemed or otherwise paid have or have not matured, and to issue bonds partly for such purpose and partly for any other purpose and to otherwise refund, redeem, acquire by purchase or tender, or in any other way repay any outstanding notes, bonds or other obligations of the authority, any of its subsidiary corporations, New York city transit authority, any of its subsidiary corporations and Triborough bridge and tunnel authority;~~

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

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

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

(b) [~~pledging all or any part of the assets of the authority or of any of its subsidiary corporations or New York city transit authority or any of its subsidiary corporations or Triborough bridge and tunnel authority to secure the payment of the notes or bonds or of any issue of notes or bonds, or any other obligations of the authority, subject to such agreements with noteholders, bondholders, or holders of other obligations of the authority, the New York city transit authority and its subsidiary~~

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

~~(c)~~] 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

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

6. Neither the members of the authority, [~~the New York city transit authority or the Triborough bridge and tunnel authority~~] **the big apple transit authority or any of its affiliates, or the commuter transportation authority** nor any person executing the notes, bonds or other obligations shall be liable personally on the notes, bonds or other obligations or be subject to any personal liability or accountability by reason of the issuance thereof.

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

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

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

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

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

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

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

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

2. Moneys in the transit account [~~may be pledged to the Triborough bridge and tunnel authority to secure bonds and notes and, if so pledged,~~]**if already pledged 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 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 for transit projects undertaken for the New York city transit authority and its subsidiaries. Subject to the provisions of such pledge, any excess monies, or in the event there is no such pledge, any moneys in such account shall, at the direction of the [~~metropolitan transportation~~] **big apple transit** authority, be (a) deposited into one or more funds or accounts and used as contemplated by section [~~twelve hundred seventy-d~~] **thirteen hundred forty-nine-dd** of this [~~title~~] **chapter** or (b) used for the payment of operating and capital costs of the New York city transit authority and its subsidiaries and the Staten Island rapid transit operating authority.

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

In the event the transfer to the suburban transportation fund provided pursuant to this subdivision results in an operating deficit, as certified by the director of the division of the budget, in consultation with the authority, that portion of the deficit attributable to such transfer shall be appropriated from the general fund to the authority for commuter railroad operating purposes, provided, however, that such appropriation shall not exceed twenty million dollars.

The remaining moneys in the commuter railroad account [~~may be pledged to the Triborough bridge and tunnel authority to secure bonds and notes and, if so pledged~~] **if already pledged 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 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 for transportation facilities undertaken for the authority and its subsidiaries. Subject to the provisions of any such pledge, any excess monies, or in the event there is no such pledge, any moneys in such account shall[~~, at the direction of the metropolitan transportation authority, be (a) deposited into one or more funds or accounts and used as contemplated by section twelve hundred seventy-d of this title or, (b)~~] **be** used for payment of operating and capital costs of the Long Island Rail Road company and the Metro-North commuter railroad company.

(a) Moneys in the corporate transportation account shall first be used for payments to the metropolitan transportation authority Dutchess, Orange and Rockland fund established by section twelve hundred seventy-b of this title. The remaining moneys in the corporate transportation account [~~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 excess moneys in the corporate transportation account [~~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.

(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-wwwww 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 O 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

such calendar year from the metropolitan mass transportation operating assistance account to the authority for the operating expenses of the [~~TA~~] BAT bears to the total amounts so appropriated and paid from such operating assistance account during such calendar year to the [~~TA~~] BAT and [~~CRR~~] CTA combined and (ii) to the [~~CRR~~] CTA an amount of such sum which bears the same proportion to such sum as the amount appropriated and paid during such calendar year from the metropolitan mass transportation operating assistance account to the [~~CRR~~] CTA bears to the total amounts so appropriated and paid from such operating assistance account during such calendar year to the [~~TA~~] BAT and [~~CRR~~] CTA combined. The amounts so allocated shall then be reduced respectively by the proportional amount of MMTOA 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 MMTOA amount and shall be distributed to or for the benefit of the [~~TA~~] BAT and the [~~CRR~~] CTA. In no event shall the authority utilize any measure or calculation for determining such distributable shares other than the formula prescribed herein nor shall the authority take any action which would result in the use of such money which is different from or inconsistent with the use prescribed in this section.

To the extent that amounts described in the preceding two paragraphs are distributed more frequently than annually, each such distribution shall be made as nearly as may be practicable in accordance with the allocations described above to the [~~TA~~] BAT and the [~~CRR~~] CTA. Within thirty days after the end of each calendar year, the authority shall certify to the director of the budget, the chairperson of the senate finance committee and the chairperson of the assembly ways and means committee, the amount of 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 and section eighty-eight-a of the state finance law, the amounts expended from the pledged amounts account for the benefit of the [~~TA~~] BAT and the [~~CRR~~] CTA, and the amounts of the remaining PBT amount and the remaining MMTOA amount distributed during the prior calendar year to the [~~TA~~] BAT and the [~~CRR~~] CTA and specifying in each case the appropriation or appropriations which was the source of such amounts.

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

§ 38. Section 1270-g 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:

§ 1270-g. Regulation of certain authority expenditures. 1. The authority shall implement policies as appropriate to minimize unwarranted expenses and to protect against abuses in connection with (i) the granting of any privileges or benefits having financial value, other than wage payments or expense reimbursements, to members or staff of the authority, or any subsidiary or other authority created by the authority; and (ii) the full-time and part-time assignment and use of automobiles owned or leased by the authority, or any subsidiary or other authority created by the authority, and the use by authority employees and board members of livery vehicles, as defined in section one hundred twenty-one-e of the vehicle and traffic law.

2. The authority's total expenses for its first year, not including 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

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

3. Moneys in the outer borough transportation account shall be used for the exclusive purpose of funding the operating and capital costs of [~~metropolitan transportation~~] the big apple transit authority facilities, equipment and services in the counties of Bronx, Kings, Queens and Richmond, and any projects improving transportation connections from such counties to New York [~~County~~] county. 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 fund a toll reduction program for any crossings under the jurisdiction of the [~~metropolitan transportation~~] big apple transit authority [~~or its subsidiaries or~~] and its affiliates. Funds may also be used to pay or to reimburse the authority for its payment of debt service and reserve requirements on that portion of authority bonds and notes that have been issued by the authority specifically for the authorized purpose of this account. Notwithstanding any law to the contrary, final approval of the use of any funds paid into the outer borough transportation account shall be [~~unanimously~~] approved by [~~three members of the Metropolitan Transportation Authority Capital Program Review Board, established pursuant to section twelve hundred sixty-nine-a of this title so designated pursuant to this subdivision. For purposes of such final approvals the three voting members are: the member appointed upon recommendation by the temporary president of the senate; the member appointed upon recommendation of speaker of the assembly; and the member appointed by the governor~~] the mayor of New York city.

4. Moneys in the general transportation account shall be used for funding the operating and capital costs of the [~~metropolitan transportation~~] big apple transit authority. 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 reserve requirements on that portion of authority bonds and notes that have been issued by the authority specifically for the purposes of this account.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

§ 56. Subdivision 17 of section 553 of the public authorities law, as amended by section 4 of part O of chapter 61 of the laws of 2000, is 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-c,~~] **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 [~~prinicipal~~] **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,

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

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

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

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

11. To make or enter into contracts, agreements, deeds, leases, conveyances or other instruments necessary or convenient, 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-c,~~] **section** twelve hundred sixty-nine [~~and twelve hundred seventy-d~~] of this article. This power shall include the power to make contracts with other persons operating transit facilities for combined fares for the use of such facilities and the transit facilities operated by the authority and for the division of such fares, and the power to make contracts for the transportation of the United States mail or personal property.

§ 61. Intentionally omitted.

§ 62. Intentionally omitted.

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

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

5. (a) Notwithstanding that funds of the authority may be used therefor, a contract for all or a portion of work involving the alteration, expansion or rehabilitation of a passenger station may be awarded by the authority, by negotiation without competitive bidding, to a private entity or the designee of a private entity where the authority by vote of not less than eleven of its members approves written findings that such award is expected to permit the alteration, expansion or rehabilitation to be carried out in the most efficient and cost effective manner, that such private entity has agreed to pay at least one million dollars toward the cost of the work, that such payment represents not less than fifty percent of the total cost of the work, and that the authority has complied with the procedures provided in paragraph (b) of this subdivision. Notwithstanding the foregoing, a contract for all or a portion of work involving the alteration, expansion or rehabilitation of the passenger station located at the western terminus of the forty-second street shuttle may be awarded by the authority, by negotiation without competitive bidding, to a private entity or the designee of a private entity where the authority by vote of not less than eleven of its members approves written findings that such award is expected to permit the alteration, expansion or rehabilitation to be carried out in the most efficient and cost effective manner, and that the authority has complied with the procedures provided in paragraph (b) of this subdivision.

(b) Not less than fifteen days prior to the consideration by the board of the authority of a contract to be let pursuant to this subdivision, a notice shall be published in at least one newspaper of general circulation. Such notice shall identify the parties to the proposed contract and summarize its terms and conditions. Such notice shall also invite written public comment concerning the proposed contract, including, to the extent appropriate, the submission of alternatives for the authority's consideration. Such information shall be considered by the board of authority prior to the approval of any contract proposed to be awarded pursuant to this subdivision.

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

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

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

5. Strategic operation plan. Financial information required to be submitted by the authority [~~pursuant to paragraphs d and e of subdivision one of section twelve hundred sixty-nine-c of this title~~] shall be presented in a format consistent with the budget and plan, in downloadable, searchable format.

§ 65. Section 553-d of the public authorities law, as amended by section 6 of part O 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 O 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

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

5. A majority of the whole number of members of the authority then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the authority. Except as otherwise specified in this title, for the transaction of any business or the exercise of any power of the authority, the authority shall have the power to act by a majority vote of the members present at any meeting at which a quorum is in attendance. In the event of a tie vote the chairman shall cast one additional vote. For the purposes of the voting and quorum requirements of this subdivision, the voting and quorum requirements set forth in subdivision three of section [~~twelve hundred sixty-three~~] thirteen hundred forty-nine-c of this article and in any by-law of the [~~metropolitan transportation~~] big apple transit authority adopted pursuant to the provisions of such subdivision shall be applicable hereto.

6. The authority and its corporate existence shall continue until terminated by law, provided however, that no such law shall take effect so long as the authority [~~or any of its subsidiaries~~], the big apple transit authority, the metropolitan transportation authority [~~or~~], the Triborough bridge and tunnel authority, or any of their respective subsidiaries, shall have outstanding any notes or bonds or lease, sublease or other contractual obligations issued or incurred pursuant to section twelve hundred seven-m of this title or issued or incurred in connection with the transfer of its interest in and the lease from the transferee of any property furnished to it pursuant to chapter twelve of the laws of nineteen hundred seventy-nine or section fifteen of chapter three hundred fourteen of the laws of nineteen hundred eighty-one, or section [~~twelve hundred sixty-six-c~~] thirteen hundred forty-nine-j or [~~twelve hundred seventy-d~~] thirteen hundred forty-nine-dd of this article, unless adequate provision has been made for the payment or satisfaction of such outstanding notes, bonds, lease, sublease or other contractual obligations.

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

§ 1202. Purposes of the authority. 1. The purposes of the authority shall be the acquisition of the transit facilities operated by the board of transportation of the city, the operation of transit facilities in accordance with the provisions of this title for the convenience and safety of the public on a basis which will enable the operations thereof, exclusive of capital costs, to be self-sustaining, and, in coordination with the [~~metropolitan transportation~~] big apple transit authority and the Triborough bridge and tunnel authority, the continuance, further development and improvement of commuter transportation and other services related thereto within the [~~metropolitan commuter transportation district~~] city of New York and the development and implementation of a unified mass transportation policy for such [~~district~~] city.

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

and the authority shall be regarded as performing a governmental function in carrying out its corporate purpose and in exercising the powers granted by this title.

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

(ii) From and after March first, nineteen hundred sixty-eight, the authority shall also have the right to incur capital costs of such nature in its own name to the extent that capital funds are available to it for expenditures of such nature pursuant to the provisions of section twelve hundred nineteen-a of this [~~chapter~~] **title** or of any other provision of law, which capital costs shall not be payable by the city; provided, however, that no project to be financed by the use of such capital funds which is estimated by the authority to involve an expenditure in excess of one million dollars shall be commenced unless the mayor and the [~~board of estimate~~] **city council** shall each have been notified in writing by the authority of the intent of the authority to undertake such project and of the nature thereof. No such project shall be commenced if and to the extent that either the mayor or a majority in voting power of the members of the [~~board of estimate~~] **city council** shall find that it is incompatible with sound planning for the development or redevelopment of the city, provided such finding, together with the reasons therefor, is set forth in a writing delivered to the authority within thirty days of the receipt by the mayor or the [~~board of estimate~~] **city council**, as the case may be, of the notification of the authority relating to such project. If any such project is not so disapproved, it may nevertheless not be commenced unless and until the city shall have been given an opportunity to include the same in the capital budget of the city for the first fiscal year of the city commencing not less than six months after receipt of such notification. If and to the extent that such project is included in such capital budget, the authority may not thereafter incur capital costs for the same in its own name. If or to the extent such project is not included in such capital budget, the authority may incur capital costs for the same in its own name. The operation of sections twenty, twenty-one and twenty-two of the rapid transit law shall be suspended with respect to any project financed with the capital funds referred to in this subparagraph.

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

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

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

(c) capital costs not now charged by the transit authority as operating expenses shall be paid by the city; provided, however, that from and after March first, nineteen hundred sixty-eight, the subsidiary corporation shall also have the right to incur capital costs in its own name to the extent that capital funds are available to it pursuant to the provisions of sections twelve hundred nineteen-a and twelve hundred three-b of this [~~chapter~~] **title** or of any other law, which capital costs shall not be payable by the city; and provided, further, that no project to be financed by the use of such capital funds which is estimated by the subsidiary corporation to involve an expenditure in excess of one million dollars shall be commenced unless the mayor and the [~~board of estimate~~] **city council** shall each have been notified in writing by the subsidiary corporation of the intent of the subsidiary corporation to undertake such project and of the nature thereof. No such project shall be commenced if and to the extent that either the mayor or a majority in voting power of the members of the [~~board of estimate~~] **city council** shall find that it is incompatible with sound planning for the development or redevelopment of the city, provided such finding, together with the reasons therefor, is set forth in a writing delivered to the subsidiary corporation within thirty days of the receipt by the mayor or the [~~board of estimate~~] **city council**, as the case may be, of the notification of the subsidiary corporation relating to such project. Where the city is required to pay the capital costs of the subsidiary corporation pursuant to such agreement, serial bonds or capital notes may be issued by the city, pursuant to the local finance law, to finance any such costs. The subsidiary corporation shall submit timely requests for the necessary capital funds to the city planning commission and the mayor of the city;

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

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

§ 1203-b. Transfer of funds. The authority and its subsidiary corporation, the Manhattan and Bronx surface transit operating authority, may each transfer to the other from time to time such available funds as they may jointly determine to be necessary or desirable, including funds accepted by the authority pursuant to the provisions of section twelve hundred nineteen-a of this title. Subject to the rights of the holders of any outstanding bonds, notes or other obligations of the authority, **the big apple transit authority, the** metropolitan transportation authority and **the** Triborough bridge and tunnel authority, and to facilitate the efficient financial management of the authority, [~~its subsidiary corporations~~] **the big apple transit authority**, **the** metropolitan transportation authority and its subsidiary corporations, and **the** Triborough bridge and tunnel authority (the "affiliated entities"), the authority may, and shall at the direction of [~~metropolitan transportation~~] **the big apple transit** authority, transfer revenues, subsidies and other monies or securities to one or more funds or accounts of another affiliated

entity for use by such other affiliated entity, provided at the time of such transfer it is reasonably anticipated that the monies and securities so transferred will be reimbursed, repaid or otherwise provided for by the end of the next succeeding calendar year if reimbursement or repayment is required by law or by any agreement to which any of the affected affiliated entities is subject. Any revenues of an affiliated entity that are transferred to another affiliated entity, which transfer was not authorized by a provision of law other than this section, shall be considered to be required to be repaid to the affiliated entity which was the source of such revenues by the end of the next succeeding calendar year following such transfer.

§ 7. Subdivisions 11, 15 and 19 of section 1204 of the public authorities law, subdivision 11 as amended by section 14 of part O of chapter 61 of the laws of 2000, subdivision 15 as amended by chapter 980 of the laws of 1958 and subdivision 19 as added by section 15 of part O of chapter 61 of the laws of 2000, are amended to read as follows:

11. To make or enter into contracts, agreements, deeds, leases, conveyances or other instruments necessary or convenient, 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-c~~] **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 article. This power shall include the power to make contracts with other persons operating transit facilities for combined fares for the use of such facilities and the transit facilities operated by the authority and for the division of such fares, and the power to make contracts for the transportation of the United States mail or personal property.

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

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

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

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

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

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

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

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

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

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

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

transportation authority or the Triborough bridge and tunnel authority shall have outstanding and unpaid bonds, notes or other obligations secured by or payable from, in whole or in part, the revenues, assets or other monies of the authority or its subsidiary corporations, the authority shall have the power at all times to fix or adjust the rate or rates of fare to be charged for the use of any transit facility operated by the authority as may, in the judgment of the board, be necessary to produce sufficient revenues to pay, as the same shall become due, the principal of and interest on such bonds, notes and other obligations of the authority, the big apple transit authority, the metropolitan transportation authority and the Triborough bridge and tunnel authority, together with the maintenance of proper reserves therefor, in addition to paying as the same shall become due the expenses of operation of the authority. The authority, the big apple transit authority, the metropolitan transportation authority and the Triborough bridge and tunnel authority, shall be authorized to contract with the holders of such bonds notes and other obligations with respect to the exercise of the power authorized by this section. In furtherance of the mandate of the [~~metropolitan transportation~~] big apple transit authority to develop and implement a unified mass transportation policy for the [~~metropolitan commuter transportation district~~] city of New York and the exercise of its powers, including the power to issue notes, bonds and other obligations secured in whole or in part by the revenues of the authority and its subsidiaries, the big apple transit authority and its subsidiaries, the metropolitan transportation authority and its subsidiaries, and the Triborough bridge and tunnel authority, the authority shall join with the [~~metropolitan transportation~~] big apple transit authority in connection with the establishment, levy and collection of fares, tolls, rentals, rates, charges and other fees for the transportation of passengers on any transit facilities operated by authority and its subsidiaries, including any changes thereto.

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

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

§ 13. Section 1207-m of the public authorities law, as added by chapter 314 of the laws of 1981, subdivisions 2 and 8 as amended by chapter 988 of the laws of 1984, subparagraph (i) of paragraph (a) of subdivision 4 as amended by chapter 602 of the laws of 1984, paragraph (b) of subdivision 7 as amended by chapter 558 of the laws of 1981, subdivision 11 as amended by section 18 of part O of chapter 61 of the laws of 2000 and subdivision 12 as added by chapter 929 of the laws of 1986, is amended to read as follows:

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

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

2. (a) The authority is hereby authorized to request the [~~metropolitan transportation~~] **big apple transit** authority to undertake any transit project and the authority and its designated subsidiaries are each hereby authorized (i) to enter into agreements with the [~~metropolitan transportation~~] **big apple transit** authority concerning transit projects; (ii) to acquire in its own name by gift, purchase or condemnation any real or personal property (or any interest therein) which is needed or useful for or in connection with such project, and to surrender the use, occupancy, control or possession of or to transfer the same, or any other such real or personal property (or any interest therein) which it owns, leases, operates or controls, to the [~~metropolitan transportation~~] **big apple transit** authority or its designee; (iii) to accept a transfer, transfer back, lease or sublease of any such project or part thereof upon its completion; and (iv) to make its agents, employees and facilities available to the [~~metropolitan transportation~~] **big apple transit** authority in connection therewith.

(b) The authority and its subsidiary corporation is each hereby authorized to sell or transfer, without regard as to how or from whom acquired, all or part of its interest in any equipment which is deemed to be a mass commuting vehicle under the United States internal revenue code or the regulations thereunder, including, without limitation, any of the same obtained as transit projects or obtained from or financed with money received from the Triborough bridge and tunnel authority, for such consideration and on such terms or conditions as it may deem appropriate, and to obtain a lease from the transferee on such terms and conditions and for such period as it may deem appropriate pursuant to which it may operate, use, control or possess such mass commuting vehicle in furtherance of the statutory purposes of the authority and its subsidiaries, provided (i) such lease contains an option to the authority or its subsidiary corporation to repurchase its interest at the expiration of the scheduled lease term for nominal consideration, and (ii) the aggregate of the regularly scheduled rental payments which the authority or its subsidiary corporation is obligated to make pursuant to such lease during each twelve month period of the lease term shall not exceed the aggregate amount receivable, whether by principal or interest, by the authority or its subsidiary corporation from its transferee during each such twelve month period. Without limitation of the foregoing, any lease entered into pursuant hereto may also contain provisions requiring the authority or its subsidiary corporation to indemnify the transferee for any loss resulting from the loss or destruction of any mass commuting vehicle which is the subject of such lease, or any loss arising out of any misrepresentation, act, or omission of the authority or its subsidiary in connection with such lease, and requiring the authority or its subsidiary corporation to undertake to replace, repair or restore any such mass commuting vehicle, but such obligations shall not be deemed regularly scheduled rental payments for purposes of the preceding sentence. Rental payments and other payments or costs incurred by the authority or its subsidiary corporation in discharge of its obligations under any lease entered into as hereinabove provided shall not be deemed capital costs for the purposes of section twelve hundred three or twelve hundred three-a of this title, and the considerations received by the authority or its subsidiary corporation in connection with any transactions entered into pursuant to the authorization of this paragraph 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-

cipal amount of any bonds or notes of the authority issued to refund or otherwise repay other obligations issued for such transit projects, (C) the principal amount of any bonds or notes and the capitalized value of any lease, sublease or other such contractual obligation, to the extent such obligations are paid or agreed to be paid, subject to annual appropriation, under service contracts issued by the state to the metropolitan transportation authority for the benefit of the authority or its subsidiaries pursuant to the provisions of section sixteen of the transportation systems assistance and financing act of 1981, or under any similar contract of the metropolitan transportation authority or the authority with any other governmental entity for the benefit of the authority or its subsidiaries, (D) the principal amount of any bonds or notes of the authority issued to the metropolitan transportation authority **or to the big apple transit authority** in connection with the funding of any debt service reserve fund required by any resolution of the metropolitan transportation authority **or of the big apple transit authority** pursuant to which special obligation bonds of that authority to fund a transit project were issued, and (E) a principal amount of any bonds or notes of the authority equal to the amount of any original issue discount from the principal amount of the special obligation bonds or notes issued by the metropolitan transportation authority **or by the big apple transit authority** in connection with the financing of a transit project by that authority;

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

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

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

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

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

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

(v) any other matters, of like or different character, which in any way affect the security or protection of the [~~metropolitan transportation~~] **big apple transit** authority or any lessor; and

(vi) consenting to the extending or assignment by the [~~metropolitan transportation~~] **big apple transit** authority or by any lessor to the holders of any of its bonds, notes or lease obligations of all of the benefits and rights of the [~~metropolitan transportation~~] **big apple transit** authority or of such lessor provided by any such agreement or other instrument.

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

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

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

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

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

7. (a) In connection with (i) the lease between the city and the authority dated June first, nineteen hundred fifty-three, and (ii) the lease between the city and the Manhattan and Bronx surface transit operating authority dated March twentieth, nineteen hundred sixty-two (such leases, as heretofore supplemented, amended or renewed, and the tenancies originally created thereby, being referred to in this section as "the existing leases"), the city, acting either by the mayor alone or by resolution of the [~~board of estimate~~] city council, or by instruments authorized by such resolution, and the authority are authorized to enter into agreements for renewal or extension of the existing leases, or for new leases, for such terms of years and upon such other terms and conditions as the parties thereto shall agree and the [~~metropolitan transportation~~] big apple transit authority shall approve, provided that under the terms thereof, the rights, privileges and obligations of the parties are not inconsistent with the provisions of, or in derogation of the powers of the authority all as provided in this title [~~nine of article five of this chapter~~], and provided further that such agreements shall in no way impair the rights or powers of the authority or the Manhattan and Bronx surface transit operating authority to fulfill the terms of

any contract made by either of them with the holders of any of their then outstanding bonds or notes, and such agreements shall provide that such leases may not be terminated or permitted to expire or be amended in any way inconsistent with the provisions of any agreement, bond, note, lease, sublease or other contractual obligation given or made by either of them in connection with a transit project. 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 like or similar import shall apply to the renewal or extension of the existing leases or to the making of new leases as herein provided.

(b) Notwithstanding the provisions of any other law, general, special or local, or the provisions of the existing leases, if either of the agreements authorized by paragraph (a) [~~above~~] **of this subdivision** is not entered into, but a note, bond, lease, sublease or other contractual obligation for a transit project has been issued or entered into, then (i) no party to an existing lease may terminate the same, serve any notice of termination pursuant thereto, exercise any option to terminate reserved therein or permit the expiration thereof, (ii) the city shall not in any way limit or disturb any right of the tenant to use, occupy, control and possess any of the properties, facilities or revenues which are the subject of such existing lease, and (iii) the city shall not seek to enforce such existing lease in any way inconsistent with or contrary to the manner in which such existing lease had been administered prior to the enactment of this section or inconsistent with or contrary to the interests of the [~~metropolitan transportation~~] **big apple transit** authority or any lessor under any agreement, notes, bonds, lease, sublease or other contractual obligations of the authority or any of its subsidiaries issued or entered into in connection with a transit project (and to the extent the provisions of such leases conflict at any time or in any manner with the provisions of any such note, bond, lease, sublease or other contractual obligation, the provisions of such note, bond, lease, sublease or other contractual obligation shall be controlling and conflicting provisions of the leases with the city shall be disregarded), unless prior thereto the city has satisfied all of such outstanding notes, bonds or other contractual obligations and provided for the termination of all such agreements, leases and subleases, all in accordance with their terms. If and to the extent moneys are paid by the city to the authority or its subsidiaries to satisfy their obligations to the [~~metropolitan transportation~~] **big apple transit** authority under such instruments, the authority and such subsidiaries shall remit such moneys to the [~~metropolitan transportation~~] **big apple transit** authority, which shall, in turn, apply the same to the satisfaction and termination of its own notes, bonds and leases issued or entered into in connection with a transit project in accordance with their terms.

(c) Upon termination or expiration of a new lease or of a renewed or extended existing lease as permitted in paragraph (a) of this subdivision, or upon satisfaction of the requirements of paragraph (b) of this subdivision, title to any real or personal property (or any interest therein) constituting all or any part of a transit project then vested in the authority or any of its subsidiaries or the [~~metropolitan transportation~~] **big apple transit** authority pursuant to the provisions of this chapter shall be transferred without further consideration or payment to the city.

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

subsidiaries, and the metropolitan transportation authority and the holders of bonds or notes or lease, sublease or other contractual obligations issued by any of them in connection with a transit project or in connection with the transfer of the interest of any of them in and the lease from the transferee of any property furnished to it pursuant to chapter twelve of the laws of nineteen hundred seventy-nine or section fifteen of chapter three hundred fourteen of the laws of nineteen hundred eighty-one, or in connection with any transaction entered into pursuant to the authorization of paragraph (b) of subdivision two of this section, that the state will not limit or alter the denial of authority under subdivision eleven of this section, or the rights and powers vested in the authority and its subsidiaries by this title to fulfill the terms of any agreement made by any of them with the big apple transit authority or the metropolitan transportation authority or with such holders, or in any way impair their rights and remedies until such agreements, bonds, notes, and obligations, together with the interest thereon and all costs and expenses in connection with any action or proceedings by or on behalf of the big apple transit authority or the metropolitan transportation authority or such holders, are fully met and discharged. The authority and its subsidiaries are each authorized to include this pledge and the agreement of the state in any agreement with the holders of such bonds or notes or lease, sublease or other obligations and in any agreement with the big apple transit authority or the metropolitan transportation authority relating to a transit project which may extend the same to the holders of its bonds, notes and lease obligations.

9. The provisions of this section and of all agreements undertaken by the authority or any of its subsidiaries in accordance therewith shall in all respects be subject to the rights of the holders of any outstanding bonds or notes of the authority and its subsidiaries.

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

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

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

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

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

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

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

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

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

3. Jurisdiction. The bureau shall have, with respect to acts or incidents in or on the transit facilities of the authority committed by or involving persons who are sixteen years of age or over, or with respect to acts or incidents occurring on omnibuses owned or operated by the [~~metropolitan transportation~~] big apple transit authority or a subsidiary thereof, and with respect to violation of toll collection regulations 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

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

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

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

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

(a) If the city shall have provided in its capital budget for its fiscal year beginning July first, nineteen hundred sixty-eight the amount of one hundred million dollars, or such lesser amount as shall have been requested by the authority for inclusion in such budget, for the payment of the capital cost of projects requested by the authority pursuant to section twelve hundred three of this title, then upon the written request of the mayor made within thirty days after the commencement of such fiscal year, [~~triborough~~] the Triborough bridge and tunnel authority shall transfer to the authority, by lump sum payment or installments at such time or times and in such amounts as the mayor shall elect, all or such part of the surplus funds of [~~triborough~~] the Triborough bridge and tunnel authority on hand as of the last day of its last fiscal year ending prior to such request as the mayor shall specify, which funds shall be applied by the authority solely to the payment of its expenses of operation. If the city shall have provided in its capital budget for any of its next four fiscal years, commencing with the fiscal year beginning July first, nineteen hundred sixty-nine, the amount of one hundred million dollars, or such lesser amount as shall have been requested by the authority for inclusion in such budget, for the payment of the capital cost of projects requested by the authority pursuant to section twelve hundred three of this title, then upon the written request of the mayor made within thirty days after the commencement of such fiscal year, [~~triborough~~] the Triborough bridge and tunnel authority shall transfer to the authority solely for application to the payment of expenses of operation of the authority the operating surplus of [~~triborough~~] the Triborough bridge and tunnel authority for its last fiscal year ending prior to such request, which transfer shall also be by lump sum payment or installments at such time or times and in such amounts as the mayor shall elect. Projects shall be eligible for inclusion in a computation made hereunder only if included in a capital budget on the first day of the fiscal year for which it is adopted. A carry-over project shall not be eligible for inclusion unless it was first included in a capital budget by way of an amendment thereto, in which event it shall be eligible for inclusion in a computation made hereunder with respect to the first fiscal year of the city commencing after the adoption of the amendment.

(b) Promptly upon the making of the certification of its operating surplus, if any, for its fiscal year ending December thirty-first, nineteen hundred seventy-two and for each of its subsequent fiscal years, [~~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

which the mayor is prevented from acting by order of court or by operation of law.

[~~3. Notwithstanding the preceding subdivisions of this section, for purposes of determining the proportional allocation of the operating surplus of the Triborough bridge and tunnel authority between the authority and the metropolitan transportation authority the following formula shall be used: An amount equal to the debt service incurred in such year as a result of the bonds issued to provide facilities pursuant to paragraphs (m), (n), (o), (p) and (r) of subdivision nine of section five hundred fifty-three of this chapter shall be added to the operating surplus of the Triborough bridge and tunnel authority, as certified by that authority. The sum of these figures shall then be allocated to the authority and the commuter railroads operated by metropolitan transportation authority or by its subsidiary corporations, pursuant to the formula contained in paragraph (b) of subdivision two of this section as if this amount were the operating surplus of the Triborough bridge and tunnel authority. The amounts so allocated to the authority and the commuter railroads operated by metropolitan transportation authority or by its subsidiary corporations, shall then be reduced respectively by the proportional amount of the debt service, incurred in such year by the Triborough bridge and tunnel authority pursuant to paragraphs (m), (n), (o), (p) and (r) of subdivision nine of section five hundred fifty-three of this chapter, reasonably attributable to the payments for transit projects undertaken for the authority and its subsidiaries and transportation facility projects undertaken for the commuter railroads operated by the metropolitan transportation authority or by its subsidiary corporations. The remaining amounts shall constitute the respective allocation of operating surplus for the authority and the commuter railroads operated by the metropolitan transportation authority or by its subsidiary corporations.~~]

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

PART C

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

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

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

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

1. A board, to be known as "Triborough bridge and tunnel 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. 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 the authority shall be the executive director of the [~~metropolitan transportation~~] **big apple transit** authority, serving ex officio. Notwithstanding

any provision of law to the contrary, the chairman shall be the chief executive officer of the authority and shall be responsible for the discharge of the executive and administrative functions and powers of the authority. The chairman and executive director, if any, each shall be empowered to delegate his or her functions and powers to the executive officer of the Triborough bridge and tunnel authority or to such person as may succeed to the powers and duties of said executive officer. The chairman and other members of the board hereby created, and the executive director, if any, shall not be entitled to compensation for their services hereunder but shall be entitled to reimbursement for their actual and necessary expenses incurred in the performance of their official duties.

2. A majority of the whole number of members of the authority then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the authority. Except as otherwise specified in this title for the transaction of any business or the exercise of any power of the authority, the authority shall have the power to act by a majority vote of the members present at any meeting at which a quorum is in attendance and except further, that in the event of a tie vote the chairman shall cast one additional vote. For the purposes of the voting and quorum requirements of this subdivision, the voting and quorum requirements set forth in [~~subdivision three of section twelve hundred sixty-three~~] **subdivision three of section thirteen hundred forty-nine-c** of this chapter and in any by-law of the [~~metropolitan transportation~~] **big apple transit** authority adopted pursuant to the provisions of such subdivision shall be applicable hereto. Such board and its corporate existence shall continue only for a period of five years and thereafter until all its liabilities have been met and its bonds, notes and other obligations have been paid in full or such liabilities or bonds, notes or other obligations have otherwise been discharged, including bonds, notes or other obligations issued by the metropolitan transportation authority that are payable in whole or in part by revenues of the authority. When all liabilities incurred by the authority of every kind and character have been met and all its bonds, notes and other obligations have been paid in full, including bonds, notes or other obligations issued by the metropolitan transportation authority that are payable in whole or in part by revenues of the authority, or such liabilities or bonds, notes or other obligations have otherwise been discharged, all rights and properties of the authority shall pass to and be vested in the city, except those rights and properties held by it relating to the convention center which shall pass to and be vested in the state. The authority shall retain full jurisdiction and control over all its projects, with the right and duty, subject to the limitations of subdivision nine of section five hundred fifty-two-a of this title, to charge tolls and collect revenues therefrom, for the benefit of the holders of any of its bonds, notes or other obligations or other liabilities, even if not issued or incurred in connection with the project. Upon the authority's ceasing to exist all its remaining rights and properties shall pass to the city, except those rights and properties held by it relating to the convention center which shall pass to the state.

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

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

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

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

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

4-b. To 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 whatever, 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 authority may determine to be necessary, convenient or desirable. Subject to the rights of the holders of any outstanding bonds, notes or other obligations of the authority, **the** metropolitan transportation authority, **the big apple transit authority** and **the** New York city transit authority, and to facilitate the efficient financial management of the authority, **the** metropolitan transportation authority, **the big apple transit authority,** its subsidiary corporations, and **the** New York city transit authority and its subsidiary corporations (the "affiliated entities"), the authority may, and may permit and direct any affiliated entity to, transfer revenues, subsidies and other monies or securities to one or more funds or accounts of another affiliated entity for use by such other affiliated entity, provided at the time of such transfer it is reasonably anticipated that the monies and securities so transferred will be reimbursed, repaid or otherwise provided for by the end of the next succeeding calendar year if reimbursement or repayment is required by law or by any agreement to which any of the affected affiliated entities is subject. Any revenues of an affiliated entity that are transferred to another affiliated entity, which transfer was not authorized by a provision of law other than this subdivision, shall be considered to be required to be repaid to the affiliated entity which was the source of such revenues by the end of the next succeeding calendar year following such transfer.

7-a. Notwithstanding any inconsistent provision of law, the bridge and tunnel officers employed by the authority shall have the power to issue simplified traffic informations for traffic infractions as defined in section one hundred fifty-five of the vehicle and traffic law, committed on the sites owned, operated and maintained by the [~~triborough~~] **Triborough** bridge and tunnel authority, such informations to be administered pursuant to the provisions of **chapter two of** title [~~A of chapter forty~~] **nineteen** of the administrative code of the city of New York or article two-A of the vehicle and traffic law, as applicable and also shall have 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**.

[~~(o) 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,

occupancy, control or possession of such assets for the purpose of planning, designing, constructing, improving, reconstructing or rehabilitating the same) and the transfer or transfer back of such asset to the requesting authority, its designated subsidiary or other designee for a nominal consideration upon its acquisition or upon the completion of such improvement, construction, reconstruction or rehabilitation; or, alternatively or in combination with the foregoing, (ii) the making of capital grants to the requesting authority or its designated subsidiary to permit it to undertake and to finance such planning, design, acquisition, improvement, construction, reconstruction or rehabilitation, or, alternatively or in combination with the foregoing, (iii) the financing of all or any part of the costs to the authority or to any other person or entity, public or private, of such planning, design, acquisition, construction, improvement, reconstruction or rehabilitation of any such capital asset through or accompanied by a leasing of the asset by such person or entity to the authority or through or accompanied by a sale by the authority to any such person or entity and leaseback to the authority, in each case for subleasing to the requesting authority, its designated subsidiary or other designee for a nominal rental, except that such leasing or leaseback from such person or entity may be directly to the requesting authority or its designated subsidiary or other designee, for consideration, with the consent and at the expense of the authority. The foregoing authorization shall extend to and include the continuation of projects enumerated in paragraphs (m)[~~,~~] **and** (n)[~~, (o) and (p)~~] of this subdivision without regard to any limitations set forth in section five hundred fifty-three-c of this title. The authority shall have no obligation to operate or, except as may otherwise be provided in any lease to which it may be a party as aforesaid, repair or maintain any capital asset after its acquisition, construction, improvement, reconstruction or rehabilitation and subsequent transfer, lease or sublease, nor shall it be liable to the transferee, lessee or sublessee by reason of any warranty, express or implied, in respect thereof. Warranties furnished in connection with such acquisition, improvement, construction, reconstruction or rehabilitation shall be assignable and assigned as directed by the requesting authority and approved by the authority.

12. To charge tolls, fees or rentals for the use of the project, subject to and in accordance with such agreement with bondholders as may be made as hereinafter provided. The toll rates charged for the use of either the Triborough or Whitestone bridge project shall, however, never be less than the toll rates charged for the use of the other, and this clause shall be deemed an obligation to the holders of any and all bonds at any time issued secured by the revenues of said projects. Subject to contracts with bondholders, all tolls and other revenues derived from any project shall be applied to the payment of operating, administration and other necessary expenses of the authority properly chargeable to such project and thereafter to the payment of interest or principal of bonds or for making sinking fund payments for bonds, not otherwise adequately provided for, whether issued in connection with such project or any other project. It is the intention hereof that surplus funds from any project remaining after providing for the payment of all operating, administration and other necessary expenses of the authority and all contract provisions with respect to any bonds, may be used to meet obligations incurred for other projects and if not so used or reserved for such use shall, at the discretion of [~~metropolitan transportation~~] **the 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-c~~] **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

such reformulated resolution the board may notify the authority of its unanimous approval of the same by the members entitled to vote thereon, or, if the reformulated resolution is not approved and no individual member of the board who is entitled to vote thereon has notified the authority in writing of his disapproval within such period, the reformulated resolution shall have been deemed to have been approved. Any individual member of the board who votes against a resolution or a reformulated resolution or who notifies the authority of his disapproval shall state his reasons therefor. The member appointed on the recommendation of the mayor of the city of New York shall participate in the action of the board with respect to any resolution of the authority submitted pursuant to this subdivision. The authority shall not adopt a resolution or any amendment to a resolution disapproved by the board as herein provided.

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

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

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

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

§ 5. Section 553-d of the public authorities law, as amended by section 6 of part O 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~~] **thirteen hundred forty-nine-dd** 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.

§ 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

inform the [~~board of estimate of the~~] city **council** of New York, with copies to the city planning commission of the city of New York and the proposing authority, of its views and recommendations with respect thereto within forty-five days of such submission, and if the community board shall fail to so inform the [~~board of estimate~~] **city council** within such period it shall be deemed to have recommended the proposal; and (c) the [~~board of estimate~~] **city council** shall, within forty-five days of the recommendation of the community board, approve or disapprove such acquisition or transfer, and if the [~~board of estimate~~] **city council** shall fail to act within such period it shall be deemed to have approved the same.

7. The [~~metropolitan transportation~~] **big apple transit** 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~~] **big apple transit** authority, by appropriation pursuant to section [~~twelve hundred sixty-seven-a~~] **thirteen hundred forty-nine-q** 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.

8. No such project to be constructed upon real property theretofore used for a transit or 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 transit or 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 project or acts or activities in connection therewith taken by any person or entity, public or private, pursuant to paragraph (m), (n)[~~, (o), (p),~~] or (r) of subdivision nine of section five hundred fifty-three of this title be subject to the provisions of article eight of the environmental conservation law if such project, acts or activities to be taken in connection therewith require the preparation of a statement under or pursuant to any federal law or regulation as to the environmental impact thereof.

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

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

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

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 [~~prinicipal~~] 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, the authority shall not expend more than one billion three hundred twenty million dollars for transit projects as defined in section [~~twelve hundred sixty-six-c~~] thirteen hundred forty-nine-j of this chapter nor more than eight hundred eighty million dollars for transportation facilities as such term is defined in subdivision [~~fourteen~~] nineteen of section [~~twelve hundred sixty-one~~] thirteen hundred forty-nine-b of this chapter other than marine or aviation facilities. For the purposes of this subdivision, facilities under the jurisdiction of the Staten Island rapid transit operating authority shall be considered transit projects.

§ 7. Intentionally omitted.

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

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

included within the 2020 to 2024 [~~MTA~~] **big apple transit authority** capital program or any successor programs. Monies 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 to finance the costs of the central business district tolling program, including, without limitation, the central business district tolling infrastructure, the central business district tolling collection system and the central business district tolling customer service center, and the costs of any [~~metropolitan transportation~~] **big apple transit** authority capital projects included within the 2020 to 2024 [~~MTA~~] **big apple transit authority** capital program or any successor programs, 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; or (b) used by the authority for the payment of such capital costs of the central business district tolling program and the costs of any [~~metropolitan transportation~~] **big apple transit** authority capital projects included within the 2020 to 2024 [~~MTA~~] **big apple transit authority** capital program or any successor programs; or (c) transferred to the [~~metropolitan transportation~~] **big apple transit** authority and (1) pledged by the [~~metropolitan transportation~~] **big apple transit** authority to secure and be applied to the payment of the bonds, notes or other obligations of the [~~metropolitan transportation~~] **big apple transit** authority to finance the costs of any [~~metropolitan transportation~~] **big apple transit** authority capital projects included within the 2020 to 2024 [~~MTA~~] **big apple transit authority** capital program or any successor programs, 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, or (2) used by the [~~metropolitan transportation~~] **big apple transit** authority for the payment of the costs of any [~~metropolitan transportation~~] **big apple transit** authority capital projects included within the 2020 to 2024 [~~MTA~~] **big apple transit authority** capital program or any successor programs. Such revenues shall only supplement and shall not supplant any federal, state, or local funds expended by the authority or the [~~metropolitan transportation~~] **big apple transit** authority, or such authority's or [~~metropolitan transportation~~] **big apple transit** authority's affiliates or subsidiaries for such respective purposes. Central business district toll revenues may be used as required to obtain, utilize, or maintain federal authorization to collect tolls on federal aid highways.

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

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

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

3-a. Of the capital project costs paid by this fund[~~: eighty percent shall be capital project costs of the New York city transit authority and its subsidiary, Staten Island Rapid Transit Operating Authority, and MTA Bus with~~] priority **shall be** given to the subway system, new signaling, new subway cars, track and car repair, accessibility, buses and bus system improvements and further investments in expanding transit availability to areas in the outer boroughs that have limited mass transit options; ten percent shall be capital project costs of the Long Island Rail Road, including but not limited to, parking facilities, rolling stock, capacity enhancements, accessibility, and expanding transit availability to areas in the Metropolitan Commuter Transportation District that have limited mass transit options; and ten percent shall be capital project costs of the Metro-North Commuter Railroad Company, including but not limited to, parking facilities, rolling stock, capacity enhancements, accessibility, and expanding transit availability to areas in the Metropolitan Commuter Transportation District that have limited mass transit options.

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

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

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

§ 555. Selection of site. Notwithstanding any provisions of any other statute, the authority in conjunction with the commissioner of parks of the city or his successor, the commissioner of parks and recreation, and with the approval of the [~~board of estimate~~] **city council** of such city and with the separate approval of the mayor thereof, is hereby authorized to select sites in the boroughs of the Bronx and Queens of the city for the Whitestone bridge project and parkways connecting therewith, which sites may be in or through existing public parks, and to select sites for new public parks contiguous to such project or contiguous to the roads, streets, parkways or avenues connecting with such project. A site or sites may be selected for any or all of the aforementioned purposes and thereafter the use thereof shall be allocated by the commissioner of parks and recreation as herein provided. The property so selected solely for such project, not already owned by the city, shall be acquired at the sole expense of the authority in the manner provided for under this title. The property so selected solely for new public parks shall be acquired by the city at its sole expense. The cost of the property so selected for such project, combined with any other aforementioned purposes the use of which is to be thereafter determined, shall be divided between the city and the authority as may be determined by a contract or contracts hereby authorized to be entered into between the city and the authority, subject to the approval of the [~~board of estimate of the~~] city **council**. So much of the sites so selected and acquired

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

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

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

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

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

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

1. The authority shall have the power and is hereby authorized from time to time to issue its negotiable bonds in conformity with applicable provisions of the uniform commercial code for any corporate purpose or power. The authority shall have power from time to time and whenever it deems refunding advantageous or desirable, to refund, redeem or otherwise pay, including by purchase or tender any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds then outstanding and partly for any other corporate purpose or power. The refunding bonds may be exchanged for the bonds to be refunded, with such cash adjustments as may be agreed, or may be sold and the proceeds applied to the purchase or payment of the bonds to be refunded. The authority may issue general or special obligation bonds. Every issue of general obligation bonds shall be payable out of any moneys or revenues of the authority, subject only to any agreements with the holders of particular bonds pledging any particular tolls or revenues. Every issue of special obligation bonds shall be payable out of any revenues, receipts, monies or assets of the authority, the [~~metropolitan transportation~~] **big apple transit** authority and its subsidiary corporations and the New York city transit authority and its subsidiary corporations identified for such purposes in accordance with agreements with the holders of particular bonds.

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

§ 569-c. Transfer and receipt of surplus funds. Notwithstanding any provision of this title or any other provision of law, general, special or local, the authority shall, at the direction of the [~~metropolitan transportation~~] **big apple transit** authority, from time to time transfer 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.

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

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

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

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

2. "Authority facilities" shall mean the authority's transit, railroad, omnibus, marine and aviation facilities and operations pursuant to joint service arrangements.

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

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

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

6. "Federal government" shall mean the United States government, and any officer, department, board, commission, bureau, division, corporation, agency or instrumentality thereof.

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

8. "Gap-closing initiative" shall mean any action to reduce a projected gap.

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

10. "Joint service arrangements" shall mean agreements between or among the authority and 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, or any political subdivision or municipality of the state, relating to property, buildings, structures, facilities, services, rates, fares, classifications, divisions, allowances or charges (including charges between operators of railroad, omnibus, marine and aviation facilities), or rules or regulations pertaining thereto, for or in connection with or incidental to transportation in part in or upon rail-

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

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

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

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

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

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

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

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

18. "State agency" shall mean any officer, department, board, commission, bureau, division, public benefit corporation, agency or instrumentality 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

chairperson, and each member shall be entitled to cast one vote. Each borough president of the city of New York shall appoint one voting member who shall be entitled to cast a half vote. The public advocate of the city of New York shall appoint one voting member who shall be entitled to cast a half vote. The two non-voting members shall be appointed by the mayor. The first non-voting member shall be a regular mass transit user of the facilities of the authority and be recommended to the mayor of the city of New York by the permanent citizens advisory committee established pursuant to section thirteen hundred forty-nine-m of this title. The second non-voting member shall be recommended to the mayor by the labor organization representing the majority of employees of the authority. The chairperson, at such chairperson's direction, may exclude such non-voting member from attending any portion of a meeting of the authority or of any committee established pursuant to paragraph (b) of subdivision three of this section held for the purpose of discussing negotiations with labor organizations. The chairperson and each of the members shall be appointed for a term of three years.

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

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

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

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

(b) The chairperson shall establish committees to assist such chairperson in the performance of such chairperson's duties and shall appoint members of the authority to such committees. Among such committees, there shall be a committee on operations of the New York city transit authority, the Manhattan and Bronx surface transit operating authority and the Staten Island rapid transit operating authority; a committee on operations of the Triborough bridge and tunnel authority; a committee on finance; a committee on capital program oversight; and a committee on safety. In addition to such appointed members, each of the non-voting members shall serve on the committee on capital program oversight, the committee on finance, the committee on safety, and the committee on operations of the Triborough bridge and tunnel authority. The committee on capital program oversight shall include not less than four members, and shall include the chairpersons of the committee on operations of the New York city transit authority, the Manhattan and Bronx surface transit operating authority and the Staten Island rapid transit operating authority, and the committee on safety. The committee on safety shall convene at least once annually and each committee chairperson, that is a member of the committee on safety, shall report to the committee on safety any and all initiatives, concerns, improvements, or failures involving the safety of customers, employees, and the public at large,

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

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

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

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

(B) collective bargaining agreements;

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

(D) New York state labor laws;

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

(F) any other relevant requirements established by law;

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

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

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

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

(vii) identify capital elements not progressing on schedule, ascertain responsibility therefor and recommend those actions required or appropriate to accelerate their implementation.

(c) The capital program committee shall issue a quarterly report on its activities and findings, and shall in connection with the preparation of such quarterly report, consult with the city department of transportation, the mayor, and any other group the committee deems relevant, including public employee organizations, and, at least annually, with a nationally recognized independent transit engineering firm. Such report shall be made available to the members of the authority, to the mayor, and the directors of the municipal assistance corporation for the city of New York.

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

(e) Notwithstanding paragraph (c) of subdivision one of section twenty-eight hundred twenty-four of this chapter or any other provision of law to the contrary, the chairperson shall not participate in establishing authority policies regarding the payment of salary, compensation and reimbursement to, nor establish rules for the time and attendance of, the chief executive officer. The salary of the chairperson, as determined pursuant to subdivision two of this section, shall also be compensation for all services performed as chief executive officer.

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

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

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

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

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

(b) be captioned in large point type bold lettering with a title that fairly and accurately conveys the basic nature of such change or changes;

(c) where such change involves a proposed change in levels of fare, include in its title the range of amounts of fare changes under consideration;

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

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

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

§ 1349-d. Purposes of the authority. 1. The purposes of the authority shall be the continuance, further development and improvement of commuter transportation and other services related thereto within the city of New York, 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 the city in an effi-

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

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

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

1. to sue and be sued;

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

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

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

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

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

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

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

(e) obligations of any bank or corporation created under the laws of either the United States or any state of the United States maturing within two hundred seventy days, provided that such obligations receive the highest rating of two nationally recognized independent rating agencies and, provided further, that no more than two hundred fifty million dollars may be invested in such obligations of any one bank or corporation;

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

(g) notes, bonds, debentures, mortgages and other evidences of indebtedness, issued or guaranteed at the time of the investment by the United States Postal Service, the federal national mortgage association, the federal home loan mortgage corporation, the student loan marketing association, the federal farm credit system, or any other United States government sponsored agency, provided that at the time of the investment such agency or its obligations are rated and the agency receives, or its obligations receive, the highest rating of all independent rating agencies that rate such agency or its obligations, provided, however, that no more than two hundred fifty million dollars or such greater amount as may be authorized for investment by the state comptroller pursuant to

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

(h) general obligation bonds and notes of any state other than the state, provided that such bonds and notes receive the highest rating of at least one independent rating agency, and bonds and notes of any county, town, city, village, fire district or school district of the state, provided that such bonds and notes receive either of the two highest ratings of at least two independent rating agencies;

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

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

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

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

(a) 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, and 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;

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

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

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

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

8. to appoint such officers and employees as it may require for the performance of its duties, and to fix and determine their qualifications, duties, and compensation and to retain or employ counsel, auditors, engineers, and private consultants on a contract basis or otherwise for rendering professional or technical services and advice;

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

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

10. to make plans, surveys, and studies necessary, convenient or desirable to the effectuation of the purposes and powers of the authority and to prepare recommendations in regard thereto;

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

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

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

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

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

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

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

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

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

2. (a) Advertisement for bids, when required by this section, shall be published at least once in a newspaper of general circulation in the area served by the authority and in the procurement opportunities newsletter published pursuant to article four-C of the economic development law provided that, notwithstanding the provisions of such article, an advertisement shall only be required for a purchase contract for supplies, materials or equipment when required by this section. Publication in a newspaper of general circulation in the area served or in the procurement opportunities newsletter shall not be required if bids for contracts for supplies, materials or equipment are of a type regularly purchased by the authority and are to be solicited from a list of potential suppliers, if such list is or has been developed consistent with the provisions of subdivision six of this section. Any such advertisement shall contain a statement of:

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

(ii) the name of the contracting agency;

(iii) the contract identification number;

(iv) a brief description of the public work, supplies, materials, or equipment sought, the location where work is to be performed, goods are to be delivered or services provided and the contract term;

(v) the address where bids or proposals are to be submitted;

(vi) the date when bids or proposals are due;

(vii) a description of any eligibility or qualification requirement or preference;

(viii) a statement as to whether the contract requirements may be fulfilled by a subcontracting, joint venture, or co-production arrangement;

(ix) any other information deemed useful to potential contractors; and

(x) the name, address, and telephone number of the person to be contacted for additional information. At least fifteen business days shall elapse between the first publication of such advertisement or the solicitation of bids, as the case may be, and the date of opening and reading of bids.

(b) The authority may designate any officer or employee to open the bids at the time and place bids are to be opened and may designate an officer to award the contract to the lowest responsible bidder. Such designee shall make a record of all bids in such form and detail as the authority shall prescribe. All bids received shall be publicly opened and read at the time and place specified in the advertisement or at the time of solicitation, or to which the opening and reading have been adjourned by the authority. All bidders shall be notified of the time and place of any such adjournment.

3. Notwithstanding the foregoing, the authority may, by resolution approved by a two-thirds vote, or by a majority vote with respect to contracts proposed to be let pursuant to paragraph (a) of this subdivision, declare that competitive bidding is impractical or inappropriate because of the existence of any of the circumstances hereinafter set forth and thereafter the authority may proceed to award contracts without complying with the requirements of subdivision one or two of this section. In each case where the authority declares competitive bidding impractical or inappropriate, it shall state the reason therefor in writing and summarize any negotiations that have been conducted. Except for contracts awarded pursuant to paragraphs (a), (b), (c) and (e) of this subdivision, the authority shall not award any contract pursuant to this subdivision earlier than thirty days from the date on which the authority declares that competitive bidding is impractical or inappropriate. Competitive bidding may only be declared impractical or inappropriate where:

(a) the existence of an emergency involving danger to life, safety or property requires immediate action and cannot await competitive bidding or the item to be purchased is essential to efficient operation or the adequate provision of service and as a consequence of an unforeseen circumstance such purchase cannot await competitive bidding;

(b) the item to be purchased is available only from a single responsible source, provided that if bids have not been solicited for such item pursuant to subdivision one of this section within the preceding twelve months public notice shall first be given pursuant to subdivision four of this section;

(c) the authority receives no responsive bids or only a single responsive bid in response to an invitation for competitive bids;

(d) the authority wishes to experiment with or test a product or technology or new source for such product or technology or evaluate the service or reliability of such product or technology;

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

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

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

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

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

that the authority's discretion to award a contract to any manufacturer shall not be so limited if a basis for such award, as determined by the authority, is superior financing, delivery schedule, life cycle, reliability, or any other factor the authority deems relevant to its operations;

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

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

4. Upon the adoption of a resolution by the authority stating, for reasons of efficiency, economy, compatibility or maintenance reliability, that there is a need for standardization, the authority may establish procedures whereby particular supplies, materials or equipment are identified on a qualified products list. Such procedures shall provide for products or vendors to be added to or deleted from such list and shall include provisions for public advertisement of the manner in which such lists are compiled. The authority shall review such list no less than twice a year for the purpose of making such modifications. Contracts for particular supplies, materials or equipment identified on a qualified products list may be awarded by the authority to the lowest responsible bidder after obtaining sealed bids in accordance with this section or without competitive sealed bids in instances when the item is available from only a single source, except that the authority may dispense with advertising provided that it mails copies of the invitation to bid to all vendors of the particular item on the qualified products list.

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

(a) advertising in trade journals;

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

(c) publication in the state register quarterly; and

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

6. The provisions of this section shall not supersede any other provisions of law relative to purchases of products or devices manufactured or provided by the blind or other severely handicapped persons, to 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

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

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

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

(ii) for a small business mentoring program participant which the authority has determined has successfully completed the program under subparagraph (i) of this paragraph, for up to four additional years, (A) additional opportunities to compete with other designated small businesses in the program for certain public work contracts to be designated for inclusion under this subparagraph and, where awarded, to perform such authority public work contracts, with the further assistance of an authority-provided mentor, which shall be a firm competitively selected by the authority that has extensive construction management and mentoring experience, with the mentor to provide the small business with advice and technical assistance in competing for and managing authority public work contracts, and (B) authority-provided assistance, as determined by the authority, for such a small business to obtain bonding for public work contracts that are competitively awarded pursuant to provisions of law other than this section.

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

2. (a) The authority may establish a small business mentoring program. In connection therewith, the authority may determine the criteria pursuant to which a small business shall be eligible for and selected to participate in the program under subparagraphs (i) and (ii) of paragraph (b) of subdivision one of this section, the number of participants to participate in each of such components of the program, the criteria for the competitive selection of the firms that will provide small businesses with mentoring services, the assignment of a mentor to a specific small business in the small business mentoring program, and the funding for the program.

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

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

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

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

(iv) to competitively select, designate and contract with one or more experienced construction management firms that, under the general supervision of the authority, will provide mentoring services to the small businesses participating in the small business mentoring program, and to assign such mentors one or more designated small businesses participating in the program;

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

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

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

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

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

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

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

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

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

(d) provide other technical assistance to the small business to facilitate learning, training and other issues which may arise.

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

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

§ 1349-h. 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, wholly or partially within the city, 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.

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 any transportation facility, or may provide for such planning, design, acquisition, establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension, 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.

3. (a) Except as directed in paragraph (c) of this subdivision, the authority shall 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 necessary for the use and operation of any transportation facility and related services operated by the authority or by a subsidiary corporation of the authority or under contract, lease or other arrangement, including joint service arrangements, with the authority. Any such fares, tolls, rentals, rates, charges or other fees for the transportation of passengers shall be established and changed only if approved by resolution of the authority adopted by not less than a majority vote and only after a public hearing, provided however, that fares, tolls, rentals, rates, charges or other fees for the transportation of passengers on any transportation facility which are in effect at the time that the then owner

of such transportation facility becomes a subsidiary corporation of the authority or at the time that operation of such transportation facility is commenced by the authority or is commenced under contract, lease or other arrangement, including joint service arrangements, with the authority may be continued in effect without such a hearing. Such fares, tolls, rentals, rates, charges and other fees shall be established as may in the judgment of the authority be necessary to maintain the combined operations of the authority and its subsidiary corporations on a self-sustaining basis and to ensure that the operations of the authority are such that, at the end of the fiscal year, the results thereof shall not show a deficit when reported in accordance with generally accepted accounting principles unless such deficit is offset by funds withdrawn from reserves therefor. The said operations 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 and its subsidiary corporations (i) as the same shall become due, the principal of and interest on the bonds and notes and other obligations of the authority and its subsidiaries, and the metropolitan transportation authority, together with the maintenance of proper reserves therefor, (ii) the cost and expense of keeping the properties and assets of the authority and its subsidiary corporations in good condition and repair, and (iii) the capital and operating expenses of the authority and its subsidiary corporations. The authority may contract with the holders of bonds and notes with respect to the exercise of the powers authorized by this section. No acts or activities taken or proposed to be taken by the authority or any subsidiary of the authority pursuant to the provisions of this subdivision shall be deemed to be "actions" for the purposes or within the meaning of article eight of the environmental conservation law.

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

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

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

4. In furtherance of the authority's mandate to develop and implement a unified mass transportation policy for the city and the exercise of its powers, including the power to issue notes, bonds and other obligations secured in whole or in part by the revenues of the authority and its subsidiaries, and New York city transit authority and its subsidiaries, the authority shall join with the New York city transit authority and its subsidiaries in connection with any change in the establishment, levy and collection of fares, tolls, rentals, rates, charges and other fees for the transportation of passengers on any transportation facilities operated by New York city transit authority and its subsidiaries. Such fares, tolls, rentals, charges and other fees on transit facilities shall be established in accordance with the requirements of sections twelve hundred five and twelve hundred seven-i of this article.

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

6. The authority may acquire, hold, own, lease, establish, construct, effectuate, operate, maintain, renovate, improve, extend or repair any transportation facilities through, and cause any one or more of its powers, duties, functions or activities to be exercised or performed by, one or more wholly owned subsidiary corporations of the authority, or by New York city transit authority or any of its subsidiary corporations in the case of transit facilities and may transfer to or from any such corporations any moneys, real property or other property for any of the purposes of this title upon such terms and conditions as shall be agreed to and subject to such payment or repayment obligations as are required by law or by any agreement to which any of the affected entities is subject. The directors or members of each such subsidiary corporation of the authority corporation shall be the same persons holding the offices of members of the authority. The chairperson of the board of each such subsidiary shall be the chairperson of the authority, serving ex officio and, provided that there is an executive director of the big apple transit authority, the executive director of such subsidiary shall be the executive director of the big apple transit authority, serving ex officio. Notwithstanding any provision of law to the contrary, the chairperson shall be the chief executive officer of each such subsidiary and shall be responsible for the discharge of the executive and administrative functions and powers of each such subsidiary. The chairperson and executive director, if any, shall be empowered to delegate his or her

functions and powers to one or more officers or employees of each such subsidiary designated by him or her. Each such subsidiary corporation of the authority and any of its property, functions and activities shall have all of the privileges, immunities, tax exemptions and other exemptions of the authority and of the authority's property, functions and activities. Each such subsidiary corporation shall be subject to the restrictions and limitations to which the authority may be subject. Each such subsidiary corporation of the authority shall be subject to suit in accordance with section thirteen hundred forty-nine-mm of 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.

7. 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.

8. 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.

9. Each of 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 city, 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.

10. 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, and to facilitate the efficient financial management of the authority, its subsidiary corporations, New York city transit authority and its subsidiary corporations, and Triborough bridge and tunnel authority (the "affiliated entities"), the authority may, and may permit and direct any affiliated entity to, transfer revenues, subsidies and other monies or securities to one or more funds or accounts of another affiliated entity for use by such other affiliated entity, provided at the time of such transfer it is reasonably anticipated that the monies and securities so transferred will be reimbursed, repaid or otherwise provided for by the end of the next succeeding calendar year if reimbursement or repayment is required

by law or by any agreement to which any of the affected affiliated entities is subject. Any revenues of an affiliated entity that are transferred to another affiliated entity, which transfer was not authorized by a provision of law other than this subdivision, shall be considered to be required to be repaid to the affiliated entity which was the source of such revenues by the end of the next succeeding calendar year following such transfer.

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

12. The authority may do all things it deems necessary, convenient or desirable to manage, control and direct the maintenance and operation of transportation facilities, equipment or real property operated by or under contract, lease or other arrangement with the authority and its subsidiaries, and New York city transit authority and its subsidiaries. Except as hereinafter specially provided, no municipality or political subdivision other than the city of New York, including but not limited to a county, city, village, town or school or other district shall have jurisdiction over any facilities of the authority and its subsidiaries, and New York city transit authority and its subsidiaries, or any of their activities or operations. The local laws, resolutions, ordinances, rules and regulations of a municipality or political subdivision, heretofore or hereafter adopted, conflicting with this title or any rule or regulation of the authority or its subsidiaries, or New York city transit authority or its subsidiaries, shall not be applicable to the activities or operations of the authority and its subsidiaries, and New York city transit authority, or the facilities of the authority and its subsidiaries, and New York city transit authority and its subsidiaries, except such facilities that are devoted to purposes other than transportation or transit purposes. Each municipality or political subdivision, including but not limited to a county, city, village, town or district in which any facilities of the authority or its subsidiaries, or New York city transit authority or its subsidiaries are located shall provide for such facilities police, fire and health protection services of the same character and to the same extent as those provided for residents of such municipality or political subdivision.

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

14. 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 city or 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.

15. 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.

16. 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.

17. The authority and each of its subsidiary corporations shall place on each transformer and substation which contains polychlorinated biphenyls a symbol so indicating the presence of polychlorinated biphenyls. Use of a polychlorinated biphenyl 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.

18. (a) Notwithstanding any other provisions of law or the terms of any contract, the authority shall establish and implement a no fare program for transportation 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.

19. 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.

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

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

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

§ 1349-j. Transit projects. 1. Subject to the provisions of this section, the authority is hereby authorized, upon the request of the New York city transit authority and upon such terms and conditions as shall be agreed to by the authority (a) to plan, design, acquire, construct, reconstruct, rehabilitate and improve facilities, equipment, devices and appurtenances, and property or property rights constituting or to constitute part of, or used or to be used in connection with the operation of any transit facility now or hereafter owned or operated by the New York city transit authority or any of its subsidiaries, each of such activities and programs being referred to in this section as a "transit project"; (b) to finance the costs of a transit project by the issuance of its notes, bonds or lease obligations; and (c) upon the completion of any transit project or part thereof, to cause the same to be transferred, leased or subleased to the New York city transit authority or its designated subsidiary or other designee, for consideration. The terms "facilities", "equipment", "devices and appurtenances", "property" or "property rights" and "transit facility" shall have the meanings given to such terms in section twelve hundred of this article. The authority shall have no obligation to operate or, except as may otherwise be provided in any lease to which it may be a party as hereinafter provided, repair or maintain any transit project or part thereof subsequent to its completion nor shall it be liable to the transferee, lessee or sublessee by reason of any warranty, express or implied, in respect thereof. Warranties furnished in connection with such transit project shall be assignable and assigned as directed by the New York city transit authority and approved by the authority.

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

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

(b) finance all or any part of the costs to the authority or to any other person or entity, public or private, of such transit project through, or accompanied by, a leasing of such project or any part thereof by such person or entity to the authority or through or accompanied by a sale by the authority to any such person or entity and leaseback to the authority, in each case for subleasing to the New York city transit authority, its designated subsidiary or other designee for consideration, except that such leasing or leaseback from such person or entity may be made directly to the New York city transit authority or its designated subsidiary or other designee with the consent of the authority;

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

(d) accept the notes, bonds, lease, sublease and other contractual obligations of the New York city transit authority and any of its designated subsidiaries in payment for a transfer, lease or sublease of a transit project;

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

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

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

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

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

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

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

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

(d) notwithstanding and in addition to any provisions for the redemption of such bonds or notes which may be contained in any contract with the holders thereof, the city of New York may, upon furnishing sufficient funds therefor, require the authority to redeem as a whole any issue of such bonds or notes at the time or times and at the place or places and in accordance with the terms upon which such bonds or notes are redeemable; and

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

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

5. 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 (a) to the acquisition of any real property, or any interest therein, for the purposes of any transit project by the city or by the New York city transit authority or any of its subsidiaries; (b) 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 (c) 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; (i) 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; (ii) such community board shall inform the council of the city of New York, with copies to the city planning commission of the city of New York and the proposing authority, of its views and recommendations with respect thereto within forty-five days of such submission, and if the community board shall fail to so inform such council within such period it shall be deemed to have recommended the proposal; and (iii) such council shall, within forty-five days of the recommendation of the community board, approve or disapprove such acquisition or transfer, and if such council shall fail to act within such period it shall be deemed to have approved the same.

6. In its performance of any transit project, the authority shall not be deemed the agent or instrumentality of the city of New York or the New York city transit authority or any of its subsidiaries 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 such other entity. In its performance of any transit project, however, the

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

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

8. After the transfer, transfer back, lease or sublease to the New York city transit authority or its designated subsidiary or other designee of any transit project or part thereof, actions for damages for injuries to real or personal property or for the destruction thereof, or for personal injuries or death, based upon the use, condition or state of such project or part thereof may not be instituted against the authority, which shall have no liability or responsibility to the transferee, lessee or sublessee or to third parties therefor.

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

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

11. No transit project to be constructed upon real property to be used for a transit or 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 transit or 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 transit project or any acts or activities in connection therewith taken by any person or entity, public or private, pursuant to this section be subject to the provisions of article eight of the environmental conservation law if such project, 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 provisions of this section and of all agreements undertaken by the New York city transit authority in accordance therewith shall in all respects be subject to the rights of the holders of any outstanding bonds or notes of such authority.

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

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

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

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

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

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

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

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

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

ently control the day to day business decisions of the entity for at least one year; and women-owned business enterprise shall mean any business enterprise which is at least fifty-one per centum owned by, or in the case of a publicly owned business, at least fifty-one per centum of the stock of which is owned by citizens or permanent resident aliens who are women, and such ownership interest is real, substantial and continuing and have the authority to independently control the day to day business decisions of the entity for at least one year.

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

(ii) In the implementation of this subdivision, the authority shall consider compliance by any contractor with the requirements of any federal, state, or local law concerning minority and women-owned business enterprises, which may effectuate the requirements of this subdivision. If the authority determines that by virtue of the imposition of the requirements of any such law, in respect to capital project contracts, the provisions thereof duplicate or conflict with such law, the authority may waive the applicability of this subdivision to the extent of such duplication or conflict.

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

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

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

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

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

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

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

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

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

(c) enter into contracts with the excess loss fund and with the participants therein, on such terms and conditions as the parties may agree, with respect to the payment of premiums, assessments, reimbursements and other payments to the excess loss fund and the nature and extent of the benefits to be paid by the excess loss fund to such participants.

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

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

(a) bonds and notes issued to fund costs of issuance and any reasonably required debt service reserve fund for such bonds or notes;

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

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

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

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

§ 1349-l. Authority police force. 1. The authority is hereby authorized and empowered, to provide and maintain an authority police department and a uniformed authority police force. Each member of such uniformed police force shall be a "police officer" for the purposes of the criminal procedure law, with all of the powers of such police officers thereunder and subject to the same jurisdictional provisions on the exercise of that power as set forth in such law. The geographical area of employment of such police officers for the purposes of the criminal procedure law shall embrace the city of New York. Such department and force shall have the power, in and about any or all of the facilities owned, occupied and/or operated by the authority and its subsidiary corporations, the New York city transit authority and its subsidiaries, and the Triborough bridge and tunnel authority, as determined in the discretion of the authority, to enforce and prevent violation of all laws and ordinances. Nothing in this section shall confer upon the authority police force or upon their collective negotiations representatives exclusive jurisdiction or claim over the exercise of police power or security work on behalf of the authority and its subsidiary corporations, the New York city transit authority and its subsidiaries, and the Triborough bridge and tunnel authority. Nothing in this section shall limit the authority and its subsidiary corporations, the New York city transit authority and its subsidiaries, and the Triborough bridge and tunnel authority from continuing to rely on local police for police services.

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

officers on the authority police force. After the initial appointments are made, selection of police officer candidates shall be made pursuant to an examination process to be determined at the discretion of the authority and candidates must receive a certificate attesting to satisfactory completion of an approved municipal police basic training program, as described in section two hundred nine-q of the general municipal law. No person shall be eligible for appointment unless such person is not less than twenty years of age as of the date of appointment nor more than thirty-five years of age as of the date when the applicant takes the written examination, provided, however, that time spent on military duty or on terminal leave, not exceeding a total of six years, shall be subtracted from the age of any applicant who has passed his or her thirty-fifth birthday as provided in subdivision ten-a of section two hundred forty-three of the military law. Upon appointments made by transferring an entire group of police officers into the authority police force, thereby eliminating such other group of police officers, the authority shall recognize any representative previously chosen by the police officers for the purposes of collective negotiations consistent with the bargaining units already established and shall also assume and continue to observe any existing labor contracts covering these police officers including such provisions which relate to the grievance and disciplinary procedures and interest arbitration. Subsequent to the establishment of the consolidated police force the authority and the collective bargaining representatives shall be authorized to negotiate a merger of the separate bargaining units.

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

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

5. If the authority elects to participate in the New York city employees' retirement system, such election to participate shall be made by resolution filed with the comptroller and accepted by him or her pursuant to section thirty-one of the retirement and social security law.

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

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

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

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

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

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

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

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

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

(e) a description of the authority's policies when it comes to arranging alternative transportation when service is interrupted;

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

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

(h) when service is severely interrupted, a description of the authority's policies on service restoration.

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

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

§ 1349-p. Acquisition and disposition of real property. 1. In addition to the powers provided in section thirteen hundred forty-nine-h of this title to acquire transportation facilities, equipment and real property, the authority may acquire, by condemnation pursuant to the eminent domain procedure law, any real property within the city of New York it may deem necessary, convenient or desirable to effectuate the purposes of this title, provided however, that any such condemnation proceedings shall be brought only in the supreme court and the compensation to be paid shall be ascertained and determined by the court without a jury. Notwithstanding the provisions of this subdivision, no real

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

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

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

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

5. The authority may, whenever it determines that it is in the interest of the authority, dispose of any real property or property other than real property, which it determines is not necessary, convenient or desirable for its purposes.

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

§ 1349-q. Acquisition and disposition of real property by department of transportation. 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 such real property in the name of the state as may be determined from time to time by the authority as being necessary, convenient or desirable to effectuate the purposes of this title, 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. Claims for the value of the property appropriated and for legal damages caused by any such appropriation shall be adjusted and determined by such commissioner 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. No real property may be acquired pursuant to the provisions of this section for purposes other than a transportation facility unless the governing body of the city, village or town in which such real property is located shall first consent to such acquisition.

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

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

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

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

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

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

(a) Plan, design, construct, acquire, extend, reconstruct, rehabilitate, modernize and otherwise improve transit facilities in accordance with the terms and conditions of any lease or other agreement with the transit construction fund;

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

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

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

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

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

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

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

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

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

4. Notwithstanding the provisions of any general or special law to the contrary, 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 from or by reason of the issuance: (a) of bonds or notes of the authority issued to finance any purpose authorized under this section or the transit construction fund act, or the proceeds realized upon such issuance; or (b) from any other funds of the authority derived from the transit construction fund or from any other source whatever to effectuate the purposes of the transit construction fund act.

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

2. The authority shall, at the request of any state agency, municipality or political subdivision of the state, engaged in highway or other transportation activities or in land use or development planning, provide said state agency, municipality or political subdivision with all current and relevant information regarding its plans or programs, so as to enable said agency, municipality or subdivision to properly effectuate said activities or planning.

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

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

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

amount as, in the opinion of the authority, shall be necessary, convenient or desirable to effectuate any of its powers and purposes, including to provide sufficient funds for achieving its purposes, including the acquisition, establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension, rehabilitation or repair of any transportation facility, the payment of principal, redemption premium and interest on bonds, notes and other obligations of the authority, establishment of reserves to secure such bonds, notes and other obligations, the provision of working capital and all other expenditures of the authority and its subsidiary corporations, and New York city transit authority and its subsidiary corporations incident to and necessary or convenient to carry out their purposes and powers. Such bonds, notes or other obligations may be issued for an individual transportation facility or issued on a consolidated basis for such groups or classes of facilities and projects as the authority in its discretion deems appropriate and be payable from and secured separately or on a consolidated basis by, among other things, all or any portion of such revenues and other monies and assets of the authority and its subsidiary corporations, and New York city transit authority and its subsidiary corporations as the authority determines in accordance with the provisions of section thirteen hundred forty-nine-dd of this title;

(b) The authority shall have power, from time to time, to issue renewal notes, to issue bonds to refund, redeem or otherwise pay, including by purchase or tender, notes of the authority and its subsidiary corporations, the metropolitan transportation authority, and the New York city transit authority and its subsidiary corporations and whenever it deems refunding, redemption or payment expedient, to refund, redeem or otherwise pay, including by purchase or tender, any bonds of the authority and its subsidiary corporations, the metropolitan transportation authority, the New York city transit authority and its subsidiary corporations and the Triborough bridge and tunnel authority by the issuance of new bonds, whether the bonds to be refunded, redeemed or otherwise paid have or have not matured, and to issue bonds partly for such purpose and partly for any other purpose and to otherwise refund, redeem, acquire by purchase or tender, or in any other way repay any outstanding notes, bonds or other obligations of the authority, any of its subsidiary corporations, the metropolitan transportation authority, the New York city transit authority, any of its subsidiary corporations and the Triborough bridge and tunnel authority;

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

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

authority, its affiliates and subsidiaries, provided, however, that in no event shall the cumulative amounts of bonds and notes issued pursuant to the authority under this subdivision exceed one billion two hundred million dollars or sixty percent of such unfunded pension fund liabilities, whichever is less, and provided, further, that no bonds shall be issued under this subdivision for a term longer than twenty years. The authority may not issue bonds or notes in any twelve month period in a cumulative principal amount in excess of forty percent of the total amount permitted to be issued under this subdivision. Prior to the issuance of any bonds or notes, the authority shall make a finding that such issue is expected to result, on a present value basis, in a lower effective cost to the authority than funding the unfunded pension fund liability solely through the payment of annual amounts to the pension fund, assuming that the principal component of the unfunded liability will be amortized over the same number of years as the term of the bonds or notes and that the interest payable thereon is the actuarial rate of interest determined by the actuary for the pension fund at the time of the issuance of such bonds or notes. The aggregate principal amount of bonds and notes issued for such purposes may be increased to fund costs of issuance and reasonably required debt service or other reserve funds. Bonds and notes may be issued to refund or otherwise repay bonds or notes theretofore issued for such purposes; provided, however, that upon any such refunding or repayment, including for purpose of such calculation the principal amount of the refunding bonds or notes then to be issued and excluding the principal amount of the bonds or notes so to be refunded or repaid and also excluding any amounts used to pay costs of issuance and reasonably required debt service or other reserve funds, the present value of the aggregate debt service of the refunding or repayment bonds or notes to be issued shall not exceed the present value of the aggregate debt service of the bonds or notes so to be refunded or repaid. For purposes of the preceding sentence, the present values of the aggregate debt service of the refunding or repayment bonds or notes and of the aggregate debt service of the bonds or notes so to be refunded or repaid shall be calculated by utilizing the effective interest rate of the refunding or repayment bonds or notes, which shall be that rate arrived at by doubling the semi-annual interest rate, compounded semi-annually, necessary to discount the debt service payments on the refunding or repayment bonds or notes from the payment dates thereof to the date of issue of the refunding or repayment bonds or notes and to the price bid including estimated accrued interest or proceeds received by the authority including estimated accrued interest from the sale thereof. Debt service on the bonds or notes shall be structured so that the economic benefits thereof shall be relatively uniform for each full year throughout the term of the bonds or notes. Beginning with the date of first issuance of bonds under this section, the authority and its subsidiaries shall make annual payments into the pension fund in amounts at least equal to the current pension contribution liability applicable to such year. The net proceeds of the bonds or notes intended to be invested in non-debt securities may be invested by the recipient pension fund in a fiscally prudent manner in securities consistent with any trust indentures and all applicable state and federal law over a reasonable period of time not less than thirty days following the issuance of the bonds or notes. The operating budget savings associated with the issuance of pension obligation bonds pursuant to this subdivision shall be dedicated to reducing service eliminations projected to occur within that period.

3. The notes, bonds and other obligations shall be authorized by resolution 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 chairperson shall cast one additional vote. Such notes, bonds and other obligations shall bear such date or dates, and shall mature at such time or times, in the case of any such note or any renewals thereof not exceeding five years from the date of issue of such original note, and in the case of any such bond not exceeding fifty years from the date of issue, as such resolution or resolutions may provide. The notes, bonds and other obligations shall bear interest at such rate or rates, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment, at such place or places and be subject to such terms of redemption as such resolution or resolutions may provide. The notes, bonds and other obligations of the authority may be sold by the authority, at public or private sale, at such price or prices as the authority shall determine. No notes or bonds of the authority may be sold by the authority at private sale, however, unless such sale and the terms thereof have been approved in writing by (a) the comptroller, where such sale is not to the comptroller, or (b) the director of the office of management and budget, where such sale is to the comptroller.

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

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

(b) pledging all or any part of the assets of the authority or of any of its subsidiary corporations or New York city transit authority or any of its subsidiary corporations or Triborough bridge and tunnel authority to secure the payment of the notes or bonds or of any issue of notes or bonds, or any other obligations of the authority, subject to such agreements with noteholders, bondholders, or holders of other obligations of the authority, the New York city transit authority and its subsidiary corporations, and Triborough bridge and tunnel authority;

(c) 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;

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

(e) 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) 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) 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) 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) 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; and

(j) 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.

5. In addition to the powers conferred by this section 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 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 to perform such agreements. The provisions of any such agreements may be made a part of the contract with the holders of the notes, bonds and other obligations of the authority.

6. Any pledge, mortgage or security instrument made by the authority shall be valid and binding from the time when the pledge, mortgage or security instrument is made; the monies or property so pledged, mortgaged and entrusted and thereafter received by the authority, or any of its subsidiary corporations shall immediately be subject to the lien of such pledge, mortgage or security instrument without any physical delivery thereof or further act; and the lien of any such pledge, mortgage or security instrument shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority, or any of its subsidiary corporations, irrespective of whether such parties have notice thereof. Neither the resolution nor any mortgage, security instrument or other instrument by which a pledge, mortgage lien or other security is created shall need to be recorded or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

section; (b) the right of the authority or the Triborough bridge and tunnel authority to issue bonds or notes to finance a capital element which was initiated prior to such disapproval in conformity with a previously approved plan; (c) the right of the New York city transit authority to issue its bonds, notes, lease, sublease or other contractual obligations in payment for a transit project initiated prior to such disapproval in conformity with a previously approved plan; (d) the right of the authority or of the Triborough bridge and tunnel authority to issue bonds or notes to refund or otherwise repay any of its outstanding bonds or notes or to fulfill any of their obligations to the holders of any of their outstanding bonds or notes; or (e) the right of the New York city transit authority to issue its bonds, notes, lease, sublease or other contractual obligations to refund or otherwise repay any of its outstanding bonds or notes or to fulfill any of its obligations to the holders of any of its outstanding bonds or notes.

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

14. (a) The authority may from time to time submit to the mayor amendments or modifications to any ten-year plan theretofore submitted, and shall submit such an amendment or modification (i) if the estimated cost of any capital element for which a specified dollar amount was proposed to be expended exceeds the amount set forth in the approved plan for such element by more than ten percent, (ii) if with respect to a particularly described capital element for which only an estimate of projected cost has been provided in the plan there is a material change in the description of such element from that contained in the approved plan, (iii) if a capital element not previously included in the approved plan is proposed to be undertaken and its cost, together with the cost of other elements included in category (l) of the plan, exceeds by ten percent the amount provided for such category (l) elements, (iv) if the authority shall propose to change by more than one year from the time when any capital element is proposed to be initiated or the effect of such change will be to increase the estimated amount of capital funding required in any year covered by the plan by more than twenty percent, or (v) if the availability of funding sources changes to the degree to which the authority or the Triborough bridge and tunnel authority are precluded from exercising the authorization provided in subdivision nine of this section and the authority wishes to do so.

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

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

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

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

17. For purposes of this section, "broad long-term capital investments" shall include but not be limited to: system rebuilding, enhancement, and expansion needs; agency needs broken down by capital element or investment category; and projected future trends and network implications. Such assessment shall be certified by the chairperson of the authority and shall be entered into the permanent record of the minutes of the review board.

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

(a) Long-range goals and objectives for the operation of services and 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

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

1. its financial reports, including:

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

(b) grant and subsidy programs;

(c) operating and financial risks;

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

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

2. an assessment of the effectiveness of its internal control structure and procedures, including:

(a) descriptions of the authority and its major units and subsidiaries;

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

(c) an organizational chart;

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) describe in detail conduct prohibited by section one hundred eighty-nine of the state finance law, and the role of that act in preventing and detecting fraud and abuse in work paid for by the authority or with funds originating from the authority;

(c) notify prospective qui tam plaintiffs on how to file a qui tam action, including the necessity to contact private counsel skilled in filing such actions and of the potential for cash rewards in such actions based on the percentage of the funds recovered by the government; and

(d) describe prohibitions on employer retaliation against persons who file or assist actions under article thirteen of the state finance law, the New York false claims act pursuant to section one hundred ninety-one of the state finance law, or who report illegal conduct that threatens the health or safety of the public pursuant to section seven hundred forty of the labor law.

3. No later than forty-five days after the effective date of this section, the authority shall establish and continuously maintain on its public website and its intranet site a page that shall provide the information specified in subdivision two of this section, and that shall also provide sample statements, displays and other materials suitable for insertion in employee handbooks or posting at workplaces or on websites that would satisfy the disclosure requirements of this section.

4. On and after the effective date of this section, the authority shall not enter into any contract described in subdivision one of this section that does not incorporate the terms of this section.

5. Material compliance by a covered person or business organization that has contracted with the authority under a contract that incorporates the terms of this section shall be a material condition of payment for the provision of goods or services.

6. The authority is authorized to adopt such rules and regulations as are necessary to effectuate the purposes of this section.

§ 1349-aa. Reserve funds and appropriations. The authority may create and establish one or more reserve funds in accordance with agreements with bondholders, noteholders or the holders of other obligations of the

authority and may pay into such reserve funds (a) any monies appropriated and made available by the state for the purposes of such funds, (b) any proceeds of sales of notes, bonds or other obligations to the extent provided in the resolution of the authority authorizing the issuance thereof, and (c) any other moneys which may be made available to the authority for the purpose of such funds from any other source or sources. In lieu thereof, the authority may provide for the deposit therein of, or substitute for moneys on deposit therein, a liquidity or credit facility, surety bond or other similar agreement.

§ 1349-bb. Big apple transit authority special assistance fund. 1. The authority shall create and establish a fund to be known as the "big apple transit authority special assistance fund" which shall be kept separate from and shall not be commingled with any other moneys of the authority. The special assistance fund shall consist of two separate accounts: (i) the "transit account"; and (ii) the "corporate transportation account".

2. Moneys in the transit account may be pledged to the Triborough bridge and tunnel authority to secure bonds and notes and, if so pledged, 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 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 for transit projects undertaken for the New York city transit authority and its subsidiaries. Subject to the provisions of such pledge, any excess moneys, or in the event there is no such pledge, any moneys in such account shall, at the direction of the big apple transit authority, be: (a) deposited into one or more funds or accounts and used as contemplated by section thirteen hundred forty-nine-dd of this title; or (b) used for the payment of operating and capital costs of the New York city transit authority and its subsidiaries and the Staten Island rapid transit operating authority.

3. (a) Moneys in the corporate transportation account shall 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 to the Triborough bridge and tunnel authority, 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 excess moneys in the corporate transportation account may 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.

§ 1349-cc. Big apple transit authority dedicated tax fund. 1. The authority shall establish a fund to be known as the "big apple transit authority dedicated tax fund" which shall be kept separate from and shall not be commingled with any other moneys of the authority. The fund shall consist of a "pledged amounts account" and an "operating and capital costs account" and such other accounts and subaccounts as the authority may determine.

2. 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 been pledged by the authority 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.

3. Any moneys deposited in the fund shall be held in the fund free and clear of any claim by any person arising out of or in connection with article thirteen-A of the tax law. Without limiting the generality of the foregoing and without limiting the rights and duties of the commissioner of taxation and finance under article thirteen-A of the tax law, or any other person, including the state, a person shall have any right or claim against the authority, any of its bondholders, the authority or the commuter transportation authority to any moneys in or distributed from the fund or in respect of a refund, rebate, credit or reimbursement of taxes paid under article thirteen-A of the tax law.

§ 1349-dd. Consolidated financings. 1. Notwithstanding any inconsistent provisions of this law or any other law, general, special or local, the authority may issue its notes, bonds and other obligations to finance transportation facilities, including transit projects and Triborough bridge and tunnel authority projects, utilizing a consolidated pledge of all or any portion of the revenues and other moneys and assets of the authority and its subsidiaries, New York city transit authority and its subsidiaries, and the Triborough bridge and tunnel authority, together with those other sources of payment described in this section. In connection therewith, at its discretion, the authority, subject to the rights of the holders of notes, bonds or other obligations of the authority, the metropolitan transportation authority, the New York city transit authority or the Triborough bridge and tunnel authority, may: (a) agree with the New York city transit authority or the Triborough bridge and tunnel authority that any such entity shall deposit all or any portion of the revenues, other monies and assets received by it or its subsidiaries into one or more funds or accounts; and (b) deposit or cause to be deposited into one or more funds and accounts: (i) all or any portion of the revenues, other monies and assets received by the authority and its subsidiaries; (ii) all or any portion of the annual operating surplus of the Triborough bridge and

tunnel authority as certified pursuant to paragraph (b) of subdivision two of section twelve hundred nineteen-a of this article; (iii) all or any portion of the amounts from the operating and capital costs account of the metropolitan transportation authority dedicated tax fund required to be distributed to New York city transit authority under the provisions of section twelve hundred seventy-c of this article; (iv) all or any portion of the available monies in the transit account of the metropolitan transportation authority special assistance fund established under the provisions of section twelve hundred seventy-a of this article available for payment of operating and capital costs of New York city transit authority and its subsidiaries and Staten Island rapid transit operating authority as provided in subdivision two of section twelve hundred seventy-a of this article; (v) all or any portion of the available moneys in the corporate transportation account of the metropolitan transportation authority special assistance fund established under the provisions of section twelve hundred seventy-a of this article available for use 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 provided in paragraph (a) of subdivision four of section twelve hundred seventy-a of this article; and (vi) any other monies of the authority, its subsidiaries, the New York city transit authority and its subsidiaries, and the Triborough bridge and tunnel authority from any source whatsoever.

2. Amounts so deposited in such funds or accounts may be: (a) pledged by the authority to secure, and be applied to, the payment of its bonds, notes or other obligations issued to finance transportation facilities undertaken for the authority and its subsidiaries, transportation facilities, including transit projects, undertaken for New York city transit authority and its subsidiaries, and Triborough bridge and tunnel authority projects undertaken for the Triborough bridge and tunnel authority; 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, note or other financing facilities or agreements, and the payment of all costs related to such obligations, of or for the authority and its subsidiaries, and the New York city transit authority and its subsidiaries as the authority in its full discretion shall determine. To the extent moneys so deposited have been pledged by the authority to secure and pay its bonds, notes or other obligations pursuant to this subdivision, such moneys shall first be applied to satisfy the requirements of any debt service or reserve requirements of the resolution or resolutions or other contractual arrangements authorizing such bonds, notes or other obligations. After satisfaction of such requirements of any such resolution, resolutions, or other contractual arrangements or if the authority has not so pledged such moneys, such moneys so deposited, subject to the provisions of any other resolutions or contractual arrangements of the authority and the New York city transit authority and applicable provisions of law, may be transferred to or for the benefit of the authority and its subsidiaries and New York city transit authority and its subsidiaries. Revenues and other monies of the authority and its subsidiaries and New York city transit authority and its subsidiaries, respectively, which are deposited in the funds or accounts authorized by this section, as reduced by any application of such revenues or monies to the payment of debt service, reserve requirements, if any, and other costs attributable to the funding of the capital costs of such entity, shall be allocated, credited and distributed

to such source entity. Any other revenues or monies which are deposited in the funds or accounts authorized by this section which are required by law to be allocated or paid to the authority or its subsidiaries or New York city transit authority or its subsidiaries, shall be allocated or paid to the entity to which it is required to be allocated or paid by law after reduction by an amount equal to the portion thereof applied to the payment of debt service, reserve requirements, if any, and other costs attributable to the funding of the capital costs of such entity. In determining the amount of debt service, reserve requirements, if any, and other costs attributable to the authority and its subsidiaries and the New York city transit authority and its subsidiaries, the authority shall make such calculation based upon the percentage of the proceeds of the bonds, notes and other obligations expended for the capital costs attributable to each such entity. The authority may utilize any interim allocation of such distributions, provided that within ninety days after the end of each calendar year, the authority shall certify that the aggregate amount of moneys transferred to each of the authority and its subsidiaries, and the New York city transit authority and its subsidiaries in respect of such calendar year, taking into account any interagency repayments or reimbursements anticipated to be made in the next succeeding calendar year, is not less than the amounts required to be paid or transferred to such entities.

3. For the purpose of appropriately aligning and allocating the ultimate responsibility for debt service among and between the authority and its subsidiaries, New York city transit authority and its subsidiaries, or the Triborough bridge and tunnel authority, each being an "affiliated group", and except as otherwise authorized or required by law, in connection with the application of revenues, subsidies or other moneys or securities of an affiliated group to pay the debt service attributable to bonds, notes or other obligations which provide funding of the capital costs of another affiliated group or to refund or redeem bonds, notes or other obligations, the proceeds of which were used to fund the capital costs of another affiliated group, the affiliated group for whose benefit debt service is paid or obligations refunded or redeemed, shall repay, through payments, adjustments or other form of reconciliation, such amounts to the affiliated group that made such payments not later than the end of the next succeeding fiscal year; provided, however, that in connection with any refunding or redemption of bonds, notes or other obligations, such repayment, adjustments or other form of reconciliation shall be completed within the period of the applicable capital program plan.

§ 1349-ee. Regulation of certain authority expenditures. The authority shall implement policies as appropriate to minimize unwarranted expenses and to protect against abuses in connection with (i) the granting of any privileges or benefits having financial value, other than wage payments or expense reimbursements, to members or staff of the authority, or any subsidiary or other authority created by the authority; and (ii) the full-time and part-time assignment and use of automobiles owned or leased by the authority, or any subsidiary or other authority created by the authority, and the use by authority employees and board members of livery vehicles, as defined in section one hundred twenty-one-e of the vehicle and traffic law.

§ 1349-ff. Metropolitan transportation authority finance fund. 1. The authority shall establish a fund to be known as the "metropolitan transportation authority finance fund" which shall be kept separate from and shall not be commingled with any other moneys of the authority.

2. 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 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. Subject to the provisions of any such pledge, or in the event there is no such pledge, any excess moneys in this fund may 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, moneys 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.

3. Any moneys deposited in the fund shall be held in the fund free and clear of any claim by any person arising out of or in connection with article twenty-three of the tax law. Without limiting the generality of the foregoing and without limiting the rights and duties of the commissioner of taxation and finance under article twenty-three of the tax law, a person shall have any right or claim against the authority, any of their bondholders, any of the authority's other subsidiaries or the New York city transit authority or any subsidiary to any moneys in or distributed from the fund or in respect of a refund, rebate, credit or reimbursement of taxes paid under article twenty-three of the tax law.

§ 1349-gg. New York city transportation assistance fund. 1. The authority shall create and establish a fund to be known as the "New York city transportation assistance fund" which shall be kept separate from and shall not be commingled with any other moneys of the authority. The New York city transportation assistance fund shall consist of three separate accounts: (i) the "subway action plan account"; (ii) the "outer borough transportation account"; and (iii) the "general transportation account".

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

3. Moneys in the outer borough transportation account shall be used for the exclusive purpose of funding the operating and capital costs of metropolitan transportation authority facilities, equipment and services in the counties of Bronx, Kings, Queens and Richmond, and any projects improving transportation connections from such counties to New York county. 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 fund a toll reduction program for any crossings under the jurisdiction of the metropolitan transportation authority or its subsidiaries or affiliates. Funds may also be used to pay or to reimburse the authority for its payment of debt service and reserve requirements on that portion of authority bonds and notes that have been issued by the authority specifically for the authorized purpose of this account. Notwithstanding any law to the contrary, final approval of the use of any funds paid into the outer borough transportation account shall be approved by the mayor.

4. Moneys in the general transportation account shall be used for funding the operating and capital costs of the metropolitan transportation authority. 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 reserve requirements on that portion of authority bonds and notes that have been issued by the authority specifically for the purposes of this account.

5. Any revenues deposited in the subway action plan account, the outer borough transportation account, or the general transportation account pursuant to subdivision one of this section shall be used exclusively for the purposes described, respectively, in subdivisions two, three, and four of this section. Such revenues shall only supplement and shall not supplant any federal, state, or local funds expended by the metropolitan transportation authority, such authority's affiliates or subsidiaries for such respective purposes.

6. Any revenues deposited into the New York city transportation assistance fund pursuant to subdivision one of this section shall not be diverted into the general fund of the state, any other fund maintained for the support of any other governmental purpose, or for any other purpose not authorized by subdivisions two, three and four of this section.

7. The authority shall report on the receipt and uses of all funds received by the New York city transportation assistance fund, and in each of its accounts, to the director of the budget, the temporary president of the senate, and the speaker of the assembly, on an annual basis no later than the first day of February.

§ 1349-hh. Agreement of the state. The state does hereby pledge to and agree with the authority and its subsidiaries, the New York city transit authority and its subsidiaries, and the Triborough bridge and tunnel authority, and the holders of any notes, bonds or other obligations, including lease obligations, issued or incurred under this title, that the state shall not limit or alter the denial of authority under subdivision nine of section thirteen hundred forty-nine-u of this title, or

the rights and powers vested in the authority and its subsidiaries, the New York city transit authority and its subsidiaries, and the Triborough bridge and tunnel authority by this title to fulfill the terms of any agreements made by any of them with the holders thereof, or in any way impair the rights and remedies of such holders until such notes, bonds or other obligations, including lease obligations, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses for which the authority or its subsidiaries, the New York city transit authority and its subsidiaries, and the Triborough bridge and tunnel authority is liable in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged. The authority and its subsidiaries, the New York city transit authority and its subsidiaries, and the Triborough bridge and tunnel authority are each authorized to include this pledge and agreement of the state in any agreement with the holders of such notes, bonds or other obligations, including lease obligations.

§ 1349-ii. Right of state to require redemption of bonds. Notwithstanding, and in addition to any provisions for the redemption of bonds which may be contained in any contract with the holders of the bonds, the state may, upon furnishing sufficient funds therefor, require the authority to redeem, prior to maturity, as a whole, any issue of bonds on any interest payment date not less than twenty years after the date of the bonds of such issue at one hundred five per centum of their face value and accrued interest or at such lower redemption price as may be provided in the bonds in case of the redemption thereof as a whole on the redemption date. Notice of such redemption shall be published in at least two newspapers publishing and circulating respectively in the cities of Albany and New York at least twice, the first publication to be at least thirty days before the date of redemption.

§ 1349-jj. Remedies of noteholders and bondholders. 1. In the event that the authority shall default in the payment of principal of or interest on any issue of notes or bonds after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the authority shall fail or refuse to comply with the provisions of this title or shall default in any agreement made with the holders of any issue of notes or bonds, the holders of twenty-five per centum in aggregate principal amount of the notes or bonds of such issue then outstanding, by instrument or instruments filed in the office of the clerk of any county in which the authority operates and has an office and proved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of such notes or bonds for the purposes provided by this section.

2. Such trustee may, and upon written request of the holders of twenty-five per centum in principal amount of such notes or bonds then outstanding, shall, in his or her own name:

(a) by suit, action or proceeding in accordance with the civil practice law and rules, enforce all rights of the noteholders or bondholders, including the right to require the authority to collect fares, tolls, rentals, rates, charges and other fees adequate to carry out any agreement as to, or pledge of, such fares, tolls, rentals, rates, charges and other fees and to require the authority to carry out any other agreements with the holders of such notes or bonds and to perform its duties under this title;

(b) bring suit upon such notes or bonds;

(c) by action or suit, require the authority to account as if it were the trustee of an express trust for the holders of such notes or bonds;

(d) by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such notes or bonds; and

(e) declare all such notes or bonds due and payable, and if all defaults shall be made good, then, with the consent of the holders of twenty-five per centum of the principal amount of such notes or bonds then outstanding, to annul such declaration and its consequences.

3. Such trustee shall in addition to the foregoing have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of bondholders or noteholders in the enforcement and protection of their rights.

4. The supreme court shall have jurisdiction of any suit, action or proceeding by the trustee on behalf of such noteholders or bondholders. The venue of any such suit, action or proceeding shall be laid in the county in which the instrument or instruments are filed in accordance with subdivision one of this section.

5. Before declaring the principal of notes or bonds due and payable, the trustee shall first give thirty days' notice, in writing, to the mayor, the authority, the comptroller and the public advocate.

§ 1349-kk. Notes and bonds as legal investment. The notes and bonds of the authority are hereby made securities in which all public officers and bodies of the state and all municipalities and political subdivisions, all insurance companies and associations and all other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or who may hereinafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds, including capital, in their control or belonging to them. Notwithstanding any other provisions of law, the bonds of the authority are also hereby made securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities and political subdivisions for any purpose for which the deposit of bonds or other obligations of the state is now or may hereinafter be authorized.

§ 1349-ll. Exemption from taxation. It is hereby found, determined and declared that the creation of the authority and the carrying out of its purposes is, in all respects, for the benefit of the people of the city of New York and for the improvement of their health, welfare and prosperity and is a public purpose, and that the authority shall be performing an essential governmental function in the exercise of the powers conferred upon it by this title. Without limiting the generality of the following provisions of this section, property owned by the authority, property leased by the authority and used for transportation purposes, and property used for transportation purposes by or for the benefit of the authority exclusively pursuant to the provisions of a joint service arrangement or of a joint facilities agreement or trackage rights agreement shall all be exempt from taxation and special ad valorem levies. The authority shall be required to pay no fees, taxes or assessments, whether state or local, including but not limited to fees, taxes or assessments on real estate, franchise taxes, sales taxes or other excise taxes, upon any of its property, or upon the use thereof, or upon its

activities in the operation and maintenance of its facilities or on any fares, tolls, rentals, rates, charges or other fees, revenues or other income received by the authority and the bonds of the authority and the income therefrom shall at all times be exempt from taxation, except for gift and estate taxes and taxes on transfers. This section shall constitute a covenant and agreement with the holders of all bonds issued by the authority. The terms "taxation" and "special ad valorem levy" shall have the same meanings as defined in section one hundred two of the real property tax law and the term "transportation purposes" shall have the same meaning as used in titles two-A and two-B of article four of such law.

§ 1349-mm. Actions against the authority. 1. As a condition to the consent of the state to suits against the authority, in every action against the authority for damages, for injuries to real or personal property or for the destruction thereof, or for personal injuries or death, the complaint shall contain an allegation that at least thirty days have elapsed since the demand, claim or claims upon which such action is founded were presented to a member of the authority or other officer designated for such purpose and that the authority has neglected or refused to make an adjustment or payment thereof.

2. An action against the authority founded on tort, except an action for wrongful death, shall not be commenced more than fifteen months after the cause of action therefor shall have accrued, nor unless a notice of claim shall have been served on the authority within the time limited by and in compliance with all the requirements of section fifty-e of the general municipal law. An action against the authority for wrongful death shall be commenced in accordance with the notice of claim and time limitation provisions of title eleven of article nine of this chapter.

3. The authority shall be liable, and shall assume the liability to the extent that it shall save harmless any duly appointed officer or employee of the authority, for the negligence of such officer or employee, in the operation of a vehicle or other facility of transportation owned or otherwise under the jurisdiction and control of the authority in the discharge of a duty imposed upon such officer or employee at the time of the accident, injury or damages complained of, while otherwise acting in the performance of his or her duties and within the scope of his or her 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-nn. Annual audit of authority. 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.

The comptroller, upon completion of such audit, shall within sixty days thereafter, report to the mayor and city council of his or her findings, conclusions and recommendations thereof.

§ 1349-oo. 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 a showing of good cause; (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 or other authority created by the authority itself and for which it reports financial data.

4. The authority shall prepare and make available for public inspection on its website: (a) within sixty days of the release of the adopted budget and any updates to the budget, except updates released within ninety days of the close of the fiscal year, monthly projections for the current fiscal year of all revenues and expenses, staffing for the authority and each of its agencies, and utilization for each of the authority's agencies that operate transportation systems, including bridges and tunnels; (b) within sixty days after the close of each quarter, a comparison of actual revenues and expenses, actual staffing and actual utilization to planned or projected levels for each of the authority's agencies that operate transportation systems, including bridges and tunnels, with an explanation of each material variance and its budgetary impact; and (c) within ninety days after the close of each quarter, the status of each gap-closing initiative with a projected value greater than one million dollars in any given fiscal year; the status of capital projects by capital element, including but not limited

to commitments, expenditures and completions; and an explanation of material variances from the plan, cost overruns and delays.

5. Financial information required to be submitted by the authority pursuant to paragraphs (d) and (e) of subdivision one of section thirteen hundred forty-nine-x of this title shall be presented in a format consistent with the budget and plan, in downloadable, searchable format.

§ 1349-pp. Independent audit of authority. The independent auditor retained by the authority shall not provide to the authority, contemporaneously with the audit, unless it shall have previously received written approval by the audit committee, any non-audit service, including:

1. routine bookkeeping or other services;

2. financial information systems design and implementation;

3. appraisal or valuation services, fairness opinions, or contribution-in-kind reports;

4. actuarial services;

5. outsourcing services;

6. authority management functions or human resources;

7. broker or dealer, investment advisor or investment banking services; and

8. legal services and expert services unrelated to the audit.

§ 1349-qq. Independent audit by the legislature. After the submission of the annual independent audit report to the legislature pursuant to section twenty-eight hundred two of this chapter, and after review of such report, the temporary president of the senate and the speaker of the assembly may commission an auditing firm, every two years, to conduct an independent audit of the authority, including its subsidiaries. The temporary president of the senate and the speaker of the assembly shall set the scope of such audit and determine the terms of the request for proposal for such audit. Such audit shall be performed for the second year after the effective date of this section. The authority shall fully cooperate with and assist in such an audit.

§ 1349-rr. Reporting. The authority shall post on its website on or before the first of May, the law firms retained by the authority which in the past year received payment for services in such year.

§ 1349-ss. Transfer and receipt of surplus funds. Notwithstanding any provision of this title or any other provision of law, general, special or local, the authority may from time to time transfer and pay over to New York city transit authority or Triborough bridge and tunnel authority all or any part of its surplus funds; and may accept and use any moneys transferred and paid over to it by New York city transit authority or Triborough bridge and tunnel authority.

§ 1349-tt. Title not affected if in part unconstitutional or ineffective. If any provision of any section of this title or the application thereof to any person or circumstance shall be adjudged invalid by a court of competent jurisdiction, such order or judgment shall be confined in its operation to the controversy in which it was rendered, and shall not affect or invalidate the remainder of any provision of any section of this title or the application of any part thereof to any other person or circumstance and to this end the provisions of each section of this title are hereby declared to be severable.

§ 1349-uu. Big apple transit authority inspector general. 1. There is hereby created in the big apple transit authority an office of big apple transit authority inspector general. The inspector general shall be appointed by the mayor with the advice and consent of the city council. The inspector general shall, prior to his or her appointment, have had at least ten years experience in the management of transportation

services, in auditing and investigation of governmental operations, or in services related to management and productivity improvement. The term of office of the inspector general shall be five years from the effective date of appointment, and he or she shall serve at the pleasure of the mayor. The salary of the inspector general shall be determined by the authority board.

2. The inspector general shall annually submit to the board of the big apple transit authority a budget request for the operation of the office. If the board disapproves any portion of such request and the commissioner determines such disapproval to be unreasonable, such commissioner shall withhold from payments due such authority, the amount so determined to be unreasonable and transfer such amount to the office of the big apple transit authority inspector general.

3. The inspector general shall have full and unrestricted access to all records, information, data, reports, plans, projections, matters, contracts, memoranda, correspondence and any other materials of the big apple transit authority and its affiliates, or any other agency that may come under the control of the authority, or within their custody or control.

4. The inspector general, notwithstanding the provisions of this title, title nine of this article and title three of article three of this chapter, shall have the following functions, powers and duties:

(a) to receive and investigate complaints from any source or upon his or her own initiative concerning alleged abuses, frauds and service deficiencies, including deficiencies in the maintenance and operation of facilities, relating to the authority and its affiliates;

(b) to initiate such reviews as he or she may deem appropriate of the operations of the authority and its affiliate subsidiaries, in order to identify areas in which performance might be improved and available funds used more effectively;

(c) to recommend remedial actions to be taken by the authority and its affiliates, to overcome or correct operating or maintenance deficiencies and inefficiencies that he or she determines to exist;

(d) to make available to appropriate law enforcement officials information and evidence that relate to criminal acts that he or she may obtain in carrying out his or her duties;

(e) to subpoena witnesses, administer oaths or affirmations, take testimony and compel the production of such books, papers, records and documents as he or she may deem to be relevant to any inquiry or investigation undertaken pursuant to this section and to delegate such powers to a duly authorized deputy inspector general;

(f) to monitor the implementation by the authority and its subsidiaries, the Triborough bridge and tunnel authority and the New York city transit authority and its subsidiaries of recommendations made by the inspector general or other audit agencies; and

(g) to do all things necessary to carry out the functions, powers and duties set forth in this section.

5. The inspector general shall cooperate, consult and coordinate with the state public transportation safety board with regard to any activity concerning the operations of the big apple transit authority. With respect to any accident on the facilities of the big apple transit authority, the primary responsibility for investigation shall be that of the board which shall share its findings with the big apple transit authority inspector general.

6. The inspector general shall make annual public reports on his or her findings and recommendations. Such a report shall be filed in the

office of the mayor and with the city council on or before the first day of February for the preceding year. The big apple transit authority and its applicable constituent agencies shall prepare a response to the annual report and to any and all other final reports made by the inspector general within thirty days of receipt, which time may be extended by the inspector general in his or her discretion, indicating whether such authority intends to implement the recommendations in such reports, and, if not, an explanation of why not. In addition, the big apple transit authority and its applicable constituent agencies shall give quarterly reports to the inspector general outlining the status of each of the recommendations made by the inspector general in his or her final reports. Copies of all such reports shall be sent to the mayor and the speaker of the city council.

7. To effectuate the purposes of this section, the inspector general may request from any department, board, bureau, commission, office or other agency of the state, or of any of its political subdivisions, such cooperation, assistance, services and data as shall enable him or her to carry out his or her functions, powers and duties hereunder, and such departments, boards, bureaus, commissions, offices or other agencies of the state are authorized and directed to provide such cooperation, assistance, services and data.

§ 1349-vv. Management advisory board. 1. There is hereby created in the office of the big apple transit authority inspector general a management advisory board, consisting of thirteen members appointed by the mayor, of whom two shall be appointed upon nomination by the city council. All members shall serve for a term of three years. One of the members appointed to the management advisory board directly by the mayor shall be designated by the mayor to serve as its chairman.

2. All members of the management advisory board shall be residents of the city and shall be persons with substantial experience in the management of private enterprises, in the delivery of public services, or in labor or labor-management relations.

3. The management advisory board shall assist the big apple transit authority inspector general in identifying ways to improve services, reduce costs and increase the efficiency of the authority and its subsidiaries, the Triborough bridge and tunnel authority or the New York city transit authority and its subsidiaries.

4. No later than April first, two thousand twenty-four. Proceeding the effective date of this section, and annually thereafter, the management advisory board shall submit to the mayor and the city council a report on its activities during the previous year.

5. The office of the big apple transit authority inspector general shall provide the management advisory board with such staff support as may be required for the performance of its duties.

6. Members of the management advisory board shall serve without compensation, but shall be reimbursed for expenses reasonably incurred in the performance of their duties.

§ 1349-ww. The office of legislative and community input. 1. The chairperson of the authority shall establish the office of legislative and community input for the purpose of communicating information to, and receiving comments, concerns and recommendations from, members of the city council, and members of the permanent citizens advisory committee to the authority, as defined in section thirteen hundred forty-nine-m of this title, on the following:

(a) the operations of the rapid transit and omnibus facilities of the authority, including but not limited to:

(i) the quality of service provided on any rapid transit, and omnibus line or route;

(ii) the frequency of operating service on the authority's mass transit facilities;

(iii) the maintenance and condition of the authority's mass transit facilities, including but not limited to, rapid transit and buses, fare collection systems and sound systems; and

(iv) proposed service changes, including any reductions or expansion of services, as it relates to the authority's mass transit facilities; and

(b) any proposed, submitted and/or approved capital program plan, its components, elements and projects, and associated expenditures. Any such comments, concerns and recommendations relating to the capital program plan, its components, elements and projects, and associated expenditures shall be taken into consideration in the development of the current and each successive capital program plan and/or any amendment to such plan.

2. The office shall establish a process to ensure timely notification of the receipt of, and response to, comments, concerns, and recommendations by members of the legislature or members of the permanent citizens advisory committee to the authority.

3. The chair and office shall prepare a report containing the following information:

(a) a compilation of the comments, concerns, and recommendations received by the office;

(b) how these comments, concerns or recommendations were or will be addressed, such as the authority's response by the incorporation or initiation of system and operational adjustments, improvements or expansions if applicable; and

(c) how these comments, concerns or recommendations were or will be addressed, such as the authority's response by changing or amending the capital plan, as well as providing status updates on the progress of such plan.

4. Such report shall, on a biannual basis commencing September first, two thousand twenty-four, succeeding the effective date of this section, be submitted to the mayor, the speaker of the city council and be posted on the authority's website and also be made readily available to the public.

§ 1349-xx. Supplemental revenue reporting program. 1. On or before the first of January next succeeding the effective date of this section, the authority shall develop a supplemental revenue reporting program. Such program shall provide a detailed accounting of the amount spent from supplemental revenues on actions, measures or projects undertaken to reduce major incidents that have been found to cause delays to the New York city subway system, including but not limited to: track incidents; signal failure; persons on the track; police and medical activity; structural and electrical problems; and broken traincar equipment. The information described in this subdivision, including the spending details and the associated category of major incident, shall be updated quarterly and be prominently posted together on the authority's website.

2. For purposes of this section, "supplemental revenues" shall include any funds appropriated by the state or the city of New York to support the NYC subway action plan approved by the board of the authority.

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

PART E

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

TITLE 11-F
COMMUTER TRANSPORTATION AUTHORITY

Section 1349-aaaa. Short title.
1349-bbbb. Definitions.
1349-cccc. Commuter transportation authority.
1349-dddd. Purposes of the authority.
1349-eeee. State of emergency; boarding of a commuter transportation by domestic companion animals.
1349-ffff. General powers of the authority.
1349-gggg. Contracts.
1349-hhhh. Commuter transportation authority small business mentoring program.
1349-iiii. Special powers of the authority.
1349-jjjj. Medical emergency services.
1349-kkkk. Medical emergency services plan; implementation on Long Island Rail Road.
1349-llll. Long Island Rail Road commuter council.
1349-mmmm. Metro-North rail commuter council.
1349-nnnn. Medical emergency services plan; implementation on Metro-North Commuter Railroad Company.
1349-oooo. Excess loss fund.
1349-pppp. Authority police force.
1349-qqqq. The permanent citizens advisory committee.
1349-rrrr. Commuter transportation authority pledge to customers.
1349-ssss. Expired fare transfer policy.
1349-tttt. Acquisition and disposition of real property.
1349-uuuu. Acquisition and disposition of real property by department of transportation.
1349-vvvv. Cooperation and assistance of other agencies.
1349-wwww. Promotion of qualified transportation fringes.
1349-xxxx. Notes, bonds and other obligations of the authority.
1349-yyyy. Capital program plans; approvals; effect of disapproval.
1349-zzzz. Submission of strategic operation plan.
1349-aaaaa. Financial and operational reports.
1349-bbbbb. Mission statement and measurement report.
1349-ccccc. Requirements for certain authority contracts and related subcontracts.
1349-ddddd. Reserve funds and appropriations.
1349-eeeee. Consolidated financings.
1349-fffff. Regulation of certain authority expenditures.
1349-ggggg. Agreement of the state.
1349-hhhhh. Right of state to require redemption of bonds.
1349-iiiii. Remedies of noteholders and bondholders.
1349-jjjjj. Notes and bonds as legal investment.
1349-kkkkk. Exemption from taxation.
1349-lllll. Actions against the authority.
1349-mmmmm. Annual audit of the authority.
1349-nnnnn. Authority budget and financial plan.
1349-ooooo. Independent audit of the authority.
1349-ppppp. Independent audit by the legislature.
1349-qqqqq. Reporting.

1349-rrrrr. Station operation and maintenance.
1349-ssssss. Transfer and receipt of surplus funds.
1349-ttttt. Title not affected if in part unconstitutional or ineffective.
1349-uuuuu. Commuter transportation authority inspector general.
1349-vvvvv. Management advisory board.
1349-wwwww. Transition-election to withdraw from the metropolitan commuter transportation district.
1349-xxxxx. The office of legislative and community input.
1349-yyyyy. Debarment.
1349-zzzzz. Right to share employees.

§ 1349-aaaa. Short title. This title may be known and may be cited as the "Metropolitan Commuter Authority Act".

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

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

2. "Authority facilities" shall mean the authority's railroad, omnibus, marine and aviation facilities and operations pursuant to joint service arrangements.

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

4. "Comptroller" shall mean the comptroller of the state of New York.

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

6. "Federal government" shall mean the United States of America, and any officer, department, board, commission, bureau, division, corporation, agency or instrumentality thereof.

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

8. "Gap-closing initiative" shall mean any action to reduce a projected gap.

9. "Joint service arrangements" shall mean agreements between or among the authority and 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, or any political subdivision or municipality of the state, relating to property, buildings, structures, facilities, services, rates, fares, classifications, divisions, allowances or charges, including charges between operators of railroad, omnibus, marine and aviation facilities, or rules or regulations pertaining thereto, for or in connection with or incidental to transportation in part in or upon railroad, omnibus, marine or aviation facilities located within the district and in part in or upon railroad, omnibus, marine or aviation facilities located outside the district.

10. "Marine and aviation facilities" shall mean equipment and craft for the transportation of passengers, mail and cargo between points within the district or pursuant to joint service arrangements, by marine craft and aircraft of all types including but not limited to hydrofoils,

ferries, lighters, tugs, barges, helicopters, amphibians, seaplanes or other contrivances now or hereafter used in navigation or movement on waterways or in the navigation of or flight in airspace. It shall also mean any marine port or airport facility within the transportation district but outside the port of New York district as defined in chapter one hundred fifty-four of the laws of nineteen hundred twenty-one, including but not limited to terminals, docks, piers, bulkheads, ramps or any facility or real property necessary, convenient or desirable for the accommodation of passengers and cargo or the docking, sailing, landing, taking off, accommodation or servicing of such marine craft or aircraft.

11. "Omnibus facilities" shall mean motor vehicles, of the type operated by carriers subject to the jurisdiction of the public service commission, engaged in the transportation of passengers and their baggage, express and mail between points within the district or pursuant to joint service arrangements, and equipment, property, buildings, structures, improvements, loading or unloading areas, parking areas or other facilities, necessary, convenient or desirable for the accommodation of such motor vehicles or their passengers, including but not limited to buildings, structures and areas notwithstanding that portions shall not be devoted to any omnibus purpose other than the production of revenues available for the costs and expenses of all or any facilities of the authority.

12. "Railroad facilities" shall mean right of way and related trackage, rails, cars, locomotives, other rolling stock, signal, power, fuel, communication and ventilation systems, power plants, stations, terminals, storage yards, repair and maintenance shops, yards, equipment and parts, offices and other real estate or personal property used or held for or incidental to the operation, rehabilitation or improvement of any railroad operating or to operate between points within the district or pursuant to joint service arrangements, including but not limited to buildings, structures, and areas notwithstanding that portions thereof shall not be devoted to any railroad purpose other than the production of revenues available for the costs and expenses of all or any facilities of the authority.

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

14. "State" shall mean the state of New York.

15. "State agency" shall mean any officer, department, board, commission, bureau, division, public benefit corporation, agency or instrumentality of the state.

16. "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.

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

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

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

20. "Triborough bridge and tunnel authority" shall mean the corporation created by section five hundred fifty-two of this chapter.

21. "Inspector general" shall mean the commuter transportation authority inspector general.

22. "Revenues" shall mean all monies received by the authority or its subsidiaries 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 article that is not returned to the authority pursuant to paragraph (c) of subdivision two of section twelve hundred sixty-six of this article.

23. "Transit facility" shall mean rapid transit railroad, omnibus line or any other facility or any railroad used for local service in the transportation of passengers as common carriers for hire or in the transportation of the United States mail or personal property, and any portion thereof and the rights, leaseholds or other interests therein, together with the devices and appurtenances, facilities and equipment thereof and power plants and other instrumentalities used or useful therefor or in connection therewith.

24. "Utilization" shall mean public usage of buses and railroads as reflected in empirical data.

§ 1349-cccc. Commuter transportation authority. 1. (a) (i) There is hereby created the "commuter transportation authority". The authority shall be a body corporate and politic constituting a public benefit corporation. The authority shall consist of a chairperson, seven other voting members, and four non-voting members, as described in subparagraph (ii) of this paragraph, appointed by the governor and with the advice and consent of the senate. Any member appointed shall have experience in one or more of the following areas of expertise: transportation, public administration, business management, finance, accounting, law, engineering, land use, urban and regional planning, management of large capital projects, labor relations, or have experience in some other area of activity central to the mission of the authority. Each voting member other than the chairperson shall be appointed after selection from a written list of three recommendations from the chief executive officer of the county in which such member is required to reside pursuant to the provisions of this subdivision. Of the members appointed on recommendation of the chief executive officer of a county, one such member shall be, at the time of appointment: a resident of the county of Nassau; one a resident of the county of Suffolk; one a resident of the county of Westchester; one a resident of the county of Dutchess; one a resident of the county of Orange; one a resident of the county of Putnam; and one a resident of the county of Rockland. The term of any member who is a resident of a county that has withdrawn from the

metropolitan commuter transportation district pursuant to section twelve hundred seventy-nine-b of this article shall terminate upon the effective date of such county's withdrawal from such district. The chairperson and each of the members shall be appointed for a term of six years. The members from the counties of Dutchess, Orange, Putnam and Rockland shall cast one collective vote.

(ii) There shall be four non-voting members, as referred to in subparagraph (i) of this paragraph. The first non-voting member shall be a regular user of the facilities of the authority and be recommended to the governor by the Metro-North commuter council. The second non-voting member shall be a regular mass transit user of the facilities of the authority and be recommended to the governor by the Long Island Rail Road commuter council. The third non-voting member shall be recommended to the governor by the labor organization representing the majority of employees of the Long Island Rail Road. The fourth non-voting member shall be recommended to the governor by the labor organization representing the majority of employees of the Metro-North Commuter Railroad Company. The chairperson of the authority, at their direction, may exclude such non-voting member from attending any portion of a meeting of the authority or of any committee established pursuant to paragraph (b) of subdivision four of this section held for the purpose of discussing negotiations with labor organizations.

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

2. The chairperson and the first vice chairperson shall be paid a salary in the amount determined by the authority; the other members shall not receive a salary or other compensation. Each member, including the chairperson and the first vice chairperson, shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of his or her official duties.

3. (a) A majority of the whole number of members of the authority then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the authority. Except as otherwise specified in this title, for the transaction of any business or the exercise of any power of the authority, the authority shall have power to act by a majority vote of the members present at any meeting at which a quorum is in attendance and except further, that in the event of a tie vote the chairperson shall cast one additional vote.

(b) For purposes of determining the presence of a quorum, and for purposes of participation on any committee or subcommittee, those members who collectively cast a single vote pursuant to the provisions of paragraph (a) of subdivision one of this section shall be considered to be a single member, and the presence of such member shall be determined as provided in this subdivision. Except as otherwise provided in a by-law adopted as hereinafter provided, such single member constituting those members entitled to a collective vote shall be deemed present as a single member for purposes of a quorum if one or more of the members then in office entitled to cast such collective vote is present, and such collective vote shall be cast in accordance with the majority agreement of the members entitled to a collective vote who are present or in the event a single member entitled to a collective vote is present it shall be cast by that member. To evidence the existence of such majority agreement among the members entitled to a collective vote, each such member shall be polled as to his or her vote and such poll shall be recorded in the minutes. In the event a majority vote is not achieved by

the members entitled to a collective vote who are present, then the vote shall not be cast. Nothing herein shall limit the right of an individual member to participate in board meetings or in other activities of the authority when the other members then in office entitled to collectively cast a vote are not present. At any meeting of the authority at which there is a quorum including all the members then in office entitled to cast a collective vote, the authority may adopt a by-law or by-laws regulating the casting of such collective vote, provided all members then in office entitled to cast a collective vote affirmatively approve such by-law or by-laws. Any action taken by the authority in accordance with any such by-law or by-laws adopted pursuant to the provisions of this paragraph shall take effect in the same manner as any other action of the authority. Any such by-law or by-laws shall not provide for the casting of any fractional vote. Nor shall such a by-law or by-laws provide for the amendment, repeal or adoption in the future of such a by-law or by-laws in a manner other than that set forth in this paragraph.

(c) No provision of paragraph (b) of this subdivision relating to the adoption of certain by-laws by the authority shall affect the manner in which by-laws of the authority are adopted concerning any subject other than the voting and presence for quorum purposes of the members from the counties of Dutchess, Putnam, Orange and Rockland.

4. (a) Notwithstanding any provision of law to the contrary, the chairperson shall be the chief executive officer of the authority and shall be responsible for the discharge of the executive and administrative functions and powers of the authority. The chairperson may appoint an executive director and such other officials and employees as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the authority.

(b) The chairperson shall establish committees to assist in the performance of their duties and shall appoint members of the authority to such committees. Among such committees, there shall be: (i) a committee on operations of the Long Island Rail Road and the metropolitan suburban bus authority; (ii) a committee on operations of the Metro-North commuter railroad; (iii) a committee on finance; (iv) a committee on capital program oversight; and (v) a committee on safety. The committee on capital program oversight shall include not less than four members, and shall include the chairpersons of the committee on operations of the Long Island Rail Road and the metropolitan suburban bus authority, the committee on operations of the Metro-North commuter railroad, and the committee on safety. The committee on safety shall convene at least once annually and each committee chairperson, that is a member of the committee on safety, shall report to the committee on safety any and all initiatives, concerns, improvements, or failures involving the safety of: (i) customers; (ii) employees; and (iii) the public at large, in relation to authority facilities and services. The capital program committee shall, with respect to any approved or proposed capital program plans: (i) monitor the current and future availability of funds to be utilized for such plans; (ii) monitor the contract awards of the commuter transportation authority to ensure that such awards are consistent with: (A) provisions of law authorizing United States content and New York state content; (B) collective bargaining agreements; (C) provisions of law providing for participation by minority and women-owned businesses; (D) New York state labor laws; (E) competitive bidding requirements including those regarding sole source contracts; and (F) any other relevant requirements established by law; (iii) monitor the

award of contracts to determine if such awards are consistent with the manner in which the work was traditionally performed in the past provided, however, that any such determination shall not be admissible as evidence in any arbitration or judicial proceeding; (iv) review the relationship between capital expenditures pursuant to each such capital program plan and current and future operating budget requirements; (v) monitor the progress of capital elements described in each capital program plan; (vi) monitor the expenditures incurred and to be incurred for each such element; and (vii) identify capital elements not progressing on schedule, ascertain responsibility therefor and recommend those actions required or appropriate to accelerate their implementation. The capital program committee shall issue a quarterly report on its activities and findings, and shall in connection with the preparation of such quarterly report, consult with the division of the budget, the department of transportation, the governor, and any other group the committee deems relevant, including public employee organizations, and, at least annually, with a nationally recognized independent transit engineering firm. Such report shall be made available to the members of the authority, to the governor, and the directors of the municipal assistance corporation for the city of New York.

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

(d) Notwithstanding paragraph (c) of subdivision one of section twenty-eight hundred twenty-four of this chapter or any other provision of law to the contrary, the chairperson shall not participate in establishing authority policies regarding the payment of salary, compensation and reimbursement to, nor establish rules for the time and attendance of, the chief executive officer. The salary of the chairperson, as determined pursuant to subdivision two of this section, shall also be compensation for all services performed as chief executive officer.

5. The authority shall be a "state agency" for the purposes of sections seventy-three and seventy-four of the public officers law.

6. Notwithstanding any inconsistent provisions of this or any other law, general, special or local, no officer or employee of the state, or of any public corporation, shall be deemed to have forfeited or shall forfeit his or her office or employment or any benefits provided under the retirement and social security law or under any public retirement system maintained by the state by reason of their acceptance of membership on or chairpersonship of the authority; provided, however, a member or chairperson who holds such other public office or employment shall receive no additional compensation for services rendered pursuant to this title, but shall be entitled to reimbursement for their actual and necessary expenses incurred in the performance of such services.

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

8. The authority shall continue so long as it shall have bonds or other obligations outstanding and until its existence shall be termi-

nated by law. Upon the termination of the existence of the authority, all its rights and properties shall pass to and be vested in the state.

9. Whenever the authority causes notices of hearings on proposed changes in services or fares to be posted pursuant to this section or any statute, regulation, or authority policy, or where it voluntarily posts such notices, such notices shall: (a) be written in a clear and coherent manner using words with common and every day meaning; (b) be captioned in large point type bold lettering with a title that fairly and accurately conveys the basic nature of such change or changes; (c) where such change involves a proposed change in levels of fare, include in its title the range of amounts of fare changes under consideration; (d) contain, to the extent practicable, a concise description of the specific nature of the change or changes, including but not limited to a concise description of those changes that affect the largest number of passengers; (e) where such change involves a change in the nature of a route, contain, to the extent practicable, a clear graphic illustration of such change or changes; and (f) where such change involves a partial or complete station closing, such notice shall be posted at the affected station with a clear graphic illustration depicting the nature of any closing for such station.

§ 1349-dddd. Purposes of the authority. 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, except within the city of New York, including but not limited to such transportation by railroad, omnibus, marine and air, in accordance with the provisions of this title, in an efficient and cost-effective manner that includes the use of design-build contracting on all appropriate projects.

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

§ 1349-eeee. State of emergency; boarding of a commuter transportation by domestic companion animals. 1. For the purposes of this section:

(a) "Commuter transportation" means commuter transportation, and other related services and facilities, operated by the authority or any of its subsidiaries, including but not limited to such transportation by railroad, omnibus, marine and air, in accordance with this title.

(b) "Domestic companion animal" means a companion animal or pet as defined in section three hundred fifty of the agriculture and markets law and shall also mean any other domesticated animal normally maintained in or near the household of the owner or person who cares for such other domesticated animal. "Domestic companion animal" shall not include a "farm animal", as defined in section three hundred fifty of the agriculture and markets law.

2. (a) In the event that a state of emergency has been declared and an evacuation of any region of the state is in progress, the owner of a domestic companion animal shall be permitted to board any commuter transportation with such domestic companion animal so long as that animal is under the owner's control by use of a leash or tether, or is properly confined in an appropriate container or by other suitable means, provided that such boarding is authorized by and consistent with the provisions of state disaster emergency plans or local state of emergency plans pertaining to the needs of animals and individuals with an animal under their care. The provisions of this section shall only apply

to the owners of domestic companion animals who are evacuating from a region of the state affected by an emergency or disaster, or a local state of emergency, as defined in section twenty-four of the executive law.

(b) A domestic companion animal may be refused permission to board any commuter transportation, even if the animal is under the owner's control or properly confined in accordance with this subdivision if there is reasonable cause to believe that, due to attendant circumstances, permitting the animal to board would pose a health or safety hazard.

3. All passengers with service animals shall be given priority seating on all means of transportation regulated by this title in accordance with the federal "Americans with Disabilities Act of 1990", 42 U.S.C. s.12101 et seq. For the purposes of this section, "service animal" shall have the same meaning as set forth in the federal "Americans with Disabilities Act of 1990", 42 U.S.C. s.12101 et seq. and any regulations under such act.

4. All passengers on any commuter transportation shall be provided seating before a domestic companion animal may be placed in a seat.

5. The authority is authorized and directed to promulgate and enforce such rules and regulations as shall be necessary for the implementation of this section.

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

1. To sue and be sued;

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

3. To borrow money, to issue negotiable notes, bonds or other obligations and to provide for the rights of the holders thereof, and to finance or refinance all or any part of the costs to the authority or to any other person or entity, public or private, of the planning, design, acquisition, construction, improvement, reconstruction or rehabilitation of any transportation facility;

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

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

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

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

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

(e) obligations of any bank or corporation created under the laws of either the United States or any state of the United States maturing within two hundred seventy days, provided that such obligations receive the highest rating of two nationally recognized independent rating agencies and, provided further, that no more than two hundred fifty million dollars may be invested in such obligations of any one bank or corporation;

(f) as to any such moneys held in reserve and sinking funds, other securities in which the trustee or trustees of any public retirement system or pension fund has the power to invest the monies thereof pursu-

ant to article four-A of the retirement and social security law, each such reserve and sinking fund being treated as a separate fund for the purposes of article four-A of the retirement and social security law;

(g) notes, bonds, debentures, mortgages and other evidences of indebtedness, issued or guaranteed at the time of the investment by the United States Postal Service, the federal national mortgage association, the federal home loan mortgage corporation, the student loan marketing association, the federal farm credit system, or any other United States government sponsored agency, provided that at the time of the investment such agency or its obligations are rated and the agency receives, or its obligations receive, the highest rating of all independent rating agencies that rate such agency or its obligations, provided, however, that no more than two hundred fifty million dollars or such greater amount as may be authorized for investment by the state comptroller by section ninety-eight of the state finance law may be invested in the obligations of any one agency;

(h) general obligation bonds and notes of any state other than the state, provided that such bonds and notes receive the highest rating of at least one independent rating agency, and bonds and notes of any county, town, city, village, fire district or school district of the state, provided that such bonds and notes receive either of the two highest ratings of at least two independent rating agencies;

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

(j) financial contracts in a foreign currency entered into for the purpose of minimizing the foreign currency exchange risk of the purchase price of a contract with a vendor chosen through competitive process for the acquisition of capital assets for the benefit of the transportation capital program;

5. To make and alter by-laws for its organization and internal management, and rules and regulations governing the exercise of its powers and the fulfillment of its purposes under this title;

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; and

(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;

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

8. To appoint such officers and employees as it may require for the performance of its duties, and to fix and determine their qualifications, duties, and compensation and to retain or employ counsel, auditors, engineers and private consultants on a contract basis or otherwise for rendering professional or technical services and advice;

9. (a) Notwithstanding section one hundred thirteen of the retirement and social security law or any other general or special law, the authority and any of its subsidiary corporations may continue or provide to its affected officers and employees any retirement, disability, death or other benefits provided or required for railroad personnel pursuant to federal or state law;

(b) The authority and any of its public benefit subsidiary corporations may be a participating employer in the New York state employees' retirement system with respect to one or more classes of officers and employees of such authority or any such public benefit subsidiary corporation, as may be provided by resolution of such authority or any such public benefit subsidiary corporation, as the case may be, or any subsequent amendment thereof, filed with the comptroller and accepted by him or her pursuant to section thirty-one of the retirement and social security law. In taking any action pursuant to this paragraph, the authority and any of its public benefit subsidiary corporations shall consider the coverages and benefits continued or provided pursuant to paragraph (a) of this subdivision;

10. To make plans, surveys, and studies necessary, convenient or desirable to the effectuation of the purposes and powers of the authority and to prepare recommendations in regard thereto;

11. To enter upon such lands, waters or premises as in the judgment of the authority may be necessary, convenient or desirable for the purpose of making surveys, soundings, borings and examinations to accomplish any purpose authorized by this title. The authority shall be liable for actual damage done due to the entering upon such lands, waters or premises and any activities taken thereon;

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

13. A copy of any report submitted by the authority pursuant to sections twenty-eight hundred, twenty-eight hundred one and twenty-eight hundred two of this chapter shall be forwarded to the mayor of the city

of New York and to the chairperson of the board of supervisors and to the county executive, if any, of each county within the district; and

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

§ 1349-gggg. Contracts. 1. The provisions of this section shall not apply to:

(a) the award of any contract of the authority if the bid documents for such contract so provide and such bid documents are issued within sixty days of the effective date of this section; or

(b) for a period of one hundred eighty days after the effective date of this section, the award of any contract for which an invitation to bid, solicitation, request for proposal, or any similar document has been issued by the authority prior to the effective date of this section.

2. (a) Except as otherwise provided in this section, all purchase contracts for supplies, materials or equipment involving an estimated expenditure in excess of one million dollars and all contracts for public work involving an estimated expenditure in excess of one million dollars shall be awarded by the authority to the lowest responsible bidder after obtaining sealed bids in the manner hereinafter set forth. For purposes hereof, contracts for public work shall exclude contracts for personal, engineering and architectural, or professional services. The authority may reject all bids and obtain new bids in the manner provided by this section when it is deemed in the public interest to do so or, in cases where two or more responsible bidders submit identical bids which are the lowest bids, award the contract to any of such bidders or obtain new bids from such bidders. Nothing in this paragraph shall obligate the authority to seek new bids after the rejection of bids or after cancellation of an invitation to bid. Nothing in this section shall prohibit the evaluation of bids on the basis of costs or savings including life cycle costs of the item to be purchased, discounts, and inspection services so long as the invitation to bid reasonably sets forth the criteria to be used in evaluating such costs or savings. Life cycle costs may include but shall not be limited to costs or savings associated with installation, energy use, maintenance, operation and salvage or disposal.

(b) Section twenty-eight hundred seventy-nine of this chapter shall apply to the authority's acquisition of goods or services of any kind, in the actual or estimated amount of fifteen thousand dollars or more, provided: (i) that a contract for services in the actual or estimated amount of one million dollars or less shall not require approval by the board of the authority regardless of the length of the period over which the services are rendered, and provided further that a contract for services in the actual or estimated amount of one million dollars or more shall require approval by the board of the authority regardless of the length of the period over which the services are rendered unless such a contract is awarded to the lowest responsible bidder after obtaining sealed bids; and (ii) the board of the authority may by resolution adopt guidelines that authorize the award of contracts to small business concerns, to service disabled veteran owned businesses certified pursuant to article three of the veterans' services law, or minority or women-owned business enterprises certified pursuant to article fifteen-A of the executive law, or purchases of goods or technology that are recycled or remanufactured, in an amount not to exceed one million dollars without a formal competitive process and without further board approval. The board of the authority shall adopt guidelines which shall

be made publicly available for the awarding of such contract without a formal competitive process.

(c)(i) Notwithstanding the provisions of paragraph (a) of this subdivision, the authority shall establish guidelines governing the qualifications of bidders entering into contracts for its project to bring the Long Island Rail Road into Grand Central Terminal, referred to as the "East Side Access Project" for the purposes of this section. The bidding may be restricted to those who have qualified prior to the receipt of bids according to standards fixed by the authority; provided, however, that the award of contracts shall, to the extent not inconsistent with this paragraph, be in accordance with paragraph (a) of this subdivision.

(ii) In determining whether a prospective bidder qualifies for the inclusion on a list of prequalified bidders for the East Side Access Project, the authority shall consider: (A) the experience and past performance of the prospective bidder; (B) the prospective bidder's ability to undertake work, including but not limited to whether it participates in state approved apprenticeship programs and whether it utilizes employees who are represented by labor organizations; (C) the financial capability and responsibility of the prospective bidder; and (D) the records of the prospective bidder in complying with existing labor standards. The authority may also consider such other factors as it deems appropriate.

3. (a) Advertisement for bids, when required by this section, shall be published at least once in a newspaper of general circulation in the area served by the authority and in the procurement opportunities newsletter published pursuant to article four-C of the economic development law provided that, notwithstanding the provisions of article four-C of the economic development law, an advertisement shall only be required for a purchase contract for supplies, materials or equipment when required by this section. Publication in a newspaper of general circulation in the area served or in the procurement opportunities newsletter shall not be required if bids for contracts for supplies, materials or equipment are of a type regularly purchased by the authority and are to be solicited from a list of potential suppliers, if such list is or has been developed consistent with the provisions of subdivision six of this section. Any such advertisement shall contain a statement of: (i) the time and place where bids received pursuant to any notice requesting sealed bids will be publicly opened and read; (ii) the name of the contracting agency; (iii) the contract identification number; (iv) a brief description of the public work, supplies, materials, or equipment sought, the location where work is to be performed, goods are to be delivered or services provided and the contract term; (v) the address where bids or proposals are to be submitted; (vi) the date when bids or proposals are due; (vii) a description of any eligibility or qualification requirement or preference; (viii) a statement as to whether the contract requirements may be fulfilled by a subcontracting, joint venture, or co-production arrangement; (ix) any other information deemed useful to potential contractors; and (x) the name, address, and telephone number of the person to be contacted for additional information. At least fifteen business days shall elapse between the first publication of such advertisement or the solicitation of bids, as the case may be, and the date of opening and reading of bids.

(b) The authority may designate any officer or employee to open the bids at the time and place bids are to be opened and may designate an officer to award the contract to the lowest responsible bidder. Such

designee shall make a record of all bids in such form and detail as the authority shall prescribe. All bids received shall be publicly opened and read at the time and place specified in the advertisement or at the time of solicitation, or to which the opening and reading have been adjourned by the authority. All bidders shall be notified of the time and place of any such adjournment.

4. Notwithstanding the foregoing, the authority may, by resolution approved by a two-thirds vote of its members then in office, or by a majority vote of its members with respect to contracts proposed to be let pursuant to paragraph (a) of this subdivision declare that competitive bidding is impractical or inappropriate because of the existence of any of the circumstances hereinafter set forth and thereafter the authority may proceed to award contracts without complying with the requirements of subdivision two or three of this section. In each case where the authority declares competitive bidding impractical or inappropriate, it shall state the reason therefor in writing and summarize any negotiations that have been conducted. Except for contracts awarded pursuant to paragraphs (a), (b), (c) and (e) of this subdivision, the authority shall not award any contract pursuant to this subdivision earlier than thirty days from the date on which the authority declares that competitive bidding is impractical or inappropriate. Competitive bidding may only be declared impractical or inappropriate where:

(a) the existence of an emergency involving danger to life, safety or property requires immediate action and cannot await competitive bidding or the item to be purchased is essential to efficient operation or the adequate provision of service and as a consequence of an unforeseen circumstance such purchase cannot await competitive bidding;

(b) the item to be purchased is available only from a single responsible source, provided that if bids have not been solicited for such item pursuant to subdivision two of this section within the preceding twelve months, public notice shall first be given pursuant to subdivision three of this section;

(c) the authority receives no responsive bids or only a single responsive bid in response to an invitation for competitive bids;

(d) the authority wishes to experiment with or test a product or technology or new source for such product or technology or evaluate the service or reliability of such product or technology;

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

(f) the authority determines that it is in the public interest to award contracts pursuant to a process for competitive requests for proposals as hereinafter set forth. For purposes of this section, a process for competitive requests for proposals shall mean a method of soliciting proposals and awarding a contract on the basis of a formal evaluation of the characteristics, such as quality, cost, delivery schedule and financing of such proposals against stated selection criteria. Public notice of the requests for proposals shall be given in the same manner as provided in subdivision three of this section and shall

include the selection criteria. In the event the authority makes a material change in the selection criteria from those previously stated in the notice, it will inform all proposers of such change and permit proposers to modify their proposals;

(i) The authority may award a contract pursuant to this paragraph only after a resolution approved by a two-thirds vote of its members then in office at a public meeting of the authority with such resolution: (A) disclosing the other proposers and the substance of their proposals; (B) summarizing the negotiation process including the opportunities, if any, available to proposers to present and modify their proposals; and (C) setting forth the criteria upon which the selection was made.

(ii) Nothing in this paragraph shall require or preclude: (A) negotiations with any proposers following the receipt of responses to the request for proposals; or (B) the rejection of any or all proposals at any time. Upon the rejection of all proposals, the authority may solicit new proposals or bids in any manner prescribed in this section.

(g) The authority issues a competitive request for proposals pursuant to the procedures of paragraph (f) of this subdivision for the purchase or rehabilitation of rail cars and omnibuses. Any such request may include among the stated selection criteria the performance of all or a portion of the contract at sites within the state of New York or the use of goods produced or services provided within the state of New York, provided however that in no event shall the authority award a contract to a manufacturer whose final offer, as expressed in unit cost is more than ten percent higher than the unit cost of any qualified competing final offer, if the sole basis for such award is that the higher priced offer includes more favorable provision for the performance of the contract within the state of New York or the use of goods produced or services provided within the state of New York, and further provided that the authority's discretion to award a contract to any manufacturer shall not be so limited if a basis for such award, as determined by the authority, is superior financing, delivery schedule, life cycle, reliability, or any other factor the authority deems relevant to its operations;

(i) The authority may award a contract pursuant to this paragraph only after a resolution approved by a vote of not less than a two-thirds vote of its members then in office at a public meeting of the authority with such resolution; (A) disclosing the other proposers and the substance of their proposals; (B) summarizing the negotiation process including the opportunities, if any, available to proposers to present and modify their proposals; and (C) setting forth the criteria upon which the selection was made.

(ii) Nothing in this paragraph shall require or preclude: (A) negotiations with any proposers following the receipt of responses to the request for proposals; or (B) the rejection of any or all proposals at any time. Upon the rejection of all proposals, the authority may solicit new proposals or bids in any manner prescribed in this section.

5. Upon the adoption of a resolution by the authority stating, for reasons of efficiency, economy, compatibility or maintenance reliability, that there is a need for standardization, the authority may establish procedures whereby particular supplies, materials or equipment are identified on a qualified products list. Such procedures shall provide for products or vendors to be added to or deleted from such list and shall include provisions for public advertisement of the manner in which such lists are compiled. The authority shall review such list no less than twice a year for the purpose of making such modifications.

Contracts for particular supplies, materials or equipment identified on a qualified products list may be awarded by the authority to the lowest responsible bidder after obtaining sealed bids in accordance with this section or without competitive sealed bids in instances when the item is available from only a single source, except that the authority may dispense with advertising provided that it mails copies of the invitation to bid to all vendors of the particular item on the qualified products list.

6. The authority shall compile a list of potential sources of supplies, materials or equipment regularly purchased. The authority shall, by resolution, set forth the procedures it has established to identify new sources and to notify such new sources of the opportunity to bid for contracts for the purchase of supplies, materials or equipment. Such procedures shall include, but not be limited to: (a) advertising in trade journals; (b) cooperation with federal, state and local agencies within its area of operations; (c) publication in the state register quarterly; and (d) procedures established pursuant to subdivision thirteen of section thirteen hundred forty-nine-j of this article.

7. The provisions of this section shall not supersede any other provisions of law relative to purchases of products or devices manufactured or provided by the blind or other severely handicapped persons, to 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, the term "small business" means a small business or similar term, under federal regulations applicable to projects of the authority which are federally assisted.

8. 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.

9. 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.

10. (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.

11. 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-hhhh. Commuter transportation authority small business mentoring program. 1. As used in this section, unless the context requires otherwise:

(a) "authority" means commuter transportation authority and its subsidiaries;

(b) "chairperson" means the chairperson of the authority and its subsidiaries and affiliates;

(c) "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 commuter transportation 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 through 121.305, or for awarding government procurements as set forth in Sections 121.401 through 121.413, of Subpart A of Part 121 of Chapter I of Title 13 of the Code of Federal Regulations as amended, and such other criteria as determined by the authority;

(d) "small business mentoring program" is a program established by the authority pursuant to these provisions to provide small businesses accepted into the program with the opportunity:

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

(ii) for a small business mentoring program participant which the authority has determined has successfully completed the program under subparagraph (i) of this paragraph, for up to four additional years: (A) additional opportunities to compete with other designated small businesses in the program for certain public work contracts to be designated for inclusion under this subparagraph and, where awarded, to perform such authority public work contracts, with the further assistance of an authority-provided mentor, which shall be a firm competitively selected by the authority that has extensive construction management and mentoring experience, with the mentor to provide the small business with advice and technical assistance in competing for and managing authority public work contracts; and (B) authority-provided assistance, as determined by the authority, for such a small business to obtain bonding for public work contracts that are competitively awarded pursuant to provisions of law other than this section;

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

2. (a) Pursuant to these provisions, the authority may establish a small business mentoring program. In connection therewith, the authority may determine the criteria pursuant to which a small business shall be eligible for and selected to participate in the program under subparagraphs (i) and (ii) of paragraph (d) of subdivision one of this section, the number of participants to participate in each such components of the program, the criteria for the competitive selection of the firms that will provide small businesses with mentoring services, the assignment of a mentor to a specific small business in the small business mentoring program, and the funding for the program.

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

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

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

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

(iv) to competitively select, designate and contract with one or more experienced construction management firms that, under the general supervision of the authority, will provide mentoring services to the small businesses participating in the small business mentoring program, and to assign such mentors one or more designated small businesses participating in the program;

(v) for small business mentoring program contracts, except as set forth herein, to waive requirements for the solicitation and award of a public work contract pursuant to sections thirteen hundred forty-nine-gggg and twenty-eight hundred seventy-nine of this chapter and any other provision of law;

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

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

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

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

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

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

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

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

(d) provide other technical assistance to the small business to facilitate learning, training and other issues which may arise.

5. The authority may delegate to the chairperson or the chairperson's designee the authority's responsibilities set forth herein.

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

§ 1349-iiii. 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 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 chairperson 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 any transportation facility other than a transit project, or may provide for such planning, design, acquisition, establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension, 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.

3. (a) Except as directed in paragraph (c) of this subdivision, the authority may 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 use and operation of any transportation facility and related services operated by the authority or by a subsidiary corporation of the authority or under contract, lease or other arrangement, including joint service arrangements, with the authority. Any such fares, tolls, rentals, rates, charges or other fees for the transportation of passengers shall be established and changed only if approved by resolution of the authority adopted by not less than a majority vote of the whole number of members of the authority then in office, with the chairperson having one additional vote in the event of a tie vote, and only after a public hearing, provided however, that fares, tolls, rentals, rates, charges or other fees for the transportation of passengers on any transportation facility which are in effect at the time that the then owner of such transportation facility becomes a subsidiary corporation of the authority or at the time that operation of such transportation facility is commenced by the authority or is commenced under contract, lease or other arrangement, including joint service arrangements, with the authority may be continued in effect without such a hearing. Such fares, tolls, rentals, rates, charges and other fees shall be established as may in the judgment of the authority be necessary to maintain the combined operations of the authority and its subsidiary corporations on a self-sustaining basis. The said operations 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 and its subsidiary corporations: (i) as the same shall become due, the principal of and interest on the bonds and notes and other obligations of the authority and its subsidiaries and the metropolitan transportation authority, together with the maintenance of proper reserves therefor; (ii) the cost and expense of keeping the properties and assets of the authority and its subsidiary corporations in good condition and repair; and (iii) the capital and operating expenses of the authority and its subsidiary corporations. The authority may contract with the holders of bonds and notes with respect to the exercise of the powers authorized by this section. No acts or activities taken or proposed to be taken by the authority or any subsidiary of the authority pursuant to the provisions of this subdivision shall be deemed to be "actions" for the purposes or within the meaning of article eight of the environmental conservation law.

(b) All fares, tolls, rentals, rates, charges, and other fees established, levied, and collected or caused to be established, levied, and collected, shall first be transferred to the metropolitan transportation authority in order to maintain the metropolitan transportation authority on a self-sustaining basis unless already pledged to secure, and necessary to satisfy the debt service or reserve requirements of, bonds, notes or other obligations of the authority prior to January first, two thousand twenty-four.

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

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

5. (a) The authority may acquire, hold, own, lease, establish, construct, effectuate, operate, maintain, renovate, improve, extend or repair any transportation facilities through, and cause any one or more of its powers, duties, functions or activities to be exercised or performed by, one or more wholly owned subsidiary corporations of the authority, and may transfer to or from any such corporations any moneys, real property or other property for any of the purposes of this title upon such terms and conditions as shall be agreed to and subject to such payment or repayment obligations as are required by law or by any agree-

ment to which any of the affected entities is subject. The directors or members of each such subsidiary corporation of the authority corporation shall be the same persons holding the offices of members of the authority. The chairperson of the board of each such subsidiary shall be the chairperson of the authority, serving ex officio and, provided that there is an executive director of the commuter transportation authority, the executive director of such subsidiary shall be the executive director of the commuter transportation authority, serving ex officio. Notwithstanding any provision of law to the contrary, the chairperson shall be the chief executive officer of each such subsidiary and shall be responsible for the discharge of the executive and administrative functions and powers of each such subsidiary. The chairperson and executive director, if any, shall be empowered to delegate his or her functions and powers to one or more officers or employees of each such subsidiary designated by him or her. Each such subsidiary corporation of the authority and any of its property, functions and activities shall have all of the privileges, immunities, tax exemptions and other exemptions of the authority and of the authority's property, functions and activities. Each such subsidiary corporation shall be subject to the restrictions and limitations to which the authority may be subject. Each such subsidiary corporation of the authority shall be subject to suit in accordance with section thirteen hundred forty-nine-lllll of 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.

(b) 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.

(c) 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 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.

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

8. (a) The authority may do all things it deems necessary, convenient or desirable to manage, control and direct the maintenance and operation of transportation facilities, equipment or real property operated by or under contract, lease or other arrangement with the authority and its subsidiaries. Except as hereinafter specially provided, no municipality or political subdivision, including but not limited to a county, city, village, town or school or other district shall have jurisdiction over any facilities of the authority and its subsidiaries, or any of their activities or operations. The local laws, resolutions, ordinances, rules and regulations of a municipality or political subdivision, heretofore or hereafter adopted, conflicting with this title or any rule or regulation of the authority or its subsidiaries, shall not be applicable to the activities or operations of the authority and its subsidiaries, or the facilities of the authority and its subsidiaries, except such facilities that are devoted to purposes other than transportation or transit purposes. Each municipality or political subdivision, including but not limited to a county, city, village, town or district in which any facilities of the authority or its subsidiaries are located shall provide for such facilities police, fire and health protection services of the same character and to the same extent as those provided for residents of such municipality or political subdivision.

(b) The jurisdiction, supervision, powers and duties of the department of transportation of the state under the transportation law shall not extend to the authority in the exercise of any of its powers under this title. The authority may agree with such department for the execution by such department of any grade crossing elimination project or any grade crossing separation reconstruction project along any railroad facility operated by the authority or by one of its subsidiary corporations or under contract, lease or other arrangement with the authority. Any such project shall be executed as provided in article ten of the transportation law and the railroad law, 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 intendment 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 paragraph (a) of this subdivision and this paragraph, 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 procedures 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 procedures 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 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

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.

14. (a) Notwithstanding any other provisions of law or the terms of any contract, the authority, in consultation with the Long Island Rail Road and the Metro-North Commuter Railroad Company, shall establish and implement a no fare program for transportation on 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 shall 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.

15. 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.

16. 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.

§ 1349-jjjj. Medical emergency services. The authority is hereby authorized and directed to prepare and develop a medical emergency services program to be implemented at a time to be specified in such program for the benefit of persons utilizing transportation and other related services of the authority. Such program may include but not be limited to provisions for the following:

1. the training of designated employees in first aid;

2. emergency techniques and procedures;

3. handling and positioning of stricken commuters; and

4. knowledge of procedures and equipment used for respiratory and cardiac emergencies.

Such program shall be submitted to the legislature not later than one hundred eighty days after the effective date of this section.

§ 1349-kkkk. Medical emergency services plan; implementation on Long Island Rail Road. 1. (a) The authority in consultation with the Long Island Rail Road is hereby authorized and directed to implement a comprehensive medical emergency services program, including an emergency response protocol, not later than the first of September next succeeding the effective date of this section, for the benefit of persons utilizing transportation and other related services of the Long Island Rail Road. Such program shall include but not be limited to provisions for the following:

(i) the training of designated employees in first aid;

(ii) emergency techniques and procedures;

(iii) handling and positioning of stricken commuters;

(iv) knowledge of procedures and equipment used for respiratory and cardiac emergencies and an emergency response protocol for all employees.

(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

operation of those portions of, if any, the Hudson, Harlem, New Haven, Pascack Valley and Port Jervis commuter railroad lines remaining within the metropolitan commuter transportation district. Such council shall study and investigate all aspects of the day to day operation of such railroad lines, monitor their performance and recommend changes to improve the efficiency of the operation thereof.

2. Such council shall consist of eleven members and shall be commuters who regularly use the transportation services of such railroad lines. At least five of such members shall be residents of the county of Westchester. Of the other six members, at least one of such members shall be a resident of each of the counties of Rockland, Putnam, Dutchess, Orange and Bronx, provided that such county has not withdrawn from the metropolitan commuter transportation district pursuant to section thirteen hundred forty-nine-wwwww of this title; provided further, should only the county of Putnam remain in the metropolitan commuter transportation district then membership on such council shall consist of seven members, five of whom reside in the county of Westchester and two of whom reside in the county of Putnam. Members shall be appointed by the governor. In making such appointments the governor shall consult with and solicit recommendations from local officials and to the extent possible appoint members who represent the ridership of the several commuter railroad lines. Vacancies occurring in the membership of the council shall be filled in the same manner as original appointments.

3. The members of the council shall receive no compensation for their services but shall be reimbursed for their expenses actually and necessarily incurred by them in the performance of their duties hereunder from funds appropriated to the commissioner of transportation.

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 it requests and will enable it to properly carry out its activities for the purposes set forth herein.

§ 1349-nnnn. Medical emergency services plan; implementation on Metro-North Commuter Railroad Company. 1. The authority is hereby authorized and directed to implement a medical emergency services program for the benefit of persons utilizing transportation and other related services of the Metro-North Commuter Railroad Company. Such program shall include but not be limited to provisions for the following:

(a) the training of conductors, trainmen and other designated employees in first aid;

(b) emergency techniques and procedures;

(c) handling and positioning of stricken commuters; and

(d) knowledge of procedures and equipment used for respiratory and cardiac emergencies.

2. Notwithstanding any inconsistent provision of any general, special or local law, a designated employee employed upon facilities of the Metro-North Commuter Railroad Company who has successfully completed a course in first aid, including instruction and training in cardiopulmonary resuscitation and who voluntarily and without expectation of monetary compensation renders first aid, emergency treatment or cardiopulmonary resuscitation at the scene of an accident or other emergency, in the course of his or her duties as an employee of the Metro-North Commuter Railroad Company to a person who is unconscious, ill or injured, shall not be liable for damages and injuries alleged to have been sustained by such person or for damages for death of such person alleged

to have occurred by reason of an act or omission in the rendering of such first aid, emergency treatment or cardiopulmonary resuscitation unless it is established that such injuries were or such death was caused by gross negligence on the part of such designated employee.

§ 1349-oooo. Excess loss fund. 1. Subject to the provisions of this section, the authority is authorized to issue bonds and notes, in accordance with section thirteen hundred forty-nine-xxxx of this title, in such principal amounts not in excess of the seventy-five million dollar limitation established in subdivision four of this section as, in the opinion of the authority, shall be necessary to provide sufficient funds to meet the capital and reserve requirements of a trust, pooling arrangement or other entity established for the purpose of providing reimbursement and funding to the authority and its subsidiaries for excess or extraordinary losses for damages to real or personal property or for the destruction thereof or for personal injuries or death and for certain property damage losses which may be incurred or sustained by any of them in connection with the use and operation of their respective facilities and in the conduct of their respective activities, the trust, pooling arrangement or other entity established in order to provide such benefits to such participants being referred to in this section as the "excess loss fund". Prior to the issuance of any bonds or notes, other than refunding bonds or notes, authorized by this section, the authority shall make a finding that such issue is expected to result, on a present value basis, in a lower effective cost to the participating authorities than funding the requirements of the excess loss fund solely through the payment of premiums and assessments by such participating authorities.

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

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

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

(c) enter into contracts with the excess loss fund and with the participants therein, on such terms and conditions as the parties may agree, with respect to the payment of premiums, assessments, reimbursements and other payments to the excess loss fund and the nature and extent of the benefits to be paid by the excess loss fund to such participants.

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

4. The aggregate principal amount of bonds and notes issued for the purposes enumerated in subdivision one of this section shall not exceed

seventy-five million dollars, excluding: (a) bonds and notes issued to fund costs of issuance and any reasonably required debt service reserve fund for such bonds or notes; (b) an amount equal to any original issue discount from the principal amount of any bonds or notes issued; and (c) bonds and notes issued to refund or otherwise repay bonds or notes theretofore issued for such purposes, provided, however, that upon any such refunding or repayment of the total aggregate principal amount of outstanding bonds and notes, including for purpose of such calculation the principal amount of the refunding bonds or notes then to be issued and excluding the principal amount of the bonds or notes so to be refunded or repaid and any amounts excluded under paragraph (a) or (b) of this subdivision, may be greater than seventy-five million dollars, only if the present value of the aggregate debt service of the refunding or repayment bonds or notes to be issued shall not exceed the present value of the aggregate debt service of the bonds or notes so to be refunded or repaid. For purposes of paragraph (c) of this subdivision, the present values of the aggregate debt service of the refunding or repayment bonds or notes and of the aggregate debt service of the bonds or notes so to be refunded or repaid, shall be calculated by utilizing the effective interest rate of the refunding or repayment bonds or notes, which shall be that rate arrived at by doubling the semi-annual interest rate, compounded semi-annually, necessary to discount the debt service payments on the refunding or repayment bonds or notes from the payment dates thereof to the date of issue of the refunding or repayment bonds or notes and to the price bid including estimated accrued interest or proceeds received by the authority including estimated accrued interest from the sale thereof.

5. The term "excess loss fund" as used in this section shall not include any trust, pooling arrangements or other entity: (a) which provides or offers to provide reimbursement or funding for losses or liabilities to any entity other than the authority and its subsidiaries; or (b) in which any entity other than the authority and its subsidiaries holds an equity interest.

§ 1349-pppp. Authority police force. 1. The authority is hereby authorized and empowered, to provide and maintain an authority police department and a uniformed authority police force. Each member of such uniformed police force shall be a "police officer" for the purposes of the criminal procedure law, with all of the powers of such police officers thereunder and subject to the same jurisdictional provisions on the exercise of that power as set forth in such law. The geographical area of employment of such police officers for the purposes of the criminal procedure law shall embrace the metropolitan commuter transportation district as defined in section twelve hundred sixty-two of this article. Such department and force shall have the power, in and about any or all of the facilities owned, occupied and/or operated by the authority and its subsidiary corporations, as determined in the discretion of the authority, to enforce and prevent violation of all laws and ordinances. Nothing herein shall confer upon the authority police force or upon their collective negotiations representatives exclusive jurisdiction or claim over the exercise of police power or security work on behalf of the authority and its subsidiary corporations. Nothing herein shall limit the authority and its subsidiary corporations from continuing to rely on local police for police services. However, traditional police functions previously performed by the Long Island Rail Road Company and/or the Metro-North Commuter Railroad Company police force shall continue to be performed by the authority police forces.

2. Initial appointments to such authority police force shall be all incumbent police officers from the Long Island Rail Road Company and/or the Metro-North Commuter Railroad Company at the time of such appointment. The executive director of the authority, through the chief of police, shall have the power and authority to appoint and employ such number of police officers as he or she deems necessary to act as police officers of the authority and to administer to the officers an oath or affirmation faithfully to perform the duties of their respective positions or offices. Unless, at the time of appointment, the person is a police officer of the Long Island Rail Road Company or the Metro-North Commuter Railroad Company, only persons who have never been convicted of a felony and are citizens of the United States shall be appointed police officers on the authority police force. After the initial appointments are made, selection of police officer candidates shall be made pursuant to an examination process to be determined at the discretion of the authority and candidates shall receive a certificate attesting to satisfactory completion of an approved municipal police basic training program, as described in section two hundred nine-q of the general municipal law. No person shall be eligible for appointment unless such person is not less than twenty years of age as of the date of appointment nor more than thirty-five years of age as of the date when the applicant takes the written examination, provided, however, that time spent on military duty or on terminal leave, not exceeding a total of six years, shall be subtracted from the age of any applicant who has passed his or her thirty-fifth birthday as provided in subdivision ten-a of section two hundred forty-three of the military law. Upon appointments made by transferring an entire group of police officers into the authority police force, thereby eliminating such other group of police officers, the authority shall recognize any representative previously chosen by the police officers for the purposes of collective negotiations consistent with the bargaining units already established and shall also assume and continue to observe any existing labor contracts covering these police officers including such provisions which relate to the grievance and disciplinary procedures and interest arbitration. Subsequent to the establishment of the consolidated police force the authority and the collective bargaining representatives shall be authorized to negotiate a merger of the separate bargaining units.

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

4. The authority shall provide for a twenty year retirement plan under the same terms and conditions as provided by section three hundred eighty-nine of the retirement and social security law as enacted by chapter six hundred twenty-eight of the laws of nineteen hundred ninety-one; except that:

(a) any benefit provided pursuant to such plan shall be subject to an offset, as defined in this paragraph, for any tier II benefit payable pursuant to the federal Railroad Retirement Act to or in the respect of a member. The offset provided for by this paragraph shall be the amount of the tier II benefit which would be payable to or in respect to such member pursuant to the federal Railroad Retirement Act multiplied by a fraction, the numerator of which is the member's years of credited service covered by the federal Railroad Retirement Act rendered to, or credited by, the authority or any subsidiary corporation of the authority, and the denominator of which is the member's total years of service covered by the federal Railroad Retirement Act;

(b) references to the Long Island Rail Road shall be to the authority;

(c) the transfer of funds described in subdivision f of section three hundred eighty-nine of the retirement and social security law as enacted by chapter six hundred twenty-eight of the laws of nineteen hundred ninety-one shall include the Metro-North Commuter Railroad Company Defined Contribution Pension Plan for Agreement Employees;

(d) the provisions of subdivision g of section three hundred eighty-nine of the retirement and social security law as enacted by chapter six hundred twenty-eight of the laws of nineteen hundred ninety-one to the extent of requiring contributions for past service liability shall not be applicable; and

(e) when a police officer transferred from the Long Island Rail Road Company police force to the authority police force reaches age sixty-two the authority will offset the amount payable under this plan by the amount of tier II benefit payable from the Railroad Retirement Board for a service age annuity or disability payable at the participants age sixty-two.

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

6. If the authority elects to participate in the New York state and local employees' retirement system, such election to participate shall be made by resolution filed with the comptroller and accepted by him or her pursuant to section thirty-one of the retirement and social security law.

7. Nothing herein contained shall be deemed to diminish, suspend or abolish an existing benefit inured to a police officer, transferred from the Long Island Rail Road Company and/or Metro-North Commuter Railroad Company police force and subject to the provisions of this section in and to the rights, privileges or status previously earned within a pension or retirement system of which they were a member immediately prior to the enactment of this section; and any such existing right, privilege or status shall survive the effect of any decisions or determinations lawfully made in accordance with the provisions hereof so long as such right, privilege or status is greater in benefit to that which would be imposed or imputed to any subject officer as a result of actions of the authority authorized herein.

§ 1349-qqqq. The permanent citizens advisory committee. There is hereby established a permanent citizens advisory committee. The members of the committee shall consist of the following members: the Long Island Rail Road commuter council and the Metro-North commuter council.

§ 1349-rrrr. Commuter transportation authority pledge to customers. 1. A commuter transportation authority pledge to customers shall be created and adopted by the commuter transportation authority. A copy of such pledge shall be posted on the website of the authority and shall be posted in stations where the authority makes regular postings. The authority shall post the pledge in the language or languages it deems necessary and appropriate.

2. The commuter transportation authority pledge to customers shall be in the form and manner as prescribed by the authority, include the contact information of the authority, and include, but not be limited to, the following:

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

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

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

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

(e) a description of the authority's policies when it comes to arranging alternative transportation when service is interrupted;

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

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

(h) when service is severely interrupted, a description of the authority's policies on service restoration.

3. The authority from time to time may, update and amend the commuter transportation authority pledge to customers as it deems necessary and proper and may adopt rules and regulations for the proper administration of this section.

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

§ 1349-tttt. Acquisition and disposition of real property. 1. In addition to the powers provided in section thirteen hundred forty-nine-iiii of this title to acquire transportation facilities, equipment and real property, the authority may acquire, by condemnation pursuant to the condemnation law, any real property it may deem necessary, convenient or desirable to effectuate the purposes of this title, provided however, that any such condemnation proceedings shall be brought only in the supreme court and the compensation to be paid shall be ascertained and determined by the court without a jury. Notwithstanding the foregoing provisions of this subdivision, no real property may be acquired by the authority by condemnation for purposes other than a transportation facility unless the governing body of the city, village or town in which such real property is located shall first consent to such condemnation.

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

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

4. Subject to the provisions of section thirteen hundred forty-nine-iiii of this title, title to all property acquired under this title shall vest in the authority or one of its subsidiary corporations as the authority directs.

5. The authority may, whenever it determines that it is in the interest of the authority, dispose of any real property or property other than real property, which it determines is not necessary, convenient or desirable for its purposes.

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

§ 1349-uuuu. Acquisition and disposition of real property by department of transportation. 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 such real property in the name of the state as may be determined from time to time by the authority as being necessary, convenient or desirable to effectuate the purposes of this title, 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 procedures 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 such commissioner 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. No real property may be acquired pursuant to the provisions of this section for purposes other than a transportation facility unless the governing body of the city, village or town in which such real property is located shall first consent to such acquisition. The provisions of this section shall not be applicable to the acquisition or disposition of real property required for the construction of the two highway bridges crossing Long Island sound referred to in section thirteen hundred forty-nine-iiii of this title. The authority shall be empowered to lease for such other purposes as the authority may determine any part or parts of Republic airport not needed for transportation purposes.

§ 1349-vvvv. Cooperation and assistance of other agencies. 1. To avoid duplication of effort and in the interests of economy, the authority may make use of existing studies, surveys, plans, data and other materials in the possession of any state agency or any municipality or political subdivision of the state. Each such agency, municipality or subdivision is hereby authorized to make the same available to the

authority and otherwise to assist it in the performance of its functions. At the request of the authority, each such agency, municipality or subdivision which is engaged in highway or other transportation activities or in land use or development planning, or which is charged with the duty of providing or regulating any transportation facility or any other public facility, is further authorized to provide the authority with information regarding its plans and programs affecting the transportation district so that the authority may have available to it current information with respect thereto. The officers and personnel of such agencies, municipalities or subdivisions, and of any other government or agency whatever, may serve at the request of the authority upon such advisory committees as the authority shall determine to create and such officers and personnel may serve upon such committees without forfeiture of office or employment and with no loss or diminution in the compensation, status, rights and privileges which they otherwise enjoy.

2. The authority shall, at the request of any state agency, municipality or political subdivision of the state, engaged in highway or other transportation activities or in land use or development planning, provide said state agency, municipality or political subdivision with all current and relevant information regarding its plans or programs, so as to enable said agency, municipality or subdivision to properly effectuate said activities or planning.

3. To the extent that the provisions of this title authorize the authority to enter into any agreement or arrangement with, or undertake any other activity requiring the participation of, the big apple transit authority, the New York city transit authority or any of their subsidiary corporations in furtherance of their respective purposes and powers or the Triborough bridge and tunnel authority in furtherance of its purposes and powers, such entities are hereby authorized and empowered to enter into and perform such contract or other arrangement and to undertake such activities.

§ 1349-wwww. Promotion of qualified transportation fringes. The authority shall promote the broad use of qualified transportation fringes, under section 132(f) of the internal revenue code, in order to increase the number of participating companies and employees in such programs. The authority may also study and report on ways in which programs may be improved so as to increase public participation.

§ 1349-xxxx. Notes, bonds and other obligations of the authority. 1. (a) The authority shall have power and is hereby authorized from time to time to issue its bonds, notes and other obligations in such principal amount as, in the opinion of the authority, shall be necessary, convenient or desirable to effectuate any of its powers and purposes, including to provide sufficient funds for achieving its purposes, including the acquisition, establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension, rehabilitation or repair of any transportation facility, the payment of principal, redemption premium and interest on bonds, notes and other obligations of the authority, establishment of reserves to secure such bonds, notes and other obligations, the provision of working capital and all other expenditures of the authority and its subsidiary corporations incident to and necessary or convenient to carry out their purposes and powers. Such bonds, notes or other obligations may be issued for an individual transportation facility or issued on a consolidated basis for such groups or classes of facilities and projects as the authority in its discretion deems appropriate and be payable from and secured separately or on a consolidated basis by, among other things, all or any portion of

such revenues and other monies and assets of the authority and its subsidiary corporations as the authority determines in accordance with the provisions of section thirteen hundred forty-nine-ddddd of this title;

(b) The authority shall have power, from time to time, to issue renewal notes, to issue bonds to refund, redeem or otherwise pay, including by purchase or tender, notes of the authority and its subsidiary corporations and whenever it deems refunding, redemption or payment expedient, to refund, redeem or otherwise pay, including by purchase or tender, any bonds of the authority and its subsidiary corporations, by the issuance of new bonds, whether the bonds to be refunded, redeemed or otherwise paid have or have not matured, and to issue bonds partly for such purpose and partly for any other purpose and to otherwise refund, redeem, acquire by purchase or tender, or in any other way repay any outstanding notes, bonds or other obligations of the authority, and any of its subsidiary corporations;

(c) Every issue of its notes, bonds or other obligations shall be general obligations or special obligations. Every issue of general obligations of the authority shall be payable out of any revenues or monies of the authority, subject only to any agreements with the holders of particular notes or bonds pledging any particular receipts or revenues. Every issue of special obligations shall be payable out of any revenues, receipts, monies or other assets of the authority and its subsidiary corporations, identified for such purposes in accordance with agreements with the holders of particular notes, bonds or other obligations. The authority may issue transportation revenue special obligation bonds, notes or other obligations as provided in section thirteen hundred forty-nine-eeeee of this title;

2. The authority may from time to time issue its bonds and notes in such principal amounts as, in the opinion of the authority, shall be necessary to finance the unfunded pension fund liabilities of the authority, its affiliates and subsidiaries, provided, however, that in no event shall the cumulative amounts of bonds and notes issued pursuant to the authority of this subdivision exceed one billion two hundred million dollars or sixty percent of such unfunded pension fund liabilities, whichever is less, and provided, further, that no bonds shall be issued under this subdivision for a term longer than twenty years. The authority shall not issue bonds or notes in any twelve-month period in a cumulative principal amount in excess of forty percent of the total amount permitted to be issued under this subdivision. Prior to the issuance of any bonds or notes, the authority shall make a finding that such issue is expected to result, on a present value basis, in a lower effective cost to the authority than funding the unfunded pension fund liability solely through the payment of annual amounts to the pension fund, assuming that the principal component of the unfunded liability will be amortized over the same number of years as the term of the bonds or notes and that the interest payable thereon is the actuarial rate of interest determined by the actuary for the pension fund at the time of the issuance of such bonds or notes. The aggregate principal amount of bonds and notes issued for such purposes may be increased to fund costs of issuance and may reasonably require debt service of other reserve funds. Bonds and notes may be issued to refund or otherwise repay bonds or notes theretofore issued for such purposes; provided, however, that upon any such refunding or repayment, including for the purpose of such calculation the principal amount of the refunding bonds or notes then to be issued and excluding the principal amount of the bonds or notes so to

be refunded or repaid and also excluding any amounts used to pay costs of issuance and reasonably required debt service or other reserve funds, the present value of the aggregate debt service of the refunding or repayment bonds or notes to be issued shall not exceed the present value of the aggregate debt service of the bonds or notes so to be refunded or repaid. For purposes of the preceding sentence, the present values of the aggregate debt service of the refunding or repayment bonds or notes and of the aggregate debt service of the bonds or notes so to be refunded or repaid shall be calculated by utilizing the effective interest rate of the refunding or repayment bonds or notes, which shall be that rate arrived at by doubling the semi-annual interest rate, compounded semi-annually, necessary to discount the debt service payments on the refunding or repayment bonds or notes from the payment dates thereof to the date of issue of the refunding or repayment bonds or notes and to the price bid including estimated accrued interest or proceeds received by the authority including estimated accrued interest from the sale thereof. Debt service on the bonds or notes shall be structured so that the economic benefits thereof shall be relatively uniform for each full year throughout the term of the bonds or notes. Beginning with the date of first issuance of bonds under this section, the authority and its subsidiaries shall make annual payments into the pension fund in amounts at least equal to the current pension contribution liability applicable to such year. The net proceeds of the bonds or notes intended to be invested in non-debt securities may be invested by the recipient pension fund in a fiscally prudent manner in securities consistent with any trust indentures and all applicable state and federal law over a reasonable period of time not less than thirty days following the issuance of the bonds or notes. The operating budget savings associated with the issuance of pension obligation bonds pursuant to this subdivision shall be dedicated to reducing service eliminations projected to occur within that period.

3. The notes, bonds and other obligations shall be authorized by resolution 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 chairperson shall cast one additional vote. Such notes, bonds and other obligations shall bear such date or dates, and shall mature at such time or times, in the case of any such note or any renewals thereof not exceeding five years from the date of issue of such original note, and in the case of any such bond not exceeding fifty years from the date of issue, as such resolution or resolutions may provide. The notes, bonds and other obligations shall bear interest at such rate or rates, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment, at such place or places and be subject to such terms of redemption as such resolution or resolutions may provide. The notes, bonds and other obligations of the authority may be sold by the authority, at public or private sale, at such price or prices as the authority shall determine. No notes or bonds of the authority may be sold by the authority at private sale, however, unless such sale and the terms thereof have been approved in writing by (a) the comptroller, where such sale is not to the comptroller, or (b) the director of the budget, where such sale is to the comptroller.

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

(a) pledging all or any part of the revenues of the authority or of any of its subsidiary corporations to secure the payment of the notes or bonds or of any issue thereof, or any other obligations of the authority, subject to such applicable agreements with bondholders, noteholders, or holders of other obligations of the authority and the metropolitan transportation authority, as may then exist;

(b) pledging all or any part of the assets of the authority or of any of its subsidiary corporations to secure the payment of the notes or bonds or of any issue of notes or bonds, or any other obligations of the authority, subject to such agreements with noteholders, bondholders, or holders of other obligations of the authority as may then exist;

(c) the use and disposition of revenues, including fares, tolls, rentals, rates, charges and other fees, made or received by the authority, or any of its subsidiary corporations;

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

(e) 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) 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) 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 shall consent thereto, and the manner in which such consent may be given;

(h) limitations on the amount of monies to be expended by the authority or any of its subsidiary corporations for operating, administrative or other expenses of the authority or any of its subsidiary corporations;

(i) 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) 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.

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

6. It is the intention hereof that any pledge, mortgage or security instrument made by the authority shall be valid and binding from the time when the pledge, mortgage or security instrument is made; that the monies or property so pledged, mortgaged and entrusted and thereafter received by the authority, or any of its subsidiary corporations shall immediately be subject to the lien of such pledge, mortgage or security instrument without any physical delivery thereof or further act; and that the lien of any such pledge, mortgage or security instrument shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority, or any of its subsidiary corporations, irrespective of whether such parties have notice thereof. Neither the resolution nor any mortgage, security instrument or other instrument by which a pledge, mortgage lien or other security is created need be recorded or filed and neither the authority nor, any of its subsidiary corporations shall be required to comply with any of the provisions of the uniform commercial code.

7. Neither the members of the authority nor any person executing the notes, bonds or other obligations shall be liable personally on the notes, bonds or other obligations or be subject to any personal liability or accountability by reason of the issuance thereof.

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

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

10. So long as the authority has any outstanding bonds, notes or other obligations issued pursuant to this section, none of the authority or any of its subsidiary corporations shall have the authority to file a voluntary petition under chapter nine of the federal bankruptcy code or such corresponding chapter, chapters or sections as may, from time to time, be in effect, and neither any public officer nor any organization, entity or other person shall authorize the authority or any of its subsidiary corporations to be or become a debtor under chapter nine or said corresponding chapter, chapters or sections during any such period.

11. The term "monies" as used in this section shall include, but not be limited to, all operating subsidies provided by: (i) any public benefit corporation; or (ii) any governmental entity, federal, state or local and shall exclude all funds required to be transferred to the metropolitan transportation authority pursuant to section thirteen hundred forty-nine-iiii of this title.

12. Any resolution or agreement authorizing the issuance of bonds, notes or other obligations pursuant to this section may, in addition, authorize and provide for the issuance of lease obligations of the authority which may be issued for the purposes and on the terms and conditions under which the bonds, notes and other obligations authorized

under this section may be issued, and may be secured in the same manner as such bonds, notes and other obligations, and which resolution with respect to such lease obligations, may contain such other provisions applicable to bonds, notes and other obligations not inconsistent with the provisions of this section, as the authority may determine.

13. The aggregate principal amount of bonds, notes or other obligations issued after the effective date of this title by the authority to fund projects contained in capital program plans approved pursuant to section thirteen hundred forty-nine-yyyy of this title for the new capital program period shall not exceed the new capital program debt limit. Such aggregate principal amount of bonds, notes or other obligations or the expenditure thereof shall not be subject to any limitation contained in any other provision of law on the principal amount of bonds, notes or other obligations or the expenditure thereof applicable to the authority. The aggregate limitation established by this subdivision shall not include:

(a) obligations issued to refund, redeem or otherwise repay, including by purchase or tender, obligations theretofore issued either by the issuer of such refunding obligations or by the authority;

(b) obligations issued to fund any debt service or other reserve funds for such obligations;

(c) obligations issued or incurred to fund the costs of issuance, the payment of amounts required under bond and note facilities, federal or other governmental loans, security or credit arrangements or other agreements related thereto and the payment of other financing, original issue premiums and related costs associated with such obligations;

(d) an amount equal to any original issue discount from the principal amount of such obligations or to fund capitalized interest;

(e) obligations incurred in connection with the leasing, selling or transferring of equipment; and

(f) bond anticipation notes or other obligations payable solely from the proceeds of other bonds, notes or other obligations which would be included in the aggregate principal amount specified in the opening paragraph of this subdivision, whether or not additionally secured by revenues of the authority, or any of its subsidiary corporations.

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

(b) Each such plan shall contain the capital program for the railroad facilities, not including the Staten Island rapid transit operating authority, under the jurisdiction of the authority.

(c) The plan shall set system-wide goals and objectives for capital spending, establish standards for service and operations, and describe each capital element proposed to be initiated in each of the years covered by the plan and explain how each proposed element supports the achievement of the service and operational standards established in the plan. The plan shall also set forth an estimate of the amount of capital funding required each year and the expected sources of such funding. Each plan subsequent to the first such plan and each proposed amendment or modification thereof shall also describe the current status of each capital element included in the previously approved plan, if any. The plan shall be accompanied or supplemented by such supporting materials as the governor shall require.

(d) A capital element shall mean either a category of expenditure itemized in a plan, as hereinafter provided, for which a specified maximum dollar amount is proposed to be expended, or a particularly described capital project within one or more categories for which no maximum expenditure is proposed, but for which an estimate of expected cost is provided. A capital element shall be deemed to have been initiated for purposes of this section if in connection with such element the authority shall certify that: (i) purchase or construction contracts have been entered into, obligating in the aggregate an amount exceeding ten percent of the maximum or estimated cost of the element as set forth in a plan; (ii) financing specific to the project has been undertaken; or (iii) in a case where such element is limited to design or engineering, a contract therefor has been entered into.

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

3. A capital program plan shall be approved 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 chairperson shall cast one additional vote. After approval, the authority shall submit the plan to the governor, who has ninety days to approve the plan.

4. A copy of any capital program plan that has been approved by the authority and distributed to the governor shall be simultaneously provided to the public by the commuter transportation authority, via its official or shared internet website.

5. If the governor takes no action within ninety days after receiving the plan, the plan shall be deemed to have been approved.

6. If the governor vetoes the plan, the authority may only override the veto by unanimous vote.

7. If the governor vetoes the plan and the authority does not override the veto, the authority may thereafter reformulate and resubmit such plan at any time. Within thirty days of the submission of such reformulated plan, the governor shall notify the authority of its approval, or, if the reformulated plan is not approved and the governor has not notified the authority of his or her disapproval within such period, the reformulated plan shall be deemed to have been approved.

8. No general obligation bonds or notes of the authority, no special obligation bonds or notes of the authority to finance a transit project shall be issued to finance the costs of a capital element unless such capital element and such source of funding was set forth in a plan approved as provided in this section.

9. The disapproval of a capital program plan shall not affect: (a) the right of the authority or of its subsidiaries to initiate and complete any capital element which will be financed otherwise than through the issuance of the bonds or notes the issuance of which is prohibited under subdivision four of this section; (b) the right of the authority to issue bonds or notes to finance a capital element which was initiated prior to such disapproval in conformity with a previously approved plan; or (c) the right of the authority to issue bonds or notes to refund or otherwise repay any of its outstanding bonds or notes or to fulfill any

of their obligations to the holders of any of their outstanding bonds or notes.

10. Notwithstanding the provisions of subdivision eight of this section, if a source of funding described in an approved plan shall be unavailable or be available in a lesser amount than that set forth in such plan, the authority may issue bonds or notes as necessary to provide the requisite funding for the capital elements included in the plan to the extent that the aggregate amount of such bonds or notes to be issued in substitution for such unavailable amounts shall not exceed the greater of fifty million dollars or twenty percent of the total amount described in such plan for either the substitute funding source or the funding source being substituted for.

11. (a) The authority may from time to time submit to the governor amendments or modifications to any ten-year plan theretofore submitted, and shall submit such an amendment or modification: (i) if the estimated cost of any capital element for which a specified dollar amount was proposed to be expended exceeds the amount set forth in the approved plan for such element by more than ten percent; (ii) if with respect to a particularly described capital element for which only an estimate of projected cost has been provided in the plan there is a material change in the description of such element from that contained in the approved plan; (iii) if a capital element not previously included in the approved plan is proposed to be undertaken and its cost, together with the cost of other elements included in category (l) of the plan, exceeds by ten percent the amount provided for such category (l) elements; (iv) if the authority shall propose to change by more than one year the time when any capital element is proposed to be initiated or the effect of such change will be to increase the estimated amount of capital funding required in any year covered by the plan by more than twenty percent; or (v) if the availability of funding sources changes to the degree to which the authority is precluded from exercising the authorization provided in subdivision six of this section and the authority wishes to do so.

(b) An amendment or modification may only be approved in two ways: (i) an amendment or modification shall only be approved by the governor and within thirty days of the submission of an amendment or modification the governor shall notify the authority of its approval of the same; or (ii) if the amendment or modification is not approved by the governor within such thirty day period and the governor has not notified the authority in writing of his or her disapproval within such period, the amendment or modification shall be deemed to have been approved.

12. In formulating its capital program plans, the authority shall give consideration to the physical condition and urgency of need of each of the several transportation and transit systems involved, to the needs of all of the communities and areas serviced by these systems, to the extent to which other capital aid or assistance may be available to each of these systems, and to the safety, comfort and convenience of its passengers. In determining the source or method of funding which the authority is to use to finance the cost of the capital elements included in its capital program plans, the authority shall, insofar as practicable, give consideration, among other things, to: (a) the potential impact of each such source or method upon the level of passenger fares; (b) the relative cost of the several funding alternatives; and (c) the relative ability of each source or method to provide funding at times and in amounts estimated to be required by the capital program plan. To the extent funding is proposed to be obtained through the issuance and

sale of bonds or notes, the authority shall, insofar as practicable and consistent with the matters set forth in paragraphs (a), (b) and (c) of this subdivision, give preference to the use of funds appropriated or to be appropriated to the authority by virtue of service contracts with the director of the budget entered into pursuant to the provisions of the transportation systems assistance and financing act of 1981 for purposes of paying the annual cost of debt service for such bonds or notes.

13. On or before the fourth first of October succeeding the effective date of this subdivision, and on or before October first of every fifth year thereafter, the authority shall submit to the governor a twenty-year capital needs assessment. Such assessment shall begin with the period commencing on the second first of January after such submission, and begin each assessment with every fifth year thereafter, and describe capital investments over the succeeding twenty years. Such assessment shall: (a) set forth broad long-term capital investments to be made throughout the district; and (b) establish a non-binding basis to be used by the authority in the planning of strategic investments involving capital elements in its five-year capital plans. Such assessment shall not require the approval of the governor and shall be for informational purposes only. For purposes of this section, "broad long-term capital investments" shall include but not be limited to: system rebuilding, enhancement, and expansion needs; agency needs broken down by capital element or investment category; and projected future trends and network implications. Such assessment shall be certified by the chairperson of the authority and shall be entered into the permanent record of the minutes of the review board.

§ 1349-zzzz. Submission of strategic operation plan. 1. On or before the first of July next succeeding the effective date of this section, the authority shall submit to the governor a strategic operation plan for the commuter railroad services under the jurisdiction of the authority for the five-year period commencing January first of the following year. The plan may be amended as required but shall be updated at least annually. The plan shall include, but need not be limited to, the following:

(a) Long-range goals and objectives for the operation of services and 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 bus route or group of bus routes, and commuter rail lines, divisions or branches as appropriate; (iii) projected performance for each bus route or group of bus routes, and commuter rail lines, divisions or branches as appropriate as measured by reliability indicators commonly utilized within the transit industry, including such measures as planned number of vehicles with air conditioning and projected reliability of such equipment, planned standards for cleanliness of the interior and exterior of commuter rail 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; and

(i) Identification of the operating and capital costs as compared to the revenues anticipated from system users for the commuter transportation authority.

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 bus route or group of bus routes, or commuter rail lines, divisions or branches 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 commuter transportation 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 this section, and shall consult with appropriate local officials in its preparation and periodic updates to the operation plan.

§ 1349-aaaaa. Financial and operational reports. The authority shall submit to the governor, the temporary president of the senate and the speaker of the assembly, no later than thirty days following the submission of the annual independent audit report pursuant to section twenty-eight hundred two of this chapter, a complete detailed report or reports setting forth, to the extent such matters are not fully addressed in the annual independent audit report, the following:

1. its financial reports, including, but not limited to:

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

(b) grant and subsidy programs;

(c) operating and financial risks;

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

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

2. an assessment of the effectiveness of its internal control structure and procedures, including, but not limited to:

(a) descriptions of the authority and its major units and subsidiaries;

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

(c) an organizational chart;

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

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

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

§ 1349-bbbbb. Mission statement and measurement report. 1. The authority shall submit to the governor, the temporary president of the senate and the speaker of the assembly, on or before the thirty-first of October next succeeding the effective date of this section, a proposed authority mission statement and proposed measurements. The proposed mission statement and proposed measurements shall have the following components: (a) a brief mission statement expressing the purpose and goals of the authority; (b) a description of the stakeholders of the authority and their reasonable expectations from the authority, which stakeholders shall include at a minimum: (i) the residents and taxpayers of the area of the state served by the authority; (ii) the persons that use the services provided by the authority; and (iii) the employees of the authority and any employee organization; (c) the goals of the authority in response to the needs of each group of stakeholders; and (d) a list of measures by which performance of the authority and the achievement of its goals may be evaluated.

2. The authority shall thereafter reexamine its mission statement and measurements on an annual basis, and publish on its website self evaluations based on the stated measures.

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

(a) post information conforming to the provisions of subdivision two of this section in one or more conspicuous places at each major workplace site where persons who perform work on the contract or subcontract, including management, are most likely to see such postings; provided that, this requirement may be satisfied by the displaying of such information with other notices that inform persons of rights under federal or state laws or rules, human resource policies, or collective bargaining agreements;

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

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

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

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

(a) provide the telephone numbers and addresses to report information of fraud or other illegal activity to the appropriate officers of the

inspector general of the authority and the attorney general of the state;

(b) describe in detail conduct prohibited by section one hundred eighty-nine of the state finance law, and the role of that act in preventing and detecting fraud and abuse in work paid for by the authority or with funds originating from the authority;

(c) notify prospective qui tam plaintiffs on how to file a qui tam action, including the necessity to contact private counsel skilled in filing such actions and of the potential for cash rewards in such actions based on the percentage of the funds recovered by the government; and

(d) describe prohibitions on employer retaliation against persons who file or assist actions under article thirteen of the state finance law, the New York false claims act, pursuant to section one hundred ninety-one of the state finance law, or who report illegal conduct that threatens the health or safety of the public pursuant to section seven hundred forty of the labor law.

3. No later than forty-five days after the effective date of this section, the authority shall establish and continuously maintain on its public website and its intranet site a page that shall provide the information specified in subdivision two of this section, and that shall also provide sample statements, displays and other materials suitable for insertion in employee handbooks or posting at workplaces or on websites that would satisfy the disclosure requirements of this section.

4. The authority shall not enter into any contract described in subdivision one of this section that does not incorporate the terms of this section.

5. Material compliance by a covered person or business organization that has contracted with the authority under a contract that incorporates the terms of this section shall be a material condition of payment for the provision of goods or services.

6. The authority is authorized to adopt such rules and regulations as are necessary to effect the purposes of this section.

§ 1349-ddddd. Reserve funds and appropriations. The authority may create and establish one or more reserve funds in accordance with agreements with bondholders, noteholders or the holders of other obligations of the authority and may pay into such reserve funds: (a) any monies appropriated and made available by the state for the purposes of such funds; (b) any proceeds of sale of notes, bonds or other obligations to the extent provided in the resolution of the authority authorizing the issuance thereof; and (c) any other monies which may be made available to the authority for the purpose of such funds from any other source or sources. In lieu thereof, the authority may provide for the deposit therein of, or substitute for monies on deposit therein, a liquidity or credit facility, surety bond or other similar agreement.

§ 1349-eeeee. Consolidated financings. 1. Notwithstanding any inconsistent provisions of this or any other law, general, special or local, the authority may issue its notes, bonds and other obligations to finance transportation facilities utilizing a consolidated pledge of all or any portion of the revenues and other monies and assets of the authority and its subsidiaries, together with those other sources of payment described in this section. In connection therewith, at its discretion, the authority, subject to the rights of the holders of notes, bonds or other obligations of the authority, and the metropolitan transportation authority, may deposit or cause to be deposited into one or more funds and accounts: (a) all or any portion of the revenues,

other monies and assets received by the authority and its subsidiaries; (b) all or any portion of the amounts from the operating and capital costs account of the metropolitan transportation authority dedicated tax fund required to be distributed to the authority under the provisions of section twelve hundred seventy-c of this article; (c) all or any portion of the available monies in the commuter railroad account of the metropolitan transportation authority special assistance fund established under the provisions of section twelve hundred seventy-a of this article available for payment of operating and capital costs of the Long Island Rail Road company and the Metro-North Commuter Railroad Company as provided in subdivision three of section twelve hundred seventy-a of this article; and (d) any other monies of the authority and its subsidiaries from any source whatsoever.

2. Amounts so deposited in such funds or accounts may be: (a) pledged by the authority to secure, and be applied to, the payment of its bonds, notes or other obligations issued to finance 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 bonds, notes or other financing facilities or agreements, and the payment of all costs related to such obligations, of or for the authority and its subsidiaries as the authority in its full discretion shall determine. To the extent moneys so deposited have been pledged by the authority to secure and pay its bonds, notes or other obligations as herein provided, such moneys shall first be applied to satisfy the requirements of any debt service or reserve requirements of the resolution or resolutions or other contractual arrangements authorizing such bonds, notes or other obligations. After satisfaction of such requirements of any such resolution, resolutions, or other contractual arrangements or if the authority has not so pledged such moneys, such moneys so deposited, subject to the provisions of any other resolutions or contractual arrangements of the authority applicable provisions of law, may be transferred to or for the benefit of the authority and its subsidiaries. Revenues and other monies of the authority and its subsidiaries which are deposited in the funds or accounts authorized by this section, as reduced by any application of such revenues or monies to the payment of debt service, reserve requirements, if any, and other costs attributable to the funding of the capital costs of such entity, shall be allocated, credited and distributed to such source entity. Any other revenues or monies which are deposited in the funds or accounts authorized by this section which are required by law to be allocated or paid to the authority or its subsidiaries shall be allocated or paid to the entity to which it is required to be allocated or paid by law after reduction by an amount equal to the portion thereof applied to the payment of debt service, reserve requirements, if any, and other costs attributable to the funding of the capital costs of such entity. In determining the amount of debt service, reserve requirements, if any, and other costs attributable to the authority and its subsidiaries the authority shall make such calculation based upon the percentage of the proceeds of the bonds, notes and other obligations expended for the capital costs attributable to each such entity. The authority may utilize any interim allocation of such distributions, provided that within ninety days after the end of each calendar year, the authority shall certify to the director of the budget, the chairperson of the senate finance committee and the chairperson of the assembly ways and means committee, that the aggregate amount of monies transferred to each

of the authority and its subsidiaries in respect of such calendar year, taking into account any interagency repayments or reimbursements anticipated to be made in the next succeeding calendar year, is not less than the amounts required to be paid or transferred to such entities.

§ 1349-fffff. Regulation of certain authority expenditures. The authority shall implement policies as appropriate to minimize unwarranted expenses and to protect against abuses in connection with: (a) the granting of any privileges or benefits having financial value, other than wage payments or expense reimbursements, to members or staff of the authority, or any subsidiary or other authority created by the authority; and (b) the full-time and part-time assignment and use of automobiles owned or leased by the authority, or any subsidiary or other authority created by the authority, and the use by authority employees and board members of livery vehicles, as defined in section one hundred twenty-one-e of the vehicle and traffic law.

§ 1349-ggggg. Agreement of the state. The state does hereby pledge to and agree with the authority and its subsidiaries, and the holders of any notes, bonds or other obligations, including lease obligations, issued or incurred under this title, that the state will not limit or alter the denial of authority under subdivision nine of section thirteen hundred forty-nine-xxxx of this title, or the rights and powers vested in the authority and its subsidiaries, by this title to fulfill the terms of any agreements made by any of them with the holders thereof, or in any way impair the rights and remedies of such holders until such notes, bonds or other obligations, including lease obligations, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses for which the authority or its subsidiaries is liable in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged. The authority and its subsidiaries are each authorized to include this pledge and agreement of the state in any agreement with the holders of such notes, bonds or other obligations, including lease obligations.

§ 1349-hhhhh. Right of state to require redemption of bonds. Notwithstanding and in addition to any provisions for the redemption of bonds which may be contained in any contract with the holders of the bonds, the state may, upon furnishing sufficient funds therefor, require the authority to redeem, prior to maturity, as a whole, any issue of bonds on any interest payment date not less than twenty years after the date of the bonds of such issue at one hundred five per centum of their face value and accrued interest or at such lower redemption price as may be provided in the bonds in case of the redemption thereof as a whole on the redemption date. Notice of such redemption shall be published in at least two newspapers publishing and circulating respectively in the cities of Albany and New York at least twice, the first publication to be at least thirty days before the date of redemption.

§ 1349-iiiii. Remedies of noteholders and bondholders. 1. In the event that the authority shall default in the payment of principal of or interest on any issue of notes or bonds after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the authority shall fail or refuse to comply with the provisions of this title or shall default in any agreement made with the holders of any issue of notes or bonds, the holders of twenty-five per centum in aggregate principal amount of the notes or bonds of such issue then outstanding, by instrument or instruments filed in the office of the clerk of any county in which the authority operates and has an office and proved or acknowl-

edged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of such notes or bonds for the purposes herein provided.

2. Such trustee may, and upon written request of the holders of twenty-five per centum in principal amount of such notes or bonds then outstanding shall, in his or her own name:

(a) by suit, action or proceeding in accordance with the civil practice law and rules, enforce all rights of the noteholders or bondholders, including the right to require the authority to collect fares, tolls, rentals, rates, charges and other fees adequate to carry out any agreement as to, or pledge of, such fares, tolls, rentals, rates, charges and other fees and to require the authority to carry out any other agreements with the holders of such notes or bonds and to perform its duties under this title;

(b) bring suit upon such notes or bonds;

(c) by action or suit, require the authority to account as if it were the trustee of an express trust for the holders of such notes or bonds;

(d) by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such notes or bonds; and/or

(e) declare all such notes or bonds due and payable, and if all defaults shall be made good, then, with the consent of the holders of twenty-five per centum of the principal amount of such notes or bonds then outstanding, to annul such declaration and its consequences.

3. Such trustee shall in addition to the foregoing have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of bondholders or noteholders in the enforcement and protection of their rights.

4. The supreme court shall have jurisdiction of any suit, action or proceeding by the trustee on behalf of such noteholders or bondholders. The venue of any such suit, action or proceeding shall be laid in the county in which the instrument or instruments are filed in accordance with subdivision one of this section.

5. Before declaring the principal of notes or bonds due and payable, the trustee shall first give thirty days' notice in writing to the governor, to the authority, to the comptroller and to the attorney general of the state.

§ 1349-jjjjj. Notes and bonds as legal investment. The notes and bonds of the authority are hereby made securities in which all public officers and bodies of the state and all municipalities and political subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or who may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds including capital in their control or belonging to them. Notwithstanding any other provisions of law, the bonds of the authority are also hereby made securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities and political subdivisions for any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter be authorized.

§ 1349-kkkkk. Exemption from taxation. It is hereby found, determined and declared that the creation of the authority and the carrying out of its purposes is in all respects for the benefit of the people of the state of New York and for the improvement of their health, welfare and prosperity and is a public purpose, and that the authority will be performing an essential governmental function in the exercise of the powers conferred upon it by this title. Without limiting the generality of the following provisions of this section, property owned by the authority, property leased by the authority and used for transportation purposes, and property used for transportation purposes by or for the benefit of the authority exclusively pursuant to the provisions of a joint service arrangement or of a joint facilities agreement or trackage rights agreement shall all be exempt from taxation and special ad valorem levies. The authority shall be required to pay no fees, taxes or assessments, whether state or local, including but not limited to fees, taxes or assessments on real estate, franchise taxes, sales taxes or other excise taxes, upon any of its property, or upon the use thereof, or upon its activities in the operation and maintenance of its facilities or on any fares, tolls, rentals, rates, charges or other fees, revenues or other income received by the authority and the bonds of the authority and the income therefrom shall at all times be exempt from taxation, except for gift and estate taxes and taxes on transfers. This section shall constitute a covenant and agreement with the holders of all bonds issued by the authority. The terms "taxation" and "special ad valorem levy" shall have the same meanings as defined in section one hundred two of the real property tax law and the term "transportation purposes" shall have the same meaning as used in titles two-A and two-B of article four of such law.

§ 1349-lllll. Actions against the authority. 1. As a condition to the consent of the state to such suits against the authority, in every action against the authority for damages, for injuries to real or personal property or for the destruction thereof, or for personal injuries or death, the complaint shall contain an allegation that at least thirty days have elapsed since the demand, claim or claims upon which such action is founded were presented to a member of the authority or other officer designated for such purpose and that the authority has neglected or refused to make an adjustment or payment thereof.

2. An action against the authority founded on tort, except an action for wrongful death, shall not be commenced more than one year and ninety days after the cause of action therefor shall have accrued, nor unless a notice of claim shall have been served on the authority within the time limited by and in compliance with all the requirements of section fifty-e of the general municipal law. An action against the authority for wrongful death shall be commenced in accordance with the notice of claim and time limitation provisions of title eleven of article nine of this chapter.

3. The authority shall be liable, and shall assume the liability to the extent that it shall save harmless any duly appointed officer or employee of the authority, for the negligence of such officer or employee, in the operation of a vehicle or other facility of transportation owned or otherwise under the jurisdiction and control of the authority in the discharge of a duty imposed upon such officer or employee at the time of the accident, injury or damages complained of, while otherwise acting in the performance of his or her duties and within the scope of 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-mmmmm. 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

or other authority created by the authority itself and for which it reports financial data.

4. The authority shall prepare and make available for public inspection on its website: (a) within sixty days of the release of the adopted budget and any updates to the budget, except updates released within ninety days of the close of the fiscal year, monthly projections for the current fiscal year of all revenues and expenses, staffing for the authority and each of its agencies, and utilization for each of the authority's agencies that operate transportation systems, including bridges and tunnels; (b) within sixty days after the close of each quarter, a comparison of actual revenues and expenses, actual staffing and actual utilization to planned or projected levels for each of the authority's agencies that operate transportation systems, including bridges and tunnels, with an explanation of each material variance and its budgetary impact; and (c) within ninety days after the close of each quarter, the status of each gap-closing initiative with a projected value greater than one million dollars in any given fiscal year; the status of capital projects by capital element, including but not limited to commitments, expenditures and completions; and an explanation of material variances from the plan, cost overruns and delays.

5. Financial information required to be submitted by the authority pursuant to paragraphs (d) and (e) of subdivision one of section thirteen hundred forty-nine-aaaaa of this title shall be presented in a format consistent with the budget and plan, in downloadable, searchable format.

§ 1349-ooooo. Independent audit of the authority. The independent auditor retained by the authority shall not provide to the authority, contemporaneously with the audit unless it shall have previously received written approval by the audit committee any non-audit service, including:

1. routine bookkeeping or other services;

2. financial information systems design and implementation;

3. appraisal or valuation services, fairness opinions, or contribution-in-kind reports;

4. actuarial services;

5. outsourcing services;

6. authority management functions or human resources;

7. broker or dealer, investment advisor or investment banking services;

8. legal services and expert services unrelated to the audit.

§ 1349-ppppp. Independent audit by the legislature. After the submission of the annual independent audit report to the legislature pursuant to section twenty-eight hundred two of this chapter, and after review of such report, the temporary president of the senate and the speaker of the assembly may commission an auditing firm, every two years, to conduct an independent audit of the authority, including its subsidiaries. The temporary president of the senate and the speaker of the assembly shall set the scope of such audit, and determine the terms of the request for proposal for such audit. Such audit shall be performed for the second year after the effective date of this section. The authority shall fully cooperate with and assist in such an audit.

§ 1349-qqqqq. Reporting. The authority shall post on its website on or before the first of May, the law firms retained by the authority which in the past year received payment for services in such year.

§ 1349-rrrrr. Station operation and maintenance. 1. (a) The operation, 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

| County | Base Amount |
|---|---|
| Nassau | $19,200,000 |
| Suffolk | $11,834,091 |
| Westchester | $13,269,310 |
| Dutchess | $1,581,880 |
| Putnam | $618,619 |
| Orange | $327,247 |
| Rockland | $34,791 |
| City of New York | $61,435,330 |

(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

between the authority and between the counties to reach agreement will be referred to the state comptroller for mediation. If the mediation is unsuccessful, each party and the state comptroller may submit a recommendation to the governor and the legislature for legislative action.

(c) In the event that a city or county shall fail to make payment to the authority for station maintenance as required pursuant to this section, or any part thereof, the chief executive officer of the authority or such other person as the chairperson shall designate shall certify to the state comptroller the amount due and owing the authority at the end of the state fiscal year and the state comptroller shall withhold an equivalent amount from the next succeeding state aid allocated to such county or city from the motor fuel tax and the motor vehicle registration fee distributed pursuant to former section one hundred twelve of the highway law, or amounts distributed pursuant to section ten-c of the highway law, or per capita local assistance pursuant to section fifty-four of the state finance law subject to the following limitations: (i) prior to withholding amounts due the authority from such county or city, the comptroller shall pay in full any amount due the state of New York municipal bond bank agency, on account of any such county's or city's obligation to such agency; the city university construction fund pursuant to the provisions of the city university construction fund act; the New York city housing development corporation, pursuant to the provisions of the New York city housing development corporation act, article twelve of the private housing finance law; and (ii) the transit construction fund pursuant to the provisions of title nine-A of this article. The comptroller shall give the director of the budget notification of any such payment. Such amount or amounts so withheld by the comptroller shall be paid to the authority and the authority shall use such amount for the repayment of the state advances hereby authorized. When such amount or amounts are received by the authority, it shall credit such amounts against any amounts due and owing by the city or county on whose account such amount was withheld and paid.

2. A public hearing or hearings shall be held at least thirty days prior to the closure of any transportation facility due to construction, improvement, reconstruction or rehabilitation where such facility will be out-of-service for ninety days or longer. Public hearings required by this subdivision shall be held at one or more locations conveniently accessible to the persons who would be affected by such closure.

§ 1349-sssss. Transfer and receipt of surplus funds. Notwithstanding any provision of this title or any other provision of law, general, special or local, the authority may from time to time transfer and pay over to the New York city transit authority or the Triborough bridge and tunnel authority all or any part of its surplus funds and may accept and use any monies transferred and paid over to it by the New York city transit authority or the Triborough bridge and tunnel authority.

§ 1349-ttttt. Title not affected if in part unconstitutional or ineffective. If any provision of any section of this title or the application thereof to any person or circumstance shall be adjudged invalid by a court of competent jurisdiction, such order or judgment shall be confined in its operation to the controversy in which it was rendered, and shall not affect or invalidate the remainder of any provision of any section of this title or the application of any part thereof to any other person or circumstance and to this end the provisions of each section of this title are hereby declared to be severable.

§ 1349-uuuuu. Commuter transportation authority inspector general. 1. There is hereby created in the commuter transportation authority an office of commuter transportation authority inspector general. The inspector general shall be appointed by the governor with the advice and consent of the senate. The inspector general shall, prior to his or her appointment, have had at least ten years experience in the management of transportation services, in auditing and investigation of governmental operations, or in services related to management and productivity improvement. The term of office of the inspector general shall be five years from the effective date of appointment, and he or she shall serve at the pleasure of the governor. The salary of the inspector general shall be determined by the authority board.

2. The inspector general shall annually submit to the board of the commuter transportation authority a budget request for the operation of the office. If the board disapproves any portion of such request and the commissioner of transportation determines such disapproval to be unreasonable, such commissioner shall withhold from payments due such authority, the amount so determined to be unreasonable and transfer such amount to the office of the commuter transportation authority inspector general.

3. The inspector general shall have full and unrestricted access to all records, information, data, reports, plans, projections, matters, contracts, memoranda, correspondence and any other materials of the authority and its subsidiaries, the Long Island Rail Road, Metro-North Railroad, and metropolitan suburban bus authority, or any other agency that may come under the control of the authority, or within their custody or control.

4. The inspector general, notwithstanding the provisions of title nine of this article and this title, and of title three of article three of this chapter, shall have the following functions, powers and duties:

(a) to receive and investigate complaints from any source or upon his or her own initiative concerning alleged abuses, frauds and service deficiencies, including deficiencies in the maintenance and operation of facilities, relating to the authority and its subsidiaries;

(b) to initiate such reviews as he or she may deem appropriate of the operations of the authority and its subsidiaries, in order to identify areas in which performance might be improved and available funds used more effectively;

(c) to recommend remedial actions to be taken by the authority and its subsidiaries, to overcome or correct operating or maintenance deficiencies and inefficiencies that he or she determines to exist;

(d) to make available to appropriate law enforcement officials information and evidence which relate to criminal acts that he or she may obtain in carrying out his or her duties;

(e) to subpoena witnesses, administer oaths or affirmations, take testimony and compel the production of such books, papers, records and documents as he or she may deem to be relevant to any inquiry or investigation undertaken pursuant to this section and to delegate such powers to a duly authorized deputy inspector general;

(f) to monitor the implementation by the authority and its subsidiaries of recommendations made by the inspector general or other audit agencies; and

(g) to do all things necessary to carry out the functions, powers and duties set forth in this section.

5. The inspector general shall cooperate, consult and coordinate with the state public transportation safety board with regard to any activity

concerning the operations of the commuter transportation authority. With respect to any accident on the facilities of the commuter transportation authority, the primary responsibility for investigation shall be that of the board which shall share its findings with the commuter transportation authority inspector general.

6. The inspector general shall make annual public reports on his or her findings and recommendations. Such a report shall be filed in the office of the governor and with the legislature on or before the first of February for the preceding year. The commuter transportation authority and its applicable constituent agencies shall prepare a response to the annual report and to any and all other final reports made by the inspector general within thirty days of receipt, which time may be extended by the inspector general in his or her discretion, indicating whether such authority intends to implement the recommendations in such reports, and, if not, why not. In addition, the commuter transportation authority and its applicable constituent agencies shall give quarterly reports to the inspector general outlining the status of each of the recommendations made by the inspector general in his or her final reports. Copies of all of these reports shall be sent to the governor, the temporary president of the senate, the speaker of the assembly, the chairperson of the senate transportation committee, the chairperson of the senate finance committee, the chairperson of the assembly corporations, authorities and commissions committee and the chairperson of the assembly ways and means committee.

7. To effectuate the purposes of this section, the inspector general may request from any department, board, bureau, commission, office or other agency of the state, or any of its political subdivisions, such cooperation, assistance, services and data as will enable him or her to carry out his or her functions, powers and duties hereunder, and they are authorized and directed to provide said cooperation, assistance, services and data.

§ 1349-vvvvv. Management advisory board. 1. There is hereby created in the office of the commuter transportation authority inspector general a management advisory board, consisting of thirteen members appointed by the governor, of whom two shall be appointed upon nomination by the temporary president of the senate, two upon nomination by the speaker of the assembly, one upon nomination by the minority leader of the senate and one upon nomination by the minority leader of the assembly. All members shall serve for a term of three years, except that, of the two members first appointed upon nomination by the temporary president of the senate, one shall serve for a term of two years and one shall serve for a term of one year; of the two members first appointed upon nomination by the speaker of the assembly, one shall serve for a term of two years and one shall serve for a term of one year; and, of two of the members first appointed by the governor without nomination by any other person, two shall each serve for a term of two years and two shall each serve for a term of one year. One of the members appointed to the management advisory board directly by the governor shall be designated by the governor to serve as its chairperson.

2. All members of the management advisory board shall be residents of the metropolitan transportation district, and shall be persons with substantial experience in the management of private enterprise, in the delivery of public services, or in labor or labor-management relations.

3. The management advisory board shall assist the commuter transportation authority inspector general in identifying ways to improve

services, reduce costs and increase the efficiency of the authority and its subsidiaries.

4. No later than the first of April next succeeding the effective date of this section, and annually thereafter, the management advisory board shall submit to the governor and the legislature a report on its activities during the previous year.

5. The office of the commuter transportation authority inspector general shall provide the management advisory board with such staff support as may be required for the performance of its duties.

6. Members of the management advisory board shall serve without compensation, but shall be reimbursed for expenses reasonably incurred in the performance of their duties.

§ 1349-wwwww. Transition-election to withdraw from the metropolitan commuter transportation district. 1. The counties of Dutchess, Orange and Rockland shall have an option to withdraw from the metropolitan commuter transportation district and have such withdrawal take effect on either: (a) The first of January next succeeding the effective date of this section. If any such county plans to withdraw from the district on the first of January next succeeding the effective date of this section, it shall: (i) no later than seventy-five days after the effective date of this section, furnish the commissioner of transportation, and chairperson of the authority and the other counties which have an option to withdraw, a resolution adopted by the county legislature providing notice of intent to withdraw; (ii) on or before the first of October next succeeding the effective date of this section, furnish to the commissioner of transportation, the chairperson of the authority and other counties which have an option to withdraw, a resolution adopted by the county legislature providing for a public transportation plan. For the purposes of this section, a "public transportation plan" shall mean a plan that maintains adequate and continuous public transportation services from the withdrawing county to the city of New York or any terminus previously served, provides a reasonable level of rail passenger service, provides a schedule for implementing such service, protects the public investment in the rail transportation system and any other criteria deemed necessary by the commissioner of transportation. Prior to withdrawal pursuant to this paragraph or paragraph (b) of this subdivision, a county shall receive approval of its public transportation plan pursuant to paragraph (c) of this subdivision; and (iii) on or before the first of December next succeeding the effective date of this section, furnish the commissioner of transportation, a copy of an agreement with the authority or an operator of rail passenger service for the provision of rail passenger service to and from such county and the city of New York or any terminus previously served.

If a county planning to withdraw on the first of January next succeeding the effective date of this section is unable to withdraw because it could not meet the requirements of this paragraph, it may elect to withdraw pursuant to paragraph (b) of this subdivision.

(b) The second or third first of January succeeding the effective date of this section. If any such county plans to withdraw on either the second or third first of January next succeeding the effective date of this section, it shall: (i) no later than ninety days after the first of January of the year immediately preceding the year in which such county plans to withdraw from the district, furnish the commissioner of transportation, the chairperson of the authority and the other counties which have an option to withdraw, a resolution adopted by the county legislature providing notice of intent to withdraw from the district; (ii) no

later than one hundred twenty days after the first of January of the year immediately preceding the year in which such county plans to withdraw from the district furnish to the commissioner of transportation, the chairperson of the authority and the counties which have an option to withdraw a resolution adopted by the county legislature providing a public transportation plan as described in this section; and (iii) on or before October first of the year immediately preceding the year in which such county plans to withdraw from the district, furnish to the commissioner a copy of an agreement with the authority or an operator of rail passenger service for the provision of rail passenger service to and from such county and the city of New York or any terminus previously served.

(c) No later than thirty days after receipt of the public transportation plan the commissioner of transportation shall, in writing, either approve such plan as conforming with the requirements heretofore described or disapprove such plan as failing to meet such requirements and the reasons therefor. Disapproval of a plan shall not prohibit a county from resubmitting a public transportation plan and such resubmitted plan shall be approved or disapproved no later than fifteen days after receipt by the commissioner of transportation. The public transportation plan shall be subject to any state or federal public hearing requirements which the authority would be subject to if the authority made the changes proposed by such plan.

(d) Any such county which plans to withdraw from the district shall meet the requirements of this section prior to the effective date of withdrawal, and no withdrawal for the purposes of this section shall take effect unless such county furnishes the resolutions and agreement prior to the effective date of withdrawal.

2. The authority and any subsidiary corporation of the authority shall enter into an agreement or agreements with a county that plans to withdraw from the district to transfer and assign to such county all authority and subsidiary railroad facilities and operations, rights and obligations, and contract rights and obligations, including operating contract rights and obligations, which are owned, operated, maintained or used directly or by contract or which are otherwise involved in the provision of railroad services to such counties. Such agreement shall provide, in the event a facility, operation, right or obligation is necessary and material to the provision of rail passenger service in the district or is not assignable under applicable bond covenants or contracts or the parties agree that it should not be assigned, that the authority or subsidiary thereof shall continue to hold and be responsible for such facility, operation, right or obligation and that such county shall reimburse to the authority that portion of the cost to the authority or subsidiary of its retention of such facility, operation, right or obligation that is allocable to such county. If the parties agree that the authority or subsidiary thereof shall operate the railroad facilities in a county after the effective date of such county's withdrawal, the agreement also shall provide for the terms and conditions of the operation of such service.

3. Within forty-five days of the effective date of this section, the authority and any subsidiary corporation of the authority shall provide to the counties of Dutchess, Orange and Rockland a written statement, including cost estimates and the useful life, if any, of all of its facilities, operations, rights and obligations relating to the provision of rail service in such counties.

4. The authority and any subsidiary corporation of the authority is authorized to enter into an agreement or agreements with a county that plans to withdraw from the district, pursuant to which the authority or subsidiary thereof will provide technical assistance to such county prior to, during and after the withdrawal, with respect to the transfer of ownership, operation, maintenance and use of railroad facilities within such county. Such agreement may provide that the county reimburse the authority or its subsidiary for the cost to the authority and its subsidiary for the provision of such technical assistance.

5. The authority shall have no obligation to undertake or continue any project or part thereof in a current or future capital program plan which pertains to railroad facilities within or services to a county that withdraws from the district on or after such date of withdrawal nor shall the authority enter into any contract for a project or part thereof which would increase liabilities pursuant to subdivision six of this section in a county after such county notifies the authority of its intent to withdraw as provided in subdivision one of this section, provided, however, that if the authority has executed a contract for the effectuation of a project or part thereof in a capital program plan in such county, it shall be assigned to such county in accordance with subdivision two of this section, unless the parties agree that it shall not be assigned and that the authority or its subsidiary shall continue to be responsible therefor, in which event the county shall reimburse the authority or its subsidiary in accordance with the provisions of subdivision two of this section.

6. Any county which withdraws from the district shall reimburse to the authority or its subsidiary, within the time period agreed to by the parties, any capital expenditures heretofore undertaken by the authority, the metropolitan transportation authority or its subsidiary for railroad facilities only within such county which were financed by commuter railroad revenue bonds issued by the metropolitan transportation authority pursuant to section twelve hundred sixty-nine of this article or by the authority pursuant to section thirteen hundred forty-nine-xxxx of this title and are assigned to such county in accordance with the provisions of subdivision two of this section.

7. The obligations of a county that withdraws from the district to reimburse the authority and any subsidiary corporation of the authority for the costs of operation, maintenance and use of passenger stations pursuant to section thirteen hundred forty-nine-rrrrr of this title, shall continue for any such costs incurred up to the effective date of the county's withdrawal from the district and for costs incurred thereafter that result from acts preceding such withdrawal, and the applicability of the payment provisions and procedures of such section thirteen hundred forty-nine-rrrrr to such county shall continue thereafter with respect to the aforesaid costs.

8. In the event of a county's failure to make payment of any monies determined by the authority to be owed and due it or any subsidiary corporation of the authority pursuant to the terms of any agreement entered into pursuant to this section, the authority is authorized to recover such payments in the same manner as in section thirteen hundred forty-nine-rrrrr of this title and the state comptroller shall withhold and pay monies to the authority in accordance with the procedures set forth in that section.

9. The term of office of any resident of a county that withdraws from the district under this section, as a member of the board of the authority, the Metro-North rail commuter council or the management advisory

board, which is based upon residence in such county, shall terminate upon the county's withdrawal and the office shall be deemed vacant and filled in the manner provided by law.

10. The provisions of this section and all agreements undertaken in accordance herewith shall be subject to the rights of the holders of any outstanding bonds or notes issued by the authority.

§ 1349-xxxxx. The office of legislative and community input. 1. The chairperson of the authority shall establish the office of legislative and community input for the purpose of communicating information to, and receiving comments, concerns and recommendations from, members of the legislature, and members of the permanent citizens advisory committee to the authority, as defined in section thirteen hundred forty-nine-qqqq of this title, on the following:

(a) the operations of the rapid transit, omnibus and commuter rail line facilities of the authority including, but not limited to:

(i) the quality of service provided on any rapid transit, omnibus, and commuter rail line or route;

(ii) the frequency of operating service on the authority's mass transit facilities;

(iii) the maintenance and condition of the authority's mass transit facilities including, but not limited to, rapid transit and commuter rail stations, railcars, buses, rail lines, fare collection systems and sound systems; and

(iv) proposed service changes, including any reductions or expansion of services, as it relates to the authority's mass transit facilities; and

(b) any proposed, submitted and/or approved capital program plan, its components, elements and projects, and associated expenditures. Any such comments, concerns and recommendations relating to the capital program plan, its components, elements and projects, and associated expenditures shall be taken into consideration in the development of the current and each successive capital program plan and/or any amendment to such plan.

2. The office shall establish a process to ensure timely notification of the receipt of, and response to, comments, concerns, and recommendations by members of the legislature or members of the permanent citizens advisory committee to the authority.

3. The chair and office shall prepare a report containing the following information:

(a) a compilation of the comments, concerns, and recommendations received by the office;

(b) how these comments, concerns or recommendations were or will be addressed, such as the authority's response by the incorporation or initiation of system and operational adjustments, improvements or expansions if applicable; and

(c) how these comments, concerns or recommendations were or will be addressed, such as the authority's response by changing or amending the capital plan, as well as providing status updates on the progress of such plan.

4. Such report shall on a biannual basis, commencing the first of September next succeeding the effective date of this section, be submitted to the governor, the temporary president of the senate and the speaker of the assembly, be posted on the authority's website and also be made readily available to the public.

§ 1349-yyyyy. Debarment. The authority shall establish, pursuant to regulation, a debarment process for contractors of the authority that prohibits such contractors from bidding on future contracts, after a

debarment determination by such authority, for a period of five years from such determination. Such regulations shall ensure notice and an opportunity to be heard before such debarment determination and provide as a defense acts such as force majeure. Such regulations shall only provide for a debarment in situations involving a contractor's failure to substantially complete the work within the time frame set forth in the contract, or in any subsequent change order, by more than ten percent of the contract term; or where a contractor's disputed work exceeds ten percent or more of the total contract cost where claimed costs are deemed to be invalid pursuant by the contractual dispute resolution process.

§ 1349-zzzzz. Right to share employees. 1. It is hereby found and declared to be necessary and proper to authorize the authority, its subsidiaries, affiliates, and subsidiaries of affiliates, powers to effectuate and ensure such entities continued financial viability, which is at issue given sizable operating deficits and significant capital needs. Allowing wholesale internal management reforms will create savings, combat entrenched bureaucracies, create streamlined, uniform, and efficient services, ensure public accountability and reestablish public trust. In order to facilitate these necessary goals it is both reasonable and a legitimate public purpose to provide systematic authority for the sharing of employees within and between the respective entities.

2. Notwithstanding any provision of law to the contrary, the authority, its subsidiaries, affiliates, and subsidiaries of affiliates shall each have the right to share employees within and between such entities and to assign such employees to perform any operation or function subject only to a determination that they are substantially similar to any operation or function currently performed. Substantially similar operation or function shall be determined exclusively by the authority.

3. 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.

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

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 3. This act shall take effect immediately provided, however, that the applicable effective date of Parts A through E of this act shall be as specifically set forth in the last section of such Parts.