STATE OF NEW YORK

4008--B

IN SENATE

February 1, 2023

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

AN ACT to amend the vehicle and traffic law and the public officers law, in relation to owner liability for failure of operator to comply with bus operation-related local law or regulation traffic restrictions and to the adjudication of certain parking infractions; to amend part II of chapter 59 of the laws of 2010, amending the vehicle and traffic law and the public officers law relating to establishing a bus rapid transit demonstration program to restrict the use of bus lanes by means of bus lane photo devices, in relation to the effectiveness thereof; and providing for the repeal of certain provisions upon expiration thereof (Part A); intentionally omitted (Part B); intentionally omitted (Part C); intentionally omitted (Part D); intentionally omitted (Part E); to amend the public authorities law, in relation to enacting the "toll payer protection act"; to amend the vehicle and traffic law, in relation to penalties for concealing and obscuring license plates; and providing for the repeal of certain provisions upon expiration thereof (Part F); to amend chapter 929 of the laws of 1986 amending the tax law and other laws relating to the metropolitan transportation authority, in relation to extending certain provisions thereof applicable to the resolution of labor disputes (Part G); to amend the penal law and the vehicle and traffic law, in relation to assaults upon certain employees of a transit agency or authority, highway workers, ferry workers, motor vehicle inspectors, motor carrier investigators, and certain classes of public employees; to amend the vehicle and traffic law and the transportation law, in relation to work zone safety; and to amend the state finance law, in relation to establishing the work zone safety fund (Part H); to amend the penal law, in relation to transit crimes and prohibition orders relating to such crimes (Part I); to amend part FF of chapter 55 of the laws of 2017 relating to motor vehicles equipped with autonomous vehicle technology, in relation to demonstrations and tests on vehicle to vehicle communication technology; in relation to extending the effectiveness

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

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thereof (Part J); to amend the vehicle and traffic law, in relation to establishing speed limits in cities with populations in excess of one million people (Part K); to amend the vehicle and traffic law, in relation to certain convictions which shall preclude relicensing of drivers (Subpart A); to amend the vehicle and traffic law and the penal law, in relation to the ignition interlock program (Subpart B); and to amend the vehicle and traffic law, in relation to paying drug-impaired driving surcharges to counties to reduce drug-impaired driving incidences (Subpart C) (Part L); to amend the vehicle and traffic law, in relation to county clerk retention of fees (Part M); to amend the vehicle and traffic law, in relation to increasing fees for violations, to notices of violations and dismissal of violations, and to appeals of final determinations of a hearing examiner; and to amend the administrative code of the city of New York, in relation to school bus parking on city streets (Part N); intentionally omitted (Part O); to amend the vehicle and traffic law, in relation to requiring the driver of a vehicle involved in an accident involving no personal injury or death, to move the vehicle to a safe location in the vicinity of the incident (Part P); intentionally omitted (Part Q); to amend the racing, pari-mutuel wagering and breeding law, the state finance law and the public authorities law, in relation to the disposition of money from certain gaming activity; and providing for the repeal of such provisions upon expiration thereof (Part R); intentionally omitted (Part S); to amend the real property law, in relation to condominium declarations; and to repeal certain provisions of such law relating thereto (Part T); to amend chapter 495 of the laws of 2004, amending the insurance law and the public health law relating to the New York state health insurance continuation assistance demonstration project, in relation to the effectiveness thereof (Part U); intentionally omitted (Part V); intentionally omitted (Part W); to amend the public officers law, in relation to providing virtual meeting flexibility for public bodies serving individuals with disabilities and having members with disabilities (Part X); to amend the general business law, in relation to reducing barriers to occupational licensing for cosmetologists (Part Y); intentionally omitted (Part Z); to amend the public authorities law, in relation to authorizing the dormitory authority to provide its services to recipients of grants and loans from the downtown revitalization program and NY forward program (Part AA); to amend the public authorities law, in relation to requiring the dormitory authority to submit an annual report on the pilot program for the procurement of goods or services from, or for the construction, reconstruction, rehabilitation or improvement of facilities by small businesses and minority-owned and women-owned business enterprises; to amend chapter 97 of the laws of 2019 amending the public authorities law relating to the award of contracts to small businesses, minority-owned business enterprises and women-owned business enterprises, in relation to extending the effectiveness thereof (Part BB); intentionally omitted (Part CC); to amend the economic development law, in relation to establishing a matching grant program for certain small businesses receiving funding under the federal small business innovation research program or the small business technology transfer program (Part DD); intentionally omitted (Part EE); intentionally omitted (Part FF); to amend chapter 393 of the laws of 1994, amending the New York state urban development corporation act relating to the powers of the New York state urban development corporation to make loans, in relation to extending loan powers (Part GG); to amend

the executive law, in relation to reciprocal minority and women-owned business enterprise certification; to amend the state finance law, in relation to discretionary purchases to certified minority and women-owned business enterprises; to amend the New York city charter, in relation to procurements of goods, services and construction; to amend the banking law and the New York state urban development corporation act, in relation to the capital access program; and to repeal certain provisions of the executive law relating thereto (Part HH); intentionally omitted (Part II); to amend the New York state urban development corporation act, in relation to extending the authority of the New York state urban development corporation to administer the empire state economic development fund (Part JJ); intentionally omitted (Part KK); to amend part BB of chapter 58 of the laws of 2012, amending the public authorities law, relating to authorizing the dormitory authority to enter into certain design and construction management agreements, in relation to the effectiveness thereof (Part LL); to amend the vehicle and traffic law and the parks, recreation and historic preservation law, in relation to fees for the registration of snowmobiles and fees collected for the snowmobile trail and maintenance fund (Part MM); intentionally omitted (Part NN); to amend the general municipal law, in relation to purchase contracts for New York state grown, harvested, or produced food and food products; and to amend the state finance law, in relation to procurement goals for New York state food products and to requiring annual summary detailing each state agency contract made which satisfies the New York state food product procurement goals (Part OO); to amend the environmental conservation law, in relation to enacting the packaging reduction and recycling infrastructure act; and the state finance law, in relation to creating the waste reduction and reuse infrastructure fund (Part PP); to amend the environmental conservation law, in relation to environmental restoration projects; and to repeal certain provisions of law relating thereto (Part QQ); intentionally omitted (Part RR); to amend the environmental conservation law, in relation to pesticide registration timetables and fees and to amend chapter 67 of the laws of 1992, amending the environmental conservation law relating to pesticide product registration timetables and fees, in relation to the effectiveness thereof (Part SS); to amend the county law, in relation to enacting the "Suffolk county water quality restoration act", authorizing the county of Suffolk to establish a water quality restoration fund, and authorizing the county of Suffolk to form a county-wide sewer and wastewater management district and extend the existing one-quarter of one percent sales tax utilized to finance the county drinking water protection program until 2060; to amend the local finance law, in relation to the period of probable usefulness of septic systems funded by programs established by the county of Suffolk; and to amend the tax law, in relation to the Suffolk county water quality restoration fund (Part TT); to amend the local finance law, in relation to providing a period of probable usefulness for lead service line replacement programs as a capital asset (Part UU); to authorize utility and cable television assessments that provide funds to the department of health from cable television assessment revenues and to the department of agriculture and markets, department of environmental conservation, department of state, and the office of parks, recreation and historic preservation from utility assessment revenues; and providing for the repeal of such provisions upon expiration thereof (Part VV); to amend the energy law, in relation to zero on-site

greenhouse gas emissions; and to amend the public authorities law and the public buildings law, in relation to the decarbonization of state-owned buildings (Part WW); intentionally omitted (Part XX); to amend part LL of chapter 58 of the laws of 2019 amending the public authorities law relating to the provision of renewable power and energy by the Power Authority of the State of New York, in relation to extending the effectiveness thereof (Part YY); in relation to authorizing the New York state energy research and development authority to finance a portion of its research, development and demonstration, policy and planning, and Fuel NY program, as well as climate change related expenses of the department of environmental conservation from an assessment on gas and electric corporations (Part ZZ); to amend the environmental conservation law, the public authorities law, the labor law and the state finance law, in relation to the creation of the New York cap and invest program and the climate and community protection fund (Part AAA); intentionally omitted (Part BBB); to amend the parks, recreation and historic preservation law, in relation to establishing the state parks passport program (Part CCC); in relation to ordering a study and report on a proposed extension of the Long Island Motor Parkway trail, a part of the Brooklyn Queens Greenway, east from Winchester Boulevard to Little Neck Parkway in the county of Queens to the trailhead of the planned Motor Parkway trail in the county of Nassau; and providing for the repeal of such provisions upon expiration thereof (Part DDD); to amend the environmental conservation law, in relation to requiring the governor to submit an annual agency climate expenditure report (Part EEE); to amend the environmental conservation law, in relation to establishing the safe water infrastructure action program for the purpose of making payments toward the replacement and rehabilitation of certain existing drinking water, storm water and sanitary sewer systems (Part FFF); establishing a commission to determine what benefits a public bank or network of public banks owned by the state of New York or by a public authority constituted by the state of New York can provide; and providing for the repeal of such provisions upon expiration thereof (Part GGG); to amend the environmental conservation law, in relation to returnable bottles (Part HHH); in relation to conducting a study of public and private museums in New York state (Part III); to amend the environmental conservation law, in relation to establishing the climate change cost recovery program (Part JJJ); to amend the environmental conservation law, in relation to the protection of certain streams (Part KKK); directing the department of public service to prepare a written report on the affordability of utility services (Part LLL); to amend the public service law and the transportation corporations law, in relation to aligning utility regulation with state climate justice and emission reduction targets; to repeal section 66-b of the public service law relating to continuation of gas service; and to repeal section 66-g of the public service law relating to the sale of indigenous natural gas for generation of electricity (Part MMM); to amend the economic development law, in relation to allowing for eligibility of NY HEMP projects in the Excelsior tax credit program (Part NNN); to amend the highway law, in relation to authorizing park-and-ride development as construction or improvement by the department of transportation partly at municipal expense (Part OOO); in relation to authorizing a study pertaining to traffic flow and safety of State Route 35 and State Route 202 from the Hudson River to the border of Connecticut; and providing for the repeal of such provisions upon expiration

thereof (Part PPP); to amend the New York state urban development corporation act, in relation to creating the "NYS entrepreneurial training act" (Part QQQ); to establish the East of Hudson watershed road salt reduction task force and pilot program; and providing for the repeal of such provisions upon expiration thereof (Part RRR); to amend the highway law, in relation to the rate paid by the state to a city for maintenance and repair of highways (Part SSS); to amend the vehicle and traffic law, in relation to establishing scramble crosswalks leading to and from school buildings during times of student arrival and dismissal (Part TTT); to amend the public authorities law, in relation to the Long Island Rail Road weekend reduced fare program (Part UUU); to amend the public authorities law, in relation to E-ZPass availability and waiving deposit fees for a certain period after a rate increase (Part VVV); to amend the executive law, in relation to participation by minority group members and women with respect to certain state contracts; and to amend the state finance law, in relation to performance and payment bond requirements (Part WWW); to amend the public authorities law, in relation to establishing a local authorities searchable subsidy and economic development benefits database; to amend the general municipal law, in relation to the obligations of certain industrial development agencies; and to amend the not-for-profit corporation law, in relation to the status of certain local development corporations (Part XXX); to repeal subdivision 6 of section 51 of the public authorities law, relating to voting by members of the New York state authorities control board (Part YYY); to amend the real property tax law, in relation to ending the real property tax exemption for certain real property that is used for home games for certain professional sports teams (Part ZZZ); to amend the public authorities law, in relation to requiring the metropolitan transportation authority to publish certain information pertaining to capital project data for projects that are committed for construction on the capital program dashboard; and to amend the public authorities law, in relation to requiring the metropolitan transportation authority to publish certain financial reports on the authority's website (Part AAAA); to amend the tax law, in relation to the metropolitan transportation business tax surcharge (Part BBBB); in relation to ordering a study and report on improvements of State Route 9A in the Hudson River Greenway portion of State Route 9A; and providing for the repeal of such provisions upon expiration thereof (Part CCCC); to amend the vehicle and traffic law, in relation to authorizing a residential parking permit system in the city of New York (Part DDDD); to amend the tax law, in relation to the exemption of political subdivisions from the imposition of the metropolitan commuter transportation mobility tax; and to amend the vehicle and traffic law, in relation to exempting certain municipalities from certain fees related to the metropolitan commuter transportation mobility tax (Part EEEE); and to amend the tax law, in relation to imposing a fee on transportation network company prearranged trips in New York city (Part FFFF)

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 necessary to implement the state transportation, economic development and environmental conservation budget for the 2023-2024 state fiscal

year. Each component is wholly contained within a Part identified as Parts A through FFFF. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.

PART A

Section 1. The vehicle and traffic law is amended by adding a new section 1111-c-1 to read as follows:

§ 1111-c-1. Owner liability for failure of operator to comply with bus operation-related traffic regulations. (a) Notwithstanding any other provision of law, in accordance with the provisions of this section, the city of New York is hereby authorized and empowered to establish a demonstration program imposing monetary liability on the owner of a vehicle for failure of an operator thereof to comply with bus operation-related traffic regulations, as defined in subdivision (f) of this section. The department of transportation of the city of New York and/or an applicable mass transit agency, shall operate photo devices that may be stationary or mobile and shall be activated at locations determined by such department of transportation and/or on buses selected by the applicable mass transit agency.

(b) Any photographs, microphotographs, videotape or other recorded images captured by photo devices shall be inadmissible in any disciplinary proceeding convened by the applicable mass transit agency or any subsidiary thereof and any proceeding initiated by the department involving licensure privileges of bus operators. Any mobile bus photo device mounted on a bus shall be directed outwardly from such bus to capture images of vehicles operated in violation of bus operation-related traffic regulations, and images produced by such device shall not be used for any other purpose in the absence of a court order requiring such images to be produced.

(c) The city of New York shall adopt and enforce measures to protect the privacy of drivers, passengers, pedestrians and cyclists whose identity and identifying information may be captured by a photo device pursuant to this section. Such measures shall include:

1. utilization of necessary technologies to ensure, to the extent practicable, that photographs, microphotographs, videotape or other recorded images produced by such photo devices shall not include images that identify the driver, the passengers, or the contents of a vehicle, provided, however, that no notice of liability issued pursuant to this section shall be dismissed solely because an image allows for the identification of the driver, the passengers or other contents of a vehicle;

2. a prohibition on the use or dissemination of vehicles' license plate information and other information and photographs, microphotographs, videotape or other recorded images captured by photo devices except:

(i) as required to establish liability under this section or collect payment of penalties;

(ii) as required by court order;

(iii) as required pursuant to a search warrant issued in accordance with the criminal procedure law or a subpoena; or

(iv) as otherwise required by law.

3. the installation of signage that is clearly visible to drivers at regular intervals along and adjacent to bus lanes stating that mobile and stationary photo devices are used to enforce restrictions relating to bus operation traffic restrictions including stopping, standing, parking and turning movements, in conformance with standards established in the MUTCD; and

4. oversight procedures to ensure compliance with the privacy protection measures under this subdivision.

(d) Warning notices of violation shall be issued during the first sixty days that photo devices pursuant to this section are active and in operation.

(e) The owner of a vehicle shall be liable for a penalty imposed pursuant to this section if such vehicle was used or operated with the permission of the owner, express or implied, in violation of any bus operation-related traffic regulations and such violation is evidenced by information obtained from a photo device; provided however that no owner of a vehicle shall be liable for a penalty imposed pursuant to this section where the operator of such vehicle has been convicted of the underlying violation of such bus operation-related traffic regulation.

(f) For purposes of this section the following terms shall have the following meanings:

1. "owner" shall have the meaning provided in article two-B of this chapter.

2. "photo device" shall mean a mobile or stationary device that is capable of operating independently of an enforcement officer and produces one or more images of each vehicle at the time it is in violation of a bus operation-related traffic regulation.

3. "bus operation-related traffic regulations" shall mean the following restrictions set forth in chapter four of title thirty-four of the rules of the city of New York: 4-08(c)(3), violation of posted no standing rules prohibited-bus stop; 4-08(e)(9), general no stopping zones-bicycle lanes; 4-08(f)(1), general no standing zones-double parking; and 4-08(f)(4), general no standing zones-bus lanes.

4. "lessor" means any person, corporation, firm, partnership, agency, association or organization engaged in the business of renting or leasing vehicles to any lessee or bailee under a rental agreement, lease or otherwise, wherein the said lessee or bailee has the exclusive use of said vehicle for any period of time.

5. "lessee" means any person, corporation, firm, partnership, agency, association or organization that rents, bails, leases or contracts for the use of one or more vehicles and has the exclusive use thereof for any period of time.

6. "manual on uniform traffic control devices" or "MUTCD" means the manual and specifications for a uniform system of traffic control devices maintained by the commissioner of transportation pursuant to section sixteen hundred eighty of this chapter.

(g) A certificate, sworn to or affirmed by a technician employed by the city of New York in which the charged violation occurred, or a facsimile thereof, based upon inspection of photographs, microphotographs, videotape or other recorded images produced by a photo device, shall be prima facie evidence of the facts contained therein. Any photographs, microphotographs, videotape or other recorded images evidencing such a violation shall be available for inspection in any proceeding to adjudicate the liability for such violation pursuant to this section.

(h) An owner liable for a violation under this section shall be liable for monetary penalties in accordance with a schedule of fines and penalties promulgated by the parking violations bureau of the city of New York; provided, however, that the monetary penalty for violating a bus operation-related traffic regulation pursuant to this section shall not exceed fifty dollars for a first offense, one hundred dollars for a second offense within a twelve-month period, one hundred fifty dollars for a third offense within a twelve-month period, two hundred dollars for a fourth offense within a twelve-month period, and two hundred fifty dollars for each subsequent offense within a twelve-month period; and provided, further, that an owner shall be liable for an additional penalty not to exceed twenty-five dollars for each violation for the failure to respond to a notice of liability within the prescribed time period.

(i) An imposition of liability pursuant to this section shall not be deemed a conviction of an operator and shall not be made part of the operating record of the person upon whom such liability is imposed, nor shall it be used for insurance purposes in the provision of motor vehicle insurance coverage.

(j) 1. A notice of liability pursuant to this section shall be sent by first class mail to each person alleged to be liable as an owner for a violation under this section. Personal delivery to the owner shall not be required. A manual or automatic record of mailing prepared in the ordinary course of business shall be prima facie evidence of the facts contained in such record of mailing.

2. A notice of liability pursuant to this section shall contain the name and address of the person alleged to be liable as an owner for a violation, the registration number of the vehicle involved in such violation, the location where such violation took place including the street address or cross streets, one or more images identifying the violation, the date and time of such violation, the identification number of the photo device which recorded the violation or other document locator number, and whether the device was stationary or mobile. If the photo device was mobile, an identity of the vehicle containing such photo device shall be included in the notice.

3. A notice of liability pursuant to this section shall contain information advising the person charged of the manner and the time in which he or she may contest the liability alleged in the notice. Such notice of liability shall also contain a warning to advise the persons charged that failure to contest in the manner and time provided shall be deemed an admission of liability and that a default judgment may be entered thereon.

4. A notice of liability pursuant to this section shall be prepared and mailed by the agency or agencies designated by the city of New York, or any other entity authorized by such city to prepare and mail such notification of violation.

(k) Adjudication of the liability imposed upon owners by this section shall be conducted by the New York city parking violations bureau.

(l) If an owner of a vehicle receives a notice of liability pursuant to this section for any time period during which such vehicle was reported to the police department as having been stolen, it shall be a valid defense to an allegation of liability that the vehicle had been reported to the police as stolen prior to the time the violation occurred and had not been recovered by such time. For purposes of asserting the defense under this subdivision, it shall be sufficient that a certified copy of the police report on the stolen vehicle be sent

by first class mail to the parking violations bureau of the city of New York.

(m) 1. An owner who is a lessor of a vehicle to which a notice of liability was issued pursuant to this section shall not be liable for the violation of a bus operation-related traffic regulation, provided that:

(i) prior to such violation, the lessor has filed with the parking violations bureau of the city of New York in accordance with the provisions of section two hundred thirty-nine of this chapter; and

(ii) within thirty-seven days after receiving notice from the parking violations bureau of the city of New York of the date and time of a liability, together with the other information contained in the original notice of liability, the lessor submits to such bureau the correct name and address of the lessee of the vehicle identified in the notice of liability at the time of such violation, together with such other additional information contained in the rental, lease or other contract document, as may be reasonably required by such bureau pursuant to regulations that may be promulgated for such purpose. Failure to timely submit such information shall render the lessor liable for the penalty prescribed in this section.

2. Where the lessor complies with the provisions of subparagraph (i) of paragraph one of this subdivision, the lessee of such vehicle on the date of such violation shall be deemed to be the owner of such vehicle for purposes of this section, shall be subject to liability for such violation pursuant to this section and shall be sent a notice of liability pursuant to subdivision (j) of this section.

(n) If the owner liable for a violation under this section was not the operator of the vehicle at the time of such violation, such owner may maintain an action for indemnification against the operator of the vehicle at the time of such violation.

(o) Nothing in this section shall be construed to limit the liability of an operator of a vehicle for any violation of a bus operation-related traffic regulation.

(p) The city of New York and the applicable mass transit agency shall submit a report on the results of the use of photo devices pursuant to this section to the governor, the temporary president of the senate, and the speaker of the assembly by April first, within twelve months of operation of such photo devices and every two years thereafter. The city of New York and applicable mass transit agency shall also make such reports available on their public-facing websites, provided that they may provide aggregate data from paragraph one of this subdivision if the city finds that publishing specific location date would jeopardize public safety. Such report shall include, but not be limited to:

1. a description of the locations and/or buses where photo devices were used under this section;

2. the total number of violations under this section recorded on a monthly and annual basis;

3. the total number of notices of liability issued under this section;

4. the number of fines and total amount of fines paid after the first notice of liability under this section;

5. the number of violations under this section adjudicated and results of such adjudications including breakdowns of dispositions made;

6. the total amount of revenue realized by the city of New York and any participating mass transit agency under this section, and an itemized list of expenditures made by the participating mass transit agency with these revenues;

7. the quality of the adjudication process under this section and its results;

8. the total number of cameras by type of camera used under this section;

9. the total cost to the city of New York and the total cost to any participating mass transit agency under this section; and

10. a detailed report on the bus speeds, reliability, and ridership before and after implementation of the demonstration program for each bus route, including current statistics.

(q) Any revenue from fines and penalties collected pursuant to this section from mobile bus photo devices shall be remitted by the city of New York to the applicable mass transit agency on a quarterly basis to be deposited in the general transportation account of the New York city transportation assistance fund established pursuant to section twelve hundred seventy-i of the public authorities law.

§ 1-a. Subdivision 2 of section 87 of the public officers law is amended by adding a new paragraph (s) to read as follows:

(s) are photographs, microphotographs, videotape or other recorded images prepared under the authority of section eleven hundred eleven-c-1 of the vehicle and traffic law.

§ 2. The opening paragraph of section 14 of part II of chapter 59 of the laws of 2010, amending the vehicle and traffic law and the public officers law relating to establishing a bus rapid transit demonstration program to restrict the use of bus lanes by means of bus lane photo devices, as amended by section 2 of part D of chapter 39 of the laws of 2019, is amended to read as follows:

This act shall take effect on the ninetieth day after it shall have become a law [~~and shall expire 15 years after such effective date when upon such date the provisions of this act shall be deemed repealed~~]; and provided that any rules and regulations related to this act shall be promulgated on or before such effective date, provided that:

§ 3. Subdivision 1 of section 235 of the vehicle and traffic law, as separately added by chapters 421, 460, and 773 of the laws of 2021, and paragraph (h) as relettered by chapter 258 of the laws of 2022, is amended to read as follows:

1. Notwithstanding any inconsistent provision of any general, special or local law or administrative code to the contrary, in any city which heretofore or hereafter is authorized to establish an administrative tribunal: (a) to hear and determine complaints of traffic infractions constituting parking, standing or stopping violations, or (b) to adjudicate the liability of owners for violations of subdivision (d) of section eleven hundred eleven of this chapter imposed pursuant to a local law or ordinance imposing monetary liability on the owner of a vehicle for failure of an operator thereof to comply with traffic-control indications through the installation and operation of traffic-control signal photo violation-monitoring systems, in accordance with article twenty-four of this chapter, or (c) to adjudicate the liability of owners for violations of subdivision (b), (c), (d), (f) or (g) of section eleven hundred eighty of this chapter imposed pursuant to a demonstration program imposing monetary liability on the owner of a vehicle for failure of an operator thereof to comply with such posted maximum speed limits through the installation and operation of photo speed violation monitoring systems, in accordance with article thirty of this chapter, or (d) to adjudicate the liability of owners for violations of bus lane restrictions as defined by article twenty-four of this chapter imposed pursuant to a bus rapid transit program imposing

monetary liability on the owner of a vehicle for failure of an operator thereof to comply with such bus lane restrictions through the installation and operation of bus lane photo devices, in accordance with article twenty-four of this chapter, or (e) to adjudicate the liability of owners for violations of toll collection regulations imposed by certain public authorities pursuant to the law authorizing such public authorities to impose monetary liability on the owner of a vehicle for failure of an operator thereof to comply with toll collection regulations of such public authorities through the installation and operation of photo-monitoring systems, in accordance with the provisions of section two thousand nine hundred eighty-five of the public authorities law and sections sixteen-a, sixteen-b and sixteen-c of chapter seven hundred seventy-four of the laws of nineteen hundred fifty, or (f) to adjudicate the liability of owners for violations of section eleven hundred seventy-four of this chapter when meeting a school bus marked and equipped as provided in subdivisions twenty and twenty-one-c of section three hundred seventy-five of this chapter imposed pursuant to a local law or ordinance imposing monetary liability on the owner of a vehicle for failure of an operator thereof to comply with school bus red visual signals through the installation and operation of school bus photo violation monitoring systems, in accordance with article twenty-nine of this chapter, or (g) to adjudicate the liability of owners for violations of section three hundred eighty-five of this chapter and the rules of the department of transportation of the city of New York in relation to gross vehicle weight and/or axle weight violations imposed pursuant to a weigh in motion demonstration program imposing monetary liability on the owner of a vehicle for failure of an operator thereof to comply with such gross vehicle weight and/or axle weight restrictions through the installation and operation of weigh in motion violation monitoring systems, in accordance with article ten of this chapter, or (h) to adjudicate the liability of owners for violations of subdivision (b), (d), (f) or (g) of section eleven hundred eighty of this chapter imposed pursuant to a demonstration program imposing monetary liability on the owner of a vehicle for failure of an operator thereof to comply with such posted maximum speed limits within a highway construction or maintenance work area through the installation and operation of photo speed violation monitoring systems, in accordance with article thirty of this chapter, such tribunal and the rules and regulations pertaining thereto shall be constituted in substantial conformance with the following sections**, or (i) to adjudicate the liability of owners for any other violation of a bus operation-related traffic restriction regulation, in accordance with article twenty-four of this chapter**.

§ 4. This act shall take effect immediately; provided that sections one and one-a of this act shall take effect one year after it shall have become a law and shall expire and be deemed repealed five years after it shall have become a law, provided, further, that effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of section one of this act on its effective date are authorized to be made and completed on or before such effective date.

PART B

Intentionally Omitted

PART C

Intentionally Omitted

PART D

Intentionally Omitted

PART E

Intentionally Omitted

PART F

Section 1. This act shall be known and may be cited as the "toll payer protection act".

§ 2. Section 2985 of the public authorities law is designated to title 11-A of article 9 of such law.

§ 3. Article 9 of the public authorities law is amended by adding a new title 11-A to read as follows:

TITLE 11-A

TOLL COLLECTIONS

Section 2985-a. Tolls by mail.

§ 2985-a. Tolls by mail. 1. Applicability. This section shall apply to the tolls by mail program and shall not apply to the payment of tolls by means of an electronic toll device that transmits information through an electronic toll collection system as defined in subdivision twelve of section twenty-nine hundred eighty-five of this title.

2. Definitions. For purposes of this section, the following terms shall have the following meanings:

(a) "Cashless tolling facility" shall mean a toll highway, bridge or tunnel facility that does not provide for the immediate on-site payment in cash of a toll owed for the use of such facility.

(b) "Cashless tolling monitoring system" shall mean a vehicle sensor which automatically produces a recorded image of a vehicle and license plate at the time it is used or operated at a cashless tolling facility and whose owner has incurred an obligation to pay a toll through the cashless tolling program.

(c) "Debt collection agency" shall mean a person, firm or corporation engaged in business, the principal purpose of which is to regularly collect or attempt to collect debts owed or due or asserted to be owed or due to another and shall also include a buyer of delinquent debt who seeks to collect such debt either directly or through the services of another by, including but not limited to, initiating or using legal processes or other means to collect or attempt to collect such debt.

(d) "Electronic means of communication" shall include but not be limited to electronic mail and text messaging.

(e) "Electronic toll collection system" shall mean a system of collecting tolls or charges which is capable of charging an account holder the appropriate toll or charge by transmission of information from an operable electronic device on a motor vehicle to the toll lane, which information is used to charge the account the appropriate toll or charge.

(f) "Lessee" shall mean any person, corporation, firm, partnership, agency, association, or organization that rents, leases or contracts for the use of one or more vehicles and has exclusive use thereof for any period of time.

(g) "Lessor" shall mean any person, corporation, firm, partnership, agency, association, or organization engaged in the business of renting or leasing vehicles to any lessee under a rental agreement, lease or otherwise wherein such lessee has the exclusive use of such vehicle for any period of time.

(h) "Notice of violation" shall mean a notice sent to an owner notifying such owner that a toll incurred at a cashless tolling facility by the owner has not been paid at the place and time and in the manner established for collection of such toll in the toll bill.

(i) "Operable electronic device" shall mean an electronic device that successfully transmits information through an electronic toll collection system.

(j) "Owner" shall mean any person, corporation, partnership, firm, agency, association, lessor or organization who, at the time of incurring an obligation to pay a toll at a cashless tolling facility, and with respect to the vehicle identified in the notice of toll due: (i) is the beneficial or equitable owner of such vehicle; or (ii) has title to such vehicle; or (iii) is the registrant or co-registrant of such vehicle which is registered with the department of motor vehicles of this state or any other state, territory, district, province, nation or other jurisdiction; or (iv) is subject to the limitations set forth in subdivision ten of section twenty-nine hundred eighty-five of this title, uses such vehicle in its vehicle renting and/or leasing business; or (v) is a person entitled to the use and possession of a vehicle subject to a security interest in another person.

(k) "Penalty" shall mean any late payment fees, charges, or monetary penalties imposed by a public authority, exclusive of any toll or tolls incurred at the cashless tolling facility, for failure to timely pay an obligation to pay a toll.

(l) "Toll bill" shall mean a notice sent to an owner notifying such owner that the owner's vehicle has been used or operated at a cashless tolling facility, crossed a cashless tolling monitoring system without an operable electronic device and has incurred an obligation to pay a toll.

(m) "Tolls by mail program" shall mean any program operated by or on behalf of a public authority to identify vehicles that cross through a cashless tolling facility without an operable electronic device and to send a toll bill or notice of violation to the owner of the vehicle.

(n) "Violation" shall mean the failure of the owner to timely respond to a toll bill.

3. Authorization for cashless tolling. (a) Notwithstanding any other provision of law, every public authority that operates a toll highway, bridge and/or tunnel facility and is authorized pursuant to section twenty-nine hundred eighty-five of this title to promulgate toll collection regulations and to impose monetary liability for failure to comply with such regulations is hereby authorized and empowered to operate a demonstration program for utilization of cashless tolling facilities, cashless tolling monitoring systems, and a tolls by mail program and to impose monetary liability on the owner of a vehicle for failure to comply with the toll collection regulations of such public authority so long as each public authority complies with the provisions of this section. Such public authority shall promulgate regulations establishing

a demonstration program for the utilization of cashless tolling facilities, cashless tolling monitoring systems, and a tolls by mail program that comply with the provisions of this section. Such regulations may impose monetary liability on the owner of a vehicle for failure to comply with such regulations. No public authority shall own, operate or otherwise facilitate a cashless tolling facility, cashless tolling monitoring system, or tolls by mail program without first promulgating regulations pursuant to and in compliance with this section.

(b) Such demonstration program shall utilize necessary technologies to ensure, to the extent practicable, that recorded images produced by such cashless tolling monitoring systems shall not include images that identify the driver, the passengers, or the contents of a vehicle. However, no toll bill or notice of violation issued pursuant to this section shall be invalid solely because a recorded image allows for the identification of the contents of a vehicle, provided that such public authority has made a reasonable effort to comply with the provisions of this paragraph.

(c) Every public authority that operates a cashless tolling facility shall undertake a public awareness campaign regarding the use of and process involved with the payment of tolls at cashless tolling facilities. Each public authority shall provide sufficient methods for owners to obtain an operable electronic device for the electronic toll collection system, including making such devices available at all rest areas owned or operated by each authority.

(d) Every public authority that operates a cashless tolling facility shall maintain a website and toll-free phone number for any person to obtain current information on any outstanding tolls and shall implement a system to notify those owners who so request by electronic means of communication about tolls as they are incurred. Such website and phone number shall be printed on any toll bill or notice of violation.

4. Owner liability. (a) Within the jurisdiction of every public authority which has promulgated regulations pursuant to subdivision three of this section: (i) the owner shall incur an obligation to pay a toll when the owner's vehicle crosses through a cashless tolling facility pursuant to this section if such vehicle was used or operated with the permission of the owner, express or implied, and such obligation is evidenced by information obtained from the cashless tolling monitoring system; or (ii) the owner of a vehicle shall incur an obligation to pay a toll when such vehicle crosses a cashless tolling facility without an operable electronic device and is identified by a cashless tolling monitoring system.

(b) The owner of a vehicle shall be liable for a civil penalty imposed pursuant to this section if such owner incurred an obligation to pay a toll and fails to timely pay or respond to such toll in the manner set forth in the toll bill in accordance with this section and shall be liable for penalties in accordance with the penalties set forth herein. Provided, however, no owner of a vehicle shall be liable for a penalty imposed pursuant to this section where the operator of such vehicle has been convicted of a violation of toll collection regulations for the same incident.

5. Toll bills and notices of violation. (a) Toll bill. The public authority shall within thirty days of an owner incurring an obligation to pay a toll send a toll bill by first-class mail to such owner. (i) Within thirty days of the mailing of the toll bill the owner shall (A) pay the toll, without liability for any penalty, or (B) contest such toll bill. (ii) The toll bill shall include: (A) the date, time,

location, license plate number and vehicle registration for each toll; (B) the total amount of the toll due; (C) the date by which the toll must be paid; (D) the address for receipt of payment and methods of payment for such toll bill; (E) the procedure for contesting any toll; (F) information related to the failure to timely pay or respond to a toll bill; (G) the website address or hyperlink for the owner to access time-stamped photographs or footage of each toll incurred; and (H) any other information required by law or by the authority. If an authority fails to send a toll bill as set forth in this section, the owner shall not be liable for payment of the tolls, or any penalty.

(b) Second toll bill. If an owner fails to respond to a toll bill within thirty days of the mailing of such toll bill, the public authority shall send a second toll bill by first-class mail within thirty days of the date the owner was required to respond to such toll bill. Such second toll bill may include a penalty for late payment, which shall not exceed five dollars and shall include all of the information required for a toll bill pursuant to paragraph (a) of this subdivision. Within thirty days of the mailing of the second toll bill the owner shall (i) pay the assessed toll and any penalty provided in such notice, or (ii) contest toll bill.

(c) Notice of violation. If an owner fails to respond to a second toll bill within thirty days of the mailing of such second toll bill, the public authority shall send by first-class mail a notice of violation within thirty days of the date the owner was required to respond to such second toll bill. (i) The notice of violation shall include: (A) the date, time, location, license plate number and vehicle registration for each toll; (B) the assessed toll and the total amount of all outstanding tolls and penalties as authorized by this section; (C) the date by which payment of such amounts are due; (D) the address for receipt of payment and methods of payment for the amounts due; (E) the procedure for contesting any such amounts; (F) information related to the failure to timely pay or respond to a notice of violation; (G) the website address or hyperlink for the owner to access time-stamped photographs or footage of each toll incurred; and (H) any other information required by law or by the authority. The notice of violation may include a penalty which shall be twenty-five dollars or two times the toll evaded, whichever is greater. If the authority fails to send a timely notice of violation as set forth in this section, the owner shall not be liable for payment of the alleged tolls or any penalty. (ii) The owner shall have thirty days from the date such notice of violation was sent to (A) pay the assessed toll and penalties, or (B) contest the notice. If an owner fails to respond to the notice of violation, the owner shall be liable for the assessed toll and any penalty as provided in such notice.

(d) Electronic notice. Any toll bill required by this section to be sent by first-class mail may instead be sent by electronic means of communication upon the affirmative consent of the owner in a form prescribed by the authority. Provided that, notwithstanding this subdivision, a toll bill sent by electronic means of communication shall be sent within seventy-two hours of an owner incurring an obligation to pay a toll. Any notice of violation required by this section to be sent by first-class mail may in addition to first-class mail be sent by electronic means of communication upon the affirmative consent of the owner in a form prescribed by the authority. A manual or automatic record of electronic communications prepared in the ordinary course of business shall be sufficient record of electronic notice. Any affirmative consent to receive a toll bill or notice of violation by electronic means shall

be revocable by the owner at any time with notice to the public authority or its agent and shall automatically be deemed revoked if the authority or its agent is unable to deliver two consecutive notices by electronic means of communication.

6. Procedure to contest. (a) Every public authority that operates a cashless tolling facility, cashless tolling monitoring system, and tolls by mail program shall promulgate regulations establishing a procedure by which a person alleged to be liable for the payment of a toll or a violation may (i) contest such alleged liability, (ii) submit the contest to a hearing, and (iii) have the right to appeal.

(b) Every toll bill and notice of violation shall on its face advise the owner of the manner and the time in which to contest the toll or any violation and also contain a warning that failure to contest in the manner and time provided shall be deemed an admission of liability and that a default judgment may be entered thereon.

7. Adjudication of liability. Adjudication of an owner's liability shall be by the entity having jurisdiction over the cashless tolling facility or, where authorized, by an administrative tribunal; and all such liability determinations shall be heard and determined either: (a) in the county in which the obligation to pay a toll through the cashless tolling program was alleged to occur, or (b) where the toll is alleged to have been incurred in New York city and, upon the consent of both parties, in any county within New York city in which the public authority operates or maintains a cashless tolling facility. Such adjudications shall be heard and determined in the same manner as charges of other regulatory violations of such public authority or pursuant to the rules and regulations of such administrative tribunal as the case may be.

8. Evidence of obligation to pay a toll or violation. (a) A certificate sworn to or affirmed by an agent of the public authority which charged that a liability for an obligation to pay a toll or a violation has been incurred, or a facsimile thereof based upon inspection of recorded images produced by a cashless tolling monitoring system shall be prima facie evidence of the facts contained therein and shall be admissible in any proceeding charging a liability for a toll or a violation pursuant to this section.

(b) Any such recorded images and certificate evidencing such liability shall be available to the owner upon request for inspection and admission into evidence in any proceeding to adjudicate such liability.

(c) Any liability imposed pursuant to this section shall be based upon a preponderance of evidence as submitted.

9. Defenses. It shall be a valid defense to an allegation of liability for a toll and/or violation that:

(a) the vehicle was not used or operated in violation of this section or the regulations promulgated hereunder;

(b) the vehicle was used or operated without the permission of the owner, express or implied;

(c) the recipient of a toll bill or notice of violation was not the owner of the vehicle at the time the obligation to pay the toll occurred;

(d) the vehicle had been stolen prior to the time the obligation was incurred and was not in the possession of the owner at the time the obligation was incurred. For the purposes of asserting this defense, it shall be sufficient that a certified copy of the police report on the stolen vehicle is submitted to the public authority, court or other entity having jurisdiction;

(e) the vehicle had been leased at the time the obligation was incurred. For the purpose of asserting this defense, it shall be sufficient that a copy of the rental lease or other contract document covering the vehicle on the date and time the toll was incurred is submitted to the public authority, court or other entity having jurisdiction within thirty days of the lessor receiving the original toll bill or notice of violation. Such document shall include the name and address of the lessee. Failure to timely submit such information shall constitute a waiver of this defense. Where the lessor complies with the provisions of this section, the lessee shall be deemed to be the owner of the vehicle for purposes of this section and shall be subject to liability pursuant to this section, provided that the authority mails a toll bill to the lessee within ten days after the court or other entity having jurisdiction, deems the lessee to be the owner.

10. Finding of violation. (a) Any liability imposed pursuant to this section shall not be deemed a conviction as an operator and shall not be made part of the motor vehicle operating record, maintained by the commissioner of motor vehicles pursuant to the vehicle and traffic law, of the person upon whom such liability is imposed nor shall it be used for insurance purposes in the provision of motor vehicle insurance coverage.

(b) Notwithstanding the provisions of any other law, order, rule or regulation to the contrary, no registration of any non-commercial motor vehicle may be suspended, revoked or denied renewal resulting from an obligation to pay a toll at a cashless tolling facility as described in this section and the commissioner of motor vehicles shall not suspend, revoke or deny renewal of the registration of a non-commercial motor vehicle resulting from an obligation to pay a toll at a cashless tolling facility as described in this section unless such owner is found liable for failure to pay or respond to five or more notices of unrelated toll bills or is liable for no less than one hundred fifty dollars in outstanding toll bills within an eighteen month period.

11. Indemnification. Any owner who is found liable pursuant to this section who was not the operator of the vehicle at the time the obligation to pay the toll was incurred may maintain an action for indemnification against the operator.

12. Data protection. (a) Notwithstanding any other provision of law, all images, videos and other recorded images collected by the authority pursuant to this section shall be for the exclusive use of such authority in the discharge of its duties under this section and shall not be open to the public nor be used in any court in any action or proceeding pending therein unless such action or proceeding relates to the imposition of or indemnification for liability pursuant to this section.

(b) The authority, including any subsidiary or contractor involved in implementing or operating an electronic toll collection system or tolls by mail program, shall not sell, distribute or make available in any way, the names and addresses of any owner that participates in the tolls by mail program, provided that the foregoing restriction shall not be deemed to preclude the exchange of such information between any entities with jurisdiction over or operating of a cashless tolling facility for the purpose of administering such tolls by mail program.

13. Display of toll charges. Any toll that will be charged for the usage of any bridge, tunnel, road, or any other entity by a passenger motor vehicle shall be displayed conspicuously and prominently on signage of a reasonable size in a manner reasonably calculated to provide ample and adequate notice.

14. Debt collection. (a) On or after the effective date of this section, no public authority which operates a cashless tolling facility shall sell or transfer any debt owed to the public authority by an owner for a violation of toll collection regulations to a debt collection agency unless one year has passed from the date the owner was found liable for the violation of toll collection regulations associated with such debt, or the owner has a total debt owed to the public authority of five hundred dollars or more. The authority shall not sell or transfer any debt to a debt collection agency unless such authority has first obtained a default judgment in a court or administrative tribunal with jurisdiction over the assessed toll.

(b) A notice shall be sent by first-class mail advising the owner that the debt described in paragraph (a) of this subdivision shall be sold or transferred by the authority to a debt collection agency on a specified date no less than thirty days prior to such sale or transfer.

15. Installment payment plan. Every public authority that operates a cashless tolling facility, cashless tolling monitoring system, and tolls by mail program shall promulgate rules and regulations that establish an installment payment plan for the payment of any toll and penalty incurred at a cashless tolling facility. Information related to such plan shall be included in any toll bill and any notice of violation and shall be displayed conspicuously on the authorities' websites. Each owner, at his or her election, may participate in such plan. The public authority shall not charge any additional fees or penalties for enrollment in a payment plan.

16. Annual report. Every public authority that adopts a demonstration program pursuant to subdivision two of this section shall submit an annual report on the tolls by mail program to the governor, the temporary president of the senate and the speaker of the assembly and post on its website on or before the first day of June succeeding the effective date of this section and on the same date in each succeeding year in which the demonstration program is operable. Such report shall include, but not be limited to:

(a) the locations where vehicle sensors for cashless tolling monitoring systems were used;

(b) the aggregate number of tolls paid at the locations where cashless tolling facilities were used, including both through the use of an operable electronic device and through the tolls by mail program;

(c) the number of owners that paid their toll through the tolls by mail program;

(d) the number of owners that paid their toll upon receipt of the first toll bill;

(e) the number of owners that paid their toll upon receipt of the second toll bill;

(f) the number of owners that were charged a five dollar fee for late payment and the aggregate amount of fees for late payment collected by the authority;

(g) the number of owners that were charged a penalty, the amount of the penalty charged to owners and the aggregate amount of penalties collected by the authority;

(h) the number of owners that disputed the toll bill, the number of owners that successfully disputed such toll bill and an itemized breakdown of the reasons for successfully disputed tolls;

(i) the number of owners that disputed the notice of violation and the number of owners that successfully disputed such notice of violation;

(j) the number of owners that paid their toll upon receipt of the notice of violation;

(k) the aggregate amount of penalties charged to owners;

(l) a copy of all regulations the reporting authority promulgated pursuant to this section;

(m) the number of tolls adjudicated by every public authority and court, including any appeal of such adjudications, and the results of all adjudications including breakdowns of dispositions made for tolls recorded by such systems;

(n) the total amount of revenue realized by such authority from such adjudications;

(o) expenses incurred by such authority in connection with the tolls by mail program;

(p) the nature of the adjudication process and its results; and

(q) the number of owners whose toll bills and violation notices were returned to the public authority as undeliverable.

§ 4. a. Within 90 days of the effective date of this act, the Triborough Bridge and Tunnel Authority organized pursuant to section 552 of the public authorities law shall implement an amnesty program for non-commercial motor vehicles owned by persons who, with respect to any toll obligation incurred on or after November 1, 2016 and before May 1, 2022 at a cashless tolling facility operated by the authority, owe tolls, fines, fees, or penalties exceeding the schedule established pursuant to section 2985-a of the public authorities law; have been referred to a debt collection agency; or (3) have had their vehicle registration suspended. Such amnesty program shall be at least eight weeks in duration and shall provide that upon an owner's payment or contesting the outstanding toll balance during the amnesty period the authority shall waive all fees, fines, and penalties associated with the outstanding toll balance, and the authority shall advise the commissioner of motor vehicles, in such form and manner that such commissioner shall have prescribed, that such person has responded and any registration suspension shall be rescinded.

b. The Triborough Bridge and Tunnel Authority shall undertake a public awareness campaign for such amnesty program, maintain a public website for any person to obtain information on any outstanding tolls and no later than 30 days preceding the commencement of the amnesty period, notify by first-class mail all persons with outstanding toll balances of their eligibility for the amnesty program. The authority shall provide for sufficient methods to pay the outstanding toll balances, including but not limited to, by phone, by mail, or through the internet.

§ 5. Subdivision 8 of section 402 of the vehicle and traffic law, as amended by chapter 451 of the laws of 2021, is amended and a new section 402-b is added to read as follows:

8. A violation of this section shall be punishable by a fine of not less than twenty-five nor more than two hundred dollars, except that a violation of subparagraph (ii) or subparagraph (iii) of paragraph (b) of subdivision one of this section shall be punishable by a fine of not less than fifty nor more than three hundred dollars and shall be subject to the provisions of section four hundred two-b of this article and subdivision four-h of section five hundred ten of this chapter.

§ 402-b. Obscured and obstructed license plates; seizure and removal procedures. 1. (a) Upon making an arrest or upon issuing a summons or an appearance ticket for a violation of subparagraph (ii) or subparagraph (iii) of paragraph (b) of subdivision one of section four hundred two of this article committed in his or her presence, an officer may remove or

arrange for the removal of any covering or coating with any artificial or synthetic material or substance affixed over the number plates which conceals or obscures the ability to easily read such number plates or that distorts or obstructs a recorded or photographic image. The owner of the vehicle who such number plates were issued to shall have one week from the date such violation is issued to remove any artificial or synthetic material or substance that conceals or obscures such number plates or to purchase new number plates. A summons shall not be issued if, in the discretion and at the request of such officer, the defect is corrected in the presence of such officer. The refusal of a police officer to permit the repair of any defect in his or her presence shall not be reviewable, and shall not be a defense to any violation charged in a summons issued pursuant to the provisions of this section.

(b) Any complaint issued for any violation of subparagraph (ii) or subparagraph (iii) of paragraph (b) of subdivision one of section four hundred two of this article in which the coating or covering was not seized may be dismissed by the court before which the summons is returnable if the violation as set forth in the summons is corrected not later than one-half hour after sunset on the first full business day after the issuance of the summons and proof of such correction is submitted to the court. For the purposes of this subdivision, "business day" shall mean any calendar day except Saturday and Sunday, or the following business holidays: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day.

2. For purposes of this section:

(a) The term "owner" shall mean an owner as defined in section one hundred twenty-eight and in subdivision three of section three hundred eighty-eight of this chapter.

(b) The term "termination of the proceeding" shall mean the earliest of (i) thirty-one days following the imposition of sentence; or (ii) the date of acquittal of a person arrested for an offense or date of dismissal of a complaint; or (iii) where leave to file new charges or to resubmit the case is required and has not been granted, thirty-one days following the dismissal of the last accusatory instrument filed in the case, or, if applicable, upon expiration of the time granted by the court or tribunal or permitted by statute for filing new charges or resubmitting the case; or (iv) where leave to file new charges or to resubmit the case is not required, thirty-one days following the dismissal of the last accusatory instrument filed in the case, or, if applicable, upon expiration of the time granted by the court or permitted by statute for filing new charges or resubmitting the case; or (v) the date when, prior to the filing of an accusatory instrument against a person charged with a violation of subparagraph (ii) or subparagraph (iii) of paragraph (b) of subdivision one of section four hundred two of this article, the prosecuting authority elects not to prosecute such person.

3. Any covering or coating with any artificial or synthetic material or substance affixed over the number plates which conceals or obscures the ability to easily read such number plates or that distorts or obstructs a recorded or photographic image which has been or is being used in violation of subparagraph (ii) or subparagraph (iii) of paragraph (b) of subdivision one of section four hundred two of this article may be seized by any peace officer, acting pursuant to his or her special duties, or police officer, and forfeited as hereinafter provided in this section.

4. Any covering or coating with any artificial or synthetic material or substance affixed over the number plates which conceals or obscures the ability to easily read such number plates or that distorts or obstructs a recorded or photographic image may be seized upon service of a notice of violation upon the owner or operator of a vehicle. The seized covering or coating shall be delivered by the officer having made the seizure to the custody of the district attorney of the county wherein the seizure was made, except that in the cities of New York, Yonkers, Rochester and Buffalo the seized covering or coating shall be delivered to the custody of the police department of such cities and such covering or coating seized by a member or members of the state police shall be delivered to the custody of the superintendent of state police, together with a report of all the facts and circumstances of the seizure. Within one business day after the seizure, notice of such violation and a copy of the notice of violation shall be mailed to the owner of the motor vehicle on which the covering or coating was affixed at the address for such owner set forth in the records maintained by the department of motor vehicles or, for vehicles not registered in New York state, such equivalent record in such state of registration.

5. (a) The attorney general, in seizures by members of the state police, or the district attorney of the county wherein the seizure is made if elsewhere than in the cities of New York, Yonkers, Rochester or Buffalo, or where the seizure is made in such cities the corporation counsel of the city, shall inquire into the facts of the seizure so reported to him or her. If it appears that there is a basis for the commencement and prosecution of a crime or traffic infraction pursuant to this section, the covering or coating which is the subject of such proceedings shall remain in the custody of such district attorney, police department or superintendent of state police, as applicable, pending the final determination of such proceedings.

(b) To the extent applicable, the procedures of article thirteen-A of the civil practice law and rules shall govern proceedings and actions under this section.

6. Notice of the seizure of the covering or coating shall be served by personal service pursuant to the civil practice law and rules upon all owners of the seized motor vehicle listed in the records maintained by the department, or for vehicles not registered in New York state, in the records maintained by the state of registration.

7. No action under this section for wrongful seizure shall be instituted unless such action is commenced within two years after the time when the coating or covering was seized.

8. The municipal police training council as established pursuant to article thirty-five of the executive law, and the superintendent of state police, may develop, maintain and disseminate, a model law enforcement property disposal policy setting forth recommended policies and procedures regarding disposal of coatings or coverings seized pursuant to this section.

§ 6. Section 510 of the vehicle and traffic law is amended by adding a new subdivision 4-h to read as follows:

4-h. Suspension of registration for failure to comply with removing any artificial or synthetic material or substance that conceals or obscures number plates or the purchase of new number plates. Upon the receipt of a notification from a court or an administrative tribunal that an owner of a motor vehicle failed to comply with the provisions of section four hundred two-b of this chapter, the commissioner or his or her agent shall suspend the registration of the vehicle involved in the

violation and such suspension shall remain in effect until such time as the commissioner is advised that the owner of such vehicle has satisfied the requirements of such section.

§ 7. This act shall take effect on the one hundred twentieth day after it shall have become a law; provided, however that sections two, three, five and six of this act shall expire 5 years after such effective date when upon such date such provisions of such sections shall be deemed repealed. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.

PART G

Section 1. Section 45 of chapter 929 of the laws of 1986 amending the tax law and other laws relating to the metropolitan transportation authority, as amended by chapter 120 of the laws of 2021, is amended to read as follows:

§ 45. This act shall take effect immediately; except that: (a) paragraph (d) of subdivision 3 of section 1263 of the public authorities law, as added by section twenty-six of this act, shall be deemed to have been in full force and effect on and after August 5, 1986; (b) sections thirty-three and thirty-four of this act shall not apply to a certified or recognized public employee organization which represents any public employees described in subdivision 16 of section 1204 of the public authorities law and such sections shall expire on July 1, [~~2023~~] 2025 and nothing contained within these sections shall be construed to divest the public employment relations board or any court of competent jurisdiction of the full power or authority to enforce any order made by the board or such court prior to the effective date of this act; (c) the provisions of section thirty-five of this act shall expire on March 31, 1987; and (d) provided, however, the commissioner of taxation and finance shall have the power to enforce the provisions of sections two through nine of this act beyond December 31, 1990 to enable such commissioner to collect any liabilities incurred prior to January 1, 1991.

§ 2. This act shall take effect immediately.

PART H

Section 1. Subdivision 11 of section 120.05 of the penal law, as amended by chapter 233 of the laws of 2022, is amended to read as follows:

11. With intent to cause physical injury to a train operator, ticket inspector, conductor, signalperson, bus operator, station agent, station cleaner, terminal cleaner, station customer assistant, traffic checker; person whose official duties include the sale or collection of tickets, passes, vouchers, or other revenue payment media for use on a train [~~or~~], bus, or ferry the collection or handling of revenues therefrom; a person whose official duties include the maintenance, repair, inspection, troubleshooting, testing or cleaning of buses[~~,~~] or ferries, a transit signal system, elevated or underground subway tracks, transit station structure, including fare equipment, escalators, elevators and other equipment necessary to passenger service, commuter rail tracks or stations, train yard, revenue train in passenger service, a ferry station, or a train or bus station or terminal; or a supervisor of such personnel, employed by any transit or commuter rail agency, authority or

company, public or private, whose operation is authorized by New York state or any of its political subdivisions, a city marshal, a school crossing guard appointed pursuant to section two hundred eight-a of the general municipal law, a traffic enforcement officer, traffic enforcement agent, **ferry worker, motor vehicle license examiner, motor vehicle representative, highway worker as defined in section one hundred eighteen-a of the vehicle and traffic law, motor carrier investigator as defined in section one hundred twenty-four of the vehicle and traffic law, motor vehicle inspector as defined in section one hundred twenty-four-a of the vehicle and traffic law,** prosecutor as defined in subdivision thirty-one of section 1.20 of the criminal procedure law, sanitation enforcement agent, New York city sanitation worker, public health sanitarian, New York city public health sanitarian, registered nurse, licensed practical nurse, emergency medical service paramedic, or emergency medical service technician, he or she causes physical injury to such train operator, ticket inspector, conductor, signalperson, bus operator, station agent, station cleaner, terminal cleaner, station customer assistant**, traffic checker**; person whose official duties include the sale or collection of tickets, passes, vouchers or other revenue payment media for use on a train [~~or~~]**,** bus**,** or **ferry** the collection or handling of revenues therefrom; a person whose official duties include the maintenance, repair, inspection, troubleshooting, testing or cleaning of buses **or ferries**, a transit signal system, elevated or underground subway tracks, transit station structure, including fare equipment, escalators, elevators and other equipment necessary to passenger service, commuter rail tracks or stations, train yard, revenue train in passenger service, **a ferry station,** or a train or bus station or terminal; or a supervisor of such personnel, city marshal, school crossing guard appointed pursuant to section two hundred eight-a of the general municipal law, traffic enforcement officer, traffic enforcement agent, **ferry worker, motor vehicle license examiner, motor vehicle representative, highway worker as defined in section one hundred eighteen-a of the vehicle and traffic law, motor carrier investigator as defined in section one hundred twenty-four of the vehicle and traffic law, motor vehicle inspector as defined in section one hundred twenty-four-a of the vehicle and traffic law,** prosecutor as defined in subdivision thirty-one of section 1.20 of the criminal procedure law, registered nurse, licensed practical nurse, public health sanitarian, New York city public health sanitarian, sanitation enforcement agent, New York city sanitation worker, emergency medical service paramedic, or emergency medical service technician, while such employee is performing an assigned duty on, or directly related to, the operation of a train [~~or~~]**,** bus, **or ferry,** cleaning of a train or bus station or terminal, assisting customers, **checking traffic,** the sale or collection of tickets, passes, vouchers, or other revenue media for use on a train [~~or~~]**,** bus **or ferry**, or maintenance or cleaning of a **ferry, a** train, a bus, or bus station or terminal, signal system, elevated or underground subway tracks, transit station structure, including fare equipment, escalators, elevators and other equipment necessary to passenger service, commuter rail tracks or stations, train yard or revenue train in passenger service, or such city marshal, school crossing guard, traffic enforcement officer, traffic enforcement agent, **ferry worker, motor vehicle license examiner, motor vehicle representative, highway worker as defined in section one hundred eighteen-a of the vehicle and traffic law, motor carrier investigator as defined in section one hundred twenty-four of the vehicle and traffic law, motor vehicle inspector as**

defined in section one hundred twenty-four-a of the vehicle and traffic law, prosecutor as defined in subdivision thirty-one of section 1.20 of the criminal procedure law, registered nurse, licensed practical nurse, public health sanitarian, New York city public health sanitarian, sanitation enforcement agent, New York city sanitation worker, emergency medical service paramedic, or emergency medical service technician is performing an assigned duty; or

§ 2. The vehicle and traffic law is amended by adding two new sections 124 and 124-a to read as follows:

§ 124. Motor carrier investigator. Any person employed by the department of transportation who has been assigned to perform investigations of any motor carriers regulated by the commissioner of transportation.

§ 124-a. Motor vehicle inspector. Any person employed by the department of transportation who has been assigned to perform inspections of any motor vehicles regulated by the commissioner of transportation.

§ 3. The vehicle and traffic law is amended by adding a new section 1221-a to read as follows:

§ 1221-a. Endangerment of a highway worker. 1. A driver of a motor vehicle commits endangerment of a highway worker if the driver is operating a motor vehicle within a work area as defined in section one hundred sixty-one of this chapter at any time one or more highway workers are in the work area and does any of the following:

(a) enters a work area in any lane not clearly designated for use by motor vehicles; or

(b) fails to obey traffic control devices controlling the flow of motor vehicles through the work area for any reason other than:

(i) an emergency;

(ii) the avoidance of an obstacle; or

(iii) the protection of the health and safety of another person.

2. (a) A driver of a motor vehicle who violates this section shall be guilty of a traffic infraction punishable by a fine of not more than one thousand dollars and not less than five hundred dollars or by imprisonment for not more than fifteen days or by both such fine and imprisonment.

(b) A driver of a motor vehicle who causes physical injury as defined in article ten of the penal law to a highway worker in the work area while violating subdivision one of this section shall be guilty of a traffic infraction punishable by a fine of not more than two thousand dollars and not less than one thousand dollars or by imprisonment for not more than forty-five days or by both such fine and imprisonment.

(c) A driver of a motor vehicle who causes serious physical injury as defined in article ten of the penal law to a highway worker in the work area while violating subdivision one of this section shall be guilty of a traffic infraction punishable by a fine of not more than five thousand dollars and not less than two thousand dollars or by imprisonment for not more than ninety days or by both such fine and imprisonment.

3. In any case wherein the charge laid before the court alleges a violation of this section, any plea of guilty thereafter entered in satisfaction of such charge must include the fine imposed pursuant to this section and no other plea of guilty to any other charge in satisfaction of such charge shall be authorized; provided, however, if the prosecuting attorney, upon reviewing the available evidence, determines that the charge of a violation of this section is not warranted, such prosecuting attorney may consent, and the court may allow a disposition by plea of guilty to another charge in satisfaction of such charge; provided, however, in all such cases, the court shall set forth upon the

record the basis for such disposition. Such fine shall not be waived or reduced below the minimum as provided in subdivision two of this section. Sixty percent of fines collected pursuant to this section shall be paid to the work zone safety fund established by section ninety-nine-qq of the state finance law.

4. No person shall be guilty of endangerment of a highway worker for any act or omission otherwise constituting a violation under this section if the act or omission results, in whole or in part, from mechanical failure of the person's motor vehicle or from the negligence of a highway worker or another person.

5. Nothing contained in this section shall prohibit the imposition of a charge of any other offense set forth in this or any other provision of law for any acts arising out of the same incident.

§ 4. The vehicle and traffic law is amended by adding a new section 1221-b to read as follows:

§ 1221-b. Work area safety and outreach. The governor's traffic safety committee, upon consultation with the commissioner of transportation, the superintendent of state police, the commissioner, the chairman of the New York state thruway authority, local law enforcement agencies, and representatives for contractors, laborers, and public employees, shall design and implement a public education and outreach program to increase motorist awareness of the importance of highway work area safety, to reduce the number of work area incidents, including speeding, unauthorized intrusions into work areas, and any conduct resulting in hazards or injuries to highway workers, and to increase and promote work area safety.

§ 5. Section 161 of the vehicle and traffic law, as added by chapter 92 of the laws of 1984 and as renumbered by chapter 303 of the laws of 2014, is amended to read as follows:

§ 161. Work area or work zone. [~~That part of a highway being used or occupied for the conduct of highway work, within which workers, vehicles, equipment, materials, supplies, excavations, or other obstructions are present.~~] The area of a highway, bridge, shoulder, median, or associated right-of-way, where construction, maintenance, utility work, accident response, or other incident response is being performed. The work area must be marked by signs, traffic control devices, traffic control signals, barriers, pavement markings, authorized emergency vehicles, or hazard vehicles, and extends from the first traffic control device erected for purposes of controlling the flow of motor vehicles through the work area, including signs reducing the normal speed limit but excluding signs notifying motorists of an impending speed limit reduction, to the "END ROAD WORK" sign or the last temporary traffic control device. The signs, traffic control devices, traffic control signals, barriers, pavement markings, or authorized emergency vehicles, or hazard vehicles must meet department of transportation standards and the provisions of this chapter, and must be installed properly so that they are clearly visible to motorists in accordance with the manual on uniform traffic control devices.

§ 6. The vehicle and traffic law is amended by adding a new section 118-a to read as follows:

§ 118-a. Highway worker. Any person employed by or on behalf of the state, a county, city, town or village, a public authority, a local authority, or a public utility company, or the agent or contractor of any such entity, who has been assigned to perform work on a highway, including maintenance, repair, flagging, utility work, inspection, construction, reconstruction or operation of equipment on public highway

infrastructure and associated rights-of-way in highway work areas, and shall also include any flagperson as defined in section one hundred fifteen-b of this article.

§ 7. Section 22 of the transportation law, as added by chapter 223 of the laws of 2005, is amended to read as follows:

§ 22. Work zone safety and enforcement. The department shall, in cooperation with the superintendent of state police, the commissioner of motor vehicles, the chairman of the New York state thruway authority, local law enforcement agencies and representatives for contractors [~~and~~] , laborers and public employees, develop and implement rules and regulations for the increased safety of work zones. Such rules and regulations shall include, but shall not be limited to, a police presence at all major active work zones as defined by rules and regulations set forth by the commissioner, the use of radar speed display signs at all major active work zones as defined by rules and regulations set forth by the commissioner, and a system for reviewing work zone safety and design for all work zones under the jurisdiction of the department.

§ 8. The state finance law is amended by adding a new section 99-qq to read as follows:

§ 99-qq. Work zone safety fund. 1. There is hereby established in the custody of the state comptroller a special fund to be known as the "work zone safety fund".

2. The fund shall consist of all monies appropriated for its purpose, all monies required by this section or any other provision of law to be paid into or credited to such fund, collected by the mandatory fines imposed pursuant to section twelve hundred twenty-one-a of the vehicle and traffic law, and all other monies appropriated, credited, or transferred thereto from any other fund or source pursuant to law. Any interest received by the comptroller on monies on deposit in the work zone safety fund shall be retained in and become a part of such fund.

3. Monies of the fund shall, following appropriation by the legislature, be disbursed to provide work zone safety enforcement, work zone markings, radar speed display signs, and police monitoring of work zones pursuant to section twenty-two of the transportation law. Monies of the fund shall be expended only for the purposes listed in this paragraph, and shall not be used to supplant any other funds which would otherwise have been expended for work zone safety and enforcement, including without limitation work zone safety enforcement, work zone markings, radar speed display signs, and police monitoring of work zones.

4. Monies shall be payable from the fund on the audit and warrant of the comptroller.

5. On or before the first day of February each year, the comptroller shall certify to the governor, temporary president of the senate, speaker of the assembly, and chairs of the assembly and senate transportation committees, the amount of money deposited in the work zone safety fund during the preceding calendar year as the result of revenue derived pursuant to section one thousand two hundred twenty-one-a of the vehicle and traffic law.

6. On or before the first day of February each year, the director of the division of budget, in consultation with the relevant agencies and authorities, shall provide a written report to the temporary president of the senate, speaker of the assembly, chair of the senate and assembly transportation committees, the state comptroller and the public. Such report shall include how the monies of the fund were utilized during the preceding calendar year, and shall include:

(i) the amount of money disbursed from the fund and the award process used for such disbursements;
(ii) recipients of disbursements from the fund;
(iii) the amount awarded to each;
(iv) the purposes for which such disbursements were made; and
(v) a summary financial plan for such monies which shall include estimates of all receipts and all disbursements for the current and succeeding fiscal years, along with the actual results of the prior fiscal year.

§ 9. This act shall take effect on the ninetieth day after it shall have become a law.

PART I

Section 1. Paragraph (k-2) of subdivision 2 of section 65.10 of the penal law, as added by section 1 of part VV of chapter 56 of the laws of 2020, is amended to read as follows:

(k-2) (i) Refrain, upon sentencing for a crime involving unlawful sexual conduct or assault committed against either a metropolitan transportation authority system passenger[~~,~~] or customer, or an employee [~~or a crime involving assault against a metropolitan transportation authority employee,~~] of the metropolitan transportation authority system or any contractor then performing work for any entity of the system, if the offense was committed in or [~~on~~] adjacent to any facility or conveyance of the [~~metropolitan transportation authority or a subsidiary thereof or the New York city transit authority or a subsidiary thereof~~] authority's transportation system, from using or entering any of [~~such~~] the authority's subways, trains, buses~~,~~ or other conveyances or facilities as specified by the court for a period of up to three years, or a specified period of such probation or conditional discharge, whichever is less. For purposes of this section, a crime involving assault shall mean an offense described in article one hundred twenty of this chapter which has as an element the causing of physical injury or serious physical injury to another as well as the attempt thereof. If the sentence imposed by the court includes a period of incarceration followed by a period of probation or conditional discharge, then the court may impose conditions under this paragraph to be operative only during the period of probation or conditional discharge. Orders under this paragraph may extend to any part of the metropolitan transportation authority system in the court's discretion, including parts of the system outside the county where the sentencing judge sits.

(ii) The court may, in its discretion, suspend, modify or cancel a condition imposed under this paragraph in the interest of justice at any time. If the person depends on the authority's subways, trains, buses, or other conveyances or facilities for trips of necessity, including, but not limited to, travel to or from medical or legal appointments, school or training classes or places of employment, obtaining food, clothing or necessary household items, or rendering care to family members, the court may modify such condition to allow for a trip or trips as in its discretion are necessary.

(iii) A person at liberty and subject to a condition under this paragraph who applies, within thirty days after the date such condition becomes effective, for a refund of any prepaid fare amounts rendered unusable in whole or in part by such condition including, but not limited to, a monthly pass, shall be issued a refund of the amounts so prepaid.

(iv) Any order issued pursuant to this paragraph, whether imposing a ban or modifying one, shall be served on the metropolitan transportation authority as directed by the court.

(v) The metropolitan transportation authority shall not use facial recognition technology to enforce any order issued pursuant to this paragraph.

§ 2. This act shall take effect immediately.

PART J

Section 1. Section 3 of part FF of chapter 55 of the laws of 2017, relating to motor vehicles equipped with autonomous vehicle technology, as amended by section 1 of part GG of chapter 58 of the laws of 2021, is amended to read as follows:

§ 3. This act shall take effect April 1, 2017; provided, however, that section one of this act shall expire and be deemed repealed April 1, [~~2023~~] 2024.

§ 1-a. Subdivision a of section 1 of part FF of chapter 55 of the laws of 2017, relating to motor vehicles equipped with autonomous vehicle technology, as amended by section 1 of part H of chapter 58 of the laws of 2018, is amended to read as follows:

a. Notwithstanding the provisions of section 1226 of the vehicle and traffic law, the New York state commissioner of motor vehicles may approve demonstrations and tests consisting of the operation of a motor vehicle equipped with autonomous vehicle technology and vehicle to vehicle communication technology while such motor vehicle is engaged in the use of such technology on public highways within this state for the purposes of demonstrating and assessing the current development of autonomous vehicle technology and vehicle to vehicle communication technology and to begin identifying potential impacts of such technology on safety, traffic control, traffic enforcement, emergency services, and such other areas as may be identified by such commissioner. Provided, however, that such demonstrations and tests shall only take place under the direct supervision of the New York state police, in a form and manner prescribed by the superintendent of the New York state police. Additionally, a law enforcement interaction plan shall be included as part of the demonstration and test application that includes information for law enforcement and first responders regarding how to interact with such a vehicle in emergency and traffic enforcement situations. Such demonstrations and tests shall take place in a manner and form prescribed by the commissioner of motor vehicles including, but not limited to: a requirement that a natural person holding a valid license for the operation of the motor vehicle's class be present within such vehicle for the duration of the time it is operated on public highways; a requirement that the motor vehicle utilized in such demonstrations and tests complies with all applicable federal motor vehicle safety standards and New York state motor vehicle inspection standards; and a requirement that the motor vehicle utilized in such demonstrations and tests has in place, at a minimum, financial security in the amount of five million dollars. Nothing in this act shall authorize the motor vehicle utilized in such demonstrations and tests to operate in violation of article 22 or title 7 of the vehicle and traffic law, excluding section 1226 of such law.

§ 2. This act shall take effect immediately; provided, however, that the amendments to subdivision a of section 1 of part FF of chapter 55 of the laws of 2017 made by section 1-a of this act shall not affect the

expiration of such subdivision and shall expire and be deemed repealed therewith.

PART K

Section 1. Paragraphs 26 and 27 of subdivision (a) of section 1642 of the vehicle and traffic law, paragraph 26 as added and paragraph 27 as amended by chapter 248 of the laws of 2014, are amended to read as follows:

26. (a) With respect to highways (which term for the purposes of this paragraph shall include private roads open to public motor vehicle traffic) in such city, other than state highways maintained by the state on which the department of transportation shall have established higher or lower speed limits than the statutory fifty-five miles per hour speed limit as provided in section sixteen hundred twenty of this title, or on which the department of transportation shall have designated that such city shall not establish any maximum speed limit as provided in section sixteen hundred twenty-four of this title, subject to the limitations imposed by section sixteen hundred eighty-four of this title, establishment of maximum speed limits at which vehicles may proceed within such city or within designated areas of such city higher or lower than the fifty-five miles per hour maximum statutory limit. No such speed limit applicable throughout such city or within designated areas of such city shall be established at less than [~~twenty-five~~] twenty miles per hour, except that school speed limits may be established at no less than [~~fifteen~~] ten miles per hour [~~pursuant to~~] notwithstanding the provisions of section sixteen hundred forty-three of this article.

(b) A city shall not lower or raise a speed limit by more than five miles per hour pursuant to this paragraph unless such city provides written notice and an opportunity to comment to the community board or community boards established pursuant to section twenty-eight hundred of the New York city charter with jurisdiction over the area in which the lower or higher speed limit shall apply. Such notice may be provided by electronic mail and shall be provided sixty days prior to the establishment of such lower or higher speed limit.

27. (a) Establishment of maximum speed limits below [~~twenty-five~~] twenty miles per hour at which motor vehicles may proceed on or along designated highways within such city for the explicit purpose of implementing traffic calming measures as such term is defined herein; provided, however, that no speed limit shall be set below [~~fifteen~~] ten miles per hour nor shall such speed limit be established where the traffic calming measure to be implemented consists solely of a traffic control sign. Establishment of such a speed limit shall, where applicable, be in compliance with the provisions of sections sixteen hundred twenty-four and sixteen hundred eighty-four of this [~~chapter~~] title. Nothing contained herein shall be deemed to alter or affect the establishment of school speed limits pursuant to the provisions of section sixteen hundred forty-three of this article, provided that the school speed limit set forth in paragraph twenty-six of this subdivision shall apply in any city to which this section is applicable. For the purposes of this paragraph, "traffic calming measures" shall mean any physical engineering measure or measures that reduce the negative effects of motor vehicle use, alter driver behavior and improve conditions for non-motorized street users such as pedestrians and bicyclists.

(b) Any city establishing maximum speed limits below [~~twenty-five~~] twenty miles per hour pursuant to clause (i) of this subparagraph shall

submit a report to the governor, the temporary president of the senate and the speaker of the assembly on or before March first, two thousand fifteen and biannually thereafter on the results of using traffic calming measures and speed limits lower than [~~twenty-five~~] twenty miles per hour as authorized by this paragraph. This report shall also be made available to the public by such city on its website. Such report shall include, but not be limited to the following:

(i) a description of the designated highways where traffic calming measures and a lower speed limit were established [~~and~~];

(ii) a description of the specific traffic calming measures used and the maximum speed limit established; and

(iii) a comparison of the aggregate type, number, and severity of accidents reported on streets on which street calming measures and lower speed limits were implemented in the year preceding the implementation of such measures and policies and the year following the implementation of such measures and policies, to the extent this information is maintained by any agency of the state or the city.

§ 2. This act shall take effect immediately.

PART L

Section 1. This act enacts into law components of legislation relating to impaired driving regulations and penalties. Each component is wholly contained within a Subpart identified as Subparts A through C. The effective date for each particular provision contained within such Subpart is set forth in the last section of such Subpart. Any provision in any section contained within a Subpart, including the effective date of the Subpart, which makes 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 Subpart in which it is found. Section three of this act sets forth the general effective date of this act.

SUBPART A

Section 1. Subparagraph 3 of paragraph (c) of subdivision 2 of section 1193 of the vehicle and traffic law, as amended by chapter 732 of the laws of 2006, is amended to read as follows:

(3) In no event shall a new license be issued where a person has been twice convicted of a violation of [~~subdivision~~] any combination of, subdivision two, two-a, three, four or four-a of section eleven hundred ninety-two of this article [~~or of driving while intoxicated or of driving while ability is impaired by the use of a drug or of driving while ability is impaired by the combined influence of drugs or of alcohol and any drug or drugs~~], or of sections 120.03, 120.04, 120.04-a, 125.12, 125.13, or 125.14 of the penal law, where physical injury, as defined in section 10.00 of the penal law, has resulted from such offense in each instance.

§ 2. This act shall take effect immediately.

SUBPART B

Section 1. Legislative findings. The legislature hereby finds and declares:

1. In 2009, New York adopted "Leandra's Law" to require, as a condition of sentence, that all individuals convicted of the crime of driving

while intoxicated install an ignition interlock device (IID) for a specified time in any vehicle they own or operate. Fifteen years later, despite the mandate, only three in ten offenders actually install an IID.

2. In addition, although the penalty model based predominantly on license revocation persists, far too many offenders continue to drive even after losing their license privilege, and a significant number of them continue to drive under the influence of alcohol. The consensus among highway safety experts is that well over fifty percent, and as many as eighty percent, of revoked drivers continue to drive while unlicensed.

3. IIDs are designed to do two things: (1) protect the public by preventing drunk driving events; and (2) alter driver behavior to reduce recidivism. Numerous studies have shown IIDs to be overwhelmingly effective on both counts:

(a) Public safety. Between December 1, 2006 and December 31, 2020, IID installation stopped 3.8 million drivers nationally from attempting to drive while legally intoxicated (.08+) and foiled an additional 25.4 million drivers from attempting to drive after consuming enough alcohol to trigger the IID's set point. Over the same time period in New York - even despite the poor compliance rate - IIDs prevented more than 111,000 legally drunk drivers and foiled an additional 439,427 attempts by convicted drunk drivers who attempted to start a vehicle after consuming alcohol.

(b) Reduced recidivism. A 2016 University of Pennsylvania study found that alcohol-related fatalities decreased by 15% in states with all-offender interlock laws. Similarly, a 2016 California study concluded that ignition interlock devices are seventy-four percent more effective in reducing DWI recidivism than license suspension alone during the first six months after conviction and forty-five percent more effective over the course of a year.

4. Given the empirical data that favors the use of the IID as a condition of sentence, either in conjunction with or instead of license revocation, the legislature finds that New York has fallen significantly behind other states that utilize IIDs to promote public safety and support rehabilitative efforts. Accordingly, the legislature declares that to further advance public safety, New York must adopt best practices consistent with the data for model use of the ignition interlock device as a proven method for saving lives and promoting rehabilitation.

§ 2. Paragraph (c) of subdivision 1 of section 1193 of the vehicle and traffic law, as amended by chapter 169 of the laws of 2013, and subparagraph (ii-a) as added by chapter 191 of the laws of 2014, is amended to read as follows:

(c) Felony offenses. (i) A person who operates a vehicle (A) in violation of subdivision two, two-a, three, four or four-a of section eleven hundred ninety-two of this article after having been convicted of a violation of subdivision two, two-a, three, four or four-a of such section or of vehicular assault in the second or first degree, as defined, respectively, in sections 120.03 and 120.04 and aggravated vehicular assault as defined in section 120.04-a of the penal law or of vehicular manslaughter in the second or first degree, as defined, respectively, in sections 125.12 and 125.13 and aggravated vehicular homicide as defined in section 125.14 of such law, within the preceding ten years, or (B) in violation of paragraph (b) of subdivision two-a of section eleven hundred ninety-two of this article shall be guilty of a class E felony, and shall be punished by a fine of not less than one

thousand dollars nor more than five thousand dollars or by a period of imprisonment as provided in the penal law, or by both such fine and imprisonment.

(ii) A person who operates a vehicle in violation of subdivision two, two-a, three, four or four-a of section eleven hundred ninety-two of this article after having been convicted of a violation of subdivision two, two-a, three, four or four-a of such section or of vehicular assault in the second or first degree, as defined, respectively, in sections 120.03 and 120.04 and aggravated vehicular assault as defined in section 120.04-a of the penal law or of vehicular manslaughter in the second or first degree, as defined, respectively, in sections 125.12 and 125.13 and aggravated vehicular homicide as defined in section 125.14 of such law, twice within the preceding ten years, shall be guilty of a class D felony, and shall be punished by a fine of not less than two thousand dollars nor more than ten thousand dollars or by a period of imprisonment as provided in the penal law, or by both such fine and imprisonment.

(ii-a) A person who operates a vehicle in violation of subdivision two, two-a, three, four or four-a of section eleven hundred ninety-two of this article after having been convicted of a violation of subdivision two, two-a, three, four or four-a of such section or of vehicular assault in the second or first degree, as defined, respectively, in sections 120.03 and 120.04 and aggravated vehicular assault as defined in section 120.04-a of the penal law or of vehicular manslaughter in the second or first degree, as defined, respectively, in sections 125.12 and 125.13 and aggravated vehicular homicide as defined in section 125.14 of such law, three or more times within the preceding fifteen years, shall be guilty of a class D felony, and shall be punished by a fine of not less than two thousand dollars nor more than ten thousand dollars or by a period of imprisonment as provided in the penal law, or by both such fine and imprisonment.

[~~(iii) In addition to the imposition of any fine or period of imprisonment set forth in this paragraph, the court shall also sentence such person convicted of, or adjudicated a youthful offender for, a violation of subdivision two, two-a or three of section eleven hundred ninety-two of this article to a period of probation or conditional discharge, as a condition of which it shall order such person to install and maintain, in accordance with the provisions of section eleven hundred ninety-eight of this article, an ignition interlock device in any motor vehicle owned or operated by such person during the term of such probation or conditional discharge imposed for such violation of section eleven hundred ninety-two of this article and in no event for a period of less than twelve months; provided, however, that such period of interlock restriction shall terminate upon submission of proof that such person installed and maintained an ignition interlock device for at least six months, unless the court ordered such person to install and maintain a ignition interlock device for a longer period as authorized by this subparagraph and specified in such order. The period of interlock restriction shall commence from the earlier of the date of sentencing, or the date that an ignition interlock device was installed in advance of sentencing. Provided, however, the court may not authorize the operation of a motor vehicle by any person whose license or privilege to operate a motor vehicle has been revoked pursuant to the provisions of this section.~~]

§ 3. Paragraph (g) of subdivision 1 of section 1193 of the vehicle and traffic law, as amended by section 57 of part A of chapter 56 of the laws of 2010, is amended to read as follows:

(g) **Condition of probation and conditional discharge; ignition interlock device requirements; alternative sentence authorized. (1) Definitions. For the purposes of paragraphs (g) through (m) of this subdivision, the terms defined in subdivision one-a of section eleven hundred ninety-eight of this article shall be applicable.**

(2) Ignition interlock device; sentence. In addition to the imposition of any fine or period of imprisonment as set forth in this subdivision and to any license sanction imposed pursuant to subdivision two of this section, the court shall sentence such person convicted of, or adjudicated a youthful offender for, a violation of subdivision two, two-a, three or four-a of section eleven hundred ninety-two of this article to a period of probation or conditional discharge, the conditions of which shall include the following:

(i) an express prohibition on the operation of any motor vehicle without a functioning ignition interlock device from a qualified manufacturer for a period of twelve months or longer, pursuant to the requirements of this paragraph and paragraph (c) of subdivision one-a of this section, and which shall run concurrently with any period of license sanction; and

(ii) such person shall install and maintain in accordance with the provisions of section eleven hundred ninety-eight of this article, an ignition interlock device in any motor vehicle operated by such person for a period of twelve months or longer as set forth in subparagraph four of this paragraph, including the one hundred eighty days after a license has been restored; provided, however, a certificate of completion certifying that such person has operated such motor vehicle free of any events as set forth in paragraph (j) of this subdivision for a period of one hundred twenty consecutive days after the restoration of the operator's license, shall be deemed to have satisfied the conditions of probation or conditional discharge relating to the ignition interlock requirements set forth in this paragraph. The period of interlock restriction shall commence on the date that such ignition interlock device shall have been installed.

(3) Ignition interlock device; alternative sentence. Notwithstanding the provisions of subparagraph two of this paragraph and subdivision two of this section relating to license sanctions, a court may, upon motion of the defendant, impose an alternative sentence upon such person convicted of, or adjudicated a youthful offender for, a violation of subdivision two, two-a, three or four-a of section eleven hundred ninety-two of this article, a period of probation or conditional discharge, the conditions of which shall include the following:

(i) a conditional waiver of the license sanction provisions of subdivision two of this section;

(ii) an express prohibition from operating any vehicle without a functioning ignition interlock device for a period of twelve months or longer pursuant to the requirements of this paragraph and paragraph (c) of subdivision one-a of this section; and

(iii) an order that such person install and maintain, in accordance with the provisions of section eleven hundred ninety-eight of this article, an ignition interlock device in any motor vehicle owned or operated by such person for a period of twelve months or longer, as set forth in subparagraph four of this paragraph; provided, however, a certificate of completion certifying that such person has operated the motor vehicle

free of any events as set forth in paragraph (j) of this subdivision for a period of three hundred consecutive days shall be deemed to have satisfied the conditions of probation or conditional discharge relating to the ignition interlock requirements as set forth in this paragraph. The period of interlock restriction shall commence on the date that such ignition interlock device shall have been installed. The alternative sentence set forth herein may be revoked by the court for cause. This sentence not be imposed on any offender who is subject to the additional penalties set forth in paragraph (a) or (b) of subdivision one-a of this section or who shall have also been convicted of a violation of any provision of article one hundred twenty or one hundred twenty-five of the penal law involving the operation of a motor vehicle.

(4) License restoration. When a sentence is imposed pursuant to subparagraph two or three of this paragraph, in no event shall the commissioner restore the license of any such person until the commissioner receives a certificate of completion certifying that such person has operated the motor vehicle free of any events set forth in paragraph (j) of this subdivision for the applicable time periods imposed pursuant to subparagraphs two and three of this paragraph. Non-compliance with the ignition interlock requirements set forth in paragraph (j) of this subdivision shall cause the respective period of operation to reset from the date of any such violation.

(h) Driving while ability impaired by alcohol; ignition interlock device requirement. Notwithstanding any other provision of law to the contrary, when a person is charged with a violation of subdivision two, two-a, three, or four-a of section eleven hundred ninety-two of this article and a plea of guilty shall have been entered in satisfaction of such charge to a violation of subdivision one of section eleven hundred ninety-two of this article, and the person has either: (1) had a prior conviction for a violation of any provision of section eleven hundred ninety-two of this article within the previous ten years; (2) registered a BAC of .13 or more; (3) has refused to submit to a chemical test of his or her blood, breath, urine or saliva pursuant to the provisions of section eleven hundred ninety-four of this article, or (4) the underlying charge involved the combined use of drugs and alcohol, the conditions of such plea shall include an express prohibition on the operation of any motor vehicle without a functioning ignition interlock device for a period of six months, and which shall run concurrently with any period of license sanction, and that such person shall install and maintain an ignition interlock device for a period of not less than six months on any motor vehicle owned or operated by such person. If the court accepts the plea to the reduced charge, the court shall sentence such person to a conditional discharge which shall include such requirement in addition to any fine required by this article and any other condition authorized by law or otherwise imposed by the court. A certificate of completion certifying that such person has operated the motor vehicle free of any events as set forth in paragraph (j) of this subdivision for a period of ninety consecutive days after the date of installation, shall be deemed to have satisfied the conditions of such plea relating to the ignition interlock requirements set forth in this paragraph. The period of interlock restriction shall be deemed to commence from the date such ignition interlock device shall have been installed. If such person is found to have violated the terms of the use of such ignition interlock device as set forth in paragraph (j) of this subdivision, such ninety day period shall reset from the date of any such violation.

(i) Permanent revocation; ignition interlock requirement. A person subject to a permanent license revocation pursuant to a provision of this chapter or any rule promulgated pursuant to this chapter, when the underlying basis for the permanent revocation relates to two or more violations of section eleven hundred ninety-two of this article and/or refusal to submit to a chemical test pursuant to section eleven hundred ninety-four of this article, such person shall be entitled to apply to the commissioner for a post-revocation conditional license provided that the person has not within the past twenty-five years been convicted of a violation of article one hundred twenty or article one hundred twenty-five of the penal law related to the operation of a motor vehicle, and the person has been subject to a license revocation for not less than five years and has not, during that period, been convicted of a violation of this chapter regarding the operation of a motor vehicle. Upon application, the commissioner shall provide such applicant with a post-revocation conditional license subject to the following conditions:

(1) submission of proof that all sanctions imposed as a result of the previous convictions have been satisfied, including but not limited to, completion of the impaired driving program and/or proof of rehabilitative effort, where either or both are required, payment of all fines and mandatory surcharges, and payment of any restitution required as a result of such convictions;

(2) an express prohibition on the operation of any motor vehicle without a functioning ignition interlock device for a period of twenty-four months as set forth in this paragraph; and

(3) such person shall install and maintain in accordance with the provisions of section eleven hundred ninety-eight of this article, an ignition interlock device in any motor vehicle owned or operated by such person, for a period of twenty-four months. Where all other conditions or the sentence have been satisfied pursuant to subparagraph one of this paragraph, there shall be a rebuttable presumption of rehabilitation for the purpose of petitioning the commissioner for restoration of the operator's license to operate a motor vehicle upon a certificate of completion certifying that such person has operated such motor vehicle free of any violations of this chapter, excepting violations related to standing, stopping or parking, and has been free of any events set forth in paragraph (j) of this subdivision during the post-revocation conditional license period. A violation of section five hundred eleven of this chapter, any provision of section eleven hundred ninety-two of this article, or refusal to submit to a chemical test pursuant to section eleven hundred ninety-four of this article during the post-revocation conditional license period will result in immediate revocation of such license subject to the rules of the commissioner. The period of interlock restriction shall commence on the date that such ignition interlock device shall have been installed.

(j) Non-compliance with ignition interlock requirements. For purposes of paragraphs (g), (h) and (i) of this subdivision, the following events shall be deemed to be non-compliant with the ignition interlock device requirements:

(1) any violation of the provisions set forth in subdivision nine of section eleven hundred ninety-eight of this article regarding circumventing or tampering with an ignition interlock device or operating a vehicle without a functioning interlock device, regardless of the underlying basis for the ignition interlock requirement; or

(2) a certified violation on a form provided by the division of criminal justice services that such person has:

(i) attempted to start his or her vehicle when the start-up test resulted in a blood alcohol concentration level of at or above the set point of .025, unless a subsequent test performed within ten minutes thereafter registers a blood alcohol concentration level lower than the set point and the digital image provided confirms that the same person provided both samples;

(ii) missed any random test, unless a review of the digital image confirms that such vehicle was not occupied by the driver at the time of the missed test;

(iii) failed any random test or re-test, unless a subsequent test performed within ten minutes registers a blood alcohol concentration level below the set point of .025, and the digital image confirms that the same person provided both samples; or

(iv) failed to appear at the installation/service provider for installation or for a service visit when required for maintenance, repair, calibration, monitoring, inspection, or replacement of such device. When applicable, a certificate of non-compliance shall be accompanied by a contemporaneous digital image verifying the identity of the violator.

(k) Duration of ignition interlock requirement. In any case set forth in this subdivision where the period of the ignition interlock requirement exceeds the period of probation or conditional discharge, and the court has not otherwise extended its jurisdiction over the matter, it shall remain in full force and effect subject to the administrative jurisdiction of the commissioner and any rule promulgated by the commissioner to effectuate the provisions of this subdivision.

(l) Ignition interlock device requirements; terms of imprisonment. When a sentence imposed pursuant to this subdivision includes a term of imprisonment, the satisfaction of such term of imprisonment shall not reduce or otherwise limit the requirements set forth in paragraph (g) of this subdivision.

(m) A person who has successfully satisfied the ignition interlock requirements set forth in paragraph (g) or (h) of this subdivision shall no longer be subject to the provisions of section eleven hundred ninety-nine of this article relating to the driver responsibility assessment and any fee paid by such person pursuant to such section shall be returned by the commissioner upon satisfactory proof of compliance.

(n) The office of probation and correctional alternatives shall recommend to the commissioner of the division of criminal justice services regulations governing the monitoring of compliance by persons ordered to install and maintain ignition interlock devices to provide standards for monitoring by departments of probation, and options for monitoring of compliance by such persons, that counties may adopt as an alternative to monitoring by a department of probation.

§ 4. Paragraph (c) of subdivision 1-a of section 1193 of the vehicle and traffic law, as amended by chapter 669 of the laws of 2007, is amended to read as follows:

(c) A court sentencing a person pursuant to paragraph (a) or (b) of this subdivision shall: (i) order, as a condition of such sentence, the installation of an ignition interlock device approved pursuant to section eleven hundred ninety-eight of this article in any motor vehicle owned or operated by the person so sentenced. Such devices shall remain installed during any period of license revocation required to be imposed pursuant to paragraph (b) of subdivision two of this section, and, upon the termination of such revocation period, for an additional period as determined by the court or as otherwise provided in paragraph (g) of subdivision one of this section; and (ii) order that such person receive

an assessment of the degree of their alcohol or substance abuse and dependency pursuant to the provisions of section eleven hundred ninety-eight-a of this article. Where such assessment indicates the need for treatment, such court is authorized to impose treatment as a condition of such sentence except that such court shall impose treatment as a condition of a sentence of probation or conditional discharge pursuant to the provisions of subdivision three of section eleven hundred ninety-eight-a of this article. Any person ordered to install an ignition interlock device pursuant to this paragraph shall be subject to **paragraph (g) of subdivision one of this section and** the provisions of subdivisions four, five, seven, eight and nine of section eleven hundred ninety-eight of this article.

§ 5. Subdivisions 1, 2, 3, 4 and 5 of section 1198 of the vehicle and traffic law, subdivisions 1, 2, 3, 4 and paragraph (a) of subdivision 5 as amended by chapter 496 of the laws of 2009, paragraph (a) of subdivision 4 as amended by chapter 169 of the laws of 2013, and subdivision 5 as amended by chapter 669 of the laws of 2007, are amended and a new subdivision 1-a is added to read as follows:

1. Applicability. The provisions of this section shall apply throughout the state to each person required or otherwise ordered by a court as a condition of **sentence, plea,** probation or conditional discharge**, which shall prohibit the operation of a motor vehicle without a functioning ignition interlock device and requires such person** to install and [~~operate~~] **maintain** an ignition interlock device in any vehicle [~~which he or she owns or operates~~] **owned or operated by such person**.

1-a. Definitions. For the purposes of this section and subdivision one of section eleven hundred ninety-three of this article, the following terms shall have the following meanings:

(a) The term "blood alcohol concentration" or "BAC" shall mean the weight amount of alcohol contained in a unit volume of blood, measured as grams ethanol/one hundred milliliters blood, and expressed as % BAC.

(b) The term "certificate of completion" shall mean a document issued by the monitor after the conclusion of the ignition interlock period set by the criminal court, including any extensions or modifications as may have subsequently occurred which shows either satisfactory completion of the ignition interlock condition or a change by the court in a pre-sentence order no longer requiring the need for a device, or a change in the conditions of probation or conditional discharge no longer requiring the need for a device after completion of the ignition interlock period as set forth in section eleven hundred ninety-three of this article.

(c) The term "circumvent" shall mean to request, solicit or allow any other person to blow into an ignition interlock device or to start a motor vehicle equipped with the device, for the purpose of providing the operator whose driving privileges is so restricted with an operable motor vehicle, or to blow into an ignition interlock device or start a motor vehicle equipped with the device for the purpose of providing an operable motor vehicle to a person whose driving privilege is so restricted or to tamper with an operable ignition interlock device.

(d) The term "county" shall mean every county outside of the city of New York, and the city of New York as a whole.

(e) The term "division" shall mean the division of criminal justice services.

(f) The term "drinking driver program" or "impaired driver program" shall mean an alcohol and drug rehabilitation program established pursuant to section eleven hundred ninety-six of this article.

(g) The term "failed tests" shall mean a start-up re-test or rolling re-test at or above the set point, or a missed rolling re-test.

(h) The term "ignition interlock monitor" or "monitor" shall mean the local probation department where the operator is under interim probation supervision or probation or any person or entity designated in the county's ignition interlock program plan for any operator granted conditional discharge or otherwise required to install an ignition interlock device who monitors compliance with the provisions of this section and the concurrent regulations related thereto.

(i) The term "installation/service provider" shall mean an entity located in the state approved by a qualified manufacturer that installs, services, and/or removes an ignition interlock device.

(j) The term "operator" shall mean a person who is subject to installation of an ignition interlock device arising from a charge or conviction under this article or the penal law, where a violation of this article is an essential element thereof, or arising from a youthful adjudication of any such offense.

(k) The term "owned or operated" shall refer to a vehicle owned by the person required by a court to install an ignition interlock device as a condition of probation or conditional discharge or, alternatively, the vehicle most regularly operated by such person regardless of registration or title.

(l) The term "qualified manufacturer" shall mean a manufacturer or distributor of an ignition interlock device certified by the department of health which has satisfied the specific operational requirements herein and has been approved as an eligible vendor by the division in the designated region where the county is located.

(m) The term "random test" shall include a start-up re-test, a rolling test, or rolling re-test as those terms are defined herein.

(n) The term "start-up test" shall mean a breath test taken by the operator to measure the operator's blood alcohol concentration prior to starting the vehicle's ignition.

(o) The term "start-up re-test" shall mean a breath test taken by the operator to measure the operator's blood alcohol concentration required within five to fifteen minutes of a failed start-up test.

(p) The term "rolling test" shall mean a breath test, administered at random intervals, taken by the operator while the vehicle is running.

(q) The term "rolling re-test" shall mean a breath test, taken by the operator while the vehicle is running, within one to three minutes after a failed or missed rolling test.

(r) The term "failed rolling re-test" shall mean a rolling re-test in which the operator's BAC is at or above the set point.

(s) The term "missed rolling re-test" shall mean failure to take the rolling re-test within the time period allotted to do so.

(t) The term "service visit" shall mean a visit by the operator or another driver of the subject vehicle to or with the installation/service provider for purposes of having the ignition interlock device inspected for repair, defect, and detection of tampering and/or circumvention, downloaded, recalibrated, or maintained.

(u) The term "set point" shall mean a pre-set or pre-determined BAC setting at which, or above, the device will prevent the ignition of a motor vehicle from operating. For the purposes of this section and

subdivision one of section eleven hundred ninety-three of this article, the set point shall be a BAC of .025.

(v) The term "tamper" shall mean to alter, disconnect, physically disable, remove, deface, or destroy an ignition interlock device or any of its component seals.

2. Requirements. (a) In addition to any other penalties prescribed by law, the court shall require that any person who has been convicted [~~of~~] or adjudicated a youthful offender for a violation of subdivision two, two-a [~~or~~], three or four-a of section eleven hundred ninety-two of this article, or any crime defined by this chapter or the penal law of which an alcohol-related violation of any provision of section eleven hundred ninety-two of this article is an essential element, [~~to~~] shall not operate a motor vehicle without a functioning ignition interlock device and shall install and maintain, as a condition of plea, sentence, probation or conditional discharge, a functioning ignition interlock device in accordance with the provisions of this section and, as applicable, in accordance with the provisions of subdivisions one and one-a of section eleven hundred ninety-three of this article; provided, however, the court may not authorize the operation of a motor vehicle by any person whose license or privilege to operate a motor vehicle has been revoked except as provided herein. For any such individual subject to a sentence of probation, installation and maintenance of such ignition interlock device shall be a condition of probation.

(b) Nothing contained in this section shall prohibit a court, upon application by a probation department, from modifying the conditions of probation of any person convicted of any violation set forth in paragraph (a) of this subdivision prior to the effective date of this section, to require the installation and maintenance of a functioning ignition interlock device, and such person shall thereafter be subject to the provisions of this section.

[~~(c) Nothing contained in this section shall authorize a court to sentence any person to a period of probation or conditional discharge for the purpose of subjecting such person to the provisions of this section, unless such person would have otherwise been so eligible for a sentence of probation or conditional discharge.~~]

3. Conditions. (a) [~~Notwithstanding any other provision of law~~] Except as otherwise provided for sentences imposed pursuant to paragraph (g) of subdivision one of section eleven hundred ninety-three of this article, the commissioner may grant a post-revocation conditional license, as set forth in paragraph (b) of this subdivision, to a person who has been convicted of a violation of subdivision two, two-a [~~or~~], three or four-a of section eleven hundred ninety-two of this article and who has been sentenced to a period of probation or conditional discharge, provided the person has satisfied the minimum period of license revocation established by law and the commissioner has been notified that such person may operate only a motor vehicle equipped with a functioning ignition interlock device. No such request shall be made nor shall such a license be granted, however, if such person has been found by a court to have committed a violation of section five hundred eleven of this chapter during the license revocation period or deemed by a court to have violated any condition of probation or conditional discharge set forth by the court relating to the operation of a motor vehicle or the consumption of alcohol. In exercising discretion relating to the issuance of a post-revocation conditional license pursuant to this subdivision, the commissioner shall not deny such issuance based solely upon the number of convictions for violations of any subdivision of section

eleven hundred ninety-two of this article committed by such person within the ten years prior to application for such license. Upon the termination of the period of probation or conditional discharge set by the court, the person may apply to the commissioner for restoration of a license or privilege to operate a motor vehicle in accordance with this chapter.

(b) Notwithstanding any inconsistent provision of this chapter, a post-revocation conditional license granted pursuant to paragraph (a) of this subdivision shall be valid only for use by the holder thereof, (1) [~~enroute~~] en route to and from the holder's place of employment, (2) if the holder's employment requires the operation of a motor vehicle then during the hours thereof, (3) [~~enroute~~] en route to and from a class or course at an accredited school, college or university or at a state approved institution of vocational or technical training, (4) to and from court ordered probation activities, (5) to and from a motor vehicle office for the transaction of business relating to such license, (6) for a three hour consecutive daytime period, chosen by the department, on a day during which the participant is not engaged in usual employment or vocation, (7) [~~enroute~~] en route to and from a medical examination or treatment as part of a necessary medical treatment for such participant or member of the participant's household, as evidenced by a written statement to that effect from a licensed medical practitioner, (8) [~~enroute~~] en route to and from a class or an activity which is an authorized part of the alcohol and drug rehabilitation program and at which participant's attendance is required, and (9) [~~enroute~~] en route to and from a place, including a school, at which a child or children of the participant are cared for on a regular basis and which is necessary for the participant to maintain such participant's employment or enrollment at an accredited school, college or university or at a state approved institution of vocational or technical training.

(c) The post-revocation conditional license described in this subdivision may be revoked by the commissioner for sufficient cause including but not limited to, failure to comply with the terms of the condition of probation or conditional discharge set forth by the court, conviction of any traffic offense other than one involving parking, stopping or standing [~~or~~], conviction of any alcohol or drug related offense, misdemeanor or felony, any violation of this article with respect to operating a motor vehicle without a functioning ignition interlock device when required to do so, or failure to install or maintain a court ordered ignition interlock device.

(d) Nothing contained herein shall prohibit the court from requiring, as a condition of probation or conditional discharge, the installation of a functioning ignition interlock device in any vehicle owned or operated by a person sentenced for a violation of subdivision two, two-a, [~~or~~] three or four-a of section eleven hundred ninety-two of this [~~chapter~~] article, or any crime defined by this chapter or the penal law of which an alcohol-related violation of any provision of section eleven hundred ninety-two of this [~~chapter~~] article is an essential element, if the court in its discretion, determines that such a condition is necessary to ensure the public safety. Imposition of an ignition interlock condition shall in no way limit the effect of any period of license suspension or revocation set forth by the commissioner or the court.

(e) Nothing contained herein shall prevent the court from applying any other conditions of probation or conditional discharge allowed by law, including treatment for alcohol or drug abuse, restitution and community service.

(f) The commissioner shall note on the operator's record of any person restricted pursuant to this section that, in addition to any other restrictions, conditions or limitations, such person may operate only a motor vehicle equipped with an ignition interlock device.

4. Proof of compliance and recording of condition. (a) Following imposition by the court of the use of an ignition interlock device as a condition **plea, sentence,** of probation or conditional discharge it shall require the person to provide proof of compliance with this section to the court and the probation department or other monitor where such person is under probation or conditional discharge supervision. **A claim by such person that he or she has good cause for not installing an ignition interlock device shall be made to the court at or before sentencing, in writing in the form of a sworn affidavit signed by such person asserting under oath that: (1) he or she is not the registered or titled owner of any motor vehicle and will not operate any motor vehicle during the period of restriction; and (2) that such person does not have access to the vehicle operated by such person at the time of the violation of section eleven hundred ninety-two of this article; and (c) that the registered owner of that vehicle or any vehicle registered to such person's household will not give consent for the installation of an interlock device on his or her vehicle. The affidavit shall include a statement regarding whether such person owned any motor vehicle on the date of the underlying violation of section eleven hundred ninety-two of this article and whether ownership of any of those vehicles has been transferred to another party by sale, gift or any other means since the date of said violation. The affidavit shall also include a statement from such person that he or she has not and will not transfer ownership of any vehicle to evade installation of an ignition interlock device, the address of such person's employment, if applicable, and how such person intends to travel to that location during the period of restriction. The person also may include any other facts and circumstances he or she believes to be relevant to the claim of good cause. The court shall make a finding whether good cause exists on the record and, if good cause shall be found, issue such finding in writing to be filed by such person with the probation department or the ignition interlock monitor, as appropriate. In the event the court denies such person's claim of good cause on the basis of the affidavit filed with the court, such persons shall be given an opportunity to be heard. Such person shall also be permitted to waive the opportunity to be heard, if he or she chooses to do so.** If [~~the~~] **a** person **shall be ordered to install and maintain an ignition interlock device, and such person** fails to provide for such proof of installation, absent a finding by the court of good cause for that failure which is entered in the record, the court may revoke, modify, or terminate the person's sentence of probation or conditional discharge as provided under law. [~~**Good cause may include a finding that the person is not the owner of a motor vehicle if such person asserts under oath that such person is not the owner of any motor vehicle and that he or she will not operate any motor vehicle during the period of interlock restriction except as may be otherwise authorized pursuant to law.**~~] "Owner" shall have the same meaning as provided in section one hundred twenty-eight of this chapter.

(b) When a court imposes the condition specified in subdivision one of this section, the court shall notify the commissioner in such manner as the commissioner may prescribe, and the commissioner shall note such condition on the operating record of the person subject to such conditions.

5. Cost, installation and maintenance. (a) The cost of installing and maintaining the ignition interlock device shall be borne by the person subject to such condition unless the court determines such person is financially unable to afford such cost whereupon such cost may be imposed pursuant to a payment plan or waived. In the event of such waiver, the cost of the device shall be borne in accordance with regulations issued under paragraph (g) of subdivision one of section eleven hundred ninety-three of this article or pursuant to such other agreement as may be entered into for provision of the device. Such cost shall be considered a fine for the purposes of subdivision five of section 420.10 of the criminal procedure law. Such cost shall not replace, but shall instead be in addition to, any fines, surcharges, or other costs imposed pursuant to this chapter or other applicable laws.

(b) The installation and service provider of the device shall be responsible for the installation, calibration, and maintenance of such device.

(c) Failure to install such device, failure to appear for a service visit or failure to comply with service instructions or circumvention of or tampering with the device, in violation of regulations promulgated by the division of criminal justice services, shall constitute a violation of the conditions of a person's sentence, probation or conditional discharge.

§ 6. Paragraph (k-1) of subdivision 2 of section 65.10 of the penal law, as amended by chapter 669 of the laws of 2007, is amended to read as follows:

(k-1) Install and maintain a functioning ignition interlock device, as that term is defined in section one hundred nineteen-a of the vehicle and traffic law, in any vehicle owned or operated by the defendant [~~if the court in its discretion determines that such a condition is necessary to ensure the public safety. The court may require such condition only where a person has been convicted of a violation of subdivision two, two-a or three of section eleven hundred ninety-two of the vehicle and traffic law, or any crime defined by the vehicle and traffic law or this chapter of which an alcohol-related violation of any provision of section eleven hundred ninety-two of the vehicle and traffic law is an essential element. The offender shall be required~~], **, provided the court shall require the defendant** to install and operate the ignition interlock device [~~only~~] in accordance with **the provisions of paragraphs (g), (h), (j) and (l) of subdivision one of section eleven hundred ninety-three and** section eleven hundred ninety-eight of the vehicle and traffic law.

§ 7. The division of criminal justice services is authorized and directed to compile and publish annually a report on its website of the total number of repeat convictions with respect to violations of section 1192 of the vehicle and traffic law for the five years succeeding the effective date of this act, and shall also include the total number of repeat convictions for the five years preceding the effective date in such report. The division is authorized and directed to coordinate with any other agency, authority, department, division, bureau, or political subdivision to compile this information, including without limitation the governor's highway traffic safety committee.

§ 8. The commissioner of the division of criminal justice services, in consultation with the commissioner of the department of motor vehicles, shall promulgate any rules or regulations necessary to effectuate the provisions of this act.

§ 9. This act shall take effect on the first of November next succeeding the date on which it shall have become a law, provided, however, that the amendments to section 1198 of the vehicle and traffic law made by section five of this act shall not affect the repeal of such section and shall be deemed repealed therewith.

SUBPART C

Section 1. Paragraph (a) of subdivision 1 of section 1197 of the vehicle and traffic law, as separately amended by chapters 196 and 688 of the laws of 1996 and subparagraph 3 as amended by chapter 345 of the laws of 2007, is amended to read as follows:

(a) Where a county establishes a special traffic options program for driving while intoxicated, pursuant to this section, it shall receive fines and forfeitures collected by any court, judge, magistrate or other officer within that county, including, where appropriate, a hearing officer acting on behalf of the commissioner[~~,~~]: (1) imposed for violations of subparagraphs (ii) and (iii) of paragraph (a) of subdivision two or subparagraph (i) of paragraph (a) of subdivision three of section five hundred eleven of this chapter; (2) imposed in accordance with the provisions of section eleven hundred ninety-three and civil penalties imposed pursuant to subdivision two of section eleven hundred ninety-four-a of this article, including, where appropriate, a hearing officer acting on behalf of the commissioner, from violations of sections eleven hundred ninety-two, eleven hundred ninety-two-a and findings made under section eleven hundred ninety-four-a of this article; and (3) imposed upon a conviction for: aggravated vehicular assault, pursuant to section 120.04-a of the penal law; vehicular assault in the first degree, pursuant to section 120.04 of the penal law; vehicular assault in the second degree, pursuant to section 120.03 of the penal law; aggravated vehicular homicide, pursuant to section 125.14 of the penal law; vehicular manslaughter in the first degree, pursuant to section 125.13 of the penal law; and vehicular manslaughter in the second degree, pursuant to section 125.12 of the penal law, as provided in section eighteen hundred three of this chapter. **In addition, any surcharges imposed pursuant to sections eighteen hundred nine-c and eighteen hundred nine-e of this chapter shall be paid to such county in such manner and for such purposes as provided for in such sections.** Upon receipt of these moneys, the county shall deposit them in a separate account entitled "special traffic options program for driving while intoxicated" and they shall be under the exclusive care, custody and control of the chief fiscal officer of each county participating in the program.

§ 2. Subdivision 9 of section 1803 of the vehicle and traffic law, as amended by chapter 196 of the laws of 1996 and the opening paragraph as amended by chapter 345 of the laws of 2007, is amended to read as follows:

9. **a.** Where a county establishes a special traffic options program for driving while intoxicated, approved by the commissioner [~~**of motor vehicles**~~], pursuant to section eleven hundred ninety-seven of this chapter, all fines, penalties and forfeitures**: (1) imposed and** collected [~~**from**~~] **for** violations of subparagraphs (ii) and (iii) of paragraph (a) of subdivision two or subparagraph (i) of paragraph (a) of subdivision three of section five hundred eleven[~~**, all fines, penalties and forfeitures**~~] **of this chapter; (2)** imposed **and collected** in accordance with section eleven hundred ninety-three of this chapter [~~**collected from**~~] **for**

violations of section eleven hundred ninety-two of this chapter; [~~and any fines or forfeitures~~] (3) collected by any court, judge, magistrate or other officer imposed upon a conviction for: aggravated vehicular assault, pursuant to section 120.04-a of the penal law; vehicular assault in the first degree, pursuant to section 120.04 of the penal law; vehicular assault in the second degree, pursuant to section 120.03 of the penal law; aggravated vehicular homicide, pursuant to section 125.14 of the penal law; vehicular manslaughter in the first degree, pursuant to section 125.13 of the penal law; and vehicular manslaughter in the second degree, pursuant to section 125.12 of the penal law; and (4) civil penalties imposed pursuant to subdivision two of section eleven hundred ninety-four-a of this chapter, shall be paid to such county. In addition, any surcharges imposed pursuant to sections eighteen hundred nine-c and eighteen hundred nine-e of this chapter shall be paid to such county in such manner and for such purposes as provided for in such sections.

[~~(a)~~] b. Any such fine, penalty, or forfeiture collected by any court, judge, magistrate or other officer referred to in subdivision one of section thirty-nine of the judiciary law, establishing a unified court budget, shall be paid to that county within the first ten days of the month following collection.

[~~(b)~~] c. Any such fine, penalty, or forfeiture collected by any other court, judge, magistrate or other officer, including, where appropriate, a hearing officer acting on behalf of the commissioner, shall be paid to the state comptroller within the first ten days of the month following collection. Every such payment to the comptroller shall be accompanied by a statement in such form and detail as the comptroller shall provide. The comptroller shall pay these funds to the county in which the violation occurs.

[~~(c)~~] d. Upon receipt of any monies referred to in this section, the county shall deposit them in a separate account entitled "special traffic options program for driving while intoxicated".

§ 3. Subdivisions 1 and 2 of section 1809-c of the vehicle and traffic law, as added by section 37 of part J of chapter 62 of the laws of 2003, are amended to read as follows:

1. Notwithstanding any other provision of law, whenever proceedings in a court of this state result in a conviction pursuant to section eleven hundred ninety-two of this chapter or subparagraphs (ii) and (iii) of paragraph (a) of subdivision two or subparagraph (i) of paragraph (a) of subdivision three of section five hundred eleven of this chapter, there shall be levied, in addition to any sentence or other surcharge required or permitted by law, an additional surcharge of twenty-five dollars.

2. The additional surcharge provided for in subdivision one of this section shall be paid to the clerk of the court that rendered the conviction. Within the first ten days of the month following collection of the surcharge the collecting authority shall determine the amount of surcharge collected and it shall pay such money to the state comptroller who shall deposit such money in the state treasury pursuant to section one hundred twenty-one of the state finance law to the credit of the general fund; provided, however, commencing on April first, two thousand twenty-four, all such moneys shall be paid to counties pursuant to subdivision one of section eleven hundred ninety-seven of this chapter and shall be used by each such county for programs and initiatives specifically designed and established to reduce the incidence of drug-impaired driving.

§ 4. Paragraph b of subdivision 1 and subdivision 2 of section 1809-e of the vehicle and traffic law, as added by section 1 of part EE of chapter 56 of the laws of 2008, are amended to read as follows:

b. Notwithstanding any other provision of law, whenever proceedings in a court of this state result in a conviction pursuant to section eleven hundred ninety-two of this chapter **or subparagraphs (ii) and (iii) of paragraph (a) of subdivision two or subparagraph (i) of paragraph (a) of subdivision three of section five hundred eleven of this chapter**, there shall be levied, in addition to any sentence or other surcharge required or permitted by law, an additional surcharge of one hundred seventy dollars.

2. The additional surcharges provided for in subdivision one of this section shall be paid to the clerk of the court or administrative tribunal that rendered the conviction. Within the first ten days of the month following collection of such surcharges, the collecting authority shall pay such money to the state comptroller to be deposited to the general fund**; provided, however, commencing on April first, two thousand twenty-five, fifty percent of such surcharge shall be paid to the state comptroller to be deposited to the general fund and fifty percent of such surcharge shall be paid to counties pursuant to subdivision one of section eleven hundred ninety-seven of this chapter and shall be used by each such county for programs and initiatives specifically designed and established to reduce the incidence of drug-impaired driving; and provided further, commencing April first, two thousand twenty-six and every fiscal year thereafter, one hundred percent of such surcharge shall be paid to counties pursuant to subdivision one of section eleven hundred ninety-seven of this chapter and shall be used by each such county for programs and initiatives specifically designed and established to reduce the incidence of drug-impaired driving**.

§ 5. The commissioner of motor vehicles shall annually certify to the division of the budget that all program plans eligible for funding pursuant to this act are in full compliance with the provisions of section 1197 of the vehicle and traffic law establishing the special traffic options program for driving while intoxicated, the rules promulgated pursuant to 15 NYCRR 172 relating to such program and the provisions of this act.

§ 6. This act shall take effect April 1, 2024.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or subpart 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 subpart 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 Subparts A through C of this act shall be as specifically set forth in the last section of such Subparts.

PART M

Section 1. Subdivisions 3 and 3-a of section 205 of the vehicle and traffic law, subdivision 3 as amended by section 3 of part G of chapter 59 of the laws of 2008, and subdivision 3-a as added by section 1 of

part F of chapter 58 of the laws of 2012, are amended to read as follows:

3. Each such county clerk shall retain from fees collected for any motor vehicle related service described in subdivision one of this section processed by such county clerk an amount based on a percentage of gross receipts collected. For purposes of this section, the term "gross receipts" shall include all fines, fees and penalties collected pursuant to this chapter by a county clerk acting as agent of the commissioner, but shall not include any state or local sales or compensating use taxes imposed under or pursuant to the authority of articles twenty-eight and twenty-nine of the tax law and collected by such clerk on behalf of the commissioner of taxation and finance. The retention percentage shall be [~~12.7~~] **10.75** percent [~~and shall take effect April first, nineteen hundred ninety-nine; provided, however, the retention percentage shall be thirty percent of the thirty dollar fee established in paragraph (e) of subdivision two of section four hundred ninety-one and paragraph f-one of subdivision two of section five hundred three of this chapter~~].

3-a. In addition to the fees retained pursuant to subdivision three of this section, each county clerk acting as the agent of the commissioner pursuant to subdivision one of this section shall retain [~~four percent~~] **a percentage** of "enhanced internet and electronic partner revenue" collected by the commissioner. For the purposes of this subdivision, "enhanced internet and electronic partner revenue" shall mean the amount of gross receipts attributable to all transactions conducted on the internet by residents of such county and by designated partners of the department on behalf of such residents for the current calendar year [~~that exceeds the amount of such revenue collected by the commissioner during calendar year two thousand eleven~~]. The commissioner shall certify the amounts to be retained by each county clerk pursuant to this subdivision. [~~Provided, however, that if the aggregate amount of fees retained by county clerks pursuant to this subdivision in calendar years two thousand twelve and two thousand thirteen combined exceeds eighty-eight million five hundred thousand dollars, then the percentage of fees to be retained thereafter shall be reduced to a percentage that, if applied to the fees collected during calendar years two thousand twelve and two thousand thirteen combined, would have resulted in an aggregate retention of eighty-eight million five hundred thousand dollars or 2.5 percent of enhanced internet and electronic partner revenue, whichever is higher. If the aggregate amount of fees retained by county clerks pursuant to this subdivision in calendar years two thousand twelve and two thousand thirteen combined is less than eighty-eight million five hundred thousand dollars, then the percentage of fees to be retained thereafter shall be increased to a percentage that, if applied to the fees collected during calendar years two thousand twelve and two thousand thirteen combined, would have resulted in an aggregate retention of eighty-eight million five hundred thousand dollars, or six percent of enhanced internet and electronic partner revenue, whichever is less. On and after April first, two thousand sixteen, the percent of enhanced internet and electronic partner revenue to be retained by county clerks shall be the average of the annual percentages that were in effect between April first, two thousand twelve and March thirty-first, two thousand sixteen.~~] **The retention percentage shall be 10.75 percent.**

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

PART N

Section 1. Subdivision 2 of section 237 of the vehicle and traffic law, as amended by chapter 458 of the laws of 2010, is amended to read as follows:

2. To provide for penalties other than imprisonment for (a) parking violations in accordance with a schedule of monetary fines and penalties, provided however, that monetary penalties shall not exceed fifty dollars for each parking violation other than (i) in a city with a population of one million or more, violations committed in spaces where stopping or standing is prohibited for which monetary penalties shall not exceed one hundred dollars and, (ii) handicapped parking violations for which monetary penalties shall not exceed one hundred fifty dollars; and (b) abandoned vehicle violations, except in a city with a population of one million or more, provided however, that monetary penalties shall not be less than two hundred fifty dollars nor more than one thousand dollars for each abandoned vehicle violation; and (c) a city with a population of one million or more may impose a monetary penalty of [~~up to two hundred fifty~~] **one thousand** dollars for [~~a first~~] **each** offense [~~and up to five hundred dollars for subsequent offenses within a six month period~~] for tractor-trailer combinations, tractors, truck trailers and semi-trailers parked overnight on streets in residential neighborhoods;

§ 2. Subdivision 2 of section 238 of the vehicle and traffic law, as amended by chapter 224 of the laws of 1995, is amended to read as follows:

2. A notice of violation shall be served personally upon the operator of a motor vehicle who is present at the time of service, and his name, together with the plate designation and the plate type as shown by the registration plates of said vehicle and the expiration date**, provided that the vehicle identification number may be inserted in such notice in place of or in addition to the plate designation and plate type**; the make or model, and**, provided that a body type is indicated on the registration sticker of said vehicle, the** body type of said vehicle; a description of the charged violation, including but not limited to a reference to the applicable traffic rule or provision of this chapter; information as to the days and hours the applicable rule or provision of this chapter is in effect, unless always in effect pursuant to rule or this chapter and where appropriate the word ALL when the days and/or hours in effect are everyday and/or twenty-four hours a day; the meter number for a meter violation, where appropriate; and the date, time and particular place of occurrence of the charged violation, shall be inserted therein. A mere listing of a meter number in cases of charged meter violations shall not be deemed to constitute a sufficient description of a particular place of occurrence for purposes of this subdivision. The notice of violation shall be served upon the owner of the motor vehicle if the operator is not present, by affixing such notice to said vehicle in a conspicuous place. Whenever such notice is so affixed, in lieu of inserting the name of the person charged with the violation in the space provided for the identification of said person, the words "owner of the vehicle bearing license" may be inserted to be followed by the plate designation and plate type as shown by the registration plates of said vehicle together with the expiration date**, provided that the vehicle identification number may be inserted in such notice in place of or in addition to the plate designation and plate type**; the make or model, and**, provided that a body type is indicated on the registration sticker of said vehicle, the** body type of said vehicle; a description of the charged violation, including but not limited to a

reference to the applicable traffic rule or provision of this chapter; information as to the days and hours the applicable rule or provision of this chapter is in effect unless always in effect pursuant to rule or this chapter and where appropriate the word ALL when the days and/or hours in effect are every day and/or twenty-four hours a day; the meter number for a meter violation where appropriate; and the date, time and particular place of occurrence of the charged violation. Service of the notice of violation, or a duplicate thereof by affixation as herein provided shall have the same force and effect and shall be subject to the same penalties for disregard thereof as though the same was personally served with the name of the person charged with the violation inserted therein.

§ 3. Paragraph (a) of subdivision 2-a of section 238 of the vehicle and traffic law, as added by chapter 224 of the laws of 1995, is amended to read as follows:

(a) Notwithstanding any inconsistent provision of subdivision two of this section, where the plate type or the expiration date are not shown on either the registration plates or sticker of a vehicle or where the registration sticker is covered, faded, defaced or mutilated so that it is unreadable, **or cannot be located on such vehicle,** the plate type or the expiration date may be omitted from the notice of violation; provided, however, [~~such~~] **that the** condition **of such plates or sticker** must be so described and inserted on the notice of violation.

§ 4. Subparagraph (ii) of paragraph (c) of subdivision 2-a of section 238 of the vehicle and traffic law, as added by chapter 409 of the laws of 2001, is amended to read as follows:

(ii) Notice shall be served on the owner by mail to the last known registered address **within six years of the dismissal or** within two years of the time that the enforcing authority discovers, or could with reasonable diligence have discovered, that the dismissal was procured due to the knowing fraud, false testimony, misrepresentation, or other misconduct, or the knowing alteration of a notice of parking violation, by the person so charged or his or her agent, employee, or representative. Such notice shall fix a time when and place where a hearing shall be held before a hearing examiner to determine whether or not dismissal of a charged parking violation shall be set aside. Such notice shall set forth the basis for setting aside the dismissal and advise the owner that failure to appear at the date and time indicated in such notice shall be deemed an admission of liability and shall result in the setting aside of the dismissal and entry of a determination on the charged parking violation. Such notice shall also contain a warning that civil penalties may be imposed for the violation pursuant to this paragraph and that a default judgment may be entered thereon.

§ 5. Section 242 of the vehicle and traffic law is amended by adding a new subdivision 3-a to read as follows:

3-a. Notwithstanding any provision of this section to the contrary, an appeal for an infraction involving a commercial vehicle shall be conducted only when an appellant has either:

(a) posted a bond in the amount of the determination appealed from; or

(b) paid to the parking violations bureau the following penalties and surcharges, as applicable:

(i) any penalty imposed pursuant to a notice of liability issued pursuant to a program authorized by section three hundred eighty-five-a, eleven hundred eleven-a, eleven hundred eleven-c, or eleven hundred eighty-b of this chapter, other than any additional penalty imposed for

failure to respond to a notice of liability within the prescribed time period; and

(ii) any surcharge levied pursuant to a notice of violation issued in accordance with sections eighteen hundred nine-a and eighteen hundred nine-b of this chapter.

§ 6. Subdivision 6 of section 242 of the vehicle and traffic law, as added by chapter 515 of the laws of 2004, is amended to read as follows:

6. When charges have been overturned by [~~a court or~~] any [~~other~~] administrative body or officer, the party in whose favor the appeal is decided shall be entitled to have returned an amount equal to any fine or penalty imposed and collected from the parking violations bureau within thirty days of the entry of the judgement; provided, however, that such [~~court,~~] administrative body or officer shall have the authority to lessen from such amount any debt owed by such party and shall apply this amount to any outstanding fines and penalties owed by the same individual. If payment is not made within thirty days, a penalty shall accrue at the same rate as that imposed for failure to make timely payment of a fine and shall be paid by the parking violations bureau.

§ 6-a. The administrative code of the city of New York is amended by adding a new section 19-611 to read as follows:

§ 19-611 School bus parking on a city street. No school bus operated by or pursuant to a contract with the board of education shall:

(a) park on a city street on weekdays between the hours of five p.m. and five a.m.; or

(b) park on a city street on weekends between the hours of five p.m. on Friday and five a.m. on Monday.

§ 7. This act shall take effect immediately, provided that section four of this act shall apply with respect to any determination made on or after the first day of the first month succeeding the sixtieth day after this act shall have become a law.

PART O

Intentionally Omitted

PART P

Section 1. Section 600 of the vehicle and traffic law is amended by adding a new subdivision 4 to read as follows:

4. Removal of a vehicle. Operation of a motor vehicle in a manner consistent with subdivision (e) of section twelve hundred of this chapter shall not be deemed a violation of this section.

§ 2. Section 1200 of the vehicle and traffic law is amended by adding a new subdivision (e) to read as follows:

(e) When a vehicle is involved in an incident involving no personal injury or death, and the operator of such vehicle knows or has cause to know that such incident resulted in damage to the real or personal property of another, the operator of such vehicle, and the operator of any other vehicle involved, shall immediately move or cause to be removed such vehicle or vehicles from the travel lane to a location off the highway that remains in the immediate vicinity of the incident, provided that the vehicle is operable, that the operator may lawfully move the vehicle in accordance with all laws including those prohibiting impaired driving, and that the movement of such vehicle can be done safely. Vehicle operation in accordance with the provisions of this subdivision

shall not be construed to imply that no injury has occurred, nor shall the driver be considered liable or at fault regarding the cause of the incident solely by moving or causing the removal of the vehicle. Moving a vehicle consistent with this subdivision shall not relieve an investigating police officer from the obligation to file a report that is otherwise required. Nothing in this subdivision shall be construed to authorize otherwise unqualified persons to clear or remove hazardous materials from the highway or to move vehicles which are transporting hazardous materials in a manner inconsistent with applicable law.

§ 3. This act shall take effect immediately.

PART Q

Intentionally Omitted

PART R

Section 1. Subdivisions 1 and 2 of section 1352 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

1. (a) The commission shall pay into an account, to be known as the commercial gaming revenue fund as established pursuant to section ninety-seven-nnnn of the state finance law, under the joint custody of the comptroller and the commissioner of taxation and finance, all taxes and fees imposed by this article paid by a gaming facility licensed under title two and title two-A of this article, except as otherwise provided by paragraph (b) of this subdivision; any interest and penalties imposed by the commission relating to those taxes; the appropriate percentage of the value of expired gaming related obligations; all penalties levied and collected by the commission; and the appropriate funds, cash or prizes forfeited from gambling activity.

(b) For any gaming facility licensed under title two-A of this article, the commission shall pay, without appropriation, into the metropolitan transportation authority finance fund established under section one thousand two hundred seventy-h of the public authorities law the following:

(i) for any gaming facility not located within the city of New York, eighty percent of the licensing fees imposed by this article.

(ii) for any gaming facility located within the city of New York, one hundred percent of the licensing fees imposed by this article.

(c) For any gaming facility licensed under title two-A of this article, the commission shall pay into the commercial gaming revenue fund established under section ninety-seven-nnnn of the state finance law the following:

(i) for any gaming facility not located within the city of New York, ten percent of the licensing fees imposed by this article. Such funds shall be allocated in accordance with the provisions of paragraph b of subdivision three of section ninety-seven-nnnn of the state finance law.

(ii) for any gaming facility not located within the city of New York, ten percent of the licensing fees imposed by this article among counties within the region, as defined by section one thousand three hundred ten of this article, hosting said facility for the purpose of real property tax relief and for education assistance. Such distribution shall be made among the counties on a per capita basis, subtracting the population of host municipality and county. Such funds shall be allocated in accord-

ance with the provisions of paragraph c of subdivision three of section ninety-seven-nnnn of the state finance law.

2. The commission shall require at least monthly deposits by the licensee of any payments pursuant to section one thousand three hundred fifty-one of this article, at such times, under such conditions, and in such depositories as shall be prescribed by the state comptroller. The deposits shall be deposited to the credit of the commercial gaming revenue fund as established by section ninety-seven-nnnn of the state finance law or to the metropolitan transportation authority finance fund established under section one thousand two hundred seventy-h of the public authorities law, according to the requirements of subdivision one of this section. The commission may require a monthly report and reconciliation statement to be filed with it on or before the tenth day of each month, with respect to gross revenues and deposits received and made, respectively, during the preceding month.

§ 1-a. Subdivision 3 of section 1321-e of the racing, pari-mutuel wagering and breeding law, as added by section 7 of part RR of chapter 56 of the laws of 2022, is amended to read as follows:

3. The board shall determine a licensing fee to be paid by a licensee within thirty days after the [~~award~~] selection of the license which shall be deposited [~~into the commercial gaming revenue fund~~] in accordance with paragraphs (b) and (c) of subdivision one of section thirteen hundred fifty-two of this article, provided however that no licensing fee shall be less than five hundred million dollars. The license shall set forth the conditions to be satisfied by the licensee before the gaming facility shall be opened to the public. The commission shall set any renewal fee for such license based on the cost of fees associated with the evaluation of a licensee under this article which shall be deposited into the commercial gaming fund. Such renewal fee shall be exclusive of any subsequent licensing fees under this section.

§ 2. Subdivision 2 of section 97-nnnn of the state finance law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

2. Such account shall consist of all revenues [~~from all taxes and fees imposed by article thirteen of the racing, pari-mutuel wagering and breeding law; any interest and penalties imposed by the New York state~~] received from the gaming commission [~~relating to those taxes; the percentage of the value of expired gaming related obligations; and all penalties levied and collected by the commission. Additionally, the state gaming commission shall pay into the account any appropriate funds, cash or prizes forfeited from gambling activity~~] pursuant to paragraphs (a) and (c) of subdivision one of section thirteen hundred fifty-two of the racing, pari-mutuel wagering and breeding law.

§ 3. Subdivision 2 of section 1270-h of the public authorities law, as amended by section 13 of part UU of chapter 59 of the laws of 2018, is amended to read as follows:

2. The comptroller shall deposit into the metropolitan transportation authority finance fund (a) monthly, pursuant to appropriation, the moneys deposited in the mobility tax trust account of the metropolitan transportation authority financial assistance fund pursuant to any provision of law directing or permitting the deposit of moneys in such fund, [~~and~~] (b) without appropriation, the revenue including taxes, interest and penalties collected in accordance with article twenty-three of the tax law, and (c) without appropriation, the revenue derived from licensing fees collected in accordance with the relevant provisions of paragraph (b) of subdivision one of section thirteen hundred fifty-two of the racing, pari-mutuel wagering and breeding law.

§ 4. This act shall take effect immediately and shall expire and be deemed repealed 10 years after such date.

PART S

Intentionally Omitted

PART T

Section 1. Subdivision 7 of section 339-n of the real property law is REPEALED.

§ 2. Subdivisions 8 and 9 of section 339-n of the real property law are renumbered subdivisions 7 and 8.

§ 3. Subdivision 2 of section 339-s of the real property law, as added by chapter 346 of the laws of 1997, is amended to read as follows:

2. [~~Each such declaration, and any amendment or amendments thereof shall be filed with the department of state~~] (a) The board of managers for each condominium subject to this article, shall file with the secretary of state a certificate of designation, in writing, signed, designating the secretary of state as agent of the board of managers upon whom process against it may be served, providing the post office address within or without this state to which the secretary of state shall mail a copy of process against it served upon the secretary of state by personal delivery, and may include an email address to which the secretary of state shall email a notice of the fact that process against the board of managers has been served electronically upon the secretary of state; provided, however, that a designation filed with the secretary of state pursuant to section four hundred two of the business corporation law or section four hundred two of the not-for-profit corporation law shall also serve as such designation. A certificate of designation shall be accompanied by a fee of sixty dollars.

(b) Any board of managers may, from time to time, change the post office address to which the secretary of state is directed to mail copies of process against the board of managers served on the secretary of state by personal delivery, and/or specify, change or delete the email address to which the secretary of state shall email a notice of the fact that process against the board of managers has been served electronically upon the secretary of state, by filing a signed certificate of amendment of the certificate of designation with the department of state. Such certificate shall be accompanied by a fee of sixty dollars.

(c) Service of process on the secretary of state as agent of a board of managers shall be made in the manner provided by subparagraph (i) or (ii) of this paragraph:

(i) Personally delivering to and leaving with the secretary of state by personally delivering to and leaving with the secretary of state or his or her deputy, or with any person authorized by the secretary of state to receive such service, at the office of the department of state in the city of Albany, duplicate copies of such process together with the statutory fee, which fee shall be a taxable disbursement. Service of process on such board of managers shall be complete when the secretary of state is so served. The secretary of state shall promptly send one of such copies by certified mail, return receipt requested, to such board of managers, at the post office address on file in the department of state specified for such purpose.

(ii) Electronically submitting a copy of the process to the department of state together with the statutory fee, which fee shall be a taxable disbursement, through an electronic system operated by the department of state, provided the board of managers has an email address on file in the department of state to which the secretary of state shall email a notice of the fact that process against the board of managers has been served electronically upon the secretary of state. Service of process on such board of managers shall be complete when the secretary of state has reviewed and accepted service of such process. The secretary of state shall promptly send notice of the fact that process has been served electronically on the secretary of state to such board of managers at the email address on file in the department of state, specified for such purpose and shall make a copy of the process available to such board of managers.

(d) As used in this article, "process" shall mean judicial process and all orders, demands, notices or other papers required or permitted by law to be personally served on a board of managers, for the purpose of acquiring jurisdiction of such board of managers in any action or proceeding, civil or criminal, whether judicial, administrative, arbitrative or otherwise, in this state or in the federal courts sitting in or for this state.

(e) Nothing in this subdivision shall affect the right to serve process in any other manner permitted by law.

(f) The department of state shall keep a record of each process served under this subdivision, including the date of service. It shall, upon request, made within ten years of such service, issue a certificate under its seal certifying as to the receipt of process by an authorized person, the date and place of such service and the receipt of the statutory fee. Process served on the secretary of state under this section shall be destroyed by him or her after a period of ten years from such service.

(g) A designation of the secretary of state as agent of a board of managers upon whom process against the board of managers may be served, the post office address to which the secretary of state shall mail a copy of any process served upon him or her by personal delivery, and the email address, if any, to which the secretary of state shall email a notice of the fact that process against the board of managers has been electronically served upon the secretary of state, included in a declaration, or amendment thereof, and filed with the department of state under this subdivision, shall continue until a certificate of designation is filed with the secretary of state under this subdivision.

§ 4. This act shall take effect on the ninetieth day after it shall have become a law.

PART U

Section 1. Section 4 of chapter 495 of the laws of 2004, amending the insurance law and the public health law relating to the New York state health insurance continuation assistance demonstration project, as amended by section 4 of part T of chapter 58 of the laws of 2022, is amended to read as follows:

§ 4. This act shall take effect on the sixtieth day after it shall have become a law; provided, however, that this act shall remain in effect until July 1, [~~2023~~] 2024 when upon such date the provisions of this act shall expire and be deemed repealed; provided, further, that a

displaced worker shall be eligible for continuation assistance retroactive to July 1, 2004.

§ 2. This act shall take effect immediately.

PART V

Intentionally Omitted

PART W

Intentionally Omitted

PART X

Section 1. Subdivision 3 of section 103-a of the public officers law, as added by section 2 of part WW of chapter 56 of the laws of 2022, is amended to read as follows:

3. The in person participation requirements of paragraph (c) of subdivision two of this section shall not apply **to (a) public bodies created exclusively for the express purpose of performing a governmental function related to issues specific to individuals with disabilities, as the term is defined in subdivision twenty-one of section two hundred ninety-two of the executive law, or (b)** during a state disaster emergency declared by the governor pursuant to section twenty-eight of the executive law **if the public body determines that the circumstances necessitating the emergency declaration would affect or impair the ability of the public body to hold an in person meeting**, or **(c) during** a local state of emergency proclaimed by the chief executive of a county, city, village or town pursuant to section twenty-four of the executive law, if the public body determines that the circumstances necessitating the emergency declaration would affect or impair the ability of the public body to hold an in person meeting**, provided that for meetings conducted pursuant to paragraph (a), (b), or (c) of this subdivision, the public shall have the ability to view or listen to such proceeding and that such meetings are recorded and later transcribed**.

§ 1-a. Section 103-a of the public officers law is amended by adding a new subdivision 2-a to read as follows:

2-a. Notwithstanding any other provision of law, any member who has a disability as defined in section two hundred ninety-two of the executive law that renders such member unable to be physically present at any meeting location may be considered present for purposes of fulfilling the quorum requirement for the public body at meetings conducted through videoconferencing, provided the applicable criteria in subdivision two of this section are otherwise met.

§ 2. This act shall take effect immediately; provided, however, that the amendments to section 103-a of the public officers law made by sections one and one-a of this act shall not affect the repeal of such section and shall be deemed repealed therewith.

PART Y

Section 1. Subdivision 11 of section 400 of the general business law, as added by chapter 80 of the laws of 2015, is amended to read as follows:

11. "Trainee" means a person pursuing in good faith a course of study in the practice of nail specialty **or cosmetology** under the tutelage, supervision and direction of a licensed [~~nail~~] practitioner **of the same license type, as herein defined**. Such trainee shall be employed by a licensed appearance enhancement business.

§ 2. Paragraph f of subdivision 1 of section 406 of the general business law is REPEALED.

§ 3. Paragraph b of subdivision 2 of section 406 of the general business law, as amended by chapter 341 of the laws of 1998, is amended to read as follows:

b. Each such application shall also be accompanied by satisfactory evidence of having taken and passed the appropriate examination or examinations offered by the secretary pursuant to this article for the license sought and **either: (i)** evidence of the successful completion of an approved course of study in nail specialty, waxing, natural hair styling, esthetics or cosmetology in a school duly licensed pursuant to the education law**; (ii) in the case of a nail specialty trainee, satisfactory evidence to the secretary that such trainee has either been actively engaged in a traineeship for a period of one year and has completed a course of study set forth by the secretary or has been actively engaged in a traineeship for a period of two years; or (iii) in the case of a cosmetology trainee, satisfactory evidence to the secretary that such trainee has been actively engaged in a traineeship for a period of two years**.

§ 4. Subdivisions 2 and 3 of section 408-a of the general business law, as added by chapter 80 of the laws of 2015, are amended to read as follows:

2. A certificate of registration as a trainee shall be for a period of [~~one year~~] **four years**, renewable for [~~a second year~~] **an additional period of four years**, and may be renewed for additional terms within the discretion of the secretary.

3. Each certificate of registration issued as provided in this section shall be posted in a conspicuous place in the appearance enhancement business in which the trainee is actually engaged [~~in the practice of nail specialty~~] as a trainee.

§ 5. Subdivision 1 of section 437 of the general business law, as amended by chapter 243 of the laws of 1999, is amended to read as follows:

1. Each applicant for a certificate of registration as an apprentice shall make an application which shall include the physician's certificate required by paragraph (c) [~~and the certificate of completion required by paragraph (e-1) of subdivision one~~] of section four hundred thirty-four, two recent photographs, and which certificate shall contain such other information required by such section and in such form as the secretary of state may prescribe.

§ 6. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation by the secretary of state necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.

PART Z

Intentionally Omitted

PART AA

Section 1. Paragraph (b) of subdivision 2 of section 1676 of the public authorities law is amended by adding a new undesignated paragraph to read as follows:

Any municipal corporation, subdivision, department or agency thereof, fire district, special district, or local agency, receiving loans or grants awarded pursuant to: (i) the downtown revitalization program designed and executed by the department of state and the division of housing and community renewal for transformative housing, economic development, transportation, and community projects, for the planning, design, construction, reconstruction, improvement, renovation, development, expansion, furnishing, and equipping of such transformative housing, economic development, transportation and community projects for which the recipient received such loans or grants; and (ii) the NY Forward grant program designed and executed by the department of state related to economic development, transportation and community projects, for the planning, design, construction, reconstruction, improvement, renovation, development, expansion, furnishing, and equipping of such economic development, transportation and community projects for which the recipient was awarded such grant.

§ 2. Subdivision 1 of section 1680 of the public authorities law is amended by adding a new undesignated paragraph to read as follows:

Any municipal corporation, subdivision, department or agency thereof, fire district, special district, or local agency, receiving loans or grants awarded pursuant to: (i) the downtown revitalization program designed and executed by the department of state and the division of housing and community renewal for transformative housing, economic development, transportation, and community projects, for the planning, design, construction, reconstruction, improvement, renovation, development, expansion, furnishing, and equipping of such transformative housing, economic development, transportation and community projects for which the recipient received such loans or grants; and (ii) the NY Forward grant program designed and executed by the department of state related to economic development, transportation and community projects, for the planning, design, construction, reconstruction, improvement, renovation, development, expansion, furnishing, and equipping of such economic development, transportation and community projects for which the recipient was awarded such grant.

§ 3. This act shall take effect immediately.

PART BB

Section 1. Subdivision 29 of Section 1678 of the public authorities law is amended by adding a new closing paragraph to read as follows:

The authority shall submit a report, no later than June thirtieth, two thousand twenty-four, and annually thereafter, to the governor, the temporary president of the senate and the speaker of the assembly regarding procurements made pursuant to this subdivision. Such report shall include a description of each procurement made pursuant to this subdivision, information regarding the procurement process for each such procurement contract, including the list of responding entities that demonstrated the capability to meet the specifications and terms of the procurement made pursuant to this subdivision, the total cost of each procurement made pursuant to this subdivision, indication of whether the party awarded a contract pursuant to this subdivision served as a gener-

al contractor or subcontractor in fulfilling the contract, an explanation of the mentoring conducted with each party who responded to a request for bids or proposals pursuant to the mentor-protege program of this subdivision, and the total dollar value of monies paid to minority- and women-owned business enterprises pursuant to this subdivision itemized by year and including the total dollar values for the five years preceding the annual report's release date. For annual reports any new procurements and changes during the period covered by the report shall be identified separately.

§ 2. Section 2 of chapter 97 of the laws of 2019 amending the public authorities law, is amended to read as follows:

§ 2. This act shall take effect immediately and shall expire July 1, [~~2023~~] 2027 when upon such date the provisions of this act shall be deemed repealed.

§ 3. This act shall take effect immediately; provided, however, that the amendments to subdivision 29 of section 1678 of the public authorities law made by section one of this act shall not affect the expiration of such subdivision and shall be deemed repealed therewith.

PART CC

Intentionally Omitted

PART DD

Section 1. The economic development law is amended by adding a new section 138-a to read as follows:

§ 138-a. Small business innovation research and small business technology transfer matching grant program. 1. The commissioner, in consultation with the division for small-business, shall establish a matching grant program to provide funds to small businesses who have been awarded phase one or phase two grants under the federal small business innovation research program or the small business technology transfer program. Such grants shall be awarded based on a company's potential for commercialization and job growth.

2. The matching grant program established pursuant to this section shall be staged over a period of three years. The funding amounts for such grant program shall be as follows:

(a) For small businesses that have been awarded phase one funding under the federal small business innovation research program or the small business technology transfer program, the amount shall be one hundred fifty thousand dollars in year one, three hundred thousand dollars in year two, and six hundred thousand dollars in year three.

(b) For small businesses that have been awarded phase two funding under the federal small business innovation research program or the small business technology transfer program, the amount shall be one hundred fifty thousand dollars in year one, three hundred thousand dollars in year two, and six hundred thousand dollars in year three.

3. (a) In the first year of the program, twenty small businesses shall be awarded grants of one hundred fifty thousand dollars.

(b) In the second year of the program, ten small businesses shall be chosen from the companies that were awarded a grant in the first year, to receive grants in the amount of three hundred thousand dollars.

(c) In the third year of the program, five small businesses shall be chosen from the companies that were awarded a grant in the second year,

to receive grants or equity, depending on the situation, in the amount of six hundred thousand dollars.

4. Such funds awarded pursuant to this section shall be used to expedite commercialization and generally used to cover expenses not allowed under the federal small business innovation research program or the small business technology transfer program, including but not limited to patents and marketing studies in sales efforts.

5. Such funds shall be awarded on condition that the small business recipient remains headquartered in the state for at least five years following the successful commercialization of the business's product or products. Any small business that has received funding under this program that is not headquartered in the state for at least five years following the successful commercialization of the business's product or products shall return all grant awards to the state. If the small business ceases operations before five years after the commercialization of its product or products, such business shall be eligible for a waiver of this clawback provision, as determined by the commissioner, in consultation with the division of small business.

6. The commissioner, in consultation with the division for small business, shall establish the form and manner in which applications for grant awards shall be submitted and shall establish guidelines for the grant program. The department shall review each application for compliance with the eligibility criteria and other requirements set forth in the program guidelines established by the commissioner. The department may approve or reject each application or may return an application for modifications, if necessary.

§ 2. This act shall take effect one year after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.

PART EE

Intentionally Omitted

PART FF

Intentionally Omitted

PART GG

Section 1. Section 2 of chapter 393 of the laws of 1994, amending the New York state urban development corporation act, relating to the powers of the New York state urban development corporation to make loans, as amended by section 1 of part Y of chapter 58 of the laws of 2022, is amended to read as follows:

§ 2. This act shall take effect immediately provided, however, that section one of this act shall expire on July 1, [~~2023~~] 2024, at which time the provisions of subdivision 26 of section 5 of the New York state urban development corporation act shall be deemed repealed; provided, however, that neither the expiration nor the repeal of such subdivision as provided for herein shall be deemed to affect or impair in any manner

any loan made pursuant to the authority of such subdivision prior to such expiration and repeal.

§ 2. This act shall take effect immediately.

PART HH

Section 1. The opening paragraph of paragraph (a) and paragraph (b) of subdivision 2-a of section 314 of the executive law, as amended by chapter 96 of the laws of 2019, are amended to read as follows:

The director shall establish a procedure [~~enabling~~] **requiring** the office to accept New York municipal corporation certification verification for minority and women-owned business enterprise applicants in lieu of requiring the applicant to complete the state certification process. [~~The~~] **In order to implement such procedure, the office and all New York municipal corporations that have a municipal minority and women-owned business enterprise program shall enter into a memorandum of understanding regarding such acceptance of certification verification and the** director shall promulgate rules and regulations to set forth criteria for the acceptance of municipal corporation certification. [~~All eligible municipal corporation certifications shall require business enterprises seeking certification to meet the following standards:~~] **Notwithstanding the foregoing, an applicant certified pursuant to this section must meet the definition of a minority-owned business enterprise or women-owned business enterprise set forth in section three hundred ten of this article.**

(b) [~~The director shall work with all~~] **All New York** municipal corporations that have a municipal minority and women-owned business enterprise program [~~to~~] **shall** develop [~~standards~~] **rules and regulations in order** to accept state certification [~~to meet the municipal corporation minority and women-owned business enterprise certification standards~~].

§ 2. Clauses (i), (ii), (iii), (iv), (v), (vi) and (vii) of paragraph (a) of subdivision 2-a of section 314 of the executive law are REPEALED.

§ 3. Subdivision 6 of section 163 of the state finance law, as separately amended by section 28 of part PP of chapter 56 and chapter 572 of the laws of 2022, is amended to read as follows:

6. Discretionary buying thresholds. Pursuant to guidelines established by the state procurement council: the commissioner may purchase services and commodities for the office of general services or its customer agencies serviced by the office of general services business services center in an amount not exceeding eighty-five thousand dollars without a formal competitive process; state agencies may purchase services and commodities in an amount not exceeding fifty thousand dollars without a formal competitive process; and state agencies may purchase commodities or services from small business concerns or those certified pursuant to article fifteen-A of the executive law and article three of the veterans' services law, or commodities or technology that are recycled or remanufactured in an amount not exceeding [~~five~~] **seven** hundred **fifty** thousand dollars without a formal competitive process and for commodities that are food, including milk and milk products, or animal or plant fiber products, grown, produced, harvested, or processed in New York state or textile products manufactured from animal or plant fiber grown or produced predominantly in New York state in an amount not to exceed two hundred thousand dollars, without a formal competitive process.

§ 4. Intentionally omitted.

§ 5. Intentionally omitted.

§ 6. Paragraph 1 of subdivision i of section 311 of the New York city charter, as amended by chapter 569 of the laws of 2022, is amended to read as follows:

1. agencies may make procurements of goods, services and construction for amounts not exceeding one million **five hundred thousand** dollars from businesses certified as minority or women-owned business enterprises pursuant to section thirteen hundred four of the charter without a formal competitive process.

§ 7. Paragraph (b) of subdivision 1 of section 212 of the banking law, as amended by chapter 1 of the laws of 1994, is amended to read as follows:

(b) The corporation shall undertake the following programs in furtherance of the above objectives: (i) establish regional offices at locations throughout New York, with sufficient staffing to advise, develop and package financial assistance for small and medium sized businesses; (ii) develop a comprehensive outreach program to increase the visibility and awareness of the corporation's programs, including allocating budget and staff to establish and maintain an aggressive and extensive marketing program of the corporation's program of assistance to small and medium sized businesses, providing for specific outreach to minority and women owned enterprises, and entering into cooperative relationships with local chambers of commerce, local development agencies, local development corporations and other community based financial intermediaries as set forth in subdivision three of this section; (iii) establish and operate, or affiliate with a small business investment company and a specialized small business investment company; [~~and~~] (iv) establish a pilot export financing program, using personnel from the private sector, to evaluate whether the corporation can play a significant role in the growth of the export industry in the state**; and (v) establish a program in cooperation with the empire state development corporation that shall focus on small businesses located in highly distressed areas and minority business enterprises as such designations are defined by the regulations of the New York state urban development corporation act, through which the corporation shall be authorized to: (A) act as third-party agent for the capital access program established by section sixteen-k of section one of chapter one hundred seventy-four of the laws of nineteen hundred sixty-eight, constituting the urban development corporation act; (B) process, fund and approve qualifying program loans made by the corporation or a participating financial institution pursuant to section sixteen-k of section one of chapter one hundred seventy-four of the laws of nineteen hundred sixty-eight, constituting the urban development corporation act; (C) maintain and service a portfolio of qualifying loans made pursuant to the capital access program; and (D) engage in outreach and marketing to financial institutions to increase awareness of the program established under this subparagraph**. The corporation shall undertake the programs enumerated herein at such times as its board of directors determines that the corporation's capital base and available funds are adequate to support the operation of such program. The programs enumerated herein may be modified by the corporation as may be necessary to meet the changing needs of the state's economy, as determined by the board of directors.

§ 8. Paragraph (b) of subdivision 3 of section 16-k of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as amended by chapter 103 of the laws of 2011, is amended to read as follows:

(b) Any contract entered into pursuant to subparagraph (i) of paragraph (a) of this subdivision shall:

(i) be for a period of two years and shall be renewed for an additional two year period subject to requirements of subparagraph (ii) of paragraph (a) of this subdivision; [~~and~~]

(ii) provide for compensation for expenses incurred by the third party agent in connection with its services as agent and for such other services as the corporation may deem appropriate including, but not limited to the use of the premises, personnel and personal property of the third party agent;

(iii) notwithstanding any law, rule or regulation to the contrary, use the underwriting standards provided for in subdivision four of this section to evaluate applications for loans pursuant to the program filed by a minority business enterprise, or a small business whose principal place of business is in a highly distressed area;

(iv) provide for the development of an integrated web portal for the third-party agent which enables access by minority business enterprises and small businesses in highly distressed areas to obtain information on the capital access loan program including the ability to make application and to receive approval for such loan online; and

(v) provide funding for marketing to the third-party agent to be directed to potential loan recipients and to financial institutions to increase awareness participation and referrals to the capital access loan program.

§ 9. Section 16-k of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding two new subdivisions 4 and 5 to read as follows:

4. Notwithstanding any law, rule or regulation to the contrary, the department of financial services, the empire state development corporation and the New York business development corporation shall jointly establish underwriting standards to assist minority business enterprises and small businesses in highly distressed areas. In addition to other factors, such standards should incorporate verifiable alternative indications of creditworthiness presented or made available by the applicant.

5. Pursuant to subparagraph (v) of paragraph (b) of subdivision 1 of section 212 of the banking law, the New York business development corporation and the empire state development corporation shall enter into an agreement pursuant to which the New York business development corporation shall authorize, maintain and administer the program established in such subparagraph.

§ 10. This act shall take effect immediately; provided however that sections one and two of this act shall take effect on the three hundred sixty-fifth day after it shall have become a law; provided, further, that if section 28 of part PP of chapter 56 of the laws of 2022 shall not have taken effect on or before such date then section three of this act shall take effect on the same date and in the same manner as such chapter of the laws of 2022 takes effect; provided, further, that the amendments to subdivision 2-a of section 314 of the executive law made by sections one and two of this act shall not affect the repeal of such section and shall be deemed repealed therewith; provided, further, that the amendments to section 163 of the state finance law made by section three of this act shall not affect the repeal of such section and shall be deemed repealed therewith; and provided, further, that sections seven, eight, and nine of this act shall take effect on the one hundred twentieth day after it shall have become a law.

PART II

Intentionally Omitted

PART JJ

Section 1. Subdivision 3 of section 16-m of section 1 of chapter 174 of the laws of 1968 constituting the New York state urban development corporation act, as amended by section 1 of part Z of chapter 58 of the laws of 2022, is amended to read as follows:

3. The provisions of this section shall expire, notwithstanding any inconsistent provision of subdivision 4 of section 469 of chapter 309 of the laws of 1996 or of any other law, on July 1, [~~2023~~] **2024**.

§ 2. This act shall take effect immediately.

PART KK

Intentionally Omitted

PART LL

Section 1. Section 2 of part BB of chapter 58 of the laws of 2012 amending the public authorities law, relating to authorizing the dormitory authority to enter into certain design and construction management agreements, as amended by section 1 of part II of chapter 58 of the laws of 2021, is amended to read as follows:

§ 2. This act shall take effect immediately and shall expire and be deemed repealed April 1, [~~2023~~] **2025**.

§ 2. The dormitory authority of the state of New York shall provide a report providing information regarding any project undertaken pursuant to a design and construction management agreement, as authorized by part BB of chapter 58 of the laws of 2012, between the dormitory authority of the state of New York and the department of environmental conservation and/or the office of parks, recreation and historic preservation to the governor, the temporary president of the senate and speaker of the assembly. Such report shall include but not be limited to a description of each such project, the project identification number of each such project, if applicable, the projected date of completion, the status of the project, the total cost or projected cost of each such project, and the location, including the names of any county, town, village or city, where each such project is located or proposed. In addition, such a report shall be provided to the aforementioned parties by the first day of March of each year that the authority to enter into such agreements pursuant to part BB of chapter 58 of the laws of 2012 is in effect.

§ 3. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2023.

PART MM

Section 1. Subdivision 4-a of section 2222 of the vehicle and traffic law, as amended by chapter 609 of the laws of 2005, is amended to read as follows:

4-a. Additional fee. In addition to the other fees provided for in paragraphs (a), (b) and (c) of subdivision four of this section the

commissioner shall, upon application in such cases for the registration of a snowmobile or the renewal thereof, collect the annual [~~ninety~~] one hundred twenty-five dollar fee for residents and [~~ninety~~] one hundred twenty-five dollar fee for nonresidents [~~and~~] or a [~~thirty-five~~] fifty-five dollar fee for residents and [~~thirty-five~~] fifty-five dollar fee for nonresidents who provide proof, at the time of registration, that such individual is a member of an organized New York state snowmobile club that is a member of the New York state snowmobile association or is a member of an organized New York state snowmobile club that is a trail maintenance entity and a member of the New York state snowmobile association which are imposed by section 21.07 of the parks, recreation and historic preservation law. In the event that an individual seeking snowmobile club membership is unable, for any reason, to secure such club membership, he or she may contact the New York state snowmobile association, who shall secure such membership for such person. This fee shall also be collected from dealers at the time of original registration and at the time of each renewal. The commissioner shall effectuate regulations regarding what is required as proof of membership in an organized New York state snowmobile club that is a trail maintenance entity and a member of the New York state snowmobile association for the purposes of this subdivision.

§ 2. Section 21.07 of the parks, recreation and historic preservation law, as amended by chapter 609 of the laws of 2005, is amended to read as follows:

§ 21.07 Fee for snowmobile trail development and maintenance. 1. A fee of [~~ninety~~] one hundred twenty-five dollars is hereby imposed upon the resident, and [~~ninety~~] one hundred twenty-five dollars upon the nonresident, owner of a snowmobile for the snowmobile trail development and maintenance fund to be paid to the commissioner of motor vehicles upon the registration thereof in addition to the registration fee required by the vehicle and traffic law, the payment of which fee hereby imposed shall be a condition precedent to such individual resident, individual nonresident or dealer registration.

2. Notwithstanding the fee as established in subdivision one of this section, an individual resident or nonresident registering a snowmobile who provides proof at the time of registration, that such individual is a member of an organized New York state snowmobile club that is a member of the New York state snowmobile association or is a member of an organized New York state snowmobile club that is a trail maintenance entity and a member of the New York state snowmobile association, shall pay [~~thirty-five~~] fifty-five dollars for each snowmobile for the snowmobile trail development and maintenance fund in addition to the registration required by the vehicle and traffic law. In the event that an individual seeking snowmobile club membership is unable, for any reason, to secure such club membership, he or she may contact the New York state snowmobile association, who shall secure such membership for such person.

§ 3. Intentionally omitted.

§ 4. This act shall take effect one year after it shall have become a law.

PART NN

Intentionally Omitted

PART OO

Section 1. Subdivision 9 of section 103 of the general municipal law, as amended by chapter 90 of the laws of 2017, subparagraph (ii) of paragraph (a) as amended by section 1 of part JJ of chapter 58 of the laws of 2020, is amended to read as follows:

9. **(a)** Notwithstanding the foregoing provisions of this section to the contrary, a board of education, on behalf of its school district, or a board of cooperative educational services, may separately purchase eggs, livestock, fish, dairy products (excluding milk), juice, grains, and species of fresh fruit and vegetables directly from New York State producers or growers, or associations of producers and growers[~~, provided that:~~

~~(a) (i) such association of producers or growers is comprised of ten or fewer owners of farms who also operate such farms and who have combined to fill the order of a school district or board of cooperative educational services as herein authorized, provided however, that a school district or board of cooperative educational services may apply to the commissioner of education for permission to purchase from an association of more than ten owners of such farms when no other producers or growers have offered to sell to such school or board of cooperative educational services; or~~

~~(ii) such association of producers or growers is comprised of owners of farms who also operate such farms and have combined to fill the order of a school district or board of cooperative educational services, and where such order is for one hundred thousand dollars or less as herein authorized, provided however, that a school district or board of cooperative educational services may apply to the commissioner of education for permission to purchase orders of more than one hundred thousand dollars from an association of owners of such farms when no other producers or growers have offered to sell to such school;~~

~~(b) the amount that may be expended by a school district in any fiscal year for such purchases shall not exceed an amount equal to twenty cents multiplied by the total number of days in the school year multiplied by the total enrollment of such school district;~~

~~(b-1) the amount that may be expended by a board of cooperative educational services in any fiscal year for such purchases shall not exceed an amount equal to twenty cents multiplied by the total number of days in the school year multiplied by the number of students receiving services by such board of cooperative educational services at facilities operated by a board of cooperative educational services;~~

~~(c) all~~]**.**

(b) All such purchases shall be administered pursuant to regulations promulgated by the commissioner of education. Such regulations shall: be developed in consultation with the commissioner of agriculture and markets to accommodate and promote the provisions of the farm-to-school program established pursuant to subdivision five-b of section sixteen of the agriculture and markets law and subdivision thirty-one of section three hundred five of the education law as added by chapter two of the laws of two thousand two; ensure that the prices paid by a district or board of cooperative educational services for any items so purchased do not exceed the prices of comparable local farm products that are available to districts through their usual purchases of such items; ensure that all producers and growers who desire to sell to school districts or boards of cooperative educational services can readily access information in accordance with the farm-to-school law; include provisions for situations when more than one producer or grower seeks to sell the same product to a district or board of cooperative educational services to

ensure that all such producers or growers have an equitable opportunity to do so in a manner similar to the usual purchasing practices of such districts or boards of cooperative educational services; [~~develop guidelines for approval of purchases of items from associations of more than ten growers and producers;~~] and, to the maximum extent practicable, minimize additional paperwork, recordkeeping and other similar requirements on both growers and producers and school districts.

§ 2. Subdivision 10 of section 103 of the general municipal law, as added by chapter 848 of the laws of 1983, is amended to read as follows:

10. Notwithstanding the foregoing provisions of this section to the contrary, a board of education may, on behalf of its school district, separately purchase milk **produced in New York state**, directly from licensed milk processors [~~employing less than forty people~~] pursuant to the provisions of this subdivision. [~~The amount that may be expended by a school district in any fiscal year pursuant to this section shall not exceed an amount equal to twenty-five cents multiplied by the total number of days in the school year multiplied by the total enrollment of such school district.~~] All purchases made pursuant to this subdivision shall be administered pursuant to regulations promulgated by the commissioner of education. The regulations promulgated by the commissioner of education shall ensure that the prices paid by a school district for items purchased pursuant to this subdivision do not exceed the market value of such items and that all licensed processors who desire to sell to a school district pursuant to this subdivision have equal opportunities to do so.

§ 3. Section 103 of the general municipal law is amended by adding a new subdivision 10-a to read as follows:

10-a. Notwithstanding the foregoing provisions of this section or any other provision of the law to the contrary, any officer, board or agency of a political subdivision or of any district therein, board of education, on behalf of a school district, or board of cooperative educational services may purchase food, including milk and milk products and food products, grown, produced, or harvested, in New York state in an amount not exceeding two hundred fifty thousand dollars without a formal competitive process.

§ 4. Section 103 of the general municipal law is amended by adding a new subdivision 10-b to read as follows:

10-b. Each board or agency of a political subdivision or any district therein, board of education, on behalf of a school district, or board of cooperative educational services shall report to the office of general services and department of agriculture and markets on an annual basis the total dollar value procured of food, including milk and milk products and food products, grown, produced, or harvested in New York pursuant to subdivision 9, 10, and/or 10-a of this section, no later than March thirty-first for the previous calendar year.

§ 5. The state finance law is amended by adding a new section 163-d to read as follows:

§ 163-d. Procurement goals for New York state food products. 1. For the purposes of this section, the term "New York state food product" shall mean a food item that is:

(a) grown, harvested, or produced in this state; or

(b) processed inside or outside this state comprising over fifty-one percent of agricultural raw materials grown, harvested, or produced in this state, by weight or volume.

2. (a) In order to create, strengthen, and expand local farm and food economies throughout New York, all state agencies annually spending an

amount exceeding fifty thousand dollars on food or food products shall set percentage goals for New York state food products purchased yearly and if a state agency spends an amount greater than or equal to two million dollars annually on food or food products then: in the first year after the effective date of this section, at least fifteen percent of all food and food products purchased by such state agency shall be New York state food products; in the second year after the effective date of this section, at least twenty percent of all food and food products purchased by such state agency shall be New York state food products; and in the third year after the effective date of this section and thereafter, at least thirty percent of all food and food products purchased by such state agency shall be New York state food products.

(b) To meet the goal set forth in this subdivision, when a state agency's contract for the purchase of food or food products is to be awarded to the lowest responsible bidder, an otherwise qualified bidder who will fulfill the contract through the use of New York state food products may be given preference over other bidders, provided that the cost included in the bid of New York state food products is not more than ten percent greater than the cost included in a bid that is not for New York state food products.

3. The provisions of this section shall not apply if the head of the contracting state agency purchasing food or food products, in his or her sole discretion, determines that:

(a) purchasing New York state food or food products would be against the public interest;

(b) purchasing New York state food or food products would increase the cost of the contract by an unreasonable amount;

(c) New York state food products cannot be obtained in sufficient and reasonable available quantities and of satisfactory quality to meet the contracting state agency's requirements; or

(d) purchasing food or food products grown, harvested, or produced outside of this state, or food processed in facilities inside or outside of this state comprising less than fifty-one percent of agricultural raw materials grown, harvested, or produced in this state, by weight or volume, is necessary to avoid a delay in the delivery of food or food products.

4. Nothing in this section shall be construed to conflict with or otherwise limit the goals and requirements set forth by section one hundred sixty-two of this article and/or articles fifteen-A and seventeen-B of the executive law. Any contracts meeting the goals and requirements set forth by this section, in addition to requirements set forth by section one hundred sixty-two of this article and/or articles fifteen-A and seventeen-B of the executive law, shall be counted toward all applicable goals and requirements it may satisfy.

5. The commissioner, in conjunction with the commissioner of agriculture and markets shall periodically, but no later than every three years, review the New York state food and food product goals and requirements set forth by subdivision two of this section, and shall issue a joint recommendation suggesting any changes in such goals and requirements deemed necessary. Such recommendation shall be submitted to the governor, the temporary president of the senate, and the speaker of the assembly.

§ 6. Paragraph g of subdivision 4 of section 165 of the state finance law, as amended by chapter 533 of the laws of 2013, is amended to read as follows:

g. No later than December first of each year the commissioner shall annually report to the governor and legislature on the implementation of this subdivision. Such report shall include, at minimum:

(i) a description of the office's efforts to improve and increase the tracking of information relating to New York state food procured by agencies; [~~and~~]

(ii) the information collected pursuant to paragraph f of this subdivision, compiled to provide the following, disaggregated by food product and processed food:

(a) the total dollar value of New York state food products procured by agencies;

(b) the total dollar value of food products from outside of New York state procured by agencies during their listed New York state availability periods; and

(c) the total dollar value of all other food products from outside of New York state and processed food from facilities outside of New York state**; and**

(iii) an annual summary detailing each state agency contract made which satisfies the New York state food product procurement goals and requirements as set forth by section one hundred sixty-three-d of this article, disaggregated by contracting agency, to include the following information:

(a) the total dollar value of all food or food products purchased in each contract;

(b) the total dollar value of New York state food or food products purchased in each contract;

(c) the total dollar value of food or food products from outside of New York state and food processed from facilities inside or outside of New York state comprising less than fifty-one percent of agricultural raw materials grown, harvested, or produced in this state, by weight or volume purchased in each contract;

(d) the agency's annual aggregate percentage of food or food products purchased; and

(e) an enumeration of each and every contract entered into in which the head of the contracting state agency applied one of the exceptions pursuant to subdivision three of section one hundred and sixty-three-a of this article in the awarding of a bid; and the total dollar amount of food or food products from outside of New York state and food processed from facilities inside or outside of New York state comprising less than fifty-one percent of agricultural raw materials grown, harvested, or produced in this state, purchased in such contracts.

§ 7. This act shall take effect immediately; provided however that section five of this act shall take effect six months after this act shall have become law and section six of this act shall take effect two years after this act shall have become law.

PART PP

Section 1. Short title. This act shall be known and may be cited as the "packaging reduction and recycling infrastructure act".

§ 2. Article 27 of the environmental conservation law is amended by adding a new title 34 to read as follows:

TITLE 34

PACKAGING REDUCTION AND RECYCLING INFRASTRUCTURE ACT

Section 27-3401. Definitions.

§ 27-3401. Definitions.

As used in this title:

1. "Advisory council" or "council" means the packaging reduction and recycling advisory council established under section 27-3409 of this title.

2. "Beverage container" means a container used to contain all drinks in liquid form and intended for human consumption.

3. "Brand" means any mark, word, name, symbol, design, device, or graphical element or a combination thereof, including a registered or unregistered trademark, that identifies and distinguishes a product from other products.

4. "Curbside recycling" means a recycling program that serves residential units, or schools, state or local agencies, or institutions where such schools, state or local agencies, or institutions were eligible to be served under a contract with a municipality by a municipality or a private sector hauler as of the effective date of this title, and such recycling program is operated by a municipality or pursuant to a contract with the municipality, private sector hauler, or other public agency or through approved local solid waste management plans.

5. "Discarded", "discards", "generated" or "generation" means packaging material that has been used for its intended purpose and is no longer needed by consumers, businesses, institutions, and other users, and can be managed through reuse, recycling, or disposal.

6. "Disposal" means the landfilling or incineration of material or products. "Disposal" shall also include energy recovery or energy generation by any means, including, but not limited to, combustion, pyrolysis, gasification, or solvolysis. "Disposal" shall also include the use of materials as landfill cover.

7. "Eco-modulation" means program fees that are structured in a way to provide producers with financial incentives to reduce waste at the source, increase recyclability of covered materials, promote reusable packaging products, including those that are contained within a reuse

and refill system and that disincentivize designs or practices that increase costs and environmental impacts of managing the packaging materials.

8. "Environmental justice community" means any neighborhood or community which is composed predominantly of persons of color or persons below the poverty line, that is subject to a disproportionate burden of environmental hazards.

9. "Local government" means any municipal corporation, governmental subdivision of the state, local government unit, special district, school, local or regional board, commission, or authority authorized by law to plan or provide for waste management services for a specific geographical area.

10. (a) "Covered packaging material and products" or "covered materials" means the following:

(i) a discrete material or category of material, regardless of recyclability, including but not limited to such material types that are flexible, foam, or rigid material, including paper, plastic, glass, metal, or multi-material, that is used for the primary, secondary, tertiary containment, protection, handling, delivery, transport, distribution, or presentation of another product that is sold, offered for sale, imported, or distributed in the state, including through an internet transaction.

(ii) printed paper of any description, including but not limited to: (1) flyers; (2) brochures; (3) booklets; (4) catalogs; (5) telephone directories; (6) paper fiber; and (7) paper used for writing or any other purpose;

(iii) single-use plastic products that frequent the residential waste stream or are plastic products that have the effect of disrupting recycling processes, including, but not limited to, single-use plastic items such as straws, utensils, cups, plates, and plastic bags.

(b) Covered materials does not include:

(i) Medical devices and packaging which are included with products regulated as a drug, medical device, or dietary supplement by the United States food and drug administration under the federal food, drug, and cosmetic act, 21 U.S.C. 321 et seq., Sec. 3.2(E) of 21 U.S. code of federal regulations, or the dietary supplement health and education act;

(ii) Animal biologics, including vaccines, bacterins, antisera, diagnostic kits, and other products or biological origin, and other covered materials regulated by the United States department of agriculture under the virus, serum, toxin act, 21 U.S.C. 151-159;

(iii) Packaging regulated by the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. Sec. 136 et seq. or other applicable federal law, rule, or regulation;

(iv) Newspapers and magazines; and

(v) Beverage containers subject to a returnable container deposit under title ten of this article.

11. "Packaging reduction and recycling organization" or "organization" means a registered 501(c)(3) non-profit charitable organization, pursuant to 26 U.S.C. 501(c)(3), designated by a group of producers to act as an agent on behalf of each producer to develop and implement a packaging reduction and recycling plan pursuant to section 27-3405 of this title and comply with the organization responsibilities under section 27-3403 of this title.

12. "Packaging reduction and recycling plan" or "plan" means a document in which individual producers or the organization describe the

efforts they will undertake to comply with the requirements of this title.

13. "Packaging reduction and recycling program" or "program" means a program by which producers who sell, offer for sale, or distribute covered packaging materials and products shall register with the department, either individually or through a packaging reduction and recycling organization, to comply and implement the provisions of this title. The program is overseen by the department.

14. "Post-consumer recycled material" means new material produced using material resulting from the recovery, separation, collection and reprocessing of material that would otherwise be disposed of or processed as waste and that was originally sold for consumption. "Post-consumer recycled material" does not include post-industrial material or pre-consumer material, or material generated by means of advanced recycling, chemical recycling, combustion, gasification, incineration, pyrolysis, solvolysis, waste-to-energy, waste-to-fuel, or any other chemical or molecular conversion process.

15. "Producer" means the following entities for compliance with the requirements for covered materials sold, offered for sale, or distributed to consumers in or into this state:

(a) For covered materials sold or served to consumers at a physical retail location in this state:

(i) If the covered materials are sold or served under the manufacturer's own brand or are sold or served in covered materials that lacks identification of a brand, the producer of the covered materials is the person that manufactures the product;

(ii) If subparagraph (i) of this paragraph does not apply, the producer of the covered materials is the person that is the licensee of a brand or trademark under which a product is sold or served to a consumer in or into this state, whether or not the trademark is registered in this state, unless the manufacturer of the covered materials has agreed to accept responsibility; where the producer is a business operated wholly or in part as a franchise, the producer is the franchisor, if such franchisor has franchisees that are resident in the state;

(iii) If there is no person as described in subparagraph (i) or (ii) of this paragraph within the United States, the producer of the covered material is the person who imports the product into the United States for use in a commercial enterprise that sells, offers for sale, or distributes the product to consumers in this state.

(b) For products sold or distributed to consumers in covered materials in or into this state via remote sale or distribution:

(i) The producer of covered materials used to directly protect or contain the product is the same as the producer defined in paragraph (a) of this subdivision.

(ii) The producer of covered materials used to ship the product to a consumer is the person that manufacturers the shipping material.

16. "Product line" means a group of related products all marketed under a single brand name that is sold by the same producer to distinguish products from each other for better usability for customers.

17. "Recyclable" means a covered material that meets the criteria in section 27-3431 of this title.

18. "Recycled" means the use of discarded packaging materials or products in the production of a new product or packaging in place of virgin materials. "Recycled" material does not include contaminants, residues, and other process losses or use of materials as landfill cover.

19. "Recycling" means the series of activities by which material is: (a) collected, transported, sorted, and processed; or (b) used in industrial feedstocks in place of virgin materials to manufacture new products with minimal loss of material quality and quantity. "Recycling" does not include energy recovery or energy generation by any means, combustion, gasification, incineration, pyrolysis, solvolysis, or any other chemical conversion process or creation of a hazardous substance. It also does not include landfill disposal of discarded material or discarded product component materials, including the use of materials as landfill cover.

20. "Recycling rate" means the percentage of any given packaging type that is ultimately recycled. The recycling rate for any covered material shall be calculated as the total weight of packaging that is recycled in a given year divided by the total weight of covered material generated in that year. Material losses, including contaminants and residues, accruing during collection, processing and manufacturing new products do not count as recycled and should not be in the numerator of the equation.

21. "Reuse" means the return of packaging back into the economic stream for use in the same kind of application intended for the original packaging, without effectuating a change in the original composition of the package, the identity of the product, or the components thereof.

22. "Reuse and refill system" means a program or set of mechanisms designed to facilitate multiple uses of packaging. Mechanisms may include, but are not limited to, deposits, incentives, curbside collection, collection kiosks, refill stations, dishwashing facilities, and re-distribution networks.

23. "Reusable or refillable packaging and containers" means packaging material and containers that are specifically designed and manufactured to maintain its shape and structure, and be materially durable for repeated sanitizing, washing, and reuse.

24. "Toxic substances" means a chemical or chemical class identified by a state agency, federal agency, international intergovernmental agency, accredited research university, or other scientific entity deemed authoritative by the department on the basis of credible scientific evidence as being one or more of the following:

(a) A chemical or chemical class that is a carcinogen, mutagen, reproductive toxicant, immunotoxin, neurotoxicant, or endocrine disruptor.

(b) A chemical or chemical class that is persistent or bioaccumulative.

(c) A chemical or chemical class that may harm the normal development of a fetus or child or cause other developmental toxicity in humans or wildlife.

(d) A chemical or chemical class that may harm organs or cause other systemic toxicity.

(e) A chemical or chemical class that may have adverse air quality impacts, adverse ecological impacts, adverse soil quality impacts, or adverse water quality impacts.

(f) A chemical or chemical class that the department has determined has equivalent toxicity to the above criteria.

§ 27-3403. Responsibilities of the packaging reduction and recycling organization.

1. Producers shall either form a packaging reduction and recycling organization individually or collectively to meet the responsibilities of the program pursuant to the provisions of this section.

2. Each packaging reduction and recycling organization, or individual producers as applicable, shall establish consistency among programs so that all materials that can be sorted and sold to market are collected and processed for recovery. If more than one packaging reduction and recycling organization is registered within the state, each organization and producer shall coordinate with all other such organizations and producers to ensure that the collection convenience requirements in section 27-3413 of this title and educational requirements in section 27-3421 of this title are met and are consistent and seamless to residents, that government agencies and service providers are reimbursed for recycling services as required under this chapter, and that covered products are not reported as generated, supplied or managed by more than one organization.

3. Each packaging reduction and recycling organization in administration of the program shall:

(a) Develop a packaging reduction and recycling plan and submit such plan to the advisory council for review and comment, and submit to the commissioner for approval pursuant to section 27-3407 of this title;

(b) Collect and compile data from producers as required by section 27-3415 of this title;

(c) Calculate reasonable reimbursement rates through an objective formula approved by the department for curbside recycling;

(d) Collect fees due from producers as required by section 27-3411 of this title;

(e) Reimburse the department for the costs associated with conducting the statewide needs assessment required by section 27-3411 of this title and the administration and enforcement of the program;

(f) Distribute funds to reimburse local governments and private companies for the costs associated with the implementation of reduction and recycling programs, including collection, transportation and processing as required to meet the collection convenience standards in section 27-3413 and other requirements of this title;

(g) Make recommendations to the department regarding investments toward packaging reduction and reuse and make disbursements into the waste reduction and reuse infrastructure fund pursuant to section 27-3423 of this title;

(h) Undertake an effective statewide education and public outreach program required by section 27-3421 of this title;

(i) Offer technical support to participating producers, with an emphasis on support to small businesses, to assist them with compliance with the requirements of this title, including information about procuring affordable alternatives to non-compliant packaging and reducing packaging.

4. Annually, each packaging reduction and recycling organization shall submit a report to the department that, at a minimum, must include the following information:

(a) Contact information for the organization;

(b) A list of all participating producers, brands, and products;

(c) The total amount, by both weight and number of units, of each type of packaging material used to contain, protect, handle, deliver, transport, distribute, or present products sold, offered for sale, or distributed into the state by each individual producer during the prior calendar year;

(d) The total amount, by weight, of each material category recycled in the state, and out of state, as a result of activities undertaken by the

organization, either directly or through reimbursement or contractual arrangement;

(e) A calculation of the recycling rate of each material category which is derived by dividing the amount of each material category recycled, as reported in paragraph (d) of this subdivision by the amount of each material category generated, as reported in paragraph (c) of this subdivision;

(f) A complete accounting of all payments made to and by the organization during the prior calendar year;

(g) A list of producers believed to be out of compliance with the requirements of this title, and the reason the organization believes the producer to be out of compliance. Information on non-compliant producers shall be provided to the attorney general's office in a timely fashion;

(h) A description of the educational and outreach efforts made by the organization in the prior calendar year, and how those efforts were designed to reduce packaging waste, and increase reuse and recycling of packaging materials;

(i) An assessment of whether the fee structure pursuant to section 27-3411 of this title has been effective in incentivizing improvements to the design of packaging material, including actual reduction of packaging, increases in reusable and refillable packaging, recycling rates for packaging materials, and decreases in the amount of packaging;

(j) A description of the reimbursements and expenditures made pursuant to section 27-3411 of this title;

(k) A recommendation to the department to add or remove covered products from the list of recyclable materials, based on information gathered from end markets, including commodity brokers and manufacturers who purchase post-consumer materials for use in manufacturing new products;

(l) Audited financial statements; and

(m) Any additional information required by the department.

5. The packaging reduction and recycling organization shall operate a program that provides for collection convenience as described in section 27-3413 of this title.

6. The packaging reduction and recycling organization shall not spend funds on lobbying federal, state, or local governments or campaign contributions to any candidates running for office.

§ 27-3405. Packaging reduction and recycling organization plan.

1. Within eighteen months of the effective date of this title, each packaging reduction and recycling organization, shall develop and submit a packaging reduction and recycling plan to the department for approval. The plan shall be submitted to the advisory board for review pursuant to section 27-3409 of this title prior to the department's approval.

2. The plan shall cover five years and be updated every five years following the approval of the original plan. The department shall have the discretion to require the plan to be reviewed or revised prior to the five-year period pursuant to section 27-3417 of this title.

3. Each producer shall begin program implementation within six months after the date the plan is approved or no later than two years of the effective date of this title. If no plan is approved by that timeframe, the producer shall be subject to penalties for noncompliance.

4. Any person that becomes a producer after the effective date of this title shall submit an individual plan, or join a packaging reduction and recycling organization, within six months and begin program implementa-

tion within six months of plan approval or be subject to penalties for noncompliance.

5. The submitted plan shall include, but not be limited to:

(a) contact information, including the name, electronic and physical address, and telephone number of the authorized representative of the producer or producers;

(b) the identity of the producer or producers participating in the plan;

(c) a comprehensive list of the types and brands of covered materials for which the producer or producers are responsible for;

(d) a description of the proposed funding mechanism, identified in section 27-3411 of this title, that meets the requirements of this title and is sufficient to cover the cost of operating the program, updating the plan, and maintaining a financial reserve sufficient to operate the program in a fiscally prudent and responsible manner;

(e) an objective formula establishing a reimbursement rate, which covers obligations identified in the needs assessment and takes into account variable regional costs, for participating municipalities or private sector service providers;

(f) a description of the process for participating municipalities or private sector service providers to recoup reasonable costs as established by the objective formula, from the producer or organization, including, as applicable, any administrative, sorting, collection, transportation, public education, or processing costs, if the organization uses existing services through a municipality or obtains such services from a private sector service provider;

(g) at a minimum, the following funding mechanism details shall be provided in the plan:

(i) proposed program fees, provided as a table listing the rate paid for each material category, which in sum, will generate sufficient funding to cover obligations identified in the needs assessment and the requirements of this title; and

(ii) proposed program fee adjustments to incorporate eco-modulation factors;

(h) a description of the characteristics of each type of packaging material that are relevant to the eco-modulating factors set forth pursuant to section 27-3411 of this title;

(i) a description of the process used for the contracting with a private sector entity to provide such services to recoup reasonable costs if the municipality does not elect to provide service;

(j) how the producers or organization will work with existing waste haulers, material recovery facilities, recyclers, and municipalities to operate or expand current collection programs to address material collection methods;

(k) a description of how the producers or organization will use open, competitive, and fair procurement practices should they directly enter into contractual agreements with service providers, including municipalities and private entities;

(l) a description of how a municipality will participate, on a voluntary basis, with collection and how existing municipal recycling processing and collection infrastructure will be used;

(m) a description of how the producers or organization plans to meet the convenience requirements set forth in this title;

(n) a description of the process for end-of-life management, including recycling and disposal of residuals collected for recycling, using environmentally sound management practices;

(o) a description of how the organization shall provide the option to purchase recycled materials from processors;

(p) a description of how producers are complying with and exceeding the waste reduction, toxics, and post-consumer content requirements of the title;

(q) a description of how the organization will strategically invest in existing and future reuse and recycling infrastructure and market development in the state, including, but not limited to, installing or upgrading equipment to improve sorting of covered materials or mitigating the impacts of covered materials to other commodities at existing sorting and processing facilities, and capital expenditures for new technology, equipment, and facilities;

(r) a process to address concerns and questions from customers and residents;

(s) a description of the producer or organization's public outreach education program for consumers and other stakeholders;

(t) a description of how comments of stakeholders were considered and addressed in the development of the plan; and

(u) a detailed description of how the producers or organization consulted with the advisory board, the public, and other stakeholders in the development of the plan prior to its submission to the department, and to what extent the producers or organization specifically incorporated the advisory board's input into the plan.

6. The producers or organization shall also provide the advisory board a reasonable period of time to review and comment upon the draft plan prior to its submission to the department. The producers or organization shall make an assessment of comments received and shall provide a summary and an analysis of the issues raised by the advisory board and significant changes suggested by any such comments, a statement of the reasons why any significant changes were not incorporated into the plan, and a description of any changes made to the plan as a result of such comments.

§ 27-3407. Packaging reduction and recycling plan approval.

1. Before approval or denial of a packaging reduction and recycling plan can be made in accordance with this title, the producer or organization shall submit the plan to the packaging reduction and recycling advisory council.

2. Within sixty days of the advisory council making a recommendation to the department, the department shall make a determination to approve the plan as submitted; approve the plan with conditions; or deny the plan, with reasons for the denial.

3. The advisory council in recommending, and the department in approving or denying a plan, shall consider that:

(a) the plan adequately addresses all elements described in section 27-3405 of this title with sufficient detail to demonstrate that the plan will be met;

(b) the producer has undertaken satisfactory consultation with the advisory council, the public, and other stakeholders on the draft plan pursuant to subdivision six of section 27-3405 of this title and has provided an opportunity for the advisory council's input in the implementation and operation of the plan prior to submission of the plan, and has thoroughly described how the advisory council's input will be addressed by and incorporated into the plan;

(c) the plan also adequately provides for:

(i) the producer collecting and funding the costs of collecting and processing covered materials by contracting with private sector service providers or reimbursing municipalities;

(ii) the funding mechanism to cover the cost of the program, including administration, enforcement, the statewide needs assessment, and disbursements into the waste reduction and recycling infrastructure fund;

(iii) convenient and free consumer access to collection facilities or collection services;

(iv) a formulaic system for equitable distribution of funds;

(v) comprehensive public education and outreach;

(vi) an evaluation system for the fee structure, which shall be evaluated on an annual basis by the organization and resubmitted and approved by the department annually;

(vii) a convenient system for consumers to recycle that is, at minimum, as convenient as curbside collection or as convenient as the previous waste collection system in the particular jurisdiction; and

(viii) adequate consideration of the state's solid waste management policy set forth in section 27-0106 of this article.

4. The department may establish additional plan requirements in addition to those identified herein to fulfill the intent of this title; provided, however, that any additional requirements shall be established one year prior to a required submission of a plan unless such additional requirements are in relation to the power granted to the department section 27-3417 of this title.

5. No later than six months after the date the plan is approved, the organization shall implement the approved plan. The department may rescind the approval of an approved plan at any time with cause and documented justification.

§ 27-3409. Packaging reduction and recycling advisory council.

1. There is hereby established within the department a packaging reduction and recycling advisory council to receive and review the packaging reduction and recycling plans required under section 27-3405 of this title, to make recommendations to the department regarding approval of the plans, and to review the annual reports produced by organizations.

2. No later than one year after the effective date of this section, the commissioner shall appoint the members of the advisory council. The advisory council shall be composed of thirteen members, and the commissioner shall appoint at least one member from each of the following:

(a) a municipality association or municipal recycling program, including an additional municipal representative from cities with a population of one million or more residents;

(b) a statewide environmental organization;

(c) a representative of an environmental justice community affected by solid waste infrastructure;

(d) an environmental justice organization;

(e) a statewide waste disposal or recycling association;

(f) a materials recovery facility located within the state;

(g) a recycling collection provider;

(h) a manufacturer of packaging materials utilizing post-consumer recycled content;

(i) a consumer advocate;

(j) a retailer;

(k) a public health specialist; and

(l) a producer or producer responsibility organization established under this title as non-voting members.

4. Appointments to the advisory council are term-limited to five consecutive years of service; the chair shall be chosen through a majority vote of its members and shall serve no longer than one consecutive year;

5. Any member of the advisory council who represents a registered 501(c)(3) non-profit charitable organization, pursuant to 26 U.S.C. 501(c)(3), shall be provided a stipend for their work as an advisory council member at an amount equal to two hundred forty hours, multiplied by double the prevailing minimum wage;

6. All decisions made by the advisory council shall be decided by voting and votes shall only be valid when a quorum is present. A quorum shall exist when greater than fifty percent of voting members are present. The advisory council shall meet at least once a year by the call of the chair or by request of more than half the members. The decisions of the advisory council shall be by vote of the majority of its membership;

7. The council shall determine whether the plan submitted under section 27-3407 of this title meets the criteria and objectives under this section in making its recommendation.

8. The advisory council shall, within ninety days of the submission of a packaging reduction and recycling plan, either:

(a) forward the plan to the commissioner with its recommendation for approval; or

(b) forward the plan to the commissioner with its disapproval and stated reasons therefor, including any recommended changes to the plan necessary for approval.

9. An organization may resubmit a packaging reduction and recycling plan for approval at any time. Upon such resubmission, the advisory council shall, within ninety days, forward the plan to the commissioner with its recommendation for approval or disapproval.

10. The advisory council shall review the submitted annual reports and make such recommendations to the department and the organization for improving future plans.

§ 27-3411. Funding mechanism.

1. A packaging reduction and recycling organization shall establish program participation fees for producers through the plan pursuant to section 27-3405 of this title, which shall be sufficient to cover all costs of the program, including administration, enforcement, the statewide needs assessment, and disbursements into the waste reduction and reuse infrastructure fund established pursuant to section ninety-seven-bbbbb of the state finance law.

2. A packaging reduction and recycling organization shall structure program charges to provide producers with financial incentives through eco-modulation, to reward waste and source reduction and recycling compatibility innovations and practices, and to disincentivize designs or practices that increase costs of managing the products or which contain toxic substances.

3. A packaging reduction and recycling organization may adjust fees to be paid by participating producers based on factors that affect system costs. At a minimum, fees shall be variable based on:

(a) costs to provide curbside collection or another form of residential service that is, at minimum, as convenient as curbside collection or as convenient as the previous recycling collection plan in the particular jurisdiction or as convenient as the previous refuse

collection plan in the particular jurisdiction should recycling collection not be provided;

(b) costs to process covered materials for acceptance by secondary material markets;

(c) whether the covered material would typically be readily-recyclable except that as a consequence of the packaging design, the packaging product has the effect of disrupting recycling processes or the product includes labels, inks, and adhesives containing heavy metals or other toxic substances that would contaminate the recycling process;

(d) whether the packaging material is specifically designed to be reusable or refillable and has high reuse or refill rate; and

(e) the commodity value of a packaging material.

4. The fees shall be adjusted, or the producers may be provided a credit, based upon the percentage of post-consumer recycled material content and such percentage of post-consumer recycled content shall be verified by the organization or through an independent third party approved to perform verification services to ensure that such percentage exceeds the minimum requirements in the packaging, as long as the recycled content does not disrupt the potential for future recycling.

5. In addition to the annual schedule of fees approved in the plan, the organization fee schedule may include a special assessment on specific categories of packaging materials at the request of responsible entities representing and approved by the advisory council if the nature of the packaging material imposes unusual costs in collection or processing or requires special actions to address effective access to recycling or successful processing in municipal recycling facilities.

6. The revenue from any special assessment shall be used to make system improvements for the specific packaging materials or products on which the special assessment was applied.

7. A packaging reduction and recycling organization shall be responsible for calculating and dispersing funding at a reasonable recycling program funding rate through an objective formula approved by the department, and such reasonable rate may be varied based on population density rates, for municipal services utilized by a packaging reduction and recycling organization if the municipality elects to be compensated by the packaging reduction and recycling organization in the collection, recovery, recycling, and processing of covered materials and products, whether such services are provided directly by the municipality or through a contracted service provider.

8. If a municipality does not elect to provide service, and has given notice to the department of its intent, the packaging reduction and recycling organization shall be responsible for contracting with a private entity for services and shall be responsible for calculating and disbursing funding at a reasonable recycling program rate for collection, recycling, recovery, and processing services provided by the private sector entity contracted to provide such services.

9. The program funding mechanism shall be based on the cost of providing recycling services, including the cost of curbside containers where relevant, as well as the processing cost for each recyclable material, cost of handling non-recyclable material types collected as part of a recycling operation, transportation cost of recycling for each material type, and any other cost factors as determined by the department.

10. To facilitate a packaging reduction and recycling organization's determination of the reasonable cost of recycling, participating municipalities and private sector haulers contracting with the packaging reduction and recycling organization shall report data related to their

costs and the value of materials to the packaging reduction and recycling organization. Cost calculations shall take into consideration the amount received from the sale of source separated materials.

11. Any funds directly collected pursuant to this title shall not be used to carry out lobbying activities on behalf of a packaging reduction and recycling organization.

12. No retailer may charge a point-of-sale or other fee to consumers to facilitate a producer to recoup the costs associated with meeting the obligations under this title.

13. Nothing in this title shall require a municipality to participate in the packaging reduction and recycling program.

§ 27-3413. Collection and convenience.

1. A producer or organization shall provide for widespread, convenient, and equitable access to collection opportunities for recyclable covered materials at no additional cost. Such opportunities shall be provided to all residents of the state in a manner that is as convenient as the collection of municipal solid waste. A producer or organization shall ensure services continue for curbside recycling programs that a municipality serves as of the effective date of this title, either directly or through a contract to provide services, and that such services are continued through such producer or organization's plan pursuant to section 27-3405 of this title.

2. A plan shall not restrict a jurisdiction's resident's ability to contract directly with third parties to obtain recycling collection services if residents have the option to enter into such contracts as of the effective date of this title, as long as the resident still voluntarily chooses to contract directly with the third party.

3. An organization may rely on a range of means to collect various categories of covered materials so long as covered materials collection options include curbside recycling collection services provided by municipal programs, municipal contracted programs, solid waste collection companies, or other approved entities as identified by the department if:

(a) The category of covered materials is defined by the department as recyclable, and is suitable for residential curbside recycling collection and can be effectively sorted by the facilities receiving the curbside collected material;

(b) The recycling facility providing processing and sorting service agrees to include the category of covered materials as an accepted material;

(c) The covered materials category is not handled through a deposit and return scheme or buy back system that relies on a collection system other than curbside or multi-family collection; and

(d) The provider of the residential curbside recycling service agrees to the organization's service provider costs arrangement.

4. The producer or organization shall include, at a minimum, those materials designated by the department as recyclable materials, and may add covered products based on available collection and processing infrastructure and recycling markets for covered materials.

5. The producer or organization shall update and adopt the list on an annual basis, in consultation with the advisory board and the department, in response to collection and processing improvements and changes in recycling end markets. If there are multiple lists, the department shall compile the lists and shall publish a compiled list to the public. Such lists may vary by geographic region depending on regional markets and regional collection and processing infrastructure.

6. All municipalities or private recycling service providers shall provide for the collection and recycling of all covered materials contained on the list of minimum recyclables, based on geographic regions, in order to be eligible for reimbursement; provided, however, nothing shall penalize a municipality or private recycling service for recovering and recycling materials that are generated in the municipality or geographic region that are not included on the list of minimum types of recyclable covered materials or products as long as it can be demonstrated that such materials have a market as determined by the department in consultation with the producer or organization.

7. Reimbursement shall cover recycling of all covered materials so long as the program includes at least the minimum recyclables list. The department may grant an exception of the requirements in this subdivision upon a written showing by the municipality or private recycling service that compliance with the requirements is not practicable for a specific identified product or material and if the department finds it is in the best interest of the intent of this title to grant them an extension; provided, however, that the extension granted by the department shall not exceed twelve months.

§ 27-3415. Producer responsibilities.

1. Beginning one year after the effective date of this title, a producer shall not sell, offer for sale, or distribute into the state a product contained, protected, delivered, presented, or distributed in packaging unless the producer is registered with a packaging reduction and recycling organization and in full compliance with all requirements of this title.

2. Producers are responsible for payment of fees, through an organization, based on the quantity, type of packaging used in the state, and other factors.

3. Producers are responsible for meeting the toxic substances, packaging reduction, and post-consumer content standards under this title.

4. A producer shall annually report to the packaging reduction and recycling organization:

(a) The total amount, in units and by weight, of each type of covered material sold, offered for sale, or distributed for sale into the state by the producer in the prior calendar year; and

(b) All information necessary for the producer and organization to meet their obligations required under this title.

5. A producer shall submit all fees assessed on the producer by the packaging reduction and recycling organization.

6. A producer shall electronically submit annually, to both the department and the packaging reduction and recycling organization, a written declaration signed by its chief executive officer, verifying the producer's compliance with:

(a) The covered product reduction requirements of this title;

(b) The covered product recycled content requirements of this title; and

(c) The toxic substance reduction requirements of this title.

7. A producer is exempt from the requirements and prohibitions of this title in a calendar year in which:

(a) The producer realized less than one million dollars in total gross revenue during the prior calendar year; or

(b) The producer sold, offered for sale, or distributed for sale products contained, protected, delivered, presented, or distributed in or using less than one ton of packaging material in total during the prior calendar year.

8. A producer claiming an exemption pursuant to subdivision seven of this section shall provide the department with sufficient information to demonstrate that the claimant is eligible for an exemption.

§ 27-3417. Department responsibilities.

1. The department shall determine the effectiveness of outreach and education efforts pursuant to section 27-3421 of this title to determine whether changes are necessary to improve such outreach and education efforts and develop information that may be used by organizations to improve future outreach and education efforts.

2. The department shall maintain a list of materials and covered products that meet the standard to be considered recyclable pursuant to section 27-3431 of this title to be used as the minimum recyclables list.

3. In the event that the department determines that a packaging reduction and recycling organization no longer meets the requirements of this title, or fails to implement and administer the requirements of this title in a manner that effectuates the purposes of this title, the department shall revoke its approval of such organization's packaging reduction and recycling organization plan, and may elect to operate the program itself.

§ 27-3419. Statewide packaging reduction, reuse, and recycling needs assessment.

1. No later than one year after the effective date of this section, the department shall complete or cause to be completed a statewide packaging reduction, reuse, and recycling needs assessment to determine the current state of packaging reuse, recycling, and disposal, and identify barriers and opportunities to reduce the amount of packaging discarded and disposed of, and increase the reusability and recyclability of packaging.

2. The needs assessment, at a minimum, shall cover the following:

(a) The current recycling rate for each type of covered product material;

(b) The amount, by weight and material type, of covered product recycled at each recycling facility that accepts discarded packaging generated in the state;

(c) The processing capacity, market conditions, and opportunities in the state and regionally for recyclable materials generally, and covered product material categories specifically;

(d) The net cost of end-of-life management of discarded covered products in the state, including the cost associated with the collection, transportation, sortation, recycling, littering, landfilling, or incineration of discarded packaging;

(e) The availability of opportunities in the recycling and reuse system for minority- and women-owned businesses;

(f) Current barriers affecting recycling access and availability in the state;

(g) Current barriers to the marketability of recyclable materials generated in the state;

(h) Opportunities for the creation of covered product reuse and refill programs in the state;

(i) Opportunities for the improvement of covered product recycling in the state, including the development of end markets for recycled covered materials.

(j) Current barriers affecting the creation and implementation of covered product reuse and refill programs;

(k) Consumer education needs in the state with respect to covered product waste reduction, recycling, and reducing contamination in recycling, and reuse and refill systems for covered products; and

(l) Any other information the department considers necessary.

3. The cost incurred by the department associated with conducting the needs assessment shall be paid for by the organization.

4. The department shall report the results of the needs assessment to the public, the state legislature, the governor, the comptroller and the attorney general.

§ 27-3421. Education and outreach program.

1. Each packaging reduction and recycling organization shall develop and implement an educational outreach program designed to educate the public about waste reduction and improve the effectiveness of municipal recycling and, at a minimum, include:

(a) Educational and informational materials for consumers related to reducing the amount of packaging discarded, recycled, and disposed of in the state;

(b) A description of the environmental, social, economic, and environmental justice impacts associated with improper disposal of covered products and failure to reuse or recycle packaging materials;

(c) Information on the proper end-of-life management of covered products, including reuse, recycling, composting, and disposal;

(d) The location and availability of curbside recycling and additional drop-off collection opportunities for covered products, including deposit and take-back programs;

(e) How to prevent litter of covered products in the process of collection;

(f) Recycling instructions that are consistent statewide, except as necessary to take into account differences among local laws and processing capabilities, easy to understand, and easily accessible; and

(g) Any other information required by the department.

2. Educational outreach programs shall incorporate, at a minimum, electronic, print, web-based and social media elements that municipalities can utilize at their discretion, as well as including a variety of outreach and education tools and ensuring materials are widely accessible and available in multiple languages.

3. The educational outreach program shall be coordinated with and assist local municipal programs, municipal contracted programs, solid waste collection companies, and other entities providing services.

4. The educational outreach program shall be developed to ensure environmental justice communities receive targeted outreach and support.

5. The educational outreach program shall include a plan to work with participating producers to label or mark packaging material, in accordance with reasonable labeling standards, with information to assist consumers in responsibly managing and recycling covered products.

6. Each packaging reduction and recycling organization shall consult with municipalities on the development of educational materials and may coordinate with municipalities on outreach and communication.

7. A packaging reduction and recycling organization shall be authorized to provide producers and retailers with educational materials related to the responsible reduction, reuse, recycling, or disposal of discarded covered products. The educational and informational materials provided to the retailer under this subdivision may include, but need not be limited to, printed materials, signage, templates of materials that can be reproduced by retailers and provided thereby to consumers at the time of a product's purchase, and advertising materials that promote

and encourage consumers to properly reuse, recycle, or dispose of covered products.

§ 27-3423. Waste reduction and reuse infrastructure fund.

1. The department shall oversee the waste reduction and reuse infrastructure fund established pursuant to section ninety-seven-bbbbb of the state finance law, which is to pay for investments in reuse and refill and waste reduction infrastructure.

2. Each packaging reduction and recycling organization shall deposit into the fund no less than five percent of the total payments received from producers pursuant to the provisions of this title.

3. Funds shall be used for investment in collection systems, transportation systems, reuse systems, washing systems, redistribution systems, technology for tracking and data collection, capital expenditures on new and emerging technology that is focused on reusable and refillable packaging, as well as equipment, and facilities, and other projects determined by the department to facilitate the goals and objectives of this title.

4. Funds may also be used for investment in public outreach and education in ways that increase public participation in recycling programs, and access and participation in packaging reduction, reuse, and refill systems throughout the state.

5. The packaging reduction and recycling organizations shall prioritize investments for projects and programs that will directly benefit environmental justice communities, including, but not limited to, communities that are home to a landfill, incinerator, transfer station, or waste-to-energy facility.

6. Any investments made pursuant to this section must be approved by the department. The department shall approve or deny proposed investments within ninety days of receipt of a proposal from a packaging reduction and recycling organization. Such investments may be approved, at the discretion of the department, so long as the proposed investment shall, at a minimum:

(a) Increase the transition of packaging from non-reusable to reduced, reusable or refillable packaging;

(b) Increase access to reuse and refill infrastructure in the state;

(c) Increase the capacity of reuse and refill infrastructure in the state;

(d) Provide reuse and refill instructions that are, to the extent practicable, consistent statewide, easy to understand, translated into various commonly-used languages, and easily accessible; and

(e) Provide for outreach and education that are coordinated across programs or regions to avoid confusion for residents, and developed in consultation with local government and the public.

§ 27-3425. Prohibition on certain toxic substances and materials.

1. Beginning two years after the promulgation of rules and regulations pursuant to this title, no person or entity shall sell, offer for sale, or distribute into the state any packaging containing any of the following toxic substances:

(a) Ortho-phthalates;

(b) Bisphenols;

(c) Per- and polyfluoroalkyl substances (PFAS);

(d) Heavy metals and compounds, including lead, hexavalent chromium, cadmium, and mercury;

(e) Benzophenone and its derivatives;

(f) Halogenated flame retardants;

(g) Perchlorate;

(h) Formaldehyde;
(i) Toluene;
(j) Antimony and compounds;
(k) Carbon black; and
(l) UV 328 (2-(2H-benzotriazol-2-yl)-4,6-di-tert-pentylphenol).

2. Beginning two years after the promulgation of rules and regulations pursuant to this title, no person or entity shall sell, offer for sale, or distribute for use in this state any packaging containing:
(a) Polyvinyl chloride;
(b) Polystyrene; or
(c) Polycarbonate.

3. Beginning three years after the promulgation of rules and regulations pursuant to this title, and every three years thereafter, the department shall designate at least ten additional toxic substances or classes of toxic substances that may no longer be sold, offered for sale, distributed for sale, or distributed for use in packaging in this state unless it determines there are not ten chemicals that meet the definition of toxic substances. If the department determines there are not ten toxic substances that meet such a definition, it shall publish a detailed statement of its findings and conclusions supporting such determination.

4. Within one hundred eighty days of designating a toxic substance, the department shall adopt rules and regulations to prohibit the newly designated toxic substance in packaging, with an effective date no later than two years after such designation.

5. Any producer that violates this section shall be subject to a fine for each violation not to exceed fifty thousand dollars per violation. For the purposes of this section, each product line that is sold, offered for sale, or distributed to consumers, via retail commerce, in the state, including through an internet transaction shall be considered a separate violation.

§ 27-3427. Packaging reduction standards.

1. Each individual producer is required to meet the following packaging reduction requirements:

(a) Beginning three years after a producer first registers with a packaging reduction and recycling organization, such producer shall reduce the amount of packaging used to contain, protect, deliver, present, or distribute the products they sell, offer for sale, or distribute for sale into the state, by ten percent by weight.

(b) Beginning five years after a producer first registers with a packaging reduction and recycling organization, such producer shall reduce the amount of packaging used to contain, protect, deliver, present, or distribute the products they sell, offer for sale, or distribute for sale into the state, by twenty percent by weight.

(c) Beginning eight years after a producer first registers with a packaging reduction and recycling organization, such producer shall reduce the amount of packaging used to contain, protect, deliver, present, or distribute the products they sell, offer for sale, or distribute for sale into the state, by thirty percent by weight.

(d) Beginning ten years after a producer first registers with a packaging reduction and recycling organization, such producer shall reduce the amount of packaging used to contain, protect, deliver, present, or distribute the products they sell, offer for sale, or distribute for sale into the state, by forty percent by weight.

(e) Beginning twelve years after a producer first registers with a packaging reduction and recycling organization, such producer shall

reduce the amount of packaging used to contain, protect, deliver, present, or distribute the products they sell, offer for sale, or distribute for sale into the state, by fifty percent by weight.

2. The reductions required by this section shall be measured against the total amount of packaging the producer used to contain, protect, deliver, present, or distribute the products they sold, offered for sale, or distributed for sale, during the first year such producer registered with the packaging reduction and recycling organization.

3. These reductions shall be achieved by eliminating single-use packaging, including secondary or tertiary packaging, elimination of packaging components, reduction of packaging components, or by transitioning to reusable or refillable packaging systems.

4. The reductions required by this section shall not be achieved by substituting plastic for other materials or substituting a non-recyclable material for a recyclable material.

5. In the case of a producer that enters the market with fifty percent or more by weight of its packaging being reusable and contained within a reuse and refill system, such producer may apply to the department for a waiver from the packaging reduction requirements.

6. Nothing in this section shall preclude a producer from going beyond the reduction standards in subdivision one of this section.

§ 27-3429. Recycled content standards.

1. Each individual producer shall meet the recycling content targets contained in this section.

2. Beginning two years after the effective date of this section:

(a) all glass containers manufactured in the state shall contain, on average, at least thirty-five percent post-consumer recycled content;

(b) all paper carryout bags sold, offered for sale, or given away free in the state by a manufacturer shall contain, on average, at least forty percent post-consumer recycled content; except that a paper carryout bag that holds eight pounds or less shall only be required to contain, on average, at least twenty percent post-consumer recycled content; and

(c) all plastic trash bags sold or offered for sale in the state by a manufacturer shall contain, on average, at least twenty percent post-consumer recycled content.

3. The requirements of this section shall not apply to reusable or refillable packaging or containers.

§ 27-3431. Recyclability criteria.

1. Beginning two years after the effective date of this section, covered materials used by a producer shall meet the following recyclability criteria:

(a) be capable of being sorted by entities that process recyclable material generated in the state;

(b) has a consistent regional market for purchase, by end users in the production of new products;

(c) does not contain the following:

(i) non-detectable pigments, including but not limited to carbon black;

(ii) toxic substances as defined in this title or rules and regulations promulgated thereto;

(iii) opaque or pigmented polyethylene terephthalate;

(iv) oxo-degradable additives, including oxo-biodegradable additives;

(v) polyethylene terephthalate glycol in rigid packaging;

(vi) label constructions, including adhesives, inks, materials and formats, or features that render a package detrimental or non-recyclable;

(vii) DoPS - polystyrene, including EPS (expanded polystyrene); and
(viii) polyvinyl chloride, including polyvinylidene chloride;
(d) meets the post-consumer content requirements of this title; and
(e) any other criteria determined by the department.
2. The department shall maintain a list of covered products that meet this criteria and are deemed to be recyclable. The department shall update this list annually.
§ 27-3433. Establishment of the office of recycling inspector general.
1. The commissioner shall establish an independent office of recycling inspector general within the department. The recycling inspector general shall evaluate the programs created pursuant to this title on an annual basis to ensure such programs are functioning properly, and all producers are in compliance with the requirements of this title.
2. The recycling inspector general shall have the authority to investigate the compliance of producers with all provisions of this title and to bring enforcement actions for violations of this title pursuant to the provisions of section 27-3435 of this title.
§ 27-3435. Penalties and enforcement.
1. Failure to comply with the requirements of this title shall subject the organization or an individual producer to penalties for violations. The department, recycling inspector general, or attorney general, may conduct investigations, including inspecting operations, facilities, and records of producers and organizations, and performing audits of producers and organizations, to determine whether such producers and organizations are complying with the requirements of this title.
2. The department, the recycling inspector general, or the attorney general, shall notify an organization or producer of any conduct or practice that does not comply with the requirements of this title and of any inconsistencies identified in an audit.
3. The department, the recycling inspector general, and the attorney general, may issue a notice of violation to, and impose an administrative civil penalty not to exceed one hundred thousand dollars per day per violation on any entity not in compliance with this title or any of the regulations the department adopts to implement this title. For the purposes of this section, each product line that is sold, offered for sale, or distributed to consumers via retail commerce in the state, including through an internet transaction, shall be considered a separate violation.
4. All producers registered in a packaging reduction and recycling organization shall be jointly and severally liable for any penalties assessed against the packaging reduction and recycling organization pursuant to this title.
5. Civil penalties under this section shall be assessed by the department after an opportunity to be heard pursuant to the provisions of section 71-1709 of this chapter, or by the court in any action or proceeding pursuant to section 71-2727 of this chapter, and in addition thereto, such person or entity may by similar process be enjoined from continuing such violation and any permit, registration or other approval issued by the department may be revoked or suspended or a pending renewal denied.
6. All monies collected pursuant to the provisions of this section shall be deposited into the waste reduction and reuse infrastructure fund established pursuant to section ninety-seven-bbbbb of the state finance law.
§ 27-3437. Rules and regulations.

1. Within eighteen months after the effective date of this section, the department shall promulgate all rules and regulations necessary to implement, administer, and enforce the provisions of this title.

2. When promulgating rules pursuant to the provisions of this section, the department shall solicit input from the public of any draft rule or regulation to implement this section, including at a minimum a ninety-day comment period and one public hearing on such draft rules.

§ 27-3439. State preemption.

Jurisdiction in all matters pertaining to costs and funding mechanisms of packaging reduction and recycling organizations relating to the recovery of covered materials shall, by this title, be vested exclusively in the state; provided, however, that nothing in this section shall preclude any city, town, village or other local planning units from determining what materials shall be included for recycling in a municipal recycling collection program or shall preclude any person from coordinating, for recycling or reuse, the collection of covered materials and products.

§ 27-3441. Other assistance programs.

Nothing in this title shall impact any producer eligibility for any state or local incentive or assistance program to which they are otherwise eligible.

§ 27-3443. Severability.

The provisions of this title shall be severable and if any phrase, clause, sentence or provision of this title or the applicability thereof to any person or circumstance shall be held invalid, the remainder of this title and the application thereof shall not be affected thereby.

§ 3. The state finance law is amended by adding a new section 97-bbbbb to read as follows:

§ 97-bbbbb. Waste reduction and reuse infrastructure fund. 1. There is hereby created in the joint custody of the state comptroller and the commissioner of taxation and finance a fund to be known as the "waste reduction and reuse infrastructure fund".

2. Such fund shall consist of all moneys required to be deposited into the fund pursuant to the provisions of title thirty-four of article twenty-seven of the environmental conservation law. Nothing contained herein shall prevent the state from receiving grants, gifts or bequests for the purposes of the fund as defined in this section and depositing them into the fund according to law.

3. Moneys of the fund shall be made available pursuant to the provisions of section 27-3423 of the environmental conservation law, subject to the approval of the commissioner of environmental conservation, and on the audit and warrant of the comptroller.

§ 4. This act shall take effect immediately.

PART QQ

Section 1. Section 56-0501 of the environmental conservation law is amended by adding a new subdivision 3 to read as follows:

3. Beginning in state fiscal year two thousand twenty-three--two thousand twenty-four, environmental restoration projects may be funded within available appropriations.

§ 2. Subdivision 1 of section 56-0502 of the environmental conservation law is REPEALED.

§ 3. Subdivisions 1-a and 5 of section 56-0502 of the environmental conservation law, subdivision 1-a as added and subdivision 5 as amended

by section 2 of part D of chapter 577 of the laws of 2004, are amended and two new subdivisions 1 and 7 are added to read as follows:

1. "Contaminant" shall mean hazardous waste as defined in section 27-1301 of this chapter, petroleum as defined in section one hundred seventy-two of the navigation law, PFAS substances and emerging contaminants as defined in section eleven hundred twelve of the public health law, provided however, that emerging contaminants removed from the list required by such section pursuant to paragraph e of subdivision three of such section shall nonetheless continue to constitute contaminants under this subdivision.

1-a. "Contamination" or "contaminated" shall [~~have the same meaning as provided in section 27-1405 of this chapter~~] mean the presence of a contaminant in any environmental media, including soil, surface water, groundwater, air, or indoor air.

5. "Municipality", for purposes of this title, shall have the same meaning as provided in subdivision fifteen of section 56-0101 of this article, except that such term shall not refer to a municipality that [~~generated, transported, or disposed of, arranged for, or that caused the generation, transportation, or disposal of contamination located at real property proposed to be investigated or to be remediated under an environmental restoration project. For purposes of this title, the term municipality includes a municipality acting in partnership with a community based organization~~], through deliberate action or inaction, intentionally or recklessly caused or contributed to contamination, outside of its performance of governmental functions, which threatens public health or the environment, at real property to be investigated or remediated under an environmental restoration project.

7. "PFAS substances" shall mean a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

§ 4. Paragraph (c) of subdivision 2 of section 56-0503 of the environmental conservation law, as amended by section 38 of part BB of chapter 56 of the laws of 2015, is amended to read as follows:

(c) A provision that the municipality shall assist in identifying a responsible party by searching local records, including property tax rolls, or document reviews, and if, in accordance with the required departmental approval of any settlement with a responsible party, any responsible party payments become available to the municipality, before, during or after the completion of an environmental restoration project, which were not included when the state share was calculated pursuant to this section, [~~the state assistance share shall be recalculated, and~~] the value of such settlement shall be used by the municipality to fund its municipal share, and the state assistance share shall not be recalculated, to the extent that the total of all such settlement amounts is equal to or less than the municipal share. To the extent the total of all such settlement amounts exceeds the municipal share, the municipality shall pay such exceedance to the state, for deposit into the environmental restoration project account of the hazardous waste remedial fund established under section ninety-seven-b of the state finance law[~~, the difference between the original state assistance payment and the recalculated state share. Recalculation of the state share shall be done each time a payment from a responsible party is received by the municipality~~];

§ 5. Paragraphs (a), (d), and (e) of subdivision 1 of section 56-0505 of the environmental conservation law, as amended by section 5 of part D of chapter 1 of the laws of 2003, are amended and two new paragraphs (f) and (g) are added to read as follows:

(a) the benefit to the environment **and public health** realized by the expeditious remediation of the property proposed to be subject to such project;

(d) real property in a designated brownfield opportunity area pursuant to section nine hundred seventy-r of the general municipal law **or real property in a disadvantaged community pursuant to subdivision five of section 75-0101 of this chapter**; [~~and~~]

(e) the opportunity for other funding sources to be available for the **investigation or** remediation of such property, including, but not limited to, enforcement actions against responsible parties (other than the municipality to which state assistance was provided under this title; or a successor in title, lender, or lessee who was not otherwise a responsible party prior to such municipality taking title to the property), state assistance payments pursuant to title thirteen of article twenty-seven of this chapter, and the existence of private parties willing to remediate such property using private funding sources. Highest priority shall be granted to projects for which other such funding sources are not available[~~.~~]**, excluding state or federal funds for the investigation or remediation project received or to be received by the municipality;**

(f) for drinking water contamination sites as defined in section 27-1201 of this chapter, any requirements made by the commissioner of health pursuant to section 27-1205 of this chapter, for a municipally owned public water system to take action to reduce exposure to an emerging contaminant or contaminants; and

(g) any such other criteria deemed appropriate by the department.

§ 6. Subdivision 2 of section 56-0505 of the environmental conservation law is REPEALED.

§ 7. Subdivisions 3, 4, and 5 of section 56-0505 of the environmental conservation law are renumbered subdivisions 2, 3, and 4 and subdivision 2, as amended by section 5 of part D of chapter 1 of the laws of 2003 and as renumbered by this section, is amended to read as follows:

2. The remediation objective of an environmental restoration remediation project shall meet the same standard for protection of public health and the environment that applies to remedial actions undertaken pursuant to [~~section~~] **sections** 27-1313 **and 27-1205** of this chapter.

§ 8. Subdivision 3 of section 56-0509 of the environmental conservation law, as amended by section 4 of part D of chapter 577 of the laws of 2004, is amended to read as follows:

3. The state shall indemnify and save harmless any municipality[~~.~~] **that completes an environmental restoration remediation project in compliance with the terms and conditions of a state assistance contract or written agreement pursuant to subdivision three of section 56-0503 of this title providing such assistance and any** successor in title, lessee, or lender [~~identified in paragraph (a) of subdivision one of this section in the amount of any judgment or settlement,~~] obtained against such municipality, successor in title, lessee, or lender in any court for any common law cause of action arising out of the presence of any contamination in or on property at anytime before the effective date of a contract entered into pursuant to this title **where such municipality, successor in title, lessee or lender did not, through deliberate action or inaction, intentionally or recklessly cause or contribute to the presence of the contamination to be investigated or remediated under the environmental restoration project**. Such municipality, successor in title, lessee, or lender shall be entitled to representation by the attorney general, unless the attorney general determines, or a court of competent jurisdiction determines, that such representation would

constitute a conflict of interest, in which case the attorney general shall certify to the comptroller that such party is entitled to private counsel of its choice, and reasonable attorneys' fees and expenses shall be reimbursed by the state. Any settlement of such an action shall be subject to the approval of the attorney general as to form and amount, and this subdivision shall not apply to any settlement of any such action which has not received such approval.

§ 9. Notwithstanding subdivisions a, b, and c of section 32 of chapter 413 of the laws of 1996, a memorandum of understanding shall not be required to make available twenty million dollars ($20,000,000) from the Clean Water/Clean Air Bond Act of 1996 for state assistance payments to municipalities for environmental remediation in accordance with title 5 of article 56 of the environmental conservation law.

§ 10. This act shall take effect immediately.

PART RR

Intentionally Omitted

PART SS

Section 1. Section 33-0705 of the environmental conservation law, as amended by section 1 of item NN of subpart B of part XXX of chapter 58 of the laws of 2020, is amended to read as follows:

§ 33-0705. Fee for registration.

The applicant for registration shall pay a fee as follows:

a. [~~On or before July 1, 2023, six~~] **Six** hundred dollars for each pesticide proposed to be registered, provided that the applicant has submitted to the department proof in the form of a federal income tax return for the previous year showing gross annual sales, for federal income tax purposes, of three million five hundred thousand dollars or less; **and**

b. [~~On or before July 1, 2023, for~~] **For** all others, six hundred twenty dollars for each pesticide proposed to be registered[~~;~~

~~c. After July 1, 2023, fifty dollars for each pesticide proposed to be registered~~].

§ 2. Section 9 of chapter 67 of the laws of 1992, amending the environmental conservation law relating to pesticide product registration timetables and fees, as amended by section 2 of item NN of subpart B of part XXX of chapter 58 of the laws of 2020, is amended to read as follows:

§ 9. This act shall take effect April 1, 1992 provided, however, that section three of this act shall take effect July 1, 1993 [~~and shall expire and be deemed repealed on July 1, 2023~~].

§ 3. This act shall take effect July 1, 2023.

PART TT

Section 1. Short title. This act shall be known and may be cited as the "Suffolk county water quality restoration act".

§ 2. Legislative intent. The county of Suffolk ("county"), with a population of one million five hundred thousand persons, has in excess of three hundred eighty thousand existing onsite wastewater disposal systems, comprised mostly of cesspools and septic systems, with two hundred nine thousand of these onsite systems in environmentally sensi-

tive areas which could benefit from nitrogen-reducing technologies. The United States Environmental Protection Agency recognizes Long Island as having a sole source aquifer system for its drinking water supply. Suffolk county has an imminent need to preserve this valuable water resource by reducing the amount of nitrogen discharged into the groundwater by onsite systems. The full water cycle is impacted by increasing quantities of nutrients, pathogens, pesticides, volatile organic contaminants and saltwater intrusion, as well as a number of emerging threats such as prescription drugs and sea level rise.

The Suffolk county subwatersheds wastewater plan ("SWP"), certified by the department of environmental conservation as a Nine Elements Watershed (9E) plan, has documented the devastating effects of high levels of nitrogen pollution, not only on the drinking water quality, but also on coastal ecosystems, dissolved oxygen, water clarity, eelgrass, wetlands, shellfish, coastal resilience and in triggering harmful algal blooms. The SWP, is a long-term plan to address the need for wastewater treatment infrastructure throughout the county comprehensively over a period of fifty years. The SWP delineates the source and concentration of nitrogen loading in one hundred ninety-one subwatersheds throughout the county, and establishes nitrogen reduction goals for each watershed.

For many areas of the county, installing or connecting sewers is not a practical or cost-effective method of treating wastewater. For that reason, the SWP prescribes a hybrid approach that relies on sewering where feasible, and the replacement of cesspools and septic systems with innovative/alternative onsite wastewater treatment systems. The consolidation of any or all of the twenty-seven county sewer districts, as well as unsewered areas of the county, into a county-wide wastewater management district, the establishment of a water quality restoration fund, and a county board of trustees to monitor progress and the allocation of resources consistent with the goals of the SWP would allow for the implementation of a much needed integrated long-term wastewater solution for the county through comprehensive planning and management to improve water quality.

The purpose of this act is to create a water quality restoration fund to finance projects for the protection, preservation, and rehabilitation of groundwater and surface waters as recommended by the SWP. This act would allow the funding of projects that will mitigate wastewater pollutants utilizing the best available technology consistent with the SWP. The water quality restoration fund would be financed with a dedicated and recurring revenue source by the enactment of an additional sales and compensating use tax at the rate of one-eighth of one percent until 2060. Such tax would be enacted pursuant to a mandatory referendum.

This act shall also provide Suffolk county with the authority to create a county-wide wastewater management district through the consolidation of existing county sewer districts with currently unsewered areas of the county. A county-wide wastewater management district will provide an integrated and efficient approach to managing wastewater services across the county; allow the county to enhance and expand its incentive program to property owners to upgrade their wastewater treatment systems; to manage, monitor and enforce nitrogen reduction programs throughout the county; complete additional sewer extension projects; improve the economic wellbeing of communities; and provide an opportunity to consolidate and streamline the county's existing sewer district system and normalize the inequitable rate structure that has long existed.

In addition, this act will extend the existing one-quarter of one percent sales tax utilized to finance the county drinking water protection program until 2060.

§ 3. The county law is amended by adding a new section 256-b to read as follows:

§ 256-b. Suffolk county wastewater management district. 1. (a) Notwithstanding the provisions of any general, special or local law to the contrary, including this article, the county legislature of Suffolk county is hereby authorized to establish by resolution a Suffolk county wastewater management district, hereinafter referred to in this section as the "district", which shall include all powers of a sewer district and a wastewater disposal district as provided in section two hundred fifty of this article and as set forth in this subdivision, pursuant to the procedure contained in this section.

(b) In addition to the powers provided in section two hundred fifty of this article, the district shall have the power, as determined by the county legislature, to: (i) consolidate all of the original county sewer districts within the county as well as unsewered areas of the county, under the jurisdiction of the district; (ii) establish one or more zones of assessment within the district, coterminous with the territorial boundaries of the existing county sewer districts, consolidated pursuant to this section, the method of wastewater collection, treatment and disposal, existing or proposed, or both, and make changes to such zones of assessments; (iii) acquire interests in real property which may be completed by the transfer of property of original county sewer districts to the district, necessary for the installation and maintenance of district facilities; (iv) prioritize district projects in accordance with the Suffolk county subwatershed wastewater plan (SWP) adopted by the county legislature, and any amendments thereto; (v) receive funds from the Suffolk county water quality restoration fund, as established by section one thousand two hundred ten-F of the tax law, and distribute grant proceeds within the district in accordance with the goals established in the Suffolk county subwatershed wastewater plan; (vi) assume and pay any remaining indebtedness of each original county sewer district; (vii) within the zones of assessment, establish and provide for the collection of charges, rates, taxes or assessments to provide for the costs of operation, expenses, the sums sufficient to pay the annual installment of principal of, and interest on, obligations for improvements of the district, maintenance and improvements of the district, including but not limited to: (A) special assessment as defined in subdivision fifteen of section one hundred two of the real property tax law; (B) special ad valorem levy as defined in subdivision fourteen of section one hundred two of the real property tax law; (C) sewer rent as provided under article fourteen-F of the general municipal law; (viii) distribute grant proceeds within the district in accordance with the goals established in the SWP; and (ix) adopt, amend and repeal, from time to time, rules and regulations for the operation of a county district. Nothing in this section shall be construed to permit the collection of charges, rates, taxes, or assessments authorized by this section outside of the established zones of assessment within the unsewered portions of the district or within town or village sewer districts.

2. Boundaries. The boundaries of the district upon formation shall include the boundaries of all county sewer districts consolidated into the district and all unsewered areas of the county. Until such time as a town or village sewer district is consolidated into the district as set forth in subdivision ten of this section, the boundaries of the

district shall not include territorial boundaries of town or village sewer districts located wholly or in part in the county of Suffolk.

3. County agency review and report. The county legislature may direct the county agency, appointed or established pursuant to section two hundred fifty-one of this article, to, or the county agency on its own motion may, review and report thereon to the county legislature on the creation of the district and the merger therewith of any or all existing county sewer districts in accordance with this section and such other details as may be directed by the county legislature consistent with this article. When the agency has caused such report to be prepared, it shall transmit it to the county legislature. Upon receipt of the report, the county legislature shall call a public hearing pursuant to subdivision five of this section to create a Suffolk county wastewater management district in accordance with this section. Such report shall be filed in the office of the clerk of the legislature of Suffolk county.

4. Resolution. The county legislature of Suffolk county may adopt a resolution calling a public hearing upon the proposed creation of the district.

5. Notice. The clerk of the county legislature shall give notice of the hearing described in subdivision four of this section in such newspapers and within such time period as set forth in section two hundred fifty-four of this article. Such notice shall specify the time, date and location of such hearing and, in general terms, describe the proposed establishment of the district and the proposed basis of the future assessment of all costs of operation, maintenance and improvements of the district.

6. Hearing and resolution to establish. The county legislature shall meet at the time, date and location specified in such notice and hear all persons interested in the subject matter thereof concerning the same. If the county legislature determines that it is in the public interest to establish the district as specified in such notice, it shall further determine by resolution: (i) whether all property and property owners within the proposed district are benefited thereby; and (ii) whether all of the property and property owners benefited are included within the limits of the proposed district, the county legislature may adopt a resolution, subject to a permissive referendum, establishing the district.

7. Notice of adoption of resolution. Within ten days after the adoption by the county legislature of the resolution to establish the district described in subdivision six of this section, the county legislature shall give notice thereof, at the expense of the county, by the publication of a notice in such newspapers and within such time period as set forth in section one hundred of this chapter. Such notice shall set forth the date of adoption of the resolution and contain an abstract of such resolution, describing, in general terms, the district, the basis for the future assessment of all costs of operation, maintenance and improvements, and that such resolution was adopted subject to a permissive referendum.

8. Assessments, levies and charges. After the establishment of the district in accordance with this section, the county is hereby authorized by resolution approved by majority vote of the total membership of the county legislature to assess, levy and collect upon each lot or parcel of land within the zones of assessment established by this section: (a) special assessments as that term is defined in subdivision fifteen of section one hundred two of the real property tax law; (b) special ad valorem levy as that term is defined in subdivision fourteen

of section one hundred two of the real property tax law; and (c) sewer rents as provided by article fourteen-F of the general municipal law. Such costs and expenses may include, but shall not be limited to, the amount of money required to pay the annual expenses of maintenance, operation, personnel services of the district and the sums sufficient to pay the annual installment of principal of, and interest on, obligations for improvements of the district. Such sums so levied shall be collected by the local tax collectors or receivers of taxes and assessments and shall be paid over to the chief fiscal officer of the county, in the same manner and at the same time as taxes levied for general county purposes. The chief fiscal officer shall keep a separate account of such moneys and they shall be used only for purposes set forth in this section, and in addition, all monies collected from each zone of assessment established or amended in accordance with this section shall be further segregated and shall not be commingled with monies of other zones of assessment except upon approval by resolution of the county legislature upon recommendation of the board of trustees established in accordance with the Suffolk county water quality restoration act. Nothing in this section shall be construed to permit the collection of charges, rates, taxes, or assessments authorized by this section outside of the established zones of assessment within the unsewered portions of the district or within town or village sewer districts.

8-a. Recording determination. The clerk of the county legislature shall within ten days after the effective date of the resolution creating the district cause a certified copy to be recorded in the office of the clerk of the county and when so recorded such order shall be presumptive evidence of the regularity of the proceedings for the creation of the district and of all other action taken by the county legislature pursuant to this section. A certified copy shall also be filed in the office of the state department of audit and control in Albany, New York.

9. Other laws. All provisions of the real property tax law and the Suffolk county tax act, as the same may be amended from time to time, not inconsistent with the provisions of this article, relating to the assessing, levy and collection and enforcement of special assessments, ad valorem levies and sewer rents in the county shall apply and be of equal force and applicability to special assessments, ad valorem levies and sewer rents authorized pursuant to this section. Nothing in this section shall be construed to permit the collection of charges, rates, taxes, or assessments authorized by this section outside of the established zones of assessment within the unsewered portions of the district or within town or village sewer districts.

10. Towns and villages. This section shall not be construed as merging the sewer districts of towns and villages within the county of Suffolk into the district created by this section, provided, however, that the merger of any town or village sewer district, or village sewerage system, with the district shall be upon petition of a town or village, in accordance with section two hundred seventy-seven of this article, and, upon the adoption of an order as set forth therein, the town or village sewer district, or village sewerage system, if so determined by the county legislature of Suffolk, shall be merged into and consolidated with the district, and the boundaries of the district shall be deemed extended.

11. Water quality restoration fund. (a) Notwithstanding any provision of law to the contrary, the county of Suffolk shall deposit the net collections from the sales and compensating use tax authorized by

section one thousand two hundred ten-F of the tax law into the Suffolk county water quality restoration fund established in accordance therewith, and shall utilize all monies transferred from the fund consistent with this section. Nothing contained in this section shall be construed to prevent the financing in whole or in part, pursuant to the local finance law, of any project authorized pursuant to this section. Monies from the fund may be utilized to repay any indebtedness or obligations incurred pursuant to the local finance law consistent with effectuating the purposes of this section. Where Suffolk county finances a project, in whole, or in part, pursuant to the local finance law, the resolution authorizing such indebtedness shall be accompanied by a report from the county executive demonstrating how said indebtedness will be repaid by the fund. Said report shall include an estimate of projected revenues of the fund during the period of indebtedness. The report shall also provide an accounting of all other indebtedness incurred against the fund to be repaid for the same period. The county legislature shall make findings by resolution that there will be sufficient revenue to repay such indebtedness in its entirety from the fund before authorizing such indebtedness. Monies in said fund may be appropriated from or expended in any fiscal year to implement the powers set forth in this section and to repay any indebtedness or obligations incurred pursuant to the local finance law for the purposes authorized pursuant to this section.

(b) (i) Water quality improvement projects shall be eligible for funding pursuant to this section. For purposes of this section, "water quality improvement projects" shall mean the planning, design, construction, acquisition, enlargement, extension, or alteration of a county, town or village wastewater treatment facility, including individual hookups, or an individual septic system, including an alternative wastewater treatment facility or an individual septic system with active treatment, to treat, neutralize, stabilize, eliminate or partially eliminate sewage or reduce pollutants, including permanent or pilot demonstration wastewater treatment projects, or equipment or furnishings thereof. In the case of individual septic system projects, the funding of the operation and maintenance of such projects shall be included in the definition of "water quality improvement projects". Such projects shall have as their purpose the remediation of existing water quality to meet specific water quality standards consistent with the SWP. Projects consistent with or listed in the SWP that are part of a plan adopted by a local government resulting in a net nitrogen reduction shall be eligible for consideration by the board of trustees, established in accordance with subdivision six of this section.

(ii) Of the annual collections of the fund, administration of the county wastewater management district shall not exceed ten percent. Not less than seventy-five percent of the remaining annual funds after administration shall be used toward funding individual septic systems projects. In addition to water quality improvement projects, other eligible expenditures from the fund shall include the preparation of an annual SWP implementation action plan to protect, preserve, and rehabilitate groundwater, surface water, and drinking water.

(iii) Other than for the payment of indebtedness or obligations incurred as set forth in paragraph (a) of this subdivision, and except for the preparation of the SWP implementation plan, itself, no monies may be expended until the SWP implementation plan has been prepared and approved as provided for in this section.

(c) (i) Within the local law, ordinance or resolution establishing the Suffolk county water quality restoration fund, pursuant to section one thousand two hundred ten-F of the tax law, the county shall establish a board of trustees of twenty-one members to prepare, review and approve the SWP implementation plan for submission to the county executive and county legislature and shall specify the powers and duties of the board of trustees, including the procedures for appointment of a chairperson. Such approval shall be in addition to all other approvals required by law. The board of trustees shall consist of: (A) a representative from the department of environmental conservation; (B) a representative from the East End supervisors and mayors association; (C) a representative of the Suffolk town supervisors association; (D) a representative of the Suffolk County Village Officials Association; (E) a town representative from the State Central Pine Barrens Joint Planning and Policy Commission to be designated by the commission; (F) a municipal representative from the Peconic Estuary Partnership; (G) a municipal representative from the State South Shore Estuary Reserve; (H) a municipal representative from the Long Island Sound Estuary; (I) a representative of the Long Island Federation of Labor; (J) a representative of Building and Construction Trades Council of Nassau & Suffolk counties; (K) a representative from a regional environmental organization; (L) the chair of the Suffolk county planning commission; (M) the county executive or designee; (N) the presiding officer of the county legislature or designee; (O) the minority leader of the county legislature or designee; (P) the county department of public works commissioner or designee; (Q) the county department of health services commissioner or designee; (R) a representative from a regional economic development organization; (S) a representative from the liquid waste industry; (T) a representative from the Suffolk County Alliance of Chambers, Inc.; and (U) a representative from the Long Island Contractors Association.

(ii) The powers and duties of the board of trustees shall oversee the annual audit pursuant to paragraph (e) of this subdivision, making prudent recommendations for resource allocations for county-approved alternative wastewater treatment technologies not contemplated in the Suffolk county subwatersheds wastewater plan and long-term progress monitoring of the implementation of the Suffolk county subwatersheds wastewater plan regarding achievements of nitrogen load reductions and ecological endpoints.

(d) Annual SWP implementation plan. The board of trustees shall prepare, review and approve and submit to the county executive the SWP implementation plan within one year of the effective date of this section, and in every five years thereafter in a like manner. The board of trustees shall conduct a public hearing on said plan before its adoption or subsequent amendment. Said plan shall list every water quality restoration project which the county plans to undertake pursuant to the fund and shall state how such project would improve existing water quality. Funds may only be expended pursuant to this section for projects which have been included in said plan. Said plan shall be consistent with state, federal, county, and local government land use and wastewater management plans. After submission and approval by the county executive, such plan shall be submitted to the county legislature. Upon review, the county legislature shall determine, by local law, whether to approve the proposed plan, if the plan is denied, the plan shall be remanded to the board of trustees for further study. Such plan shall not become effective until approved by local law. Projects

may be added or removed from the currently effective SWP implementation plan in a like manner.

(e) Annual audit. The county shall annually commission an independent audit of the fund. The audit shall be conducted by an independent certified public accountant or an independent public accountant. Said audit shall be performed by a certified public accountant or an independent public accountant other than the one that performs the general audit of the county's finances. Such audit shall be an examination of the fund and shall determine whether the fund has been administered consistent with the provisions of this section and all other applicable provisions of state law. Said audit shall be initiated within sixty days of the close of the fiscal year of the county and shall be completed within one hundred twenty days of the close of the fiscal year. A copy of the audit shall be submitted annually to the state comptroller and the county comptroller. A copy of the audit shall be made available to the public within thirty days of its completion. A notice of the completion of the audit shall be published in the official newspaper of the county and shall also be posted on the internet website for the county. The cost of the audit may be a charge to the fund.

(f) Annual report. In addition to any other report required by this section, the board of trustees, through its chairperson, shall deliver annually a report to the county legislature. Such report shall be presented by May fifteenth of each year. The report shall describe in detail the projects undertaken, the monies expended, and the administrative activities of the water quality fund and district established in accordance with this section, during the prior year. At the conclusion of the report, the chairperson of the board of trustees shall be prepared to answer the questions of the county legislature with respect to the projects undertaken, the monies expended, and the administrative activities during the past year.

§ 4. Paragraph a of section 11.00 of the local finance law is amended by adding a new subdivision 109 to read as follows:

109. Septic systems. The acquisition, construction, or reconstruction of or addition to septic systems funded by programs established by the county of Suffolk, twenty-five years.

§ 4-a. Subdivisions (a) and (d) of section 1210-A of the tax law, as amended by chapter 683 of the laws of 2007, are amended to read as follows:

(a) In addition to the taxes imposed by section twelve hundred ten or any other provision of this article, the county of Suffolk is hereby authorized and empowered to adopt and amend a local law, ordinance or resolution imposing within the territorial limits of said county an additional sales and compensating use tax at the rate of one-quarter of one percent for the period beginning December first, nineteen hundred eighty-four and ending November thirtieth, two thousand [~~thirty~~] sixty, which tax shall be identical to the tax imposed by said county pursuant to section twelve hundred ten of this article. Except as hereinafter provided, all provisions of this article, including the definition and exemption provisions and the provisions relating to the administration, collection and distribution by the commissioner, shall apply for purposes of the tax imposed by this section in the same manner and with the same force and effect as if the language of this article had been incorporated in full in this section and had expressly referred to the tax imposed by this section; provided, however, that any provision relating to a maximum rate shall be calculated without reference to the additional sales and compensating use tax herein authorized. For

purposes of part IV of this article, relating to the disposition of revenues resulting from taxes collected and administered by the commissioner, the additional sales and compensating use tax herein provided shall be deemed to be imposed under the authority of section twelve hundred ten of this article and all provisions relating to the deposit, administration and disposition of taxes, penalties and interest relating to a tax imposed by a county under the authority of section twelve hundred ten of this article shall, except as otherwise specifically provided in this section, apply to the additional sales and compensating use tax imposed pursuant to this section.

(d) Notwithstanding any other provision of this article to the contrary, the net collections from the tax imposed pursuant to subdivision (a) of this section for the period beginning December first, nineteen hundred eighty-eight and ending November thirtieth, two thousand [~~thirty~~] **sixty** shall, upon payment to the county of Suffolk, be deposited in a special fund, to be designated as a drinking water protection reserve fund, to be created by said county therefor separate and apart from any other funds and accounts of the county. Moneys in such fund shall be deposited in one or more of the banks or trust companies designated, in the manner provided by law, as a depository of the funds of such county. Pending expenditure from such fund, moneys therein may be invested in the manner provided in section eleven of the general municipal law. Any interest earned or capital gain realized on the moneys so deposited or invested shall accrue to and become part of such fund. Moneys in said fund may be appropriated from and transferred to or expended in any fiscal year only for the purposes of making payments pursuant to subdivisions (b) and (c) of this section for the period beginning December first, nineteen hundred eighty-eight, to the extent that moneys in said fund are remaining, and if authorized by local law, for the following purposes:

(i) for the purposes of specific environmental protection (acquisition of: farmland development rights; open space, wetlands, woodlands, pine barrens and other lands for passive recreational uses; lands for hamlet greens, hamlet parks, pocket parks, historic parks, cultural parks and other lands for active/parkland recreational uses; lands necessary for maintaining and protecting the quality of surface water, groundwater and coastal resources);

(ii) for a water quality protection and restoration program or programs and land stewardship initiatives;

(iii) for the purposes of county-wide property tax protection; and

(iv) for the purpose of sewer taxpayer protection.

Notwithstanding any special or local law, resolution or charter provision to the contrary, moneys in said fund which have not been appropriated from and transferred to or expended in any fiscal year for the purposes of making payments pursuant to subdivisions (b) and (c) of this section, may alternatively be appropriated for the purposes of paying debt service on any new indebtedness incurred after the effective date of the chapter of the laws of two thousand one that enacted this paragraph pursuant to the local finance law in order to effectuate the purposes described in paragraph (i) or (ii) of this subdivision. For the purpose of allocating moneys in said fund pursuant to local law among the purposes described in paragraphs (i), (ii), (iii) and (iv) of this subdivision, moneys applied to the payment of debt service under the authority of the previous sentence shall be considered by said county to have been expended for the purposes for which such indebtedness was incurred.

§ 4-b. The tax law is amended by adding a new section 1210-F to read as follows:

§ 1210-F. Sales and compensating use tax for purposes of the Suffolk county water quality restoration fund. (a) In addition to the taxes imposed by section twelve hundred ten, section twelve hundred ten-A, or any other provision of this article, the county of Suffolk is hereby authorized and empowered to adopt and amend a local law, ordinance or resolution, subject to a mandatory referendum, in accordance with the provisions set forth in section twenty-three of the municipal home rule law, imposing within the territorial limits of said county an additional sales and compensating use tax at the rate of one-eighth of one percent for the period beginning March first, two thousand twenty-four and ending February twenty-ninth, two thousand sixty, which tax shall be identical to the tax imposed by said county pursuant to section twelve hundred ten of this article. Except as hereinafter provided, all provisions of this article, including the definition and exemption provisions and the provisions relating to the administration, collection and distribution by the commissioner, shall apply for purposes of the tax imposed by this section in the same manner and with the same force and effect as if the language of this article had been incorporated in full in this section and had expressly referred to the tax imposed by this section; provided, however, that any provision relating to a maximum rate shall be calculated without reference to the additional sales and compensating use tax herein authorized. For purposes of part IV of this article, relating to the disposition of revenues resulting from taxes collected and administered by the commissioner, the additional sales and compensating use tax herein provided shall be deemed to be imposed under the authority of section twelve hundred ten of this article and all provisions relating to the deposit, administration and disposition of taxes, penalties and interest relating to a tax imposed by a county under the authority of section twelve hundred ten of this article shall, except as otherwise specifically provided in this section, apply to the additional sales and compensating use tax imposed pursuant to this section.

(b) Notwithstanding any other provision of this article to the contrary, the net collections from the tax imposed pursuant to subdivision (a) of this section for the period beginning March first, two thousand twenty-four and ending February twenty-ninth, two thousand sixty shall, upon payment to the county of Suffolk, be deposited in a special fund, to be designated as the water quality restoration fund to be created by said county therefor separate and apart from any other funds and accounts of the county. Moneys in such fund shall be deposited and secured in the manner provided by section ten of the general municipal law and in no event shall moneys deposited be transferred to any other account. In addition to the net collections from the tax, deposits into the fund may include revenues of Suffolk county from whatever source and may include the acceptance of gifts. Pending expenditure from such fund, moneys therein may be invested in the manner provided in section eleven of the general municipal law. Any interest earned or capital gain realized on the moneys so deposited or invested shall accrue to and become part of such fund. Moneys in said fund may be appropriated from and transferred to or expended in any fiscal year only for the purposes authorized by subdivision eleven of section two hundred fifty-six-b of the county law.

§ 5. This act shall take effect immediately.

PART UU

Section 1. Paragraph (a) of section 11.00 of the local finance law is amended by adding a new subdivision 109 to read as follows:

109. Lead service line replacement programs established by a municipality, school district or district corporation, including, but not limited to programs that inventory, design and replace publicly owned and privately owned lead service lines within an established water system, thirty years. As used in this subdivision, "lead service line" means a service line made in whole or in part of lead, which connects a water main to a building inlet. A lead service line may be owned by the water system, a property owner, or both. A lead gooseneck, pigtail, or connector shall be eligible for replacement regardless of the service line material to which a lead gooseneck, pigtail, or connector is attached. Gooseneck, pigtail, or connector means a short section of piping, typically not exceeding two feet, which can be bent and used for connections between rigid service piping. A galvanized iron or steel service line is considered a lead service line if it ever was or is currently downstream of any lead service line or service line of unknown material.

§ 2. This act shall take effect immediately.

PART VV

Section 1. Expenditures of moneys appropriated in a chapter of the laws of 2023 to the department of agriculture and markets from the special revenue funds-other/state operations, miscellaneous special revenue fund-339, public service account shall be subject to the provisions of this section. Notwithstanding any other provision of law to the contrary, direct and indirect expenses relating to the department of agriculture and markets' participation in general ratemaking proceedings pursuant to section 65 of the public service law or certification proceedings pursuant to article 7 or 10 of the public service law, shall be deemed expenses of the department of public service within the meaning of section 18-a of the public service law. No later than August 15, 2023, the commissioner of the department of agriculture and markets shall submit an accounting of such expenses, including, but not limited to, expenses in the 2023--2024 state fiscal year for personal and non-personal services and fringe benefits, to the chair of the public service commission for the chair's review pursuant to the provisions of section 18-a of the public service law.

§ 2. Expenditures of moneys appropriated in a chapter of the laws of 2023 to the department of state from the special revenue funds-other/state operations, miscellaneous special revenue fund-339, public service account shall be subject to the provisions of this section. Notwithstanding any other provision of law to the contrary, direct and indirect expenses relating to the activities of the department of state's utility intervention unit pursuant to subdivision 4 of section 94-a of the executive law, including, but not limited to participation in general ratemaking proceedings pursuant to section 65 of the public service law or certification proceedings pursuant to article 7 or 10 of the public service law, and expenses related to the activities of the major renewable energy development program established by section 94-c of the executive law, shall be deemed expenses of the department of public service within the meaning of section 18-a of the public service law. No later than August 15, 2023, the secretary of state shall submit an accounting of such expenses, including, but not limited to, expenses in the 2023--2024 state fiscal year for personal and non-personal

services and fringe benefits, to the chair of the public service commission for the chair's review pursuant to the provisions of section 18-a of the public service law.

§ 3. Expenditures of moneys appropriated in a chapter of the laws of 2023 to the office of parks, recreation and historic preservation from the special revenue funds-other/state operations, miscellaneous special revenue fund-339, public service account shall be subject to the provisions of this section. Notwithstanding any other provision of law to the contrary, direct and indirect expenses relating to the office of parks, recreation and historic preservation's participation in general ratemaking proceedings pursuant to section 65 of the public service law or certification proceedings pursuant to article 7 or 10 of the public service law, shall be deemed expenses of the department of public service within the meaning of section 18-a of the public service law. No later than August 15, 2023, the commissioner of the office of parks, recreation and historic preservation shall submit an accounting of such expenses, including, but not limited to, expenses in the 2023--2024 state fiscal year for personal and non-personal services and fringe benefits, to the chair of the public service commission for the chair's review pursuant to the provisions of section 18-a of the public service law.

§ 4. Expenditures of moneys appropriated in a chapter of the laws of 2023 to the department of environmental conservation from the special revenue funds-other/state operations, environmental conservation special revenue fund-301, utility environmental regulation account shall be subject to the provisions of this section. Notwithstanding any other provision of law to the contrary, direct and indirect expenses relating to the department of environmental conservation's participation in state energy policy proceedings, or certification proceedings pursuant to article 7 or 10 of the public service law, shall be deemed expenses of the department of public service within the meaning of section 18-a of the public service law. No later than August 15, 2023, the commissioner of the department of environmental conservation shall submit an accounting of such expenses, including, but not limited to, expenses in the 2023--2024 state fiscal year for personal and non-personal services and fringe benefits, to the chair of the public service commission for the chair's review pursuant to the provisions of section 18-a of the public service law.

§ 5. Notwithstanding any other law, rule or regulation to the contrary, expenses of the department of health public service education program incurred pursuant to appropriations from the cable television account of the state miscellaneous special revenue funds shall be deemed expenses of the department of public service. No later than August 15, 2023, the commissioner of the department of health shall submit an accounting of expenses in the 2023--2024 state fiscal year to the chair of the public service commission for the chair's review pursuant to the provisions of section 217 of the public service law.

§ 6. Any expense deemed to be expenses of the department of public service pursuant to sections one through four of this act shall not be recovered through assessments imposed upon telephone corporations as defined in subdivision 17 of section 2 of the public service law.

§ 7. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2023 and shall expire and be deemed repealed April 1, 2024.

PART WW

Section 1. Section 11-102 of the energy law is amended by adding a new subdivision 17 to read as follows:

17. "All-electric ready." A building, project, or portion thereof that contains electrical systems and designs that provide sufficient capacity for a future retrofit of a mixed-fuel building to an all-electric building, including sufficient space, drainage, electrical conductors or raceways, bus bar capacity, and overcurrent protective devices for such retrofit. The state fire prevention and building code council shall promulgate guidelines for an electric-ready building on or before January first, two thousand twenty-four.

§ 2. Section 11-104 of the energy law is amended by adding three new subdivisions 7, 8 and 9 to read as follows:

7. In addition to the provisions of subdivision six of this section, to support the goal of zero on-site greenhouse gas emissions and help achieve the state's clean energy and climate agenda, including but not limited to greenhouse gas reduction requirements set forth within chapter one hundred six of the laws of two thousand nineteen, also known as the New York state climate leadership and community protection act, the code shall prohibit infrastructure, building systems, or equipment used for the combustion of fossil fuels in new construction statewide no later than December thirty-first, two thousand twenty-four if the building is less than seven stories and July first, two thousand twenty-eight if the building is seven stories or more.

8. Notwithstanding the provisions of subdivision seven of this section:

(a) The state fire prevention and building code council shall exempt systems for emergency back-up power, or buildings specifically designated for occupancy by a commercial food establishment, laboratory, laundromat, hospital, or crematorium but in doing so shall seek to minimize emissions and maximize health, safety, and fire protection. In such cases, the code shall limit the infrastructure, building systems, or equipment used for the combustion of fossil fuels to the system and area of a building for which a prohibition on infrastructure, building systems, or equipment used for the combustion of fossil fuels is infeasible. To the fullest extent feasible, the code shall require that the area or service within the project where infrastructure, building systems, or equipment used for the combustion of fossil fuels are installed shall be all-electric ready. Financial considerations shall not be a sufficient basis to determine physical or technical infeasibility. Exemptions or waivers provided under this subdivision shall be reviewed during each major code update cycle to determine whether they are still needed.

(b) The state fire prevention and building code council shall exempt agricultural buildings as defined by the code council from the provisions of subdivision seven.

9. Nothing in this section shall be interpreted or otherwise construed as preempting a municipality from prohibiting infrastructure, building systems, or equipment that uses or combusts fossil fuels.

§ 3. The energy law is amended by adding a new section 11-111 to read as follows:

§ 11-111. Additional reporting. On or before February first, two thousand twenty-four, the department of public service, the division of housing and community renewal, the department of state, and the New York state energy research and development authority shall report jointly to the governor, the temporary president of the senate, the minority leader of the senate, the speaker of the assembly, and the minority leader of

the assembly, regarding what changes to electric rate designs, new or existing subsidy programs, policies, or laws are necessary to ensure that subdivisions seven and eight of section 11-104 of this article do not diminish the production of affordable housing or the affordability of electricity for customers in all-electric buildings. For the purpose of this subdivision, "affordability of electricity" shall mean that electricity does not cost more than six percent of a residential customer's income.

§ 4. Section 1005 of the public authorities law is amended by adding a new subdivision 30 to read as follows:

30. To establish, administer, implement, and finance any programs established pursuant to article four-D of the public buildings law and to create processes for application review and allocation of funds for such programs, and to consult, cooperate and coordinate with any state entity as required or authorized in article four-D of the public buildings law.

§ 5. The public buildings law is amended by adding a new article 4-D to read as follows:

ARTICLE 4-D

DECARBONIZATION OF STATE-OWNED FACILITIES

Section 90. Definitions.

91. Decarbonization requirements.

92. Tracking and reporting.

93. Public buildings decarbonization and jobs program.

§ 90. Definitions. As used in this article:

1. "State-owned facility" includes "building" as defined in section eighty-one of this chapter, "dormitory" as defined in section three hundred seventy of the education law, and "facility" as defined in section three hundred seventy of the education law.

2. "Disadvantaged communities" has the same meaning as defined in section 75-0101 of the environmental conservation law.

3. "Highest-emitting facilities" means the fifteen state-owned facilities that produce the most emissions and collectively account for at least thirty percent of the greenhouse gas emissions as recorded by the authority's Build Smart NY program established pursuant to executive order eighty-eight of two thousand twelve.

4. "Decarbonization" and "decarbonize" means eliminating all on-site combustion of fossil fuels and criteria pollutants with the exception of back-up emergency generators and, to the greatest extent feasible, producing or purchasing electricity that is one hundred percent renewable.

5. "Program" means the public buildings decarbonization and jobs program established pursuant to section ninety-three of this article.

6. "Authority" shall mean the power authority of the state of New York.

7. "Thermal energy" has the same meaning as defined in section two of the public service law.

8. "Thermal energy network" means all real estate, fixtures and personal property operated, owned, used or to be used for or in connection with or to facilitate a distribution infrastructure project that supplies thermal energy.

§ 91. Decarbonization requirements. 1. No later than December thirty-first, two thousand thirty, total on-site greenhouse gas emissions shall be reduced across all state-owned facilities to be at least fifty percent lower compared to a January first, two thousand twenty-four baseline. No later than December thirty-first, two thousand thirty-five,

total on-site greenhouse gas emissions shall be reduced across all state-owned facilities to be at least seventy-five percent lower compared to a January first, two thousand twenty-four baseline. No later than December thirty-first, two thousand forty, all state-owned facilities shall have zero total on-site greenhouse gas emissions.

2. Operators of state-owned facilities may apply to the authority for a temporary exemption from the requirements of this section. Any exemptions may be for up to two years from the date of approval, and any extension of exemption period shall need to be resubmitted and reevaluated upon expiration, provided no such period of a single extension may be longer than two years. The authority shall only approve applications for exemptions for maintaining system reliability or if all reasonable attempts to cover the costs of decarbonization, including application for federal funds and receiving support from the authority, have been exhausted, provided that such facility has made reasonable progress toward decarbonization goals of this section.

§ 92. Tracking and reporting. 1. The authority, in cooperation with the state energy research and development authority, shall: (a) establish a baseline of on-site greenhouse gas emissions from all state-owned facilities as of January first, two thousand twenty-four; and (b) track on-site greenhouse gas emissions of state-owned facilities and their progress in complying with the requirements of section ninety-one of this article. All state-owned facilities shall furnish such information and assistance as the authority determines is necessary for implementation of the provisions of this article.

2. The authority shall issue a report to the governor, speaker of the assembly, and the temporary president of the senate on March thirty-first, two thousand twenty-five, and annually thereafter, on the progress made to meet the greenhouse gas emissions reduction requirements set forth in section ninety-one of this article, the number and type of projects completed, status of current or incomplete projects, the number of jobs created pursuant to such projects, the number of local hires, including the percentage from disadvantaged communities. Such report shall also be made available to the public on the authority's website.

§ 93. Public buildings decarbonization and jobs program. 1. (a) The authority is hereby directed to establish and administer the public buildings decarbonization and jobs program, as prescribed in this section, to provide funding, technical assistance and other resources as necessary to plan and implement decarbonization projects at the highest-emitting facilities, including construction of thermal energy networks and installation of other complementary measures such as building weatherization, electrical upgrades, installation of heat pumps, and on-site renewable energy generation.

(b) No later than April first, two thousand twenty-four, the authority shall provide awards of at least five million dollars each to the highest-emitting facilities for fifteen state-owned facilities to develop shovel-ready decarbonization plans for the installation and operation of thermal energy networks and other complementary measures necessary to decarbonize the facility, including without limitation, building weatherization, electrical upgrades, installation of heat pumps and on-site renewable electricity or renewable thermal energy production. The recipients of the award may study and choose the best option for decarbonization, including consideration of the thermal energy networks and complementary methods, based on the scale and technical requirements for their site. The decarbonization plans shall include any feasibility studies,

engineering reports, and other preparatory work necessary to determine a project budget, estimated project length for the installation and operation of thermal energy networks or other measures to decarbonize the facility. Such plans shall be required to be completed no later than April first, two thousand twenty-five, and shall be published publicly on the website of the authority. Any funding received pursuant to this paragraph shall be used exclusively to conduct the studies and reports required by this subdivision, and complete decarbonization projects at the highest-emitting facilities. Any state-owned facility receiving awards pursuant to this section shall consider in its feasibility studies and engineering reports the possibility of including nearby buildings that are not state-owned in such network.

(c) No later than April first, two thousand twenty-four, the authority shall make available a total of at least thirty million dollars in grants to fund work on decarbonization projects that are already shovel ready, at state-owned facilities across the state that are preparing to install thermal energy networks.

(d) No later than April first, two thousand twenty-four, the authority shall make available a total of at least ten million dollars in grants to fund preparation and implementation of electrification and weatherization at state-owned facilities across the state that are preparing to install thermal energy networks.

(e) To effectuate the purposes of this section, the authority shall consult and coordinate with, and provide any technical assistance necessary for compliance with the provisions of this section to, the office of general services, the state university of New York, the dormitory authority of the state of New York, or any other owner or operator of state-owned facilities. The authority may ask and shall receive from the state energy research and development authority, the office of general services, the state university of New York, the dormitory authority, and any owners or operators of state-owned facilities, any information or assistance necessary to carry out its powers and duties under this section.

(f) Any work conducted pursuant to, or using funds provided pursuant to, this section shall comply with the labor and community provisions required in subdivisions three and four of this section.

2. No later than April first, two thousand twenty-seven, the authority in coordination with the state energy research and development authority shall identify all state-owned facilities that are located in disadvantaged communities, and shall provide funding, technical assistance and other resources as necessary to plan and implement decarbonization projects at state-owned facilities located in disadvantaged communities that are not the highest-emitting facilities.

3. Any project funded or created pursuant to this section shall be deemed public work projects subject to articles eight and nine of the labor law and include the following requirements:

(a) For all construction work, the public owner, or a third party acting on behalf of such public owner, shall enter into a project labor agreement, as defined by section two hundred twenty-two of the labor law, with a bona fide building and construction trades labor organization establishing the labor organization as the collective bargaining representative for all persons who will perform work.

(b) For any building services work associated with the project or permanent installation of decarbonization components, payment and enforcement of prevailing wage consistent with article nine of the labor law.

(c) For any operations and maintenance work associated with the permanent installation of decarbonization components, such as thermal energy networks, the public entity shall require a labor peace agreement with at least one bona fide labor organization that is actively representing employees in such job-type or, upon notice, by a bona fide labor organization that is attempting to represent employees in such job-type. Individuals eligible for such employment positions shall first be selected from and offered to a pool of transitioning utility workers who have lost, or are at risk of losing, their employment with a utility downsizing its gas transmission and distribution system. Such list of potential employees shall be provided by affected unions and provided to the commissioner of labor, who shall update and provide such list to the authority, or the relevant state-owned facility, ninety days prior to the purchase, acquisition, and/or construction of any decarbonization project created under this section.

(d) (i) The inclusion of contract language with a provision that the iron and structural steel used or supplied on the "public work" for purposes of this paragraph, in the performance of the contract or any subcontract thereto and that is permanently incorporated into the public work, shall be produced or made in whole or substantial part in the United States, its territories or possessions. In the case of a structural iron or structural steel product all manufacturing shall take place in the United States, from the initial melting stage through the application of coatings, except metallurgical processes involving the refinement of steel additives. For the purposes of this subdivision, "permanently incorporated" shall mean an iron or steel product that is required to remain in place at the end of the project contract, in a fixed location, affixed to the public work to which it was incorporated. Iron and steel products that are capable of being moved from one location to another are not permanently incorporated into a public work.

(ii) The provisions of subparagraph (i) of this paragraph shall not apply if the head of the public entity constructing the public works, in his or her sole discretion, determines that the provisions would not be in the public interest, would result in unreasonable costs, or that obtaining such steel or iron in the United States would increase the cost of the contract by an unreasonable amount, or such iron or steel, including without limitation structural iron and structural steel cannot be produced or made in the United States in sufficient and reasonably available quantities and of satisfactory quality. The head of the public entity constructing the public works shall include such determination in an advertisement or solicitation of a request for proposal, invitation for bid, or solicitation of proposal, or any other method provided for by law or regulation for soliciting a response from offerors intending to result in a contract pursuant to this subdivision. The provisions of subparagraph (i) of this paragraph shall not apply for equipment purchased prior to the effective date of this section.

(e) Apprenticeship and workforce development utilization: (i) wherever possible, contractors and subcontractors shall be required to participate in apprenticeship programs, registered in accordance with article twenty-three of the labor law, in the trades in which they are performing work; (ii) for industries without apprenticeship programs, the use of workforce training, preferably in conjunction with a bona fide labor organization, shall be required; (iii) encouragement of registered preapprenticeship direct entry programs for the recruitment of local and/or disadvantaged workers.

(f) At least forty percent of the funding for workforce development programs, pre-apprenticeship programs, and necessary wraparound services utilized for the programs established pursuant to this article shall benefit residents of disadvantaged communities.

4. (a) Notwithstanding any provision of law to the contrary, all rights or benefits, including terms and conditions of employment, and protection of civil service and collective bargaining status of all existing public employees shall be preserved and protected. Nothing in this article shall result in: (i) the displacement of any currently employed worker or loss of position, including partial displacement such as a reduction in the hours of non-overtime work, wages, or employment benefits or result in the impairment of existing collective bargaining agreements; (ii) the transfer of existing duties and functions; or (iii) the transfer of future duties and functions, of any currently employed worker of the state or any agency, public authority or the state university of New York.

(b) Prior to the beginning of the procurement process for decarbonization projects, the agency, public authority or the state university of New York shall create and implement a workforce development report that: (i) estimates the number of current positions that would be eliminated or substantially changed as a result of the proposed building decarbonization project, and the number of positions expected to be created by the building decarbonization project; (ii) identifies gaps in skills of its current workforce that are needed to operate and maintain thermal energy networks; (iii) includes a comprehensive plan to transition, train, or retrain employees that are impacted by the decarbonization projects; and (iv) contains an estimated budget to transition, train, or retrain employees that are impacted by the proposed decarbonization projects.

(c) Nothing in this article shall limit the rights of employees pursuant to a collective bargaining agreement or alter the existing representational relationships among collective bargaining representatives or the bargaining relationships between the employer and any collective bargaining representative. Employees of public entities serving in positions in newly created titles shall be assigned to the appropriate bargaining unit.

(d) Prior to beginning the procurement process for decarbonization projects, the state agency, public authority or the state university of New York shall inform its employees' collective bargaining representative of any potential impact on its members or unit, including positions that may be affected, altered, or eliminated as a result of such projects.

5. The authority shall complete and submit a report, on or before April first, two thousand twenty-five, on the implementation of the public buildings decarbonization and jobs program established pursuant to this section, and those activities undertaken pursuant to this section, to the governor, the speaker of the assembly, the temporary president of the senate, the chair of the senate corporations, authorities, and commissions committee, the chair of the assembly corporations, authorities, and commissions committee, the chair of the assembly energy committee and the chair of the senate energy committee.

§ 6. This act shall take effect immediately.

PART XX

Intentionally Omitted

PART YY

Section 1. Section 4 of part LL of chapter 58 of the laws of 2019 amending the public authorities law relating to the provision of renewable power and energy by the Power Authority of the State of New York is amended to read as follows:

§ 4. This act shall take effect immediately; provided, however, that the provisions of sections two and three of this act shall expire on June 30, [~~2024~~] **2044** when upon such date the provisions of such sections shall be deemed repealed, provided that such repeal shall not affect or impair any act done, any right, permit or authorization accrued or acquired, or any liability incurred, prior to the time such repeal takes effect, and provided further that any project or contract that was awarded by the power authority of the state of New York prior to such repeal shall be permitted to continue under this act notwithstanding such repeal.

§ 2. This act shall take effect immediately.

PART ZZ

Section 1. Expenditures of moneys by the New York state energy research and development authority for services and expenses of the energy research, development and demonstration program, including grants, the energy policy and planning program, and the Fuel NY program shall be subject to the provisions of this section. Notwithstanding the provisions of subdivision 4-a of section 18-a of the public service law, all moneys committed or expended in an amount not to exceed $28,725,000 shall be reimbursed by assessment against gas corporations, as defined in subdivision 11 of section 2 of the public service law and electric corporations as defined in subdivision 13 of section 2 of the public service law, where such gas corporations and electric corporations have gross revenues from intrastate utility operations in excess of $500,000 in the preceding calendar year, and the total amount assessed shall be allocated to each electric corporation and gas corporation in proportion to its intrastate electricity and gas revenues in the calendar year 2021. Such amounts shall be excluded from the general assessment provisions of subdivision 2 of section 18-a of the public service law. The chair of the public service commission shall bill such gas and/or electric corporations for such amounts on or before August 10, 2023 and such amounts shall be paid to the New York state energy research and development authority on or before September 10, 2023. Upon receipt, the New York state energy research and development authority shall deposit such funds in the energy research and development operating fund established pursuant to section 1859 of the public authorities law. The New York state energy research and development authority is authorized and directed to: (1) transfer up to $4 million to the state general fund for climate change related services and expenses of the department of environmental conservation from the funds received; and (2) commencing in 2016, provide to the chair of the public service commission and the director of the budget and the chairs and secretaries of the legislative fiscal committees, on or before August first of each year, an itemized record, certified by the president and chief executive officer of the authority, or his or her designee, detailing any and all expenditures and commitments ascribable to moneys received as a result of this assessment by the chair of the department of public service pursuant to section 18-a of the public service law. This itemized record shall

include an itemized breakdown of the programs being funded by this section and the amount committed to each program. The authority shall not commit for any expenditure, any moneys derived from the assessment provided for in this section, until the chair of such authority shall have submitted, and the director of the budget shall have approved, a comprehensive financial plan encompassing all moneys available to and all anticipated commitments and expenditures by such authority from any source for the operations of such authority. Copies of the approved comprehensive financial plan shall be immediately submitted by the chair to the chairs and secretaries of the legislative fiscal committees. Any such amount not committed by such authority to contracts or contracts to be awarded or otherwise expended by the authority during the fiscal year shall be refunded by such authority on a pro-rata basis to such gas and/or electric corporations, in a manner to be determined by the department of public service, and any refund amounts must be explicitly lined out in the itemized record described above.

§ 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2023.

PART AAA

Section 1. Legislative findings and declaration. 1. Pursuant to article 75 of the environmental conservation law, as added by the Climate Leadership and Community Protection Act, the department of environmental conservation must promulgate regulations, by January 1, 2024, to ensure achievement of the statewide greenhouse gas emission limits, as defined and established therein. Among other requirements, the regulations promulgated by such department pursuant to section 75-0109 of the environmental conservation law must ensure that the aggregate emissions of greenhouse gases from greenhouse gas emission sources will not exceed the statewide greenhouse gas emissions limits established in section 75-0107 of the environmental conservation law; include legally enforceable emissions limits, performance standards, or measures or other requirements to control emissions from greenhouse gas emission sources; do not result in a net increase in co-pollutant emissions or otherwise disproportionately burden disadvantaged communities; and reflect, in substantial part, the findings of the scoping plan prepared by the Climate Action Council pursuant to section 75-0103 of the environmental conservation law.

2. The scoping plan prepared by the Climate Action Council pursuant to section 75-0103 of the environmental conservation law recommends that New York State adopt an economy-wide cap and invest program to, among other purposes, ensure achievement of the statewide greenhouse gas emission limits.

3. An economy-wide cap and invest program would meet the requirements of section 75-0109 of the environmental conservation law.

§ 2. Subdivision 1 of section 75-0101 of the environmental conservation law, as added by chapter 106 of the laws of 2019, is amended and fourteen new subdivisions 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 and 29 are added to read as follows:

1. "Allowance" means an authorization to emit, during a specified year, up to [~~one ton of carbon dioxide equivalent~~] **a fixed amount of carbon dioxide equivalent**.

16. "Cap and invest program" shall mean the program, as established by section 75-0121 of this article to achieve the requirements of this

article with respect to statewide greenhouse gas emission limits as adopted by the department and the authority.

17. "Department" shall mean the department of environmental conservation.

18. "Authority" shall mean the New York state energy research and development authority.

19. "Greenhouse gas emissions reduction account" shall mean a general account to be established by the authority, into which the department shall allocate allowances.

20. "Compliance obligation" shall mean the requirement to submit allowances sufficient for all emissions with respect to a compliance period.

21. "Compliance period" shall mean a one-year period during which a covered entity's carbon dioxide equivalent emissions may not exceed the allowances obtained and submitted by the covered entity to the authority for such period.

22. "Energy-intensive and trade-exposed facilities" or "EITEs" shall mean those businesses identified by the department pursuant to subdivision three of section 75-0121 of this article.

23. "Climate and community protection fund" shall mean the climate and community protection fund as established pursuant to section ninety-two-qq of state finance law.

24. "First compliance period" shall mean the compliance period beginning June first, two thousand twenty-four.

25. "Link" or "linkage" means establishment of a bilateral or multilateral non-binding agreement that connects two or more market-based programs designed to reduce carbon dioxide equivalent emissions and which:

a. articulates a mutual understanding of how the participating jurisdictions will collaborate to facilitate reductions of carbon dioxide equivalent emissions;

b. authorizes processes for satisfaction of compliance obligations in one participating jurisdiction as partially or fully satisfying, as appropriate, compliance obligations of regulated entities in another participating jurisdiction; and

c. otherwise provides for coordination of activities to facilitate operation of a joint market.

26. "Covered source" shall mean a greenhouse gas emissions source which is subject to the cap and invest program, as determined by the department, subject to the provisions of paragraph two of subdivision b of section 75-0109 of this chapter.

27. "Cap" shall mean the maximum allowable greenhouse gas emissions in a compliance period as set by the department pursuant to section 75-0121 of this article.

28. "Participating jurisdictions" shall mean jurisdictions which are linked.

29. "Reserve allowance" shall mean an allowance provided for pursuant to subdivision five of section 75-0121 of this article.

§ 3. Subdivision 2 of section 75-0109 of the environmental conservation law is amended by adding two new paragraphs e and f to read as follows:

e. Notwithstanding any other provision of law, utilize software systems and/or electronic mechanisms to ensure adequate data collection and assess greenhouse gas emission sources compliance with regulations.

f. At the discretion of the department, greenhouse gas emission sources may be required to submit compliance items electronically and maintain and utilize electronic signatures for verification purposes.

§ 3-a. Paragraph b of subdivision 4 of section 75-0109 of the environmental conservation law, as added by chapter 106 of the laws of 2019, is amended to read as follows:

b. The use of such mechanism shall account for not greater than fifteen percent of statewide greenhouse gas emissions estimated as a percentage of nineteen ninety emissions pursuant to section 75-0105 of this article, provided that the use of this mechanism must offset a quantity greater than or equal to the greenhouse gases emitted. The offset of greenhouse gas emissions shall not result in disadvantaged communities having to bear a disproportionate burden of environmental impacts. **Greenhouse gas emissions attributable to cost reductions for allowances issued to EITEs pursuant to subdivision three of section 75-0121 of this article shall be subject to the percentage limitation on greenhouse gas emissions under alternative compliance mechanisms set forth in the first sentence of this paragraph.**

§ 3-b. Section 75-0109 of the environmental conservation law is amended by adding two new subdivisions 5 and 6 to read as follows:

5. No later than January first, two thousand twenty-four, the department shall set statewide greenhouse gas emissions limits for each compliance period for the purpose of determining interim progress in achieving the statewide greenhouse gas emissions limits set forth in section 75-0107 of this article. Such statewide greenhouse gas emissions limits shall be set by the department as interim greenhouse gas emission reduction targets to inform decision-making regarding the need to reduce total allowable greenhouse gas emissions under the cap and invest program, and shall be reviewed annually. If, in the determination of the department, such statewide greenhouse gas emissions limits are set at a level which is insufficient to incentivize state greenhouse gas emissions reductions progress necessary to achieve the emissions reduction targets set forth in section 75-0107 of this article, the department shall then immediately modify the statewide greenhouse gas emissions limits set pursuant to this subdivision to correct such insufficiency, beginning with the next compliance period.

6. All revenue, interest and penalties received under programs and regulations adopted pursuant to this article shall be deposited in the greenhouse gas emissions reduction account.

§ 4. Subdivision 1 of section 75-0111 of the environmental conservation law is amended by adding a new paragraph d to read as follows:

d. Working group members shall receive no compensation for their services but shall be reimbursed for actual and necessary expenses incurred in the performance of their duties.

§ 5. Paragraphs a and b of subdivision 2 of section 75-0111 of the environmental conservation law, as added by chapter 106 of the laws of 2019, are amended to read as follows:

a. The [~~council~~] **working group** shall hold at least six regional public hearings on the draft criteria and the draft list of disadvantaged communities, including three meetings in the upstate region and three meetings in the downstate region, and shall allow at least one hundred twenty days for the submission of public comment.

b. The [~~council~~] **working group** shall also ensure that there are meaningful opportunities for public comment for all segments of the population that will be impacted by the criteria, including persons living

in areas that may be identified as disadvantaged communities under the proposed criteria.

§ 5-a. Paragraph b of subdivision 2 of section 75-0119 of the environmental conservation law, as added by chapter 106 of the laws of 2019, is amended to read as follows:

b. An assessment of existing regulations [~~and~~], whether modifications are needed to ensure fulfillment of the statewide greenhouse gas emissions limits, and a description of any such modifications the department has made and intends to make pursuant to sections 75-0121 and 75-0125 of this article.

§ 6. The environmental conservation law is amended by adding five new sections 75-0121, 75-0123, 75-0125, 75-0127 and 75-0129 to read as follows:

§ 75-0121. Cap and invest program; allocation of allowances.

1. Cap and invest program. a. There is hereby created an economy-wide cap and invest program to ensure the satisfaction of the requirements of sections 75-0107 and 75-0109 of this article through emissions reductions methods adopted and implemented by the department and the authority. The department and the authority shall undertake such adoption and implementation so as to provide for the program to begin as of the start of the first compliance period. The cap and invest program shall be subject to public notice and comment, including at least three public hearings, and shall include substantial consultation with the climate justice working group and members of disadvantaged communities.

b. The cap and invest program shall provide for annually declining aggregate greenhouse gas emissions limits by setting a maximum allowable amount of greenhouse gas emissions from all covered sources regulated under the cap and invest program in a given compliance period. Such greenhouse gas emissions limits may be referred to herein as a cap.

c. A certain number of allowances shall be created by the department to be transferred to the greenhouse gas emissions reduction account so as to be made available by the authority to covered sources in the manner set forth in this section and subdivision twenty-five of section eighteen hundred fifty-four of the public authorities law. The total number of allowances created and transferred so as to be made available for auction or sale by the authority in a compliance period shall in no event exceed the cap for such compliance period.

d. All covered sources must register with the department in a form and manner to be prescribed by the department and shall be subject to such requirements as the department may establish by regulation to ensure compliance with this article.

e. In implementing the cap and invest program the department shall prioritize greenhouse gas emissions reductions in disadvantaged communities, including but not limited to, by establishing maximum allowable greenhouse gas emissions limits for all individual sources located in, or contributing to pollution burden in, a disadvantaged community. Maximum allowable greenhouse gas emissions limits on individual sources shall decline annually at a rate which is proportional to the decline of the cap. Such emissions limits shall be sufficient to ensure that disadvantaged communities experience pollution reductions at rates commensurate with pollution reduction in other communities as a result of the cap and invest program, and are not disproportionately negatively affected as a result of the cap and invest program in compliance with paragraph c of subdivision three of section 75-0109 of this article, taking into account the characteristics of such communities and such sources. The department may require additional allowances for sources

located in, or contributing to pollution burden in, a disadvantaged community, than would otherwise be required under the cap and invest program.

f. The department shall provide for appropriate mechanisms to address covered sources for which regulation under the cap and invest program is preempted by federal law.

2. Distribution to the greenhouse gas emissions reduction account. The department shall transfer all allowances, as created and issued by the department pursuant to the cap and invest program, to the greenhouse gas emissions reduction account for auction, sale or direct allocation thereof in the manner set forth in this article and in subdivision twenty-five of section eighteen fifty-four of the public authorities law.

3. Energy-intensive and trade-exposed facilities. a. The department shall adopt regulations that establish criteria and methods for determining both energy intensity and trade exposure for the purpose of identifying facilities which may be vulnerable with respect to the cap and invest program such that they may be designated as EITEs in a manner which is consistent with the treatment of EITEs in the scoping plan, including appendix C thereof. The proceedings for such regulations must include public hearings and other efforts to provide meaningful opportunities for public comment from all persons who will be impacted by the plan, including persons working for EITEs and persons living in disadvantaged communities. Such regulations shall be developed in compliance with subparagraphs (i) through (iv) of paragraph b of this subdivision.

b. Such regulations shall:

(i) identify a procedure for such facilities to demonstrate that they are using the best available technologies;

(ii) consider how program design can further mitigate the cost of reducing emissions for such facilities while providing an incentive to improve efficiency and reduce emissions;

(iii) incorporate co-pollutant reduction measures or mitigation requirements for such facilities located in or contributing to a co-pollutant pollution burden in disadvantaged communities; and

(iv) provide for an application process for a facility to be so designated, which such application shall include:

A. such information as the department may request to establish whether the facility satisfies the energy intensity and trade exposure criteria;

B. a description of the expected impact of the cap and invest program on the facility;

C. the facility's plans to reduce emissions of greenhouse gases and co-pollutants; and

D. contractual commitment on the part of the EITE to avoid leakage and continue to meet such economic development or economic maintenance requirements as determined appropriate by the department, in consultation with the authority and the department of economic development.

c. Upon a showing by an EITE satisfactory to the department that the EITE will be significantly negatively impacted by compliance with the cap and invest program so as to result in leakage, the department and the authority may, in a manner not inconsistent with any other provision of this article or the scoping plan, provide for allowances to initially be issued to eligible EITEs at reduced cost. The amount of such reduced cost shall be that amount which is necessary to prevent leakage with respect to the facility, as determined by the department, in consultation with the authority and the department of economic development, assuming the EITE employs best available technology. For the first compliance period, any allowances issued to an EITE at reduced cost

shall not represent more than the minimum amount of allowances necessary to authorize the EITE to emit an amount of carbon dioxide equivalent emissions equal to the EITE's average annual carbon dioxide equivalent emissions for the years two thousand twenty-two, two thousand twenty-three, and two thousand twenty-four, as determined by the department, adjusted downward as necessary to an amount which accounts for the requirement that the EITE employs best available technology to reduce its emissions. In subsequent compliance periods, any allocation to EITEs of allowances at reduced cost shall decline in proportion to the reduction in total available allowances for such compliance period in accordance with the cap for such compliance period. In no event shall an EITE be issued an allowance at reduced cost for an amount which is less than the amount paid by the EITE for a reduced cost allowance in the previous compliance period.

d. In no event shall EITEs receive allowances at reduced cost after the tenth compliance period. The department shall cease the issuance of allowances to EITEs at reduced cost if it determines that:

(i) issuance of allowances at reduced cost to an EITE is no longer necessary to limit leakage;

(ii) the EITE is not employing best available technology;

(iii) the EITE is located within a disadvantaged community, or contributes to the pollution burden of disadvantaged community, and the EITE's co-pollutant emissions have increased relative to the previous compliance period;

(iv) the EITE no longer qualifies as an EITE; or

(v) the EITE made material misstatements on its application, or materially violated (A) the terms of any approval of such application, (B) any agreement in respect thereof or (C) any law, rule, or regulation adopted pursuant to this article or article nineteen of this chapter, including without limitation the individual source emissions limits set pursuant to paragraph e of subdivision one of this section.

e. If the actual greenhouse gas equivalent emissions of an EITE exceed the allowances issued to an EITE at reduced cost for that compliance period, such EITE must acquire additional allowances and submit such allowances as necessary to satisfy its compliance obligation during such compliance period.

f. If the department issues allowances to EITEs at reduced cost, the department shall:

(i) conduct regular audits of such EITEs to determine whether such EITEs continue to qualify as EITEs for purposes of receiving free allowances under this subdivision; and

(ii) regularly review the need to issue allowances to EITEs at reduced cost.

g. The department shall create a public database online and report to the governor and the legislature, on the emissions and location of any EITE.

h. Notwithstanding anything in this subdivision to the contrary, the total number of allowances issued at reduced cost for a compliance period shall not exceed fifteen percent of the allowances for such compliance period. To the extent this paragraph limits the number of reduced cost allowances otherwise allocated to EITEs pursuant to this subdivision, allocations of reduced cost allowances shall be reduced as necessary in a manner to be determined appropriate by the department, in consultation with the authority.

4. Auction or sale of allowances. a. The department shall provide support to the authority for the auction or sale of allowances pursuant

to subdivision twenty-five of section eighteen hundred fifty-four of the public authorities law.

b. The department, in consultation with the authority, shall adopt such rules and regulations as it deems necessary to govern the auction or sale, and may enter into such contracts as may be necessary or convenient for such purpose.

c. The department shall, in coordination with the authority, adopt regulations to protect confidentiality and to guard against bidder collusion and minimize the potential for market manipulation.

5. Allowance reserve. The department may reserve a small portion of allowances under the cap for purposes of market stability and to incentivize additional emissions reductions so long as such allowances are not in addition to the total allowances under the cap. Such allowances may be transferred to the greenhouse gas emissions reduction account upon notice to the department by the authority at such times as deemed necessary by the authority. Such reserve allowances may be auctioned or sold in a manner and at a time determined appropriate by the authority. Such reserve allowances shall be auctioned or sold for a price which is equal to or greater than the maximum allowance price provided for in subdivision two of section 75-0125 of this article.

§ 75-0123. Use of allowances.

1. Allowances must be submitted to the department for the full amount of greenhouse gas emissions emitted during such compliance period. If greenhouse gas emissions exceed allowances submitted for the compliance period, such shortfall shall be penalized pursuant to section 75-0129 of this article.

2. Any allowances not submitted at the end of the compliance period in which they are issued by the authority shall automatically expire one hundred eighty days after the end such compliance period if not submitted prior to such date.

3. Allowances shall not be tradable, saleable, exchangeable or otherwise transferable.

§ 75-0125. Price of allowances.

1. Price floor. In consultation with the authority, the department shall establish by regulation a minimum allowance price for each compliance period and a schedule for the amount by which the minimum allowance price shall increase every year. Except with respect to allowances provided at reduced cost to EITEs in compliance with subdivision three of section 75-0121 of this article, allowances shall not be sold or auctioned at an amount lower than such minimum allowance price for the applicable compliance period.

2. Price ceiling. In consultation with the authority, the department shall determine and establish a maximum allowance price for each compliance period and a schedule for the maximum price to increase by a predetermined amount every year at a rate which is greater than or equal to the rate of increase of the price floor set by the price floor increase schedule pursuant to subdivision one of this section. The price ceiling schedule must be set at a level sufficient to incentivize investments to achieve further greenhouse gas emission reductions beyond those enabled by the price ceiling for a given compliance period. Except as set forth in subdivision five of section 75-0121 of this article, the department shall not sell or auction allowances at an amount higher than such maximum price for the applicable compliance period.

3. Price adjustments. In consultation with the authority, the department shall increase the price floor and price ceiling for any given compliance period above the schedules of price increases set forth in

subdivisions one and two of this section if necessary to ensure achievement of the emissions reductions necessary to comply with the statewide greenhouse gas emissions limits established by section 75-0107 of this article. The department shall assess whether such increases are necessary on at least an annual basis, and in doing so shall consider actual emissions reductions, progress towards achieving the statewide greenhouse gas emissions limits established by section 75-0107 of this article, and performance with respect to the statewide greenhouse gas emissions limits established pursuant to subdivision five of section 75-0109 of this article.

4. Pricing considerations. a. The department shall make all determinations under this section with reference to (i) the need for certainty in achieving the emissions reduction requirements set forth in section 75-0107 and the statewide greenhouse gas emissions limits established pursuant to section 75-0109 of this article, (ii) the social cost of carbon as determined pursuant to section 75-0113 of this article, (iii) other greenhouse gas pricing programs throughout the world, and the successes and failures of such programs with respect to pricing of allowance, (iv) the statewide greenhouse gas emissions report developed pursuant to section 75-0105 of this article, (v) cost-of-living inflation with reference to the United States Bureau of Labor Statistics Consumer Price Index or, if that index is not available, another appropriate index adopted by the department and (vi) such other information as may be necessary or convenient to comply with this section.

b. The department and the authority may seek and obtain such information as may be necessary or convenient for the determination of the price from other state or federal agencies or the federally designated electric bulk system operator.

§ 75-0127. Linkage with other jurisdictions.

1. The department shall determine an equitable and efficient manner to link the cap and invest program with the Regional Greenhouse Gas Initiative. Such linkage shall provide that any source subject to the Regional Greenhouse Gas Initiative and the cap and invest program shall receive interjurisdictional credit for greenhouse gas emissions reductions and amounts paid for allowances acquired under the respective programs through a reduction in the price of an allowance equivalent to the amount paid for an allowance for an equivalent amount of emissions in the other jurisdiction. In determining such reduction in price, the department shall evaluate the relative cost of allowances with respect to emissions covered by the Regional Greenhouse Gas Initiative as compared to the cap and invest program, and make such determination in a manner that results in an equal treatment of the cost of allowances relative to covered sources which are not subject to the Regional Greenhouse Gas Initiative. No source otherwise subject to the cap and invest program shall be excluded from the cap and invest program because it is subject to the Regional Greenhouse Gas Initiative.

2. The department may link the cap and invest program with one or more similar programs in jurisdictions other than the regional greenhouse gas initiative if it determines that:

a. Such linkage will result in cap and invest program market benefits, reduce costs, and result in economic benefits to the people of the state; and

b. The department has:

(i) at least six months prior to any such linkage, released a plan for any proposed linkage which includes (A) a detailed explanation of the department's determinations with respect to paragraph a of this subdivi-

sion and paragraphs a, b, and c of subdivision three of this section, and (B) processes for regular review and audit of such linkage,

(ii) solicited public comment on such plan and provided at least thirty days for such public comment, and

(iii) considered such public comment and, if appropriate, updated the plan in response to such public comment.

3. Any linkage shall provide assurance that:

a. it does not compromise, limit, or impinge upon the state's progress, ability, or likelihood of meeting or exceeding the requirements of this article;

b. that credit for greenhouse gas emissions reductions under one program shall not reduce compliance obligations in the other jurisdictional program more than an equivalent amount of greenhouse gas emissions reductions in such program; and

c. such linkage will not result in increased co-pollutant emissions in disadvantaged communities.

4. If the department determines that linkage with another similar program made pursuant to subdivision two of this section no longer meets the requirements set forth in paragraph a of such subdivision and paragraphs a, b, and c of subdivision three of this section, the department shall take immediate action to ensure compliance with such paragraphs, and if compliance is not achieved within one year of when such determination of non-compliance is made, the department shall discontinue such linkage within one hundred eighty days thereafter.

5. Any linkage shall require approval of the legislature.

§ 75-0129. Enforcement; penalties.

1. All covered entities are required to submit allowances in a timely manner to satisfy compliance obligations and shall comply with all requirements for monitoring, reporting, holding, and transferring emission allowances and other provisions of this chapter.

2. Except as provided in subdivision five of this section, any person that violates the provisions of this article or an order issued under this article shall incur a penalty of up to twelve thousand five hundred dollars per day for each day such violation shall continue. All penalties under this subdivision must be deposited into the climate and community protection fund.

3. Orders and penalties issued under this chapter are appealable in accordance with the procedures of article seventy-one of this chapter.

4. Any electric corporation, gas corporation, or combination gas and electric corporation as such terms are defined in section two of the public service law which pays a monetary penalty under this section must notify its customers in published form within three months of paying such monetary penalty.

5. The department may issue additional fines for violations of the provisions of this article. In the event of multiple violations, each violation shall be considered a separate offense.

§ 7. Section 1854 of the public authorities law is amended by adding five new subdivisions 24, 25, 26, 27 and 28 to read as follows:

24. Climate risk-related and energy transition activities. To conduct, foster, assist, evaluate, and support programs and services related to: greenhouse gas emissions or co-pollutant reductions; research, analysis and support of climate mitigation, adaptation, and resilience; other measures as identified in the scoping plan developed pursuant to section 75-0103 of the environmental conservation law, including without limitation those measures identified relative to a just transition or work-

force development; or measures identified in the state energy plan developed pursuant to article six of the energy law.

25. To establish, administer, implement, and support the greenhouse gas emissions reduction account as defined in section 75-0101 of the environmental conservation law, consistent with article seventy-five of the environmental conservation law, and pursuant to regulations adopted pursuant to such article and other existing authority, including by making allowances available from such account for auction or sale pursuant to the cap and invest program, as such terms are defined in section 75-0101 of the environmental conservation law. Such auction or sale shall be conducted on a quarterly basis and in a manner that, subject to the other requirements of article seventy-five of the environmental conservation law and regulations adopted pursuant thereto, is efficient, transparent, and provides certainty for participants to the extent practicable, provided that with respect to reserve allowances as defined in section 75-0101 of the environmental conservation law, auctions need not be quarterly. The authority shall establish procedures to guard against the potential for market manipulation including but not limited to bidder collusion or other improper release or disclosure of any bidding information. A violation of rules with respect to market manipulation shall be subject to a civil penalty of sixty thousand dollars per violation for a first violation, and one hundred twenty thousand dollars for each subsequent violation, and any applicable criminal penalties. The authority shall develop rules and procedures in respect of all such requirements. The proceeds from the auction or sale of allowances and any penalties will be placed into a segregated authority funding account, established pursuant to section eighteen hundred fifty-nine of this title, and shall not be commingled with other authority funds. Except as otherwise set forth in this title, the authority may use a portion of such proceeds for administrative costs, auction or sale, design and support costs, and program design, implementation, evaluation, and support costs directly related to implementing the cap and invest program, provided that such amounts shall not exceed the greater of ten million dollars or one percent of such aggregate annual proceeds.

26. Within thirty days following receipt of proceeds collected from the auction or sale of allowances allocated by the department of environmental conservation to the authority pursuant to subdivision two of section 75-0121 of the environmental conservation law and regulations adopted by the department of environmental conservation pursuant to article seventy-five of the environmental conservation law and other existing authority, the authority shall transfer such funds from such segregated authority funding account to the climate and community protection fund established pursuant to section ninety-two-qq of the state finance law.

27. Within sixty days following the deposit of proceeds collected from the auction or sale of allowances as outlined in subdivision twenty-six of this section, the authority shall issue to the governor and the legislature, and post on its website, a detailed report which shall include, but is not limited to, the amount of revenue generated by the auction or sale of allowances under subdivision twenty-five of this section, the number of entities that purchased allowances, the number of entities that received reduced cost allowances, the number of allowances sold at reduced cost, and the amounts paid for reduced cost allowances.

28. The authority shall annually issue to the governor and the legislature, and post on its website, beginning the next fiscal year succeeding the first allocation of funds from the climate and community

protection fund, a report detailing the use of such funds, including information regarding the programs to which such funds are appropriated, information regarding recipients of funds pursuant to such programs, and information regarding outcomes of such programmatic spending.

§ 8. Intentionally omitted.

§ 9. Subdivision 2 of section 75-0119 of the environmental conservation law is amended by adding a new paragraph k to read as follows:

k. In participation with the commissioner of labor, an assessment of standards being implemented as a result of requirements set forth in article eight-b of the labor law.

§ 10. The labor law is amended by adding a new article 8-B to read as follows:

ARTICLE 8-B
CLEAN ENERGY AND ENERGY EFFICIENCY LABOR AND WORKFORCE DEVELOPMENT STANDARDS

Section 228. Labor and job standards and worker protection.

§ 228. Labor and job standards and worker protection. 1. All public entities involved in implementing projects funded from the climate and community protection fund shall assess and implement strategies to increase employment opportunities and improve job quality. Within one hundred twenty days of the effective date of this section, the executive shall publish a report, accessible on the state's website, which provides:

a. steps that will be taken to ensure compliance with this section, including the department or office, or combination thereof, charged with implementation;

b. regulations necessary to ensure the prioritization of the statewide goal of creating good jobs and increasing employment opportunities; and

c. steps that will be taken with all public entities, including local and county level governments to implement a system to track compliance, accept reports of non-compliance for enforcement action, and report annually on the adoption of these standards to the legislature starting one year from the effective date of this section.

2. For purposes of this section "public funds" shall mean:

a. the payment of money, by a public entity, or a third party acting on behalf of and for the benefit of a public entity, directly to or on behalf of the contractor, subcontractor, developer or owner that is not subject to repayment;

b. the savings achieved from fees, rents, interest rates, or other loan costs, or insurance costs that are lower than market rate costs; savings from reduced taxes as a result of tax credits, tax abatements, tax exemptions or tax increment financing; savings from payments in lieu of taxes; and any other savings from reduced, waived, or forgiven costs that would have otherwise been at a higher or market rate but for the involvement of the public entity;

c. money loaned by the public entity that is to be repaid on a contingent basis; or

d. credits that are applied by the public entity against repayment of obligations to the public entity.

e. in addition to any form of funding or financing covered by section two hundred twenty-four-d of this chapter or article four of the public service law, any other form of financing or incentive provided by, secured by, or otherwise facilitated by a public entity, including but not limited to the NY Green Bank.

3. For purposes of this section "public funds" shall not mean renewable energy credits.

4. For purposes of this section, "public entity" shall include the state and all of its political subdivisions, including but not limited to counties, municipalities, agencies, authorities, public benefit corporations, public trusts, and local development corporations as defined in subdivision eight of section eighteen hundred one of the public authorities law or section fourteen hundred eleven of the not-for-profit corporation law, a municipal corporation as defined in section one hundred nineteen-n of the general municipal law, an industrial development agency formed pursuant to article eighteen-A of the general municipal law or industrial development authorities formed pursuant to article eight of the public authorities law, and any state, local or interstate or international authorities as defined in section two of the public authorities law; and shall include any trust created by any such entities.

5. In considering and issuing permits, licenses, regulations, contracts and other administrative approvals and decisions necessary for implementation of projects from the climate and community protection fund, all public entities shall apply the following standards to any project or program paid for in whole, or in part, by public funds:

a. For any construction work, the payment of no less than prevailing wages for all employees of any contractors and subcontractors, consistent with sections two hundred twenty, two hundred twenty-a, two hundred twenty-b, two hundred twenty-i, two hundred twenty-three, and two hundred twenty-four-b of this chapter, and building services, consistent with article nine of this chapter; where a recipient of financial assistance contracts building service work or operations and maintenance work to a building service contractor, the contractor is held to the same obligations with respect to prevailing wages as the recipient. The recipient must include terms establishing this obligation within any contract signed with a contractor.

b. (i) Any public entity receiving at least five million dollars ($5,000,000) from funds allocated pursuant to the climate and community protection fund for a project which involves the construction, reconstruction, alteration, maintenance, moving, demolition, excavation, development or other improvement of any building, structure or land, shall be subject to section two hundred twenty-two of this chapter.

(ii) Any privately owned project receiving funds allocated pursuant to the climate and community protection fund which utilizes a project labor agreement on such project shall not be subject to article eight of this chapter.

c. The inclusion of contract language requiring contractors to establish labor harmony policies. The public entity may require a private owner, or a third party acting on such owner's behalf, as a condition of receiving public funds, to stipulate to the public entity that it will enter into a labor peace agreement with at least one bona fide labor organization either where such bona fide labor organization is actively representing employees in such job-type or, upon notice, by a bona fide labor organization that is attempting to represent employees in such job-type. For purposes of this section "labor peace agreement" means an agreement between an entity and labor organization that, at a minimum, protects the state's proprietary interests by prohibiting labor organizations and members from engaging in work stoppages, boycotts, and any other economic interference with the relevant project or program.

d. (i) The inclusion of contract language with a provision that the iron, steel, aluminum, glass, copper, manufactured products, and construction products, including without limitation, vehicles, omnibus-

es, school buses, trucks, construction equipment, earth moving equipment, cranes, drilling equipment, rolling stock, train control equipment, communication equipment, traction power equipment, rolling stock prototypes, rolling stock frames, rolling stock car shells, batteries, charging equipment, fuel cells, fueling equipment, turbines, nacelles, blades, rotors, generators, motors, hubs, cable, conduit, controllers, towers, photovoltaic cells, solar panels, meters, inverters, pipe, tubing, fittings, tanks, flanges, valves, concrete, rebar, brick, aggregate, concrete block, cement, timber, lumber, tile, and drywall used or supplied in the performance of the contract or any subcontract thereto, shall be produced or made in whole or substantial part in the United States, its territories or possessions. In the case of an iron, steel, or aluminum product, all manufacturing must take place in the United States, from the initial melting stage through the application of coatings, except metallurgical processes involving the refinement of steel additives.

(ii) The provisions of subparagraph (i) of this paragraph shall not apply in any case or category of cases in which the president and CEO (in this section referred to as "president and CEO") of the New York energy research and development authority (NYSERDA) finds that: (1) applying subparagraph (i) of this paragraph would be inconsistent with the public interest; (2) products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or (3) inclusion of products produced in the United States will increase the cost of the overall project by more than twenty-five percent. If the president and CEO receives a request for a waiver under this subdivision, the president and CEO shall make available to the public on an informal basis a copy of the request and information available to the president and CEO concerning the request, and shall allow for informal public input on the request for at least fifteen days prior to making a finding based on the request. The president and CEO shall make the request and accompanying information available by electronic means, including on the official public website of NYSERDA. The provisions of subparagraph (i) of this paragraph shall not apply for products purchased prior to the effective date of this article.

(iii) The head of the contracting public entity may, at his or her sole discretion, provide for a solicitation of a request for proposal, invitation for bid, or solicitation of proposal, or any other method provided for by law or regulation for soliciting a response from offerors intending to result in a contract pursuant to this paragraph involving a competitive process in which the evaluation of competing bids gives significant consideration in the evaluation process to the procurement of equipment and supplies from businesses located in New York state.

e. Apprenticeship and workforce development utilization: (i) wherever possible, contractors and subcontractors should be required to participate in apprenticeship programs, registered in accordance with article twenty-three of this chapter, in the trades in which they are performing work; (ii) for industries without apprenticeship programs, the use of workforce training, preferably in conjunction with a bona fide labor organization, shall be required; and (iii) encouragement of registered pre-apprenticeship direct entry programs for the recruitment of local and/or disadvantaged workers.

f. Notwithstanding any provision of law to the contrary, all rights or benefits, including terms and conditions of employment, and protection of civil service and collective bargaining status of all existing public

employees shall be preserved and protected. Nothing in this section shall result in the: (i) displacement of any currently employed worker or loss of position (including partial displacement such as a reduction in the hours of non-overtime work, wages, or employment benefits) or result in the impairment of existing collective bargaining agreements; (ii) transfer of existing duties and functions related to maintenance and operations currently performed by existing employees of authorized entities to a contracting entity; or (iii) transfer of future duties and functions ordinarily performed by employees of authorized entities to a contracting entity.

6. a. Any public entity requesting bids or awarding contracts for renewable energy projects, energy efficiency projects, or other projects funded by the climate and community protection fund, except for construction projects, shall require any applicant, bidder, or responder to submit a New York jobs plan as part of its application, bid or response. The department of environmental conservation and the New York state energy and research development authority (NYSERDA), in consultation with the department, shall develop all forms, procedures, evaluation and scoring criteria, and guidance, necessary for the implementation of the New York jobs plan. To the extent feasible, the department of environmental conservation and NYSERDA, in consultation with the department, shall consider the input and recommendations of relevant public entities on the development of the New York jobs plan.

b. The New York jobs plan shall require applicants, bidders, and responders to provide information on jobs that would result from being awarded the bid or contract for such projects. At a minimum, this shall include the following information for nonsupervisory positions, broken down by classification:

(i) The number of full-time non-temporary jobs retained, and the number to be created.

(ii) The number of positions classified as employees, as defined in section seven hundred forty of this chapter, and positions classified as independent contractors.

(iii) The number of jobs to be specifically reserved for individuals facing barriers to employment and the number to be reserved for individuals from disadvantaged communities.

(iv) The minimum wages and fringe benefits amounts to be paid.

(v) The proposed amounts for worker training and information about any existing apprenticeship program registered with the department or a federally recognized state apprenticeship agency and that complies with the requirements under Parts 29 and 30 of title 29, code of federal regulations.

(vi) In the event that a federal authority specifically authorizes use of a geographic preference or when covered public contracts are funded exclusively through state or local funds, the New York jobs plan shall require information on the number of local jobs to be created.

c. Awarding public entities shall require the same New York jobs plan information to be submitted from all known subcontractors at the time of the solicitation or bid for the project is released.

d. New York jobs plan commitments shall be included in the contract awarded by the public entity or its contractors as a material term.

e. For non-competitive public contracts awarded under this section, applicants, bidders, or responders shall create a New York jobs plan as set forth in this section. For competitive public contracts, public entities shall award contracts using a competitive best-value bid procurement process. The applicants, bidders, or responders New York

jobs plan shall be scored as a part of the overall application for the public contract, awarding additional consideration to applicants, bidders, or responders who do any of the following:

(i) Have the greatest beneficial economic impact on the state and local economies as a result of receiving the public contract, based on the priority criteria outlined in its New York jobs plan.

(ii) Enhance the state's commitment to energy conservation, pollution and greenhouse gas emissions reduction, and transportation efficiency.

(iii) Retain the greatest number of full-time, non-temporary employees compensated at a wage rate for the project jurisdiction as established in the living wage calculator published by the Massachusetts Institute of Technology, using the living wage rate for a household of two working adults with two children in the jurisdiction of the project.

(iv) Make concrete commitments to creating the greatest number of full-time, non-temporary jobs compensating employees at a wage rate at or above the living wage rate for the project jurisdiction as established in the living wage calculator published by the Massachusetts Institute of Technology, using the living wage rate for a household of two working adults with two children in the jurisdiction of the project.

(v) Commit to at least ninety percent of the labor on the contract being performed by workers classified as employees.

(vi) Offer targeted training and opportunities for individuals facing barriers to employment and workers from disadvantaged communities.

f. The department of environmental conservation and NYSERDA, in consultation with the department, shall develop a web-based portal to track New York jobs plan commitments and compliance.

(i) All New York jobs plan commitments and compliance reporting shall be viewable by the public, through the web-based portal.

(ii) Recipients of public contracts, shall on an annual basis, be required to upload progress reports on each of the commitments included in their New York jobs plan application, for the duration of the covered public contract.

(iii) The portal shall be designed in such a manner that if the information entered into the portal indicates a failure to comply with the commitments made in the New York jobs plan, an automatic notice of noncompliance would be sent to the public entity for the covered public contract.

(iv) Noncompliance with New York jobs plan commitments would violate the terms of the public contract. At a minimum these commitments would be enforceable through standard breach of contract remedies, including but not limited to, termination of the public contract.

7. Any renewable energy project created in whole or partly with financial assistance from a public entity shall demonstrate that the developer has entered into a memorandum of understanding for the operation and maintenance of said project with a bona fide labor organization of jurisdiction. The memorandum shall only apply to the employees necessary for the maintenance and operation of such renewable energy generation projects. The memorandum shall be an ongoing material condition of authorization to operate and maintain the renewable energy projects under this act. Such memorandum shall be legally binding and contain but not limited to safety and training standards, disaster response measures, guaranteed hours, staffing levels, pay rate protection and retraining programs. The commissioner shall evaluate whether there are additional standards that could be applied to increase wage and benefit standards or to encourage a safe, well-trained, and adequately compensated workforce.

8. Nothing set forth in this section shall be construed to impede, infringe, or diminish the rights and benefits which accrue to employees through bona fide collective bargaining agreements, or otherwise diminish the integrity of the existing collective bargaining relationship.

9. Nothing set forth in this section shall preclude a public entity from setting additional requirements or standards in addition to those set forth in this article.

§ 11. The public authorities law is amended by adding a new section 1886 to read as follows:

§ 1886. Climate rebates. 1. The authority shall develop a rebate program to reduce potential increased costs to individuals and small businesses resulting from regulatory changes undertaken pursuant to article seventy-five of the environmental conservation law.

2. Program design shall be guided by the findings and recommendations of the final scoping plan prepared pursuant to section 75-0103 of the environmental conservation law and the study conducted pursuant to subdivision three of this section.

3. The authority, in consultation with the climate justice working group established pursuant to section 75-0111 of the environmental conservation law, shall conduct in collaboration with the office of equity for energy and climate, the office of temporary and disability assistance, the public service commission and the departments of health and labor to determine how to best structure and distribute rebates to individuals pursuant to this section in an equitable manner; provided however that such rebate program shall primarily be directed to low-income households and disadvantaged communities. Such study shall be completed by the first of February two thousand twenty-four, and shall be provided to the governor and the legislature.

4. (a) The authority shall establish a variety of rebate types to meet the varied needs of the people of the state, which may include tax credits, transit vouchers, direct payments, utility assistance, or other financial benefits as are reasonable and practicable. The authority shall, as appropriate, collaborate with the public service commission and other state agencies and authorities in developing and distributing such rebates.

(b) Individuals receiving means-tested government assistance shall receive rebates through mechanisms that will not constitute income for purposes of any such means-tested government assistance programs.

5. An individual eligible for a rebate pursuant to the provisions of this section may opt out of receiving such rebate.

6. The authority, in collaboration with the department of economic development and the public service commission, shall structure a rebate program for small businesses which is targeted to support those small businesses most affected by the transition to a clean energy economy. Preference shall be given to minority- and women-owned businesses in the distribution of such rebates. For purposes of this section, "small business" means a small business as defined in section one hundred thirty-one of the economic development law.

7. The authority shall implement the rebate program in a manner that limits the administrative effort required of recipients of rebates.

8. The authority is authorized and directed to promulgate rules and regulations to effect the provisions of this section, and shall hold no fewer than three public hearings in connection therewith.

§ 12. The state finance law is amended by adding a new section 92-qq to read as follows:

§ 92-qq. Climate and community protection fund. 1. There is hereby established in the joint custody of the comptroller and the commissioner of taxation and finance a special fund to be known as the "climate and community protection fund".

2. (a) The comptroller shall establish the following separate and distinct accounts within the climate and community protection fund:

(i) the climate jobs and infrastructure account;

(ii) the community transition account;

(iii) the worker transition account; and

(iv) the energy affordability account.

(b) All moneys received by the comptroller for deposit in the climate and community protection fund shall be deposited to the credit of such accounts as follows: forty-one percent to the climate jobs and infrastructure account, twenty percent to the community transition account, six percent to the worker transition account and thirty-three percent to the energy affordability account. No moneys shall be expended from any such account except pursuant to appropriation by the legislature.

3. Such fund shall consist of all moneys transferred and all other moneys credited or transferred thereto from any other fund or source pursuant to law. All such moneys shall be initially deposited into the climate and community protection fund, for application as provided in subdivision five of this section.

4. Moneys in the climate and community protection fund shall be kept separate and shall not be commingled with any other moneys in the custody of the comptroller. All deposits of such revenues shall, if required by the comptroller, be secured by obligations of the United States or of the state having a market value equal at all times to the amount of such deposits and all banks and trust companies are authorized to give security for such deposits. Any such moneys in such fund may, upon the discretion of the comptroller, be invested in obligations in which the comptroller is authorized to invest pursuant to section ninety-eight-a of this article.

5. (a) All moneys heretofore and hereafter deposited in the climate and community protection transfer account shall be transferred by the comptroller only to the climate jobs and infrastructure account, community transition account, worker transition account, and energy affordability account. Such transfers shall be made at the request of the director of the budget.

(b) Moneys of the climate jobs and infrastructure account shall be available, pursuant to appropriation and upon certificate of approval of availability only for projects under title nine-A of article eight of the public authorities law, projects under title fifteen of article fifty-four of the environmental conservation law, the New York state energy research and development authority NY-Sun program, the New York state energy research and development authority P-12 schools: clean green schools initiative, offshore wind projects, transit authorities, the New York state energy research and development authority truck voucher incentive program, the New York state energy research and development authority regional clean energy hubs program, the New York state energy research and development authority renewable capital programs, methane leakage detection projects, thermal energy network pilot programs, costs associated with section thirty-six hundred thirty-eight of the education law, the New York state energy research and development authority affordable multifamily energy efficiency program, the New York state energy research and development authority New York truck voucher incentive program, the agricultural environmental management program

established in article eleven-A of the agriculture and markets law, research and development of programs to support the economic viability of farm-waste electric generating equipment as defined in section sixty-six-j of the public service law, programs supporting farmers in transitioning to non-fossil fuel farm equipment, the New York city housing preservation and development-New York state energy research and development authority retrofit electrification pilot program, zero-emission state light-duty vehicle fleet procurement, zero-emission medium- and heavy-duty vehicle rebates for municipalities, zero-emission light-duty vehicle rebates for municipalities, the department of environmental conservation's urban and community forestry grant program, the forest conservation easement land trusts grant program, New York state energy research and development authority clean heat program rebates and incentives, programs related to the New Efficiency: New York report, and other programs administered by the department of environmental conservation or the New York state energy research and development authority which, in the determination of the department of environmental conservation or the New York state energy research and development authority, as applicable, meet the following requirements:

(i) the project will result in direct reductions in statewide greenhouse gas emissions and/or co-pollutants in compliance with provisions of subdivisions two and three of section 75-0109 of the environmental conservation law;

(ii) the project will not utilize any combustion fuels or fossil fuels in operation; and

(iii) the project will create jobs or support economic development subject to the standards set forth in section two hundred twenty-eight of the labor law.

(c) Moneys from the community transition account shall be available, pursuant to appropriation and upon certificate of approval of availability by the director of the budget, only for department of environmental conservation environmental justice grants, the New York state energy research and development authority energy equity collaborative, and the community directed climate solutions grants program as established pursuant to section eighteen hundred eighty-five of the public authorities law.

(d) Moneys from the worker transition account shall be available, pursuant to appropriation, and upon certificate of approval of availability by the director of the budget, only for:

(i) Grants, income support, or programs administered by a labor union or the department of labor which provide direct support for workers adversely affected or displaced by fossil fuel facility closures, including support for such workers in starting new business enterprises.

(ii) Grants, tax replacement, payment in lieu of taxes, or programmatic support for local governments and counties which have hosted fossil fuel or energy infrastructure significantly impacted by energy regulatory changes, including:

(A) the empire state development corporation's electric generation facility cessation mitigation program;

(B) the New York state energy research and development authority's just transition site reuse planning program; and

(C) state assistance for brownfield opportunity areas pursuant to section nine hundred seventy-r of the general municipal law.

(e) Moneys from the energy affordability account shall be available, pursuant to appropriation and upon certificate of approval of availability by the director of the budget, for:

(i) programs that prevent increases in energy burden due to energy regulatory changes;

(ii) reducing energy use and utility costs for low- and moderate-income households, small businesses, and not-for-profits, which shall include utility affordability programs to be authorized and administered by the public service commission and the department of public service;

(iii) affordability rebate payments pursuant to section eighteen hundred eighty-six of the public authorities law; and

(iv) assistance pursuant to section eighteen hundred seventy-two-b of the public authorities law.

(f) Agencies or authorities distributing moneys of the climate and community protection fund shall be entitled to recover from such moneys their own necessary and documented costs incurred in administering such distributions, provided, however, sums so recovered shall not exceed five percent of such moneys distributed.

6. All payments of moneys from the fund shall be subject to the provisions of section 75-0117 of the environmental conservation law, provided that, notwithstanding the provisions thereof, disadvantaged communities shall receive the benefits of no less than forty percent of such payments. Payments made from the climate jobs and infrastructure account pursuant to paragraph (b) of subdivision five of this section, the community transition account pursuant to paragraph (c) of subdivision five of this section, and payments pursuant to subparagraph (ii) of paragraph (d) of subdivision five of this section shall be subject to the requirements of section seven hundred ninety of the labor law, as applicable.

7. All payments of moneys from the fund shall be made on the audit and warrant of the comptroller.

8. Notwithstanding any other law to the contrary and in accordance with section four of this chapter, the comptroller is hereby authorized at the direction of the director of the division of the budget to transfer moneys from the general fund to the climate and community protection fund for the purpose of maintaining the solvency of the climate and community protection fund. If, in any fiscal year, moneys in the climate and community protection fund are deemed insufficient by the director of the division of the budget to meet actual and anticipated disbursements from enacted appropriations or reappropriations made pursuant to this section, the comptroller shall at the direction of the director of the division of the budget, transfer from the general fund to the climate and community protection fund moneys sufficient to meet such disbursements. Such transfers shall be made only upon certification of need by the director of the division of the budget, with copies of such certification filed with the chairperson of the senate finance committee, the chairperson of the assembly ways and means committee and the state comptroller.

§ 13. The public authorities law is amended by adding a new section 1872-b to read as follows:

§ 1872-b. Gap funding for green residential buildings. 1. The authority shall establish and administer a program to provide assistance for residences to meet green residential building standards as defined in section eighteen hundred seventy-two of this title for circumstances and applications in which other assistance is lacking or inadequate to meet identified needs.

2. Such program shall address existing issues in broader achievement of green residential building standards, and in so doing, shall consider, at minimum:

(a) appropriateness of non-energy measures such as electrification readiness;

(b) local supply chain development;

(c) increasing visibility and outreach of authority programs;

(d) whole-home retrofitting options; and

(e) pilot programs for low-income residents.

3. The authority shall implement strategies to mitigate adverse economic impacts of the program on tenants, including but not limited to residents in rent-regulated housing or recipients of housing subsidies.

§ 14. The public authorities law is amended by adding a new section 1885 to read as follows:

§ 1885. Office of equity for energy and climate. 1. Definitions. As used in this section, the following terms shall have the following meanings:

(a) "Community solutions fund" shall mean the community directed climate solutions fund established pursuant to subdivision three of this section.

(b) "Office" shall mean the office of equity for energy and climate established pursuant to subdivision two of this section.

(c) "Solutions grants program" shall mean the community directed climate solutions grants program established pursuant to subdivision four of this section.

2. Office of equity for energy and climate. (a) There is established within the authority an office of equity for energy and climate.

(b) The purpose of the office of equity for energy and climate is to support local and communally developed climate projects to support disadvantaged communities, including by establishing and administering the community solutions fund and the solutions grants program pursuant to subdivisions three and four of this section.

3. The community directed climate solutions fund. There is established within the office the community solutions fund, out of which the office shall make grants pursuant to the solutions grants program.

4. Community directed climate solutions grants program. (a) The office shall establish the community directed climate solutions grants program to provide assistance to community-based organizations, projects, and initiatives that may not meet application criteria for other assistance programs, or for which other assistance programs are inadequate.

(b) The office shall design the solutions grants program, to the extent practicable and permissible, to maximize the ability of grant recipients to use such grants as matching funds in other assistance program applications and/or to leverage the funding to receive additional grants from other assistance programs.

(c) The office shall identify the needs of disadvantaged communities to prioritize grant allocation. Such identification process shall include significant consultation with community stakeholders in a variety of disadvantaged communities throughout the state, at least three public hearings, and other opportunities for public input. The office shall also consult with the climate justice working group established pursuant to section 75-0111 of the environmental conservation law.

(d) Applicants eligible for the solutions grants program. (i) Lead applicants eligible for grants shall be constituency-based organizations, tribal nations, or, in communities where neither constituency-based organizations or tribal nations exist or do not wish to apply for such grants, a municipality.

(ii) Sub-applicants may include other non-profit organizations, academic institutions, local businesses, municipalities and other similarly-situated stakeholders.

(e) The following restrictions shall apply to the community directed climate solutions grants program:

(i) Grants shall only be made for projects that reduce energy costs, enhance climate change resiliency including but not limited to reduction of urban heat island effects and flooding protections, or that support community ownership and governance of energy infrastructure.

(ii) At least seventy-five percent of funding allocated to this program must support projects located within disadvantaged communities.

(iii) Up to twenty-five percent of funding allocated to this program may support projects located outside disadvantaged communities, provided that such funding provides a benefit to disadvantaged communities, including those benefits identified in subparagraph (i) of this paragraph.

(iv) To the extent practicable, grants shall be distributed equitably to disadvantaged communities throughout the state, based on population.

(v) Grants shall only be made for projects which satisfy the community decision-making and accountability standards established pursuant to subdivision five of this section.

(vi) Projects funded by grants made under the solutions grants program shall be subject to the provisions of section two hundred twenty-eight of the labor law.

(vii) Preference shall be given to proposals that include significant participation by minority and women-owned business enterprises.

5. The office shall develop and establish standards for community decision-making and accountability mechanisms with respect to eligible projects and the use of grant funding pursuant to the provisions of this section.

6. Beginning one year after its establishment and annually thereafter, the office shall submit a report to the climate justice working group established pursuant to section 75-0111 of the environmental conservation law, the governor and the legislature on the use of funds in the community directed climate solutions fund, including information regarding recipients of the solutions grants program.

§ 15. This act shall take effect immediately.

PART BBB

Intentionally Omitted

PART CCC

Section 1. The parks, recreation and historic preservation law is amended by adding a new section 3.27 to read as follows:

§ 3.27 State parks passport program. 1. Notwithstanding any other provision of law, the commissioner shall establish a state parks passport program.

2. The state parks passport program shall use a printed passport book or electronic application to allow visitors to state parks and historic sites to log their visits to such sites with ink stamps or electronic stamps, and ink stamps or electronic stamps that identify each state park or historic site by name. The costs associated with the development of the state parks passport program shall be derived from the patron

services account of the miscellaneous special revenue fund. The commissioner may charge purchasers of the printed passport book or electronic application for the costs associated for printing or developing those materials.

3. The commissioner may designate a subset of such sites each year to highlight various regions of the state or various state park regions. The commissioner may provide for the conducting of special events that emphasize outdoor recreation or fitness for certain subsets of park attendees including, but not limited to, children and senior citizens.

4. The commissioner may promulgate such regulations as may be necessary for the operation of the state parks passport program.

§ 2. This act shall take effect immediately.

PART DDD

Section 1. The office of parks, recreation and historic preservation and the office of mental health are hereby authorized and directed to jointly conduct a study on a proposed extension of the Long Island Motor Parkway trail, a part of the Brooklyn Queens Greenway, east from Winchester Boulevard to Little Neck Parkway in the county of Queens to the trailhead of the planned Motor Parkway trail in the county of Nassau.

1. Such study shall address no less than the following issues:

(a) The estimated total cost of the project.

(b) The estimated duration of the project.

(c) The impact construction will have on local traffic patterns.

(d) The environmental impact of the project, represented in an environmental impact statement, if such statement is required by law, or is deemed warranted according to the discretion of the office of parks, recreation and historic preservation.

(e) Assess if the project could provide a connection between the Empire State Trail and the counties of Kings, Queens, Nassau and Suffolk.

(f) Identify areas for cooperation between agencies who have purview over this project and/or relevant properties and solicit and incorporate input from such agencies.

2. The office of parks, recreation and historic preservation and the office of mental health shall report such findings to the governor and the legislature within one year after the effective date of this act.

§ 2. This act shall take effect immediately and shall expire one year after it shall have become a law when upon such date the provisions of this act shall be deemed repealed.

PART EEE

Section 1. The environmental conservation law is amended by adding a new section 75-0121 to read as follows:

§ 75-0121. Agency climate expenditure reporting.

1. Definitions. For the purposes of this section, the following terms shall have the following meanings:

(a) "Agency" means any department, board, bureau, commission, division, office, or committee of the state, or state authority.

(b) "State authority" shall mean a public authority or public benefit corporation created by or existing under the public authorities law, or any other law of the state of New York, with one or more of its members appointed by the governor or who serve as members by virtue of holding a

civil office of the state, other than an interstate or international authority or public benefit corporation, including subsidiaries of such public authority or public benefit corporation.

(c) "State climate goals" means the statewide greenhouse gas emissions limits established pursuant to section 75-0107 of this article and any rules or regulations promulgated pursuant thereto or pursuant to section 75-0109 of this article, and any state measures and actions contained in the scoping plan adopted pursuant to section 75-0103 of this article.

2. Annual agency climate expenditure report. In addition to the information required by article VII of the constitution, the governor shall submit to the temporary president of the senate and the speaker of the assembly, as early as practicable, but no later than January thirtieth of each year, an annual agency climate expenditure report. Such report shall contain a comprehensive estimate and summary of spending to achieve the state climate goals for each individual agency and for the state as a whole, broken down for each individual climate goal including:

(a) a breakdown of funds allocated in the prior fiscal year;

(b) amounts of funds actually spent in the prior fiscal year;

(c) funds needed for the upcoming fiscal year; and

(d) an analysis of how the use of such funds under paragraphs (a) through (c) of this subdivision have met or are projected to meet requirements for benefiting disadvantaged communities under this article, and under the criteria established pursuant to this article.

3. Achievement of state climate goals. Upon a determination by the council that any specific state climate goal has been met, such state climate goal shall no longer be required to be included in future annual agency climate expenditure reports submitted pursuant to subdivision two of this section.

§ 2. This act shall take effect immediately.

PART FFF

Section 1. The environmental conservation law is amended by adding a new section 3-0322 to read as follows:

§ 3-0322. Safe water and infrastructure action program.

1. Notwithstanding any other provisions of this chapter or any other law and subject to an appropriation made therefor and in accordance with the provisions of this section and with the rules and regulations promulgated by the commissioner in connection therewith, on and after the first day of April, two thousand twenty-four, a consolidated local infrastructure program is hereby established for the purpose of making payments toward the replacement and rehabilitation of existing local municipally-owned and funded drinking water, storm water and sanitary sewer systems. For purposes of this section, such program shall apply to any drinking water system, storm water system or sanitary sewer system within the state that is under the maintenance and/or operational jurisdiction of a county, city, town, village or public authority; provided, however, that such system shall not be under the maintenance and/or operational jurisdiction of a private entity; provided further, however, that such program shall not apply to a system that is under the maintenance and/or operational jurisdiction of a city with a population of one million or more. The commissioner, in conjunction with the environmental facilities corporation, shall promulgate all necessary rules and regulations to carry out the program so that an equitable distribution of aid shall be made for the general operation and/or general maintenance

of any such existing drinking water system, storm water system or sanitary sewer system. Existing water infrastructure includes all the man-made and natural features that move and treat water in terms of drinking water, waste water, and storm water. Monies from this fund may be used for maintenance and repairs of existing water infrastructure as well as new water infrastructure expansion, but only into already developed areas so as not to support sprawl and development of natural areas. Already developed areas are those that are zoned/defined by municipalities as of January first, two thousand twenty-three as commercial and residential use.

2. On or before the twenty-fifth day of April, June, September and November of each state fiscal year commencing with the state fiscal year beginning on April first, two thousand twenty-five, there shall be distributed and paid to counties, cities, towns, villages and public authorities an amount equal to the moneys appropriated for the purposes of this section divided by the number of payment dates in that state fiscal year. Such amounts shall be distributed and paid pursuant to subdivision three of this section.

3. Amounts shall be distributed for local drinking water, storm water and sanitary sewer systems based upon a funding formula that the department and the department of health shall create taking into consideration factors including but not limited to: the system's length and width of pipes; other physical assets maintained by the system, including treatment facilities and pumping stations; the age of the system's infrastructure; and relevant socioeconomic factors, including the presence of disadvantaged communities within a system's service area, to achieve an equitable distribution of aid.

4. Monies made available may be used to match other state and federal funds made available for such projects. The remainder of the apportionment may be used for any existing drinking water, storm water or sewer system purchases, including but not limited to, the acquisition of materials for the replacement or rehabilitation.

5. For any city, town, village or public authority which proposes infrastructure consolidation under this section or merges with another municipality, the funds appropriated under this section may fund costs associated with such consolidation.

6. For each fiscal year, starting in two thousand twenty-five, funds are to be made available to the local infrastructure assistance account of the general fund, and distributed from that account.

7. At the end of each fiscal year, each county, city, town, village and public authority that receives funding pursuant to this section shall submit an annual report to the department detailing how such money was used. The department shall compile all reports and submit them to the comptroller for their review. Once a report is finalized, it shall be made publicly available on the department's website. The department and the comptroller shall reserve the right to conduct sight visits to ensure the money is being used accurately.

§ 2. This act shall take effect immediately.

PART GGG

Section 1. A temporary state commission, to be known as the New York state commission on establishing a bank owned by New York state, hereinafter referred to as the commission, is hereby established to hire a consultant to study the feasibility of establishing a bank owned by the

state of New York or by a public authority constituted by the state of New York for the public interest.

§ 2. (a) The commission shall consist of fifteen members, to be appointed as follows: (i) six members shall be appointed by the governor, one of whom shall be a representative of the New York state department of financial services, one shall be a representative from the New York state department of taxation and finance, the remaining four governor's appointees shall not be employees of the executive branch and at least one member shall represent the banking and financial industries of the state including, but not limited to, the New York bankers association, at least one member shall represent community banking, and no more than one member may be a representative of any financial services firm located within the state, including, but not limited to, the New York state small business development center;

(ii) one member shall be the New York state comptroller or the comptroller's designee;

(iii) three members shall be appointed by the temporary president of the senate, one of whom shall be a member of the senate;

(iv) one member shall be appointed by the minority leader of the senate;

(v) three members shall be appointed by the speaker of the assembly, one of whom shall be a member of the assembly; and

(vi) one member shall be appointed by the minority leader of the assembly.

(b) The majority of the members of the entire commission shall designate one of the commissioners to serve as the chair of the commission.

(c) The members of the commission shall be appointed no later than ninety days after the effective date of this act.

(d) The commission is directed to hire a reputable consultant that has the capacity, capability, and experience to conduct a feasibility study to evaluate and make recommendations concerning the formation and control of a state public bank. Consultants that have conducted a previous feasibility study of a public bank at the request of a government entity in the United States will be given preference. Such study shall make recommendations, with the advice of the department of financial services, including but not limited to, on the feasibility of establishing a state bank in New York and may recommend legislation for the legislature to consider in order to create a state public bank for New York.

§ 3. The scope of such study shall include, but shall not be limited to:

(a) the purposes of such public bank in the public interest;

(b) an analysis of cost savings, impacts on the state's finances, economic development and infrastructure, housing and additional needs of the state, including but not limited to:

(i) appropriate governance structures;

(ii) minimum capitalization requirements;

(iii) appropriate insurance and risk management tools;

(iv) charter requirements;

(v) financial and operations framework;

(vi) deposits;

(vii) permitted activities;

(viii) benefits;

(ix) potential challenges that such public banks may encounter;

(x) how the lack of accessible financial services contributes to the cycle of poverty;

(xi) barriers to small business formation and growth;
(xii) impacts of such public banks on small businesses, including minority- and women-owned business enterprises;
(xiii) impacts of such public banks on the unbanked, the underbanked and banking deserts; and
(xiv) how a state public bank may provide banking to the cannabis industry.
(c) a fiscal analysis of costs associated with formation;
(d) an analysis that considers the effects of an economic recession on the financial results of such public banks;
(e) a legal analysis of whether the proposed structure and operation of such public bank complies with the New York state constitution;
(f) an analysis of how the proposed governance structure of such public bank would protect such public bank from unlawful insider transactions and apparent conflicts of interest;
(g) a fiscal analysis of the benefits associated with the creation of such public bank, including, but not limited to, cost savings, jobs created, jobs retained, economic activity generated and private capital leveraged;
(h) a qualitative assessment of social and environmental benefits of such public bank;
(i) a review of feasibility studies on public banking, including the city of Philadelphia public bank feasibility study and the city of San Francisco public bank feasibility study; and
(j) a review of AB-857 (2019 Cal. Stats. Ch. 442).
§ 4. No earlier than six months and no later than seven months after the effective date of this act, the commission shall submit a report to the governor, the temporary president of the senate, the speaker of the assembly, the chair of the senate banks committee and the chair of the assembly banks committee on the findings and conclusions of the study conducted pursuant to sections two and three of this act and shall submit any legislative recommendations deemed to be necessary. Such report shall be contemporaneously published on the official website of the department of financial services.
§ 5. This act shall take effect immediately and shall expire and be deemed repealed one year after such effective date.

PART HHH

Section 1. Subdivision 1 of section 27-1003 of the environmental conservation law, as amended by section 2 of part SS of chapter 59 of the laws of 2009, is amended to read as follows:
1. "Beverage" means carbonated soft drinks, water, beer, other malt beverages [~~and a~~]**, wine, liquor, distilled spirit coolers, and cider and** wine [~~product~~] **products** as defined in [~~subdivision thirty-six-a of~~] section three of the alcoholic beverage control law. "Malt beverages" means any beverage obtained by the alcoholic fermentation or infusion or decoction of barley, malt, hops, or other wholesome grain or cereal and water including, but not limited to ale, stout or malt liquor. "Water" means any beverage identified through the use of letters, words or symbols on its product label as a type of water, including any flavored water or nutritionally enhanced water[~~, provided, however, that "water" does not include any beverage identified as a type of water to which a sugar has been added~~].

§ 2. Subdivision 1 of section 27-1003 of the environmental conservation law, as amended by section one of this act, is amended to read as follows:

1. "Beverage" means carbonated soft drinks, **noncarbonated soft drinks, noncarbonated fruit or vegetable juices containing less than one hundred percent fruit or vegetable juice, coffee and tea beverages, carbonated fruit beverages,** water, beer, other malt beverages, wine, liquor, distilled spirit coolers, and cider and wine products as defined in section three of the alcoholic beverage control law. "Malt beverages" means any beverage obtained by the alcoholic fermentation or infusion or decoction of barley, malt, hops, or other wholesome grain or cereal and water including, but not limited to ale, stout or malt liquor. "Water" means any beverage identified through the use of letters, words or symbols on its product label as a type of water, including any flavored water or nutritionally enhanced water.

§ 3. Subdivision 12 of section 27-1003 of the environmental conservation law, as added by section 3 of part SS of chapter 59 of the laws of 2009, is amended and a new subdivision 14 is added to read as follows:

12. "Reverse vending machine" means an automated device that uses a laser scanner, microprocessor, or other technology to accurately recognize the universal product code (UPC) on containers to determine if the container is redeemable and accumulates information regarding containers redeemed, including the number of such containers redeemed, thereby enabling the reverse vending machine to accept containers from redeemers and to issue a scrip or receipt for their refund value. **Such definition shall also apply to alternative technology approved by the commissioner pursuant to subparagraph (iii) of paragraph (b) of subdivision one of section 27-1007 of this title.**

14. "State-specific UPC code" means a universal product code and label design that is unique to New York or used only in New York and any other states that have a substantially similar refund value law.

§ 4. Section 27-1007 of the environmental conservation law, as added by section 4 of part SS of chapter 59 of the laws of 2009, paragraph (b) of subdivision 1 as amended by chapter 459 of the laws of 2011, and subdivision 12 as added by section 3 of part F of chapter 58 of the laws of 2013, is amended to read as follows:

§ 27-1007. Mandatory acceptance.

Except as provided in section 27-1009 of this title:

1. (a) A dealer shall accept at his or her place of business from a redeemer any empty beverage containers of the design, shape, size, color, composition and brand sold or offered for sale by the dealer, and shall pay to the redeemer the refund value of each such beverage container as established in section 27-1005 of this title. Redemptions of refund value must be in legal tender, or a scrip or receipt from a reverse vending machine, provided that the scrip or receipt can be exchanged for legal tender for a period of not less than sixty days without requiring the purchase of other goods. **In the event such scrip or receipt expires, such scrip or receipt must indicate any expiration date and the dealer must post a conspicuous sign indicating how many days a redeemer has to exchange the scrip or receipt for legal tender. If such notification is not provided, a dealer must redeem the full refund value indicated on any legible scrip or receipt.** The use or presence of a reverse vending machine shall not relieve a dealer of any obligations imposed pursuant to this section. If a dealer utilizes a reverse vending machine to redeem containers, the dealer shall provide redemption of beverage containers when the reverse vending machine is

full, broken, under repair or does not accept a type of beverage container sold or offered for sale by such dealer and may not limit the hours or days of redemption except as provided by subdivision three of this section.

(b) Beginning March first, two thousand ten, a dealer whose place of business is part of a chain engaged in the same general field of business which operates ten or more units in this state under common ownership and whose business has at least: (i) forty thousand but less than sixty thousand square feet devoted to the display of merchandise for sale to the public shall install and maintain at least two reverse vending machines at the dealer's place of business; (ii) sixty thousand but less than eighty-five thousand square feet devoted to the display of merchandise for sale to the public shall install and maintain at least three reverse vending machines at the dealer's place of business; or (iii) eighty-five thousand square feet devoted to the display of merchandise for sale to the public shall install and maintain at least four reverse vending machines at the dealer's place of business. The requirements of [~~paragraph (b) of~~] this subdivision to install and maintain reverse vending machines shall not apply to a dealer that: (i) sells only beverage containers of twenty ounces or less where such beverage containers are packaged in quantities fewer than six; (ii) sells beverage containers and devotes no more than five percent of its floor space to the display and sale of consumer commodities, as defined in section two hundred fourteen-h of the agriculture and markets law; or (iii) obtains a waiver from the commissioner authorizing dealers to provide consumers with an alternative technology that: (A) determines if the container is redeemable, (B) provides protections against fraud through a system that validates each container redeemed by reading the universal product code and, except with respect to refillable containers, renders the container unredeemable, (C) accumulates information regarding containers redeemed, and (D) issues legal tender, or a scrip, receipt, or other form of credit for the refund value, that can be exchanged for legal tender for a period of not less than sixty days without requiring the purchase of other goods **and includes any expiration date on the scrip, receipt, or other form of credit**. Notwithstanding the foregoing, if the alternative technology does not allow consumers to immediately obtain the refund value of the redeemed container, a dealer shall be permitted to deploy such alternative technology only if it also offers an alternative that allows consumers to conveniently and immediately obtain such refund value through a reverse vending machine or other alternative method.

(c) A dealer to which paragraph (b) of this subdivision does not apply and whose place of business is at least forty thousand square feet which does not utilize reverse vending machines to process empty beverage containers for redemption shall: (i) establish and maintain a dedicated area within such business to accept beverage containers for redemption; (ii) adequately staff such area to facilitate efficient acceptance and processing of such containers during business hours; and (iii) post one or more conspicuous signs conforming to the size and color requirements described in subdivision two of this section at each public entrance to the business which describes where in the business the redemption area is located. The commissioner may establish in rules and regulations additional standards for the efficient processing of beverage containers by such dealers.

(d) For the purposes of this subdivision on any day that a dealer is open for less than twenty-four hours, the dealer may restrict or refuse

the payment of refund values during the first and last hour the dealer is open for business.

2. A dealer shall post a conspicuous sign, at the point of sale, that states:

"NEW YORK BOTTLE BILL OF RIGHTS

STATE LAW REQUIRES US TO REDEEM EMPTY RETURNABLE BEVERAGE CONTAINERS OF THE SAME TYPE AND BRAND THAT WE SELL OR OFFER FOR SALE

YOU HAVE CERTAIN RIGHTS UNDER THE NEW YORK STATE RETURNABLE CONTAINER ACT:

THE RIGHT to return your empties for refund to any dealer who sells the same brand, type and size, whether you bought the beverage from the dealer or not. It is illegal to return containers for refund that you did not pay a deposit on in New York state.

THE RIGHT to get your deposit refund in cash, without proof of purchase.

THE RIGHT to return your empties any day, any hour, except for the first and last hour of the dealer's business day (empty containers may be redeemed at any time in 24-hour stores).

THE RIGHT to return your containers if they are empty and intact. Washing containers is not required by law, but is strongly recommended to maintain sanitary conditions.

The New York state returnable container act can be enforced by the New York state department of environmental conservation, the New York state department of agriculture and markets, the New York state department of taxation and finance, the New York state attorney general and/or by your local government."

Such sign must be no less than eight inches by ten inches in size and have lettering a minimum of one quarter inch high, and of a color which contrasts with the background. The department shall maintain a toll free telephone number for a "bottle bill complaint line" that shall be available from 9:00 a.m. to 5:00 p.m. each business day to receive reports of violations of this title. The telephone number shall be listed on any sign required by this section.

3. On or after June first, two thousand nine, a dealer may limit the number of empty beverage containers to be accepted for redemption at the dealer's place of business to no less than seventy-two containers per visit, per redeemer, per day, provided that:

(a) The dealer has a written agreement with a redemption center, be it either at a fixed physical location within the same county and within [~~one-half~~] **one** mile of the dealer's place of business, or a mobile redemption center, operated by a redemption center, that is located within one-quarter mile of the dealer's place of business. The redemption center must have a written agreement with the dealer to accept containers on behalf of the dealer; and the redemption center's hours of operation must cover at least 9:00 a.m. through 7:00 p.m. daily or in the case of a mobile redemption center, the hours of operation must cover at least four consecutive hours between 8:00 a.m. and 8:00 p.m. daily. The dealer must post a conspicuous, permanent sign, meeting the size and color specifications set forth in subdivision two of this section, open to public view, identifying the location and hours of operation of the affiliated redemption center or mobile redemption center; and

(b) The dealer provides, at a minimum, a consecutive two hour period between 7:00 a.m. and 7:00 p.m. daily whereby the dealer will accept up

to two hundred forty containers, per redeemer, per day, and posts a conspicuous, permanent sign, meeting the size and color specifications set forth in subdivision two of this section, open to public view, identifying those hours. The dealer may not change the hours of redemption without first posting a thirty day notice; and

(c) The dealer's primary business is the sale of food or beverages for consumption off-premises, and the dealer's place of business is less than ten thousand square feet in size.

4. A deposit initiator shall accept from a dealer or operator of a redemption center any empty beverage container of the design, shape, size, color, composition and brand sold or offered for sale by the deposit initiator, and shall pay the dealer or operator of a redemption center the refund value of each such beverage container as established by section 27-1005 of this title. A deposit initiator shall accept and redeem all such empty beverage containers from a dealer or redemption center without limitation on quantity.

5. A deposit initiator's or distributor's failure to pick up empty beverage containers, including containers processed in a reverse vending machine, from a redemption center, dealer or the operator of a reverse vending machine, **in a timely manner and at reasonable times as provided by the department pursuant to the regulations promulgated pursuant to paragraph (c) of subdivision eight of this section** shall be a violation of this title.

6. In addition to the refund value of a beverage container as established by section 27-1005 of this title, a deposit initiator shall pay to any dealer or operator of a redemption center a handling fee of three and one-half cents for each beverage container accepted by the deposit initiator from such dealer or operator of a redemption center. **Beginning April first, two thousand twenty-six, the handling fee will be six cents.** Payment of the handling fee shall be as compensation for collecting, sorting and packaging of empty beverage containers for transport back to the deposit initiator or its designee. Payment of the handling fee may not be conditioned on the purchase of any goods or services, nor may such payment be made out of the refund value account established pursuant to section 27-1012 of this title. A distributor who does not initiate deposits on a type of beverage container is considered a dealer only for the purpose of receiving a handling fee from a deposit initiator.

7. A deposit initiator on a brand shall accept from a distributor who does not initiate deposits on that brand any empty beverage containers of that brand accepted by the distributor from a dealer or operator of a redemption center and shall reimburse the distributor the refund value of each such beverage container, as established by section 27-1005 of this title. In addition, the deposit initiator shall reimburse such distributor for each such beverage container the handling fee established under subdivision six of this section. Without limiting the rights of the department or any person, firm or corporation under this subdivision or any other provision of this section, a distributor shall have a civil right of action to enforce this subdivision, including, upon three days notice, the right to apply for temporary and preliminary injunctive relief against continuing violations, and until arrangements for collection and return of empty containers or reimbursement of such distributor for such deposits and handling fees are made.

8. It shall be the responsibility of the deposit initiator or distributor to provide to a dealer or redemption center a sufficient number of bags, cartons, or other suitable containers, at no cost, for the packag-

ing, handling and pickup of empty beverage containers that are not redeemed through a reverse vending machine. The bags, cartons, or containers must be provided by the deposit initiator or distributor on a schedule that allows the dealer or redemption center sufficient time to sort the empty beverage containers prior to pick up by the deposit initiator or distributor. In addition:

(a) When picking up empty beverage containers, a deposit initiator or distributor shall not require a dealer or redemption center to load their own bags, cartons or containers onto or into the deposit initiator's or distributor's vehicle or vehicles or provide the staff or equipment needed to do so. **However, where pallets or skids, bags, cartons or containers are readily movable only by means of a forklift or similar equipment, a deposit initiator or distributor may require a dealer or redemption center to move or load such items at no cost using a forklift or similar equipment belonging to the dealer or redemption center provided that such equipment and appropriate staff are readily available.**

(b) A deposit initiator or distributor shall not require empty containers to be counted at a location other than the redemption center or dealer's place of business. The dealer or redemption center shall have the right to be present at the count. **In the event of a discrepancy between the count of the dealer or redemption center and the count of the deposit initiator or distributor for containers not processed through a reverse vending machine all such empty containers shall be retained and a re-count may be requested. The re-count may be held at a location other than the redemption center or dealer's place of business only if the dealer or redemption center agrees and is present.**

(c) A deposit initiator or distributor shall pick up empty beverage containers from the dealer or redemption center **in a timely manner and** at reasonable times [~~**and intervals**~~] as determined in rules or regulations promulgated by the department **no later than April first, two thousand twenty-six**.

9. No person shall return or assist another to return to a dealer or redemption center an empty beverage container for its refund value if such container had previously been accepted for redemption by a dealer, redemption center, or deposit initiator who initiates deposits on beverage containers of the same brand.

10. A redeemer, dealer, distributor or redemption center shall not knowingly redeem an empty beverage container on which a deposit was never paid in New York state.

11. Notwithstanding the provisions of subdivision two of section 27-1009 of this title, a deposit initiator or distributor shall accept and redeem beverage containers as provided in this title, if the dealer or operator of a redemption center shall have accepted and paid the refund value of such beverage containers.

12. No person shall intentionally program, tamper with, render inaccurate, or circumvent the proper operation of a reverse vending machine to wrongfully elicit deposit monies when no valid, redeemable beverage container has been placed in and properly processed by the reverse vending machine.

13. The department and the department of taxation and finance are authorized to audit any reverse vending machine.

§ 5. Paragraph (b) of subdivision 3 of section 27-1011 of the environmental conservation law, as added by section 1 of part PP of chapter 58 of the laws of 2018, is amended and a new subdivision 4 is added to read as follows:

(b) comply with minimum post-consumer recycled material content and hole diameter limitations as defined in rules and regulations promulgated by the department **no later than April first, two thousand twenty-five**, and is recyclable and indicates a resin identification code.

4. (a) Effective January first, two thousand twenty-six, every glass beverage container shall contain a minimum percentage of thirty-five percent post-consumer glass and every aluminum beverage container shall contain a minimum percentage of thirty-five percent post-consumer aluminum.

(b) Effective January first, two thousand twenty-nine, every polyethylene terephthalate (PET) beverage container shall contain no less than twenty-five percent post-consumer PET.

(c) Effective January first, two thousand thirty-one, every plastic beverage container shall contain no less than thirty percent post-consumer plastic.

(d) The department may, by regulation, grant a reduction or waiver of the percentage requirement established pursuant to this subdivision if the department finds and determines that it is technologically infeasible for the bottler to achieve the specified percent requirement.

§ 6. Paragraph c of subdivision 3 of section 27-1012 of the environmental conservation law, as added by section 8 of part SS of chapter 59 of the laws of 2009, is amended to read as follows:

c. all withdrawals from the refund value account during such quarter, including all reimbursements paid pursuant to subdivision two of this section, all service charges on the account, **provided that such service charges do not exceed the maximum amount authorized by the commissioner,** and all payments made pursuant to subdivision four of this section; and

§ 7. Paragraph a of subdivision 4 of section 27-1012 of the environmental conservation law, as added by section 8 of part SS of chapter 59 of the laws of 2009, is amended to read as follows:

a. Quarterly payments. An amount equal to eighty percent of the balance outstanding in the refund value account at the close of each quarter shall be paid to the commissioner of taxation and finance at the time the report provided for in subdivision three of this section is required to be filed. The commissioner of taxation and finance may require that the payments be made electronically. The remaining twenty percent of the balance outstanding at the close of each quarter shall be the monies of the deposit initiator and may be withdrawn from such account by the deposit initiator. **However, until April first, two thousand twenty-eight, a deposit initiator who initiates deposits on refillable beverage containers or beverage containers with a state-specific universal product code may be entitled to pay an amount equal to seventy-five percent of the balance outstanding in the refund value account specifically attributable to refillable beverage containers or beverage containers bearing such product code at the close of each quarter to the commissioner of taxation and finance at the time the report provided for in subdivision three of this section is required to be filed. No later than October first, two thousand twenty-seven, the commissioner of taxation and finance shall submit a report to the governor and the legislature regarding the implementation of the state-specific universal product code and an evaluation of its effectiveness in decreasing fraud.** If the provisions of this section with respect to such account have not been fully complied with, each deposit initiator shall pay to such commissioner at such time, in lieu of the amount described in the preceding sentence, an amount equal to the balance which would have been

outstanding on such date had such provisions been fully complied with. The commissioner of taxation and finance may require that the payments be made electronically.

§ 8. Subdivision 12 of section 27-1012 of the environmental conservation law, as amended by section 6 of part F of chapter 58 of the laws of 2013, is amended to read as follows:

12. a. Each deposit initiator shall provide a report to the department describing all the types of beverage containers on which it initiates deposits. The report shall include the product name, type of beverage, size and composition of the beverage container, universal product code, **the presence of any state-specific universal product code and the percentage of products covered by such code, the methods used to prevent the fraudulent sale and redemption of beverage containers,** and any other information the department may require. Upon request, a deposit initiator shall also provide to the department a copy of the container label or a picture of any beverage container sold or offered for sale in this state on which it initiates a deposit. Such information shall be provided in a form as prescribed by the department. The department may require that such forms be filed electronically.

b. A bottler may place on a beverage container a **state-specific** universal product code [~~**or other distinctive marking that is specific to the state or used only in the state and any other states with laws substantially similar to this title**~~] as a means of preventing the sale or redemption of beverage containers on which no deposit was initiated.

c. A bottler or deposit initiator shall notify the department, in a form prescribed by the department, whenever a beverage container or beverage container label is revised by altering the universal product code, or whenever the container on which a universal product code appears is changed in size, composition or glass color, or whenever the container or container label on which a universal product code appears is changed to include a **state-specific** universal product code [~~**that is unique to the state or used only in the state and any other states with laws substantially similar to this title**~~].

§ 9. Section 27-1014 of the environmental conservation law, as amended by section 10 of part SS of chapter 59 of the laws of 2009, is amended to read as follows:

§ 27-1014. Authority to promulgate rules and regulations.

In addition to the authority of the commissioner, under sections **27-1007,** 27-1009**, 27-1011, 27-1012,** and 27-1013 of this title, the commissioner shall have the power to promulgate rules and regulations necessary and appropriate for the administration of this title.

§ 10. Section 27-1005 of the environmental conservation law, as added by section 4 of part SS of chapter 59 of the laws of 2009, is amended to read as follows:

§ 27-1005. Refund value.

No person shall sell or offer for sale a beverage container in this state unless the deposit on such beverage container is or has been collected by a registered deposit initiator and unless such container has a refund value of not less than five cents**, and beginning April first, two thousand twenty-six a refund value of not less than ten cents,** which is clearly indicated thereon as provided in section 27-1011 of this title.

§ 11. This act shall take effect April 1, 2025; provided, however, that section two of this act shall take effect April 1, 2026. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective

date are authorized to be made and completed on or before such effective date.

PART III

Section 1. The department of economic development, in conjunction with the empire state development corporation, the department of education, the office of parks, recreation and historic preservation, the department of environmental conservation, the department of state, and the New York state council on the arts, is hereby directed to conduct a comprehensive study on public and private museums in the state. Such study shall include, but not be limited to:

1. taking a census of public and private museums in the state, including information on the size, hours of operation, visitor statistics, funding sources and amounts, and the subjects of the museums' collections, of the many museums throughout the state.

2. identifying the benefits, shortfalls and consequences of the different sources of support museums receive publicly and those they must find privately.

3. providing information and recommendations so as to inform the legislature of the adequacy of public and private sources of the funding for museums in the state and to serve current and future funding needs, recommend systems of support to best ensure equitable distribution of such funds, regardless of discipline, budget size, or location, and the continued accessibility and availability of museums promoting a general interest in cultural and historical topics, fine arts, physical and natural sciences, technology, engineering and mathematics, and to determine the feasibility of a single reporting system that includes active oversight.

§ 2. A report of the findings of such study, recommendations, and any proposed legislation necessary to implement such recommendations shall be filed with the governor, the temporary president of the senate, and the speaker of the assembly within one year after the effective date of this act.

§ 3. This act shall take effect immediately.

PART JJJ

Section 1. This act shall be known and may be cited as the "climate change superfund act".

§ 2. Legislative findings. The legislature finds and declares the following:

1. Climate change, resulting primarily from the combustion of fossil fuels, is an immediate, grave threat to the state's communities, environment, and economy. In addition to mitigating the further buildup of greenhouse gases, the state must take action to adapt to certain consequences of climate change that are irreversible, including rising sea levels, increasing temperatures, extreme weather events, flooding, heat waves, toxic algal blooms and other climate-change-driven threats. Maintaining New York's quality of life into the future, particularly for young people, who will experience greater impacts from climate change over their lifetimes, will be one of the state's greatest challenges over the next three decades. Meeting that challenge will require a shared commitment of purpose and huge investments in new or upgraded infrastructure and the transition to a green economy.

2. New York has previously adopted programs now in place - the inactive hazardous waste disposal site (state superfund) program and the oil spill fund - to remediate environmental damage to lands and waters based on the principle that, where possible, the entities responsible for environmental damage should pay for its cleanup. No similar program exists yet for the pollution of the atmosphere by greenhouse gas buildup as a result of burning fossil fuels.

3. Based on decades of research it is now possible to determine with great accuracy the share of greenhouse gases released into the atmosphere by specific fossil fuel companies over the last 70 years or more, making it possible to assign liability to and require compensation from companies commensurate with their emissions during a given time period.

4. It is the intent of the legislature to establish a climate change cost recovery program that will require companies that have contributed significantly to the buildup of climate change-driving greenhouse gases in the atmosphere to bear a proportionate share of the cost of investments required to address the impacts of climate change in New York state.

5. a. The obligation to pay under the program is based on the fossil fuel companies' historic contribution to the buildup of greenhouse gases that is largely responsible for climate change. The program operates under a standard of strict liability; companies are required to pay into the fund because the use of their products caused the pollution. No finding of wrongdoing is required.

b. Nonetheless, the legislature recognizes that the actions of many of the biggest fossil fuel companies have been unconscionable, closely reflecting the strategy of denial, deflection, and delay used by the tobacco industry. In spite of the information provided by their own scientists that the continued burning of fossil fuels would have catastrophic results, these companies hid the truth from the public and actively spread false information that the science of climate change was uncertain when in fact it was beyond controversy. This breach of the public trust was breathtaking in its scope and consequences, and it continues to this day.

c. Since 2022, the fossil fuel industry has taken advantage of several overlapping global crises to earn immense profits, charging record high prices while aggressively rejecting any responsibility for the costs of its business activities. While all the profits accrue to the companies, all of the costs of climate change are paid by taxpayers and individuals. This is a market failure that needs to be addressed through policy change.

6. Payments by historical polluters would be used to build climate resiliency through new or upgraded infrastructure assets, to help society adapt by supporting the transition to a clean energy economy, and to compensate individuals and businesses for losses related to climate change and the costs associated with the need to transition away from the fossil fuels which have contributed to climate change, all of which are necessary to protect the public safety and welfare in the face of the growing impacts of climate change. At least 35%, with a goal of at least 40% of the overall benefits of program spending would directly benefit disadvantaged communities.

7. This act is not intended to intrude on the authority of the federal government in areas where it has preempted the right of the states to legislate. This act is remedial in nature, seeking compensation for damages resulting from the past actions of polluters.

§ 3. The environmental conservation law is amended by adding a new article 76 to read as follows:

ARTICLE 76

CLIMATE CHANGE COST RECOVERY PROGRAM

§ 76-0101. Definitions.

For the purposes of this article the following terms shall have the following meanings:

1. "Applicable payment date" means September thirtieth of the second calendar year following the year in which this article is enacted into law.

2. "Coal" shall have the same definition as in section 1-103 of the energy law.

3. "Controlled group" means two or more entities treated as a single employer under section 52(a) or (b) or section 414(m) or (o) of the Internal Revenue Code. In applying subsections (a) and (b) of section 52, section 1563 of the Internal Revenue Code shall be applied without regard to subsection(b)(2)(C). For purposes of this article, entities in a controlled group are treated as a single entity for purposes of meeting the definition of responsible party and are jointly and severally liable for payment of any cost recovery demand owed by any entity in the controlled group.

4. "Cost recovery demand" means a charge asserted against a responsible party for cost recovery payments under the program for payment to the fund.

5. "Covered greenhouse gas emissions" means, with respect to any entity, the total quantity of greenhouse gases released into the atmosphere during the covered period, expressed in metric tons of carbon dioxide equivalent as defined in section 75-0101 of this chapter, including but not limited to releases of greenhouse gases resulting from the extraction, storage, production, refinement, transport, manufacture, distribution, sale, and use of fossil fuels or petroleum products extracted, produced, refined, or sold by such entity.

6. "Covered period" means the period that began January first, two thousand and ended on December thirty-first, two thousand eighteen.

7. "Crude oil" means oil or petroleum of any kind and in any form, including bitumen, oil sands, heavy oil, conventional and unconventional oil, shale oil, natural gas liquids, condensates, and related fossil fuels.

8. "Entity" means any individual, trustee, agent, partnership, association, corporation, company, municipality, political subdivision, or other legal organization, including a foreign nation, that holds or held an ownership interest in a fossil fuel business during the covered period.

9. "Fossil fuel" shall have the same definition as in section 1-103 of the energy law.

10. "Fossil fuel business" means a business engaging in the extraction of fossil fuels or the refining of petroleum products.

11. "Fuel gases" shall have the same definition as in section 1-103 of the energy law.

12. "Fund" means the climate and community protection fund.

13. "Greenhouse gas" shall have the same definition as in section 75-0101 of this chapter.

14. "Notice of cost recovery demand" means the written communication informing a responsible party of the amount of the cost recovery demand payable to the fund.

15. "Petroleum products" shall have the same definition as in section 1-103 of the energy law.

16. "Program" means the climate change cost recovery program established under section 76-0103 of this article.

17. "Responsible party" means any entity (or a successor in interest to such entity described herein), which, during any part of the covered period, was engaged in the trade or business of extracting fossil fuel or refining crude oil and is determined by the department to be responsible for more than one billion tons of covered greenhouse gas emissions. The term responsible party shall not include any person who lacks sufficient connection with the state to satisfy the nexus requirements of the United States Constitution.

§ 76-0103. The climate change cost recovery program.

1. There is hereby established a climate change cost recovery program administered by the department.

2. The purposes of the program shall be the following:

a. To secure compensatory payments from responsible parties based on a standard of strict liability to provide a source of revenue for addressing the consequences of climate change within the state.

b. To determine proportional liability of responsible parties pursuant to subdivision three of this section;

c. To impose cost recovery demands on responsible parties and issue notices of cost recovery demands;

d. To accept and collect payment from responsible parties; and

e. To transfer funds to the climate and community protection fund.

3. a. A responsible party shall be strictly liable, without regard to fault, for a share of the costs of climate change to the state, as addressed by programs supported by the fund.

b. With respect to each responsible party, the cost recovery demand shall be equal to an amount that bears the same ratio to seventy-five billion dollars as the responsible party's applicable share of covered greenhouse gas emissions bears to the aggregate applicable shares of covered greenhouse gas emissions of all responsible parties.

c. The applicable share of covered greenhouse gas emissions taken into account under this section for any responsible party shall be the amount by which the covered greenhouse gas emissions attributable to such responsible party exceeds one billion metric tons.

d. Where an entity owns a minority interest in another entity of ten percent or more, the calculation of the entity's applicable share of greenhouse gas emissions taken into account under this section shall include the applicable share of greenhouse gas emissions taken into account under this section by the entity in which the responsible party holds a minority interest, multiplied by the percentage of the minority interest held.

e. In determining the amount of greenhouse gas emissions attributable to any entity, an amount equivalent to nine hundred forty-two and one-half metric tons of carbon dioxide equivalent shall be treated as released for every million pounds of coal attributable to such entity; an amount equivalent to four hundred thirty-two thousand one hundred eighty metric tons of carbon dioxide equivalent shall be treated as released for every million barrels of crude oil attributable to such entity; and an amount equivalent to fifty-three thousand four hundred forty metric tons of carbon dioxide equivalent shall be treated as

released for every million cubic feet of fuel gases attributable to such entity.

f. The commissioner may adjust the cost recovery demand amount of a responsible party refining petroleum products (or who is a successor in interest to such an entity) if such responsible party establishes to the satisfaction of the commissioner that a portion of the cost recovery demand amount was attributable to the refining of crude oil extracted by another responsible party (or who is a successor in interest to such an entity) that accounted for such crude oil in determining its cost recovery demand amount.

g. Payment of a cost recovery demand shall be made in full on the applicable payment date unless a responsible party elects to pay in installments pursuant to paragraph h of this subdivision.

h. A responsible party may elect to pay the cost recovery demand amount in twenty-four annual installments, eight percent of the total due in the first installment and four percent of the total due in each of the following twenty-three installments. If an election is made under this paragraph, the first installment shall be paid on the applicable payment date and each subsequent installment shall be paid on the same date as the applicable payment date in each succeeding year.

i. If there is any addition to the original amount of the cost recovery demand for failure to timely pay any installment required under this subdivision, a liquidation or sale of substantially all the assets of the responsible party (including in a proceeding under U.S. Code: Title 11 or similar case), a cessation of business by the responsible party, or any similar circumstance, then the unpaid balance of all remaining installments shall be due on the date of such event (or in the case of a proceeding under U.S. Code: Title 11 or similar case, on the day before the petition is filed). The preceding sentence shall not apply to the sale of substantially all of the assets of a responsible party to a buyer if such buyer enters into an agreement with the department under which such buyer is liable for the remaining installments due under this subdivision in the same manner as if such buyer were the responsible party.

4. a. Within one year of the effective date of this article, the department shall promulgate such regulations as are necessary to carry out this article, including but not limited to:

i. adopting methodologies using the best available science to determine responsible parties and their applicable share of covered greenhouse gas emissions consistent with the provisions of this article;

ii. registering entities that are responsible parties under the program;

iii. issuing notices of cost recovery demand to responsible parties informing them of the cost recovery demand amount; how and where cost recovery demands can be paid; the potential consequences of nonpayment and late payment; and information regarding their rights to contest an assessment; and

iv. accepting payments from, pursuing collection efforts against, and negotiating settlements with responsible parties.

b. The department shall hold at least two public hearings, one in-person and one virtual, on proposed regulations, with a minimum of thirty days' public notice in compliance with the provisions of article seven of the public officers law.

5. The department, the department of taxation and finance, and the attorney general are hereby authorized to enforce the provisions of this article.

6. The department or the department of taxation and finance shall provide an opportunity to be heard to any responsible parties that seek to contest a cost recovery demand. Determinations made in favor of a petitioner after such hearing shall be final and conclusive. A determination in favor of the state may be appealed under article seventy-eight of the civil practice law and rules.

7. Moneys received from cost recovery demands shall be deposited in the climate and community protection fund.

8. a. The department shall conduct an independent evaluation of the climate change cost recovery program. The purpose of this evaluation is to determine the effectiveness of the program in achieving its purposes as defined in subdivision two of this section.

b. Such evaluation shall be provided to the governor, the temporary president of the senate and the speaker of the assembly on or before January first of the second calendar year following the year in which this article is enacted into law, and annually on or before September thirtieth thereafter.

c. Any entity contracted by the department to conduct such evaluation shall receive prompt payment of all moneys due upon completion of such evaluation.

§ 4. Availability of additional remedies. Nothing in this act shall be deemed to preclude the pursuit of a civil action or other remedy by any person. The remedies provided in this act are in addition to those provided by existing statutory or common law.

§ 5. Severability. If any word, phrase, clause, sentence, paragraph, 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 word, phrase, clause, sentence, paragraph, section, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

§ 6. Construction. This act, being necessary for the general health, safety, and welfare of the people of this state, shall be liberally construed to effect its purpose.

§ 7. This act shall take effect immediately.

PART KKK

Section 1. Subdivision 2 of section 15-0501 of the environmental conservation law, as amended by chapter 233 of the laws of 1979, is amended to read as follows:

2. For the purposes of this section, stream shall mean that portion of any fresh surface watercourse, except lakes or ponds having a surface area greater than ten acres at mean low water level, for which the department has adopted or may hereafter adopt pursuant to section 17-030l, any of the following classifications or standards:

AA and AA (T),

A and A (T),

B and B (T),

C and C (T)

Small ponds or lakes with a surface area at mean low water level of ten acres or less, located in the course of a stream, shall be considered a part of the stream and subject to regulation under this section.

§ 2. Subdivision 4 of section 15-0501 of the environmental conservation law, as amended by chapter 233 of the laws of 1979, is amended to read as follows:

4. a. No permit under this section shall be required of any local public corporation which has entered into a written memorandum of understanding with the department establishing the plan of operation to be followed in carrying out projects or work affecting water courses so as to afford proper protection to the public beneficial uses of such water courses.

b. No permit under this section with respect to any stream with a classification of C shall be required of a soil and water conservation district as defined in subdivision one of section three of the soil and water conservation districts law which has entered into a written memorandum of understanding with the department establishing the plan of operation to be followed in carrying out projects or work affecting such water courses so as to afford proper protection to the public beneficial uses of such water courses.

§ 3. This act shall take effect on the ninetieth day after it shall have become a law.

PART LLL

Section 1. Legislative findings and declaration. In response to the COVID-19 pandemic, chapters 108 and 126 of the laws of 2020 were adopted to ensure that New Yorkers would not be deprived of gas, electric, water service, helping households follow the vital state policy of "sheltering in place." The moratorium prohibited termination of utility services at a pivotal moment when it became evident that sanitary conditions were required to combat the COVID-19 virus and keep New Yorkers safe and healthy, especially seniors and the medically vulnerable. The legislature finds and declares that it is unknown to the state the number of New Yorkers who had their services terminated or disconnected during the pandemic. The legislature finds that many utility customers rely on continuous service for heat, water, and electricity to power necessary equipment, such as life-saving health care devices and other New Yorkers require cooling during extreme heat conditions and heat during extreme cold conditions, particularly when congregate care cooling and heating facilities are not safe for use by medically vulnerable households. The legislature finds that the state requires comprehensive data concerning New Yorkers' ability to afford utility service, including the number of New Yorkers who had their services terminated or who are currently at risk of termination during the pandemic. The legislature finds that this data is critical to ascertain the effectiveness of the moratorium and other COVID-19 consumer protections, as well as the disruptive effects that the pandemic has had on utility customers' finances, and utility finances and services, and the public health, safety and welfare of millions of medically and financially vulnerable citizens. The legislature also finds that the permanent collection and reporting of utility data is imperative to gain regular updates on and evaluate trends concerning the scale and extent of terminations and utility debt across the state, so that evidence-based policy can be properly crafted thereafter.

§ 2. 1. As used in this act:

a. "Assistance program" shall mean any program offered to eligible low-income customers to assist with the costs of electricity, gas, and water, including but not limited to the low-income home energy assistance program, any low-income affordability plans as provided by public service commission case number 14-M-0565, and/or any other financial

assistance program provided through or by New York state or individual utilities, counties or municipalities.

b. "COVID-19 state of emergency" shall mean the state disaster emergency declared pursuant to executive order 202 of 2020.

c. "Commission" shall mean the public service commission.

d. "Municipality" shall have the same meaning as subdivision 16 of section 2 of the public service law and shall include potable water districts and potable water systems owned and/or operated by a city, town, village, authority or other governmental subdivision.

e. "Utility" shall mean a municipality, utility corporation, steam corporation, water-works corporation, an electric corporation as defined in subdivision 13 of section 2 of the public service law, a gas corporation as defined in subdivision 11 of section 2 of the public service law, a combination gas and electric corporation as defined in subdivision 14 of section 2 of the public service law, a steam corporation as defined in subdivision 22 of section 2 of the public service law and any other community water system as defined in 10 NYCRR § 5-1.1.

f. "Utility corporation" shall have the same meaning as subdivisions 23 and 24 of section 2 of the public service law.

g. "Water-works corporation" shall have the same meaning as subdivision 27 of section 2 of the public service law.

2. a. Every utility shall be subject to the jurisdiction of the public service commission for the purposes of enforcing the provisions of this act pursuant to sections 24, 25 and 26 of the public service law. The commission shall adjudicate complaints and conduct investigations for violation of this act in the manner provided by the provisions of article 2 of the public service law.

b. Within 180 days after the effective date of this act, the commission shall prepare and submit to the governor and the legislature a written report that shall make findings and recommendations concerning the affordability of electric, gas, and water services to commercial and residential customers in this state. An updated report shall be submitted one year after the commission has submitted such initial report to the governor and legislature. Without unreasonably exposing consumer personally identifiable information in a manner that violates public service law and public service commission practice or federal law, the reports shall include but not be limited to the following, with all information to be broken down by utility, type of service provided, month, customer class and county:

(1) the number of customers and how that number compares to the previous year's number of customers on the same month and day;

(2) the number of disconnection notices sent due to non-payment, disconnections due to non-payment, reconnections of customers that were disconnected for non-payment, and how those numbers compare to the previous year on the same month and day;

(3) the number of liens on real property placed, sold, or enforced due to non-payment, and how those numbers compare to the previous year on the same month and day, if applicable;

(4) the number of customers in arrears by 1-90 days, 90-180 days, and greater than 180 days at the end of each month, the total dollar amount of arrears, and how those numbers compare to the previous year on the same month and day. Provided, however, that a utility or municipality may petition the commission, in a form and manner to be determined by the commission, to allow such utility or municipality to provide such data in an alternative format if the specificity set forth in this act cannot be obtained from an existing utility information technology

system and such data would result in the increase of customer utility bills;

(5) the number of customers that became eligible for disconnection due to bill non-payment but were not disconnected because of any legally mandated or voluntary suspension of disconnections due to the COVID-19 state of emergency, or for any other statutory, regulatory or voluntary reason irrespective of the COVID-19 emergency, or such other states of emergency as may follow the end of the COVID-19 emergency;

(6) the number of customers enrolled in deferred payment agreements at the end of each month;

(7) the number of customers that entered into, successfully completed, or defaulted from a deferred payment agreement, and how those numbers compare to the previous year on the same month and day;

(8) available customer assistance programs, including terms of eligibility, and any enhancements to the programs that have been made or are planned to address actual or anticipated increased demand;

(9) the number of customers that applied for financial assistance under each applicable assistance program, and how those numbers compare to the previous year on the same month and day;

(10) the number of customers receiving assistance under each assistance program at the end of each month, the total dollar amount of assistance provided for arrears, the total dollar amount of assistance provided for current or future bills and the average amount per customer, and how those numbers compare to the previous year on the same month and day;

(11) the number of customers charged late fees, penalties, reconnection fees, interest, and any other charge associated with late payment of a bill;

(12) the total dollar amount of late fees, penalties, interest, reconnection fees and any other charge associated with late payment per customer, the average and median dollar amount billed to customer accounts and the average and median utility usage per customer account;

(13) the methods and contents of general communications by utilities to customer accounts concerning their rights and available assistance programs, excluding any customer-specific communications; and

(14) the commission's assessment of whether existing customer assistance programs are presently and will in the future be sufficient to meet the financial needs of customer accounts in arrears who are unable to pay those arrears in full, as well as the needs of customer accounts who may be unable to pay bills for current service.

c. Following the commission's submission of the reports to the governor and legislature such reports shall be posted on the commission's website and be subject to 30 days of public comment on affordability from the date of the submission to the governor and the legislature. The commission shall provide meaningful opportunities for public comment from all persons who will be impacted by findings of the commission, including persons living in disadvantaged communities and in rural communities across the state in entirety. Within 90 days of the submission of the initial report, the commission shall conduct at least five public hearings in different regions of the state, as defined by the empire state development corporation, and provide meaningful opportunity for comment. The public hearings may be held virtually.

d. Each utility shall, within 90 days of the effective date of this act, submit to the commission, in a form and manner determined by the commission, the information required pursuant to paragraph b of this subdivision. Six months after the submission of the initial report to

the governor and legislature, each utility shall submit to the commission, in a form and manner determined by the commission, the information required pursuant to paragraph b of this subdivision. Each utility shall publish on its website the data it reports pursuant to this paragraph, simultaneously with submission of the data to the commission.

3. If the data required by this act cannot reasonably be obtained from an existing utility information technology system without an increase in customer utility bills, a utility or municipality may petition the commission, in a form and manner to be determined by the commission, to provide the required data in an alternative format.

4. The commission shall publish on its website the reports required pursuant to subdivision two of this section, simultaneously with the submission of each report. The reports shall include the information required pursuant to this section in a spreadsheet format.

5. Within 180 days of the effective date of this act, the commission shall require that utilities and/or municipalities establish appropriate financial assistance programs, allowing for the payback of customer arrears resulting from the COVID-19 state of emergency through twenty-four month or thirty-six month payment plans.

§ 3. 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.

§ 4. This act shall take effect immediately.

PART MMM

Section 1. Short title. This act shall be known and may be cited as the "NY Home Energy Affordable Transition Act".

§ 2. Legislative findings. The legislature finds and declares that:

1. The Climate Leadership and Community Protection Act (the "CLCPA") created legal mandates for dramatic greenhouse gas emission reductions from all sectors of New York's economy. The CLCPA also emphasizes equity in addressing climate change by requiring all state agencies and authorities to prioritize reductions of greenhouse gas emissions and co-pollutants in disadvantaged communities and by mandating that certain state investments deliver benefits to these communities.

2. Buildings are New York's largest source of greenhouse gas emissions, accounting for approximately one-third of the greenhouse gas emissions in our state. New York state's buildings also produce more local air pollution than any other state in the country, resulting in negative health outcomes such as increased rates of asthma, particularly among children, and heart disease. Therefore, reducing greenhouse gas emissions and toxic air pollution emitted from New York's buildings, especially in disadvantaged communities, is necessary to meet the CLCPA mandates.

3. To meet the state's bold climate and equity mandates, New York will need to update how it regulates gas utility service. Doing so will enable strategic planning and investments in neighborhood-scale building decarbonization and help bring the statewide gas distribution system into alignment with the two thousand thirty and two thousand fifty

greenhouse gas emission reduction mandates in the CLCPA through an orderly and equitable process, coordinated with appropriate investments in the electric system to ensure all New Yorkers have non-discriminatory, affordable access to the energy needed for heating, cooling, and powering the buildings in which they live and work.

4. The New York public service law not only contains barriers to neighborhood-scale building decarbonization solutions such as thermal energy networks, but also works at cross purposes with the state's climate and affordability goals, by requiring and subsidizing the continued expansion of natural gas infrastructure.

a. The gas utility obligation to serve codified in the public service law is a major obstacle to utilities developing neighborhood-scale building decarbonization projects that would facilitate bringing the gas system into alignment with the two thousand thirty and two thousand fifty greenhouse gas emission reduction mandates in the CLCPA in a manner that can mitigate costs for all utility customers, reduces greenhouse gas emissions and co-pollutants impacting local air quality, and provides a transition for impacted workers.

b. Statutorily mandated utility system extension allowances require existing ratepayers to subsidize gas infrastructure hookups for new customers. According to a recent joint filing with the Public Service Commission by the New York state gas utilities, these required allowances cost gas utilities hundreds of millions of dollars per year. These costs are passed directly to existing gas customers.

c. Gas utilities in New York are on track to collectively spend $150 billion to replace thousands of miles of leak prone pipe in the coming years. These investments pose a risk of becoming stranded assets, with $77 billion of the total cost coming due after 2050, but can be avoided in many cases by strategically investing in neighborhood-scale decarbonization projects.

5. New Yorkers are suffering from dramatic fossil fuel price spikes driven by the increasingly integrated global commodity market, subject to the whims of foreign dictators such as Russia's Vladimir Putin or Saudi Arabia's Prince Mohammed bin Salman. Fossil fuel prices have spiked to historic high levels, making both electricity and gas utility service unaffordable for many New Yorkers. Decarbonizing buildings through the strategic development of neighborhood-scale building decarbonization projects, along with investing in energy efficiency and renewable electricity, will save New Yorkers money now and in the future, protect against price volatility, and promote true energy independence for New York state.

6. Fossil fuel price spikes are exacerbating the affordability impacts of the COVID-19 Pandemic. Over a million households in New York now struggle to pay their utility bills. The Public Service Commission has declared, but not yet achieved, a goal that customers should not pay more than 6% of their income for utility energy services, a number based on a nationally accepted standard.

7. Thus, it is the intent of the legislature to enact the NY Home Energy Affordable Transition Act for the following purposes:

a. to ensure that the public service law regarding regulation and oversight of gas utilities will provide for the timely and strategic decarbonization and right-sizing of the gas distribution system in a just and affordable manner as required to meet the climate justice and emission reduction mandates of the CLCPA, appropriately balancing ratepayers' needs and interests with the maintenance of financially sound

utilities, prioritizing low-to-moderate income customers and disadvantaged communities, and encouraging neighborhood-scale transitions;

b. to provide the Public Service Commission with the statutory authority and direction to align utility regulations and planning with the CLCPA climate justice and emission reduction mandates and to require the Public Service Commission to take a proactive role in the timely identification and amendment of such regulations or rulings as may pose an impediment to achieving CLCPA mandates, and to identify any laws that may pose an impediment;

c. to end statutorily mandated, ratepayer-subsidized incentives for the expansion of fossil fuel infrastructure while maintaining the equitable provision of electric service for efficient heating, cooling, cooking, hot water, and other uses;

d. to provide affordable access to electricity for heating and cooling and to protect low-income and moderate-income customers from undue burdens as they decarbonize their buildings; and

e. to clarify that municipal building codes regulating on-site emissions are not preempted under New York state law.

8. This legislation does not establish a ban on the use of gas. It is neither the intent nor would it be the effect of this legislation to require the immediate transition of any existing gas customer to alternative heating and cooling services.

§ 3. Subdivision 1 of section 4 of the public service law, as amended by chapter 594 of the laws of 2021, is amended to read as follows:

1. There shall be in the department of public service a public service commission, which shall possess the powers and duties hereinafter specified, and also all powers necessary or proper to enable it to carry out the purposes of this chapter **and to enable achievement of the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen, and such successors in law and function as may arise from time to time**. The commission shall consist of five members, to be appointed by the governor, by and with the advice and consent of the senate. A commissioner shall be designated as [~~chairman~~] **chairperson** of the commission by the governor to serve in such capacity at the pleasure of the governor or until his **or her** term as commissioner expires whichever first occurs. At least one commissioner shall have experience in utility consumer advocacy. No more than three commissioners may be members of the same political party unless, pursuant to action taken under subdivision two of this section, the number of commissioners shall exceed five, and in such event no more than four commissioners may be members of the same political party.

§ 4. Subdivisions 1 and 2 of section 5 of the public service law, subdivision 1 as amended and subdivision 2 as added by chapter 155 of the laws of 1970, paragraph i of subdivision 1 as added by chapter 375 of the laws of 2022, are amended to read as follows:

1. The jurisdiction, supervision, powers and duties of the public service commission shall extend under this chapter:

[~~b.~~] **a.** To the manufacture, conveying, transportation, sale or distribution of gas (natural or manufactured or mixture of both) and electricity for light, heat**, cooling,** or power, to gas plants and to electric plants and to the persons or corporations owning, leasing or operating the same.

[~~c.~~] **b.** To the manufacture, holding, distribution, transmission, sale or furnishing of steam for heat or power, to steam plants and to the persons or corporations owning, leasing or operating the same.

[~~d.~~] c. To every telephone line which lies wholly within the state and that part within the state of New York of every telephone line which lies partly within and partly without the state and to the persons or corporations owning, leasing or operating any such telephone line.

[~~e.~~] d. To every telegraph line which lies wholly within the state and that part within the state of New York of every telegraph line which lies partly within and partly without the state and to the persons or corporations owning, leasing or operating any such telegraph line.

[~~f.~~] e. To the furnishing or distribution of water for domestic, commercial or public uses and to water systems and to the persons or corporations owning, leasing or operating the same.

[~~g.~~] f. To every stock yard within the state and to the stock yard company owning, leasing or operating the same, to the same extent and in respect to the same objects and purposes as such jurisdiction extends, under this chapter, to depots, freight houses and shipping stations of a common carrier, including the duty of such stock yard company to submit reports and be subjected to investigation as if it were a common carrier, and the powers and duties of such commission to fix charges and make and enforce orders relating to adequate service by such company.

[~~h.~~] g. A corporation or person owning or holding a majority of the stock of a common carrier, gas corporation or electrical corporation subject to the jurisdiction of the public service commission shall be subject to the supervision of the public service commission in respect of the relations between such common carrier, gas corporation or electrical corporation and such owners or holders of a majority of the stock thereof in so far as such relations arise from or by reason of such ownership or holding of stock thereof or the receipt or holding of any money or property thereof or from or by reason of any contract between them; and in respect of such relations shall in like manner and to the same extent as such common carrier, gas corporation or electrical corporation be subject to examination of accounts, records and memoranda, and shall furnish such reports and information as the public service commission shall from time to time direct and require, and shall be subject to like penalties for default therein.

[~~i.~~] h. To thermal energy provided by gas corporations, electric corporations, or combination gas and electric corporations.

2. The commission shall encourage all persons and corporations subject to its jurisdiction to formulate and carry out long-range programs, individually or cooperatively, for the performance of their public service responsibilities**, including the achievement of the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen,** with economy, efficiency, and care for the public safety, the preservation of environmental values and the conservation of natural resources.

§ 5. Section 30 of the public service law, as amended by chapter 686 of the laws of 2002, is amended to read as follows:

§ 30. Residential gas, electric and steam service policy. 1. This article shall apply to the provision of all or any part of the gas, electric or steam service provided to any residential customer by any gas, electric or steam and municipalities corporation or municipality. It is hereby declared to be the policy of this state that the continued provision of [~~all or any part of such gas,~~] electric [~~and steam service~~] **services** to all residential customers without unreasonable qualifications or lengthy delays is necessary for the preservation of the health and general welfare**, is consistent with the achievement of the state's climate justice and emission reduction mandates,** and is in the public

interest. It is further the policy of this state that gas service for existing residential customers must be provided in a manner that is safe and adequate, not unjustly discriminatory or unduly preferential, and in all respects just and reasonable, while providing for an orderly right-sizing of the gas distribution system to achieve consistency with the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen, prioritizing low-to-moderate income customers and disadvantaged communities as defined in chapter one hundred six of the laws of two thousand nineteen, and encouraging neighborhood-scale transitions.

2. The commission shall regulate for the continued provision of gas service to all existing residential customers who choose to continue service, unless the discontinuance of service is part of a process of orderly right-sizing of the gas distribution system to achieve consistency with the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen. As part of such process, the commission shall take any such action, after notice and a hearing, as is necessary to facilitate the achievement of consistency with the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen, but in doing so it shall actively encourage a transition away from fuels with high life-cycle greenhouse gas emissions and on-site co-pollutant emissions, encourage neighborhood-scale transitions, and ensure that all residential customers have access to electricity for heating and cooling services without unreasonable qualifications, unreasonable costs, or lengthy delays, with a goal that low-to-moderate income customers, defined as households with annual incomes at or below eighty percent of the area median income of the county or metro area where they reside, including those who are already eligible for the commission's energy affordability program, are adequately protected from bearing energy burdens greater than six percent of their income, including any undue burdens imposed by the cost to purchase and operate electric equipment needed to facilitate the achievement of the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen.

§ 6. Subdivisions 1, 3 and 4 of section 31 of the public service law, as added by chapter 713 of the laws of 1981, are amended to read as follows:

1. Every gas corporation, electric corporation or municipality shall provide residential service upon the oral or written request of an applicant, provided that any residential gas service shall only be provided in accordance with section thirty of this article and is subject to any orders or regulations limiting or discontinuing gas service that are implemented by the commission to facilitate the achievement of consistency with the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen, and provided further that the commission may require that requests for service be in writing under circumstances as it deems necessary and proper as set forth by regulation, and provided further that the applicant:

(a) makes full payment for residential utility service provided to a prior account in [~~his~~] the applicant's name; or

(b) agrees to make payments under a deferred payment plan of any amounts due for service to a prior account in [~~his~~] the applicant's name and makes a down payment based on criteria to be established by the commission. No such down payment shall exceed one-half of any money due

from an applicant for residential utility service, or three months average billing, whichever is less; or

(c) is a recipient of public assistance, supplemental security income or additional state payments pursuant to the social services law, or is an applicant for such assistance, income or payments, and the utility corporation or the municipality receives payment from, or is notified of the applicant's eligibility for utility payments by the social services official of the social services district in which such person resides for amounts due for service to a prior account in the applicant's name, together with guarantee of future payments to the extent authorized by the social services law**; and**

(d) receives clear, timely information from the gas corporation, electric corporation, municipality, or retail energy service company, written in plain language, available in the top twelve most common non-English languages spoken by limited English proficient New Yorkers, and approved by the commission after stakeholder input, on incentives and opportunities for installing, energy-efficient electric heating and cooling technologies, weatherization, demand-side management, and distributed energy resource programs.

(e) nothing in this subdivision shall be construed to prohibit existing gas customers, in accordance with section thirty of this article and subject to any other regulations implemented by the commission, from reconnecting to the gas distribution system following a gas interruption due to emergency repairs or remediation of leaking equipment.

3. Subject to the requirements of subdivisions four and five of this section, **and in accordance with section thirty of this article,** whenever a residential customer moves to a new residence within the service territory of the same utility corporation or municipality, [~~he~~] **the applicant** shall be eligible to receive service at the new residence and such service shall be considered a continuation of service [~~in all respects~~] **as operationally feasible based on infrastructure and commodity availability at the site of the new residence**, with any deferred payment agreement honored, and with all rights of such customer and such utility corporation provided by this article unimpaired.

4. In the case of any application for service to a building which is not supplied with electricity or gas, a utility corporation or municipality shall be obligated to provide **electric** service to such a building, **and to provide gas service for such a building in accordance with commission regulation,** provided however, that the commission may require applicants for service to buildings [~~located in excess of one hundred feet from gas or electric transmission lines~~] to pay or agree in writing to pay material and installation costs relating to the applicant's proportion of the pipe, conduit, duct or wire, or other facilities to be installed.

§ 7. Section 12 of the transportation corporations law, as separately amended by chapters 713 and 895 of the laws of 1981, is amended to read as follows:

§ 12. Gas and electricity must be supplied on application **in accordance with commission rules and regulations**. Except in the case of an application for residential utility service pursuant to article two of the public service law, upon written application of the owner or occupant of any building [~~within one hundred feet of any main of a gas corporation or gas and electric corporation, or a line of an electric corporation or gas and electric corporation, appropriate to the service requested,~~] and payment by [~~him~~] **the applicant** of all money due from [~~him~~] **the applicant** to the corporation, it shall supply [~~gas or~~] elec-

tricity as may be required for [~~lighting~~] such building **and it may provide gas for such building in accordance with commission regulation**, notwithstanding there be rent or compensation in arrears for gas or electricity supplied, or for meter, wire, pipe or fittings furnished, to a former occupant thereof, unless such owner or occupant shall have undertaken or agreed with the former occupant to pay or to exonerate [~~him~~] **them** from the payment of such arrears, and shall refuse or neglect to pay the same; and if for the space of ten days after such application, and the deposit of a reasonable sum as provided in the next section, if required, the corporation shall refuse or neglect to supply gas or [~~electric light~~] **electricity** as required, such corporation shall forfeit and pay to the applicant the sum of ten dollars, and the further sum of five dollars for every day thereafter during which such refusal or neglect shall continue; provided that no such corporation shall be required to lay service pipes or wires for the purpose of supplying gas or electric light to any applicant where the ground in which such pipe or wire is required to be laid shall be frozen, or shall otherwise present serious obstacles to laying the same; nor unless the applicant, if required, shall deposit in advance with the corporation a sum of money sufficient to pay the cost of [~~his proportion~~] **the applicant's portion** of the pipe, conduit, duct or wire required to be installed, and the expense of the installation of such portion.

§ 8. Subdivision 2 of section 66 of the public service law, as amended by chapter 877 of the laws of 1953, is amended and a new subdivision 12-e is added to read as follows:

2. Investigate and ascertain, from time to time, the quality of gas supplied by persons, corporations and municipalities; examine or investigate the methods employed by such persons, corporations and municipalities in manufacturing, distributing and supplying gas or electricity for light, heat**, cooling,** or power and in transmitting the same, and have power to order such reasonable improvements as will best promote the public interest, preserve the public health and protect those using such gas or electricity and those employed in the manufacture and distribution thereof, and have power to order reasonable improvements and extensions of the works, wires, poles, lines, conduits, ducts and other reasonable devices, apparatus and property of gas corporations, electric corporations and municipalities; and have power after an investigation and a hearing to order any corporation having authority under any general or special law or under any charter or franchise, to lay down, erect or maintain wires, pipes, conduits, ducts or other fixtures in, over or under the streets, highways and public places of any municipality for the purpose of supplying, selling or distributing natural gas, to augment its supply of natural gas, whenever the commission deems necessary and whenever artificial gas can be reasonably obtained, by acquiring by purchase, manufacture or otherwise a supply thereof to be mixed with such natural gas, in order to render adequate service to the customers of such corporation or to maintain a proper and uniform pressure; and have power after an investigation and a hearing to order any corporation having authority under any general or special law or under any charter or franchise, to lay down, erect or maintain wires, pipes, conduits, ducts or other fixtures in, over or under the streets, highways and public places of any municipality for the purpose of supplying, selling or distributing artificial gas, to augment its supply of artificial gas, whenever the commission deems necessary and whenever natural gas can be reasonably obtained, by acquiring by purchase or otherwise a supply thereof to be mixed with such artificial gas, in order to render

adequate service to the customers of such corporation or to maintain a proper and uniform pressure; and to fix such rate for the supplying of mixed gas as shall secure to such corporation a fair return; and may order the curtailment or discontinuance of the use of natural gas for manufacturing or industrial purposes, for periods aggregating not to exceed four months in any calendar year, if it is established to the satisfaction of the commission that the supply of natural gas is not adequate to meet the reasonable demands of domestic consumption and may [~~prohibit the use of natural gas in wasteful devices and practices~~] order the curtailment or discontinuance of the use of the distribution system, where the commission has determined that such curtailment or discontinuance is reasonably required to implement state energy policy, provided that such curtailment or discontinuance shall be consistent with a plan for the phase-out of the use of a gas distribution system to achieve consistency with the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen, including the opportunity for the full recovery of the utility's investment in such system, encouraging neighborhood-scale transitions for clean heating and cooling, prioritizing disadvantaged communities as defined in chapter one hundred six of the laws of two thousand nineteen, and accompanied by coordination assistance and, where reasonably required, financial assistance in the identification and adoption of alternatives, and may prohibit the use of natural gas in wasteful devices and practices, as defined by the commission, and require conservation and efficiency in gas usage.

12-e. The commission shall review the capital construction plan of each gas corporation and establish a process to examine feasible alternatives to such construction in order to achieve consistency with the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen, encouraging neighborhood-scale transitions away from fuels with high life-cycle greenhouse gas emissions and on-site co-pollutant emissions, prioritizing low-to-moderate income customers and disadvantaged communities as defined in chapter one hundred six of the laws of two thousand nineteen. Such process shall include thresholds and criteria for the types of projects subject to such examination. The commission shall require participation in such process by each electric corporation with a service area overlapping the service area of the gas corporation; and the commission shall have the power to require any such electric corporation to participate in alternatives to gas capital construction, including participation in financing. Any costs incurred by such electric corporation for such corporation's participation shall be subject to an opportunity for full recovery, as determined by the commission.

§ 9. Section 66-a of the public service law, as added by chapter 7 of the laws of 1948, subdivision 1 as amended and subdivision 3 as added by chapter 582 of the laws of 1975, subdivision 2 as amended by chapter 722 of the laws of 1977, is amended to read as follows:

§ 66-a. Conservation of gas, declaration of policy, delegation of power. 1. It is hereby declared to be the policy of this state that when there develops in any area a situation under which a gas corporation supplying gas to such area is unable to meet the reasonable needs of its consumers and of persons or corporations applying for new or additional gas service, the available supply of gas shall be allocated among the customers of such gas corporation, in such manner as may be necessary to protect public health and safety and to avoid undue hardship, particularly for low-to-moderate income residential customers,

electric generation needed for electric system reliability, and customers with hard-to-electrify industrial and commercial uses, pursuant to rules and regulations as may be adopted by the commission, and that to carry out this declared policy the jurisdiction of the public service commission should be clarified. **It is further declared to be the policy of this state that gas service to existing customers must be provided in a manner that is safe and adequate, not unjustly discriminatory or unduly preferential, and in all respects just and reasonable.**

2. Notwithstanding the provisions of any statute or any franchise held by a gas corporation, the commission shall have power, upon the finding that **continued gas service is not consistent with the achievement of the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen, or that** there exists such a shortage of gas in any area in the state, that the gas corporation supplying such area is unable and will be unable to secure or produce sufficient gas to meet the reasonable needs of its customers and of persons or corporations applying for new or additional gas service, to require such corporation to immediately discontinue the supplying of gas to additional customers or of supplying additional service to present customers, for such purpose or purposes as may be designated by the commission, or to customers using gas for a purpose prohibited by the commission pursuant to this act, and that upon the finding that the supply of gas available is and will be insufficient to supply the demands of all consumers receiving service, to require such gas corporation to curtail or discontinue service to any or all classes of customers of such gas corporation. In imposing such a direction or requirement, the commission shall give consideration first to existing domestic uses and uses deemed to be necessary by the commission to protect public health and safety and to avoid undue hardship [~~and shall be limited to the period of the emergency provided that the gas corporation affected shall make such restriction, curtailing or discontinuance applicable to all customers or applicants for service in a like class. If the commission determines that good cause exists for supplying service to additional customers or for supplying additional service to some existing customers, notwithstanding the curtailment or discontinuance of service to other existing customers, it shall, to the extent feasible, allocate gas with equal priority to new or additional domestic uses of gas and commercial or industrial processes which require gas because there is no practical substitute for it in such proportion as the commission determines to be reasonable. Provided that the commission shall be permitted, after public hearing, to authorize any natural gas produced from lands under the waters of Lake Erie to be used for process or feedstock requirements~~]. The commission is authorized to adopt such rules, regulations and orders as are necessary or appropriate to carry out these delegated powers.

3. In carrying out the delegated powers provided for in this section, the commission shall, to the extent practicable, determine and establish gas conservation measures or standards**, including energy efficient electrification of gas end uses**. The commission may require compliance with such measures or standards as a condition of receiving service.

4. The commission shall determine conditions under which new or additional gas service is warranted notwithstanding the need to conserve resources for service to existing gas customers. Such determination shall be consistent with the achievement of the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen, and may take into account factors including

economic development, impacts on new and existing customers including low-to-moderate income customers, impacts on system safety and adequacy, equity toward existing customers with limited conversion alternatives, and the feasibility of neighborhood-scale alternatives to usage of fuels with high life-cycle greenhouse gas emissions and on-site co-pollutant emissions, including thermal energy networks.

5. The commission shall require gas and/or electric utilities to provide coordination assistance and financial assistance, in such forms as the commission deems reasonably required to implement state energy policy, to identify and adopt alternatives where applications for new or additional gas service are denied and encourage neighborhood-scale transitions.

§ 10. Section 66-b of the public service law is REPEALED.

§ 11. The public service law is amended by adding a new section 66-u to read as follows:

§ 66-u. Expansion of gas distribution infrastructure. Except as provided in this section, and notwithstanding any other provision of this chapter, after December thirty-first, two thousand twenty-four, no gas corporation shall commence construction of new gas distribution infrastructure the result of which would be to expand the availability of service into geographic areas where gas service was not available prior to that date as defined by the applicable utility's certificate of public convenience and necessity approved by the commission. No such new gas distribution infrastructure shall be put into service after December thirty-first, two thousand twenty-five. The commission may authorize exceptions on a case-by-case basis, provided that the commission finds that the project qualifying for the exception serves a compelling state interest, alternatives to gas service are either not technically feasible or prohibitively expensive, and that the project will be completed and put into service not later than December thirty-first, two thousand twenty-seven. For the purposes of this section, gas distribution infrastructure shall include all real estate, fixtures and personal property operated, owned, used or to be used for or in connection with or to facilitate the manufacture, conveying, transportation, distribution, sale or furnishing of gas (natural or manufactured or a mixture of both) for light, heat or power, but does not include property used solely for or in connection with the business of selling, distributing or furnishing of gas in enclosed containers.

§ 12. Section 66-g of the public service law is REPEALED.

§ 13. The public service law is amended by adding a new section 77-a to read as follows:

§ 77-a. Aligning utility regulation with climate justice and emission reduction mandates. 1. Within three months of the effective date of this section, the commission shall initiate a proceeding, or multiple proceedings, as it deems appropriate, to consider and act on the matters identified in this section in order to better align its regulation of utility services with the timely achievement of consistency with the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen. If the commission is already engaged in a proceeding addressing one or more of the matters identified in this section, it shall not be required to open a new proceeding on that matter. Following completion of all proceedings initiated pursuant to this section, the commission shall initiate regular subsequent proceedings, as it deems necessary, to ensure the achievement of the goals outlined in this section. The proceeding or proceedings shall include:

(a) Within one year of the effective date of this section, a review of the public service law and its current rules and policy guidance to identify any law, rule, guidance, or lack thereof, that may inhibit timely, equitable achievement of consistency with the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen. The commission shall report to the legislature its progress and findings, identify subsequent actions it will take, and make recommendations for any statutory amendments or other actions that may be needed to facilitate the timely achievement of such mandates.

(b) Within one year of the effective date of this section, a revision of the commission's rules and regulations for determining appropriate allowances for the extension of gas and electric utility services to ensure that utility service is provided in a manner consistent with the achievement of the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen. In establishing rules governing the allowance for the extension of gas service, the commission shall eliminate all main and service line extension allowances for gas service and may increase allowances for electric service. The commission may establish rules that provide for distinct electric allowances for all-electric customers and for dual-fuel customers and may provide additional electric allowances to buildings that are made ready for beneficial electric loads such as those with electric vehicle charging facilities and grid interactive buildings. The commission may also establish allowances for buildings seeking interconnection with thermal energy networks.

(c) In order to minimize long-term costs and stranded assets, and maximize savings and benefits for customers, within one year of the effective date of this section the commission shall issue an order requiring each gas corporation, within one hundred eighty days of the issuance of the order, to restructure its plan for addressing the leak-prone gas mains and service lines on its system to facilitate the orderly right-sizing of the gas distribution system to achieve consistency with the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen while maintaining safety and reliability of the gas system, subject to all relevant federal laws and regulations. To accomplish this, the commission shall require each gas corporation, in coordination with any and all electric corporations with overlapping service areas, to pursue a geographically targeted approach to implementing alternative solutions that minimize the replacement of leak-prone gas mains and service lines while encouraging neighborhood-scale full building electrification, including through the installation of thermal energy networks, resulting in the decommissioning of the maximum feasible segment of gas main or service line. The commission shall require each gas corporation, after notice and comment, to establish criteria for evaluating whether specific segments of leak-prone mains and service lines are candidates for such a geographically targeted approach and to evaluate their entire inventory of leak-prone pipes to create a strategic decommissioning ranking in which it ranks the segments in terms of the ability to electrify all customers served by the segment and retire the gas distribution infrastructure. The commission shall require each gas corporation to file an annual report that provides a qualitative and quantitative assessment of the reduction of leak-prone pipe inventory and that updates the strategic decommissioning ranking from the prior year. The commission shall establish notice requirements and consumer and affordability protections

in accordance with section thirty of the public service law applicable to customers served by segments of the gas distribution system targeted for decommissioning.

(d) In order to maximize the cost savings and benefits of the transition of the electric system for the equitable, orderly, and affordable achievement of consistency with the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen, within one year of the effective date of this section the commission shall issue an order requiring all electric corporations to pursue all available electric energy efficiency and demand flexibility measures that are cost-effective, reliable, and feasible. No less frequently than every three years, the commission shall identify the statewide achievable potential for energy efficiency and demand flexibility measures for the subsequent ten-year period and establish annual energy efficiency and demand flexibility targets for each electric corporation that are no lower than its proportional share of the statewide achievable potential.

(e) Within one year of the effective date of this section, the commission shall complete a proceeding to develop and issue a report evaluating and considering rate making strategies to encourage and facilitate achievement of the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen. The report shall explore options for developing and assessing the impacts of rates for electric, gas, steam, and thermal energy networks on total customer energy costs, and shall explore options for integrating cost sharing and recovery across utilities and services. The report shall also identify statutory barriers to the implementation of such strategies. In considering such rate making strategies, the commission shall have a goal of ensuring that all low-to-moderate income residential customers pay no more than six percent of their income for electricity.

(f) Within one year of the effective date of this section, the commission shall determine, based on the best available information, the greenhouse gas emission reductions necessary to bring the statewide gas distribution system into alignment with the statewide two thousand thirty and two thousand fifty greenhouse gas emission reduction targets in chapter one hundred six of the laws of two thousand nineteen, and set interim emission reduction targets for each gas utility as well as developing a periodic process to review and update such targets;

(g) Within one year of the effective date of this section, the commission shall revise its rules and regulations for conducting benefit-cost analyses so that the methodology and the base financial and framework assumptions for the analysis support achievement of the climate justice and emission reduction mandates in chapter one hundred six of the laws of two thousand nineteen. Such revisions shall include, but not be limited to:

(1) Greenhouse gas emission reduction mandates shall be used as a constraint in designing the scenarios to be analyzed such that all the scenarios shall comply with the statutory greenhouse gas emission requirements and any interim targets set by the department of environmental conservation or the commission in order to internalize the cost of achieving such targets in the benefit-cost analysis.

(2) Quantification of public health impacts from improvements in ambient and indoor air quality. When quantitative metrics are not possible, qualitative analysis shall be included.

(3) Consideration of the significant uncertainties and risks associated with different scenarios, including the environmental impact of

leaked gas, the prolonged reliance on the gas system that results from long-lived investments in gas infrastructure and gas-consuming equipment, the positive option value associated with measures that can eliminate or defer the need for investments in gas infrastructure and gas-consuming equipment, and potential challenges associated with full electrification.

(4) In instances where an alternative fuel has an environmental attribute, only attribute alternative fuels with emission reduction benefits under the benefit-cost analysis if the environmental attributes are retained by the utility for the benefit of the utility's customers or by the end-use customer.

(5) Use accurate depreciation schedules that assume the full value of any new gas asset is fully depreciated no later than two thousand fifty, absent demonstration that the specific asset will remain in service beyond two thousand fifty, and earlier if it is likely that such asset will need to be phased out or retired before two thousand fifty given any interim greenhouse gas emission reduction targets or geographically targeted strategic asset retirement.

(6) Assess demographic impacts by measuring with as much geographic granularity as possible and considering different levels of exposure and risk factors for impacts on disadvantaged communities and other populations with vulnerability to changes induced by regulation.

2. Nothing in this chapter or any other law of New York state shall be interpreted or otherwise construed as preempting a municipality from adopting building codes or other regulations regarding on-site emissions for new and existing buildings within their localities.

§ 14. This act shall take effect immediately.

PART NNN

Section 1. Section 352 of the economic development law is amended by adding a new subdivision 1-b to read as follows:

1-b. "Hemp" means the plant Cannabis sativa L. and any part of such plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than three-tenths of a percent on a dry weight basis.

§ 2. Section 352 of the economic development law is amended by adding a new subdivision 3-b to read as follows:

3-b. "NY HEMP benefit-cost ratio" means the following calculation with respect to NY HEMP projects: the ratio where the numerator is the sum of (a) the value of all remuneration projected to be paid for all net new jobs during the period of participation in the program; (b) the value of capital investments to be made by the business enterprise during the period of participation in the program; and (c) all research and development expenditures by the participant in New York state during the period of participation in the program; and the denominator is the amount of total tax benefits under this article that will be used and refunded as well as any state grants provided to the participant.

§ 3. Subdivision 8-a of section 352 of the economic development law, as amended by chapter 572 of the laws of 2022, is amended to read as follows:

8-a. "Green project" means a project deemed by the commissioner to make products or develop technologies that are primarily aimed at reducing greenhouse gas emissions, preventing non-recyclable waste, including but not limited to packaging and textiles from entering landfills, being

a viable method of carbon sequestration, or supporting the use of clean energy in accordance with goals described in chapter one hundred six of the laws of two thousand nineteen. "Green project" shall include, but not be limited to, the manufacture or development of products or technologies or supply chain components primarily for renewable energy systems as defined in section sixty-six-p of the public service law, vehicles that use non-hydrocarbon fuels and produce zero or near zero emissions, heat pumps, energy efficiency, clean energy storage and other products that significantly reduce greenhouse gas emissions by minimizing the utilization of depletable resources or by improving industrial or agricultural efficiency. "Green project" shall not include a project primarily composed of (i) necessarily local activities such as retail, building construction, or the installation, deployment or adoption of a clean energy product or technology at an end user's site, or (ii) the production of products or development of technologies that would produce only marginal and incremental energy savings or environmental benefits ancillary to the core function of the product or technology.

§ 4. Section 352 of the economic development law is amended by adding a new subdivision 25 to read as follows:

25. "NY HEMP project" means a project meeting all of the following criteria: (a) is within the hemp industrial and manufacturing sector; (b) includes sustainability measures to mitigate the project's greenhouse gas emissions impact over its lifetime; (c) results in the final development and sale of products or components that substantially replace the need for non-recyclable materials including plastic; (d) makes commitments to worker and community investment, including through training and education benefits paid by the participant and programs to expand employment opportunity for economically disadvantaged individuals; (e) provides for the payment of not less than federal prevailing wage rates for its project construction; (f) will create at least five net new jobs and make at least five million dollars in qualified investment; (g) is awarded a hemp grower's authorization when involving the growing, cultivating, processing, or distributing of hemp pursuant to article twenty-nine of the agriculture and markets law.

§ 5. Paragraphs (m) and (n) of subdivision 1 of section 353 of the economic development law, as amended by chapter 494 of the laws of 2022, are amended and a new paragraph (o) is added to read as follows:

(m) as a participant operating in one of the industries listed in paragraphs (a) through (k) of this subdivision and operating or sponsoring child care services to its employees as defined in section three hundred fifty-two of this article; [~~or~~]

(n) as a Green CHIPS project[~~.~~]; or

(o) as a NY HEMP project.

§ 6. Subdivision 3 of section 353 of the economic development law, as amended by chapter 494 of the laws of 2022, is amended to read as follows:

3. For the purposes of this article, in order to participate in the excelsior jobs program, a business entity operating predominantly in manufacturing must create at least five net new jobs; a business entity operating predominately in agriculture must create at least five net new jobs; a business entity operating predominantly as a financial service data center or financial services customer back office operation must create at least twenty-five net new jobs; a business entity operating predominantly in scientific research and development must create at least five net new jobs; a business entity operating predominantly in software development must create at least five net new jobs; a business

entity creating or expanding back office operations must create at least twenty-five net new jobs; a business entity operating predominately in music production must create at least five net new jobs; a business entity operating predominantly as an entertainment company must create or obtain at least one hundred net new jobs; or a business entity operating predominantly as a distribution center in the state must create at least fifty net new jobs, notwithstanding subdivision five of this section; or a business entity operating predominately as a life sciences company must create at least five net new jobs; or a business entity must be a regionally significant project [~~or~~], Green CHIPS project, or NY HEMP project as defined in this article; or

§ 7. Subdivision 2 of section 355 of the economic development law, as amended by chapter 494 of the laws of 2022, is amended to read as follows:

2. Excelsior investment tax credit component. A participant in the excelsior jobs program shall be eligible to claim a credit on qualified investments. In a project that is not a green project, the credit shall be equal to two percent of the cost or other basis for federal income tax purposes of the qualified investment. In a green project, the credit shall be equal to five percent of the cost or other basis for federal income tax purposes of the qualified investment. In a project for child care services [~~or~~], a Green CHIPS project, or a NY HEMP project, the credit shall be up to five percent of the cost or other basis for federal income tax purposes of the qualified investment in child care services or in the Green CHIPS project or NY HEMP project, as applicable. A participant may not claim both the excelsior investment tax credit component and the investment tax credit set forth in subdivision one of section two hundred ten-B, subsection (a) of section six hundred six, the former subsection (i) of section fourteen hundred fifty-six, or subdivision (q) of section fifteen hundred eleven of the tax law for the same property in any taxable year, except that a participant may claim both the excelsior investment tax credit component and the investment tax credit for research and development property. In addition, a taxpayer who or which is qualified to claim the excelsior investment tax credit component and is also qualified to claim the brownfield tangible property credit component under section twenty-one of the tax law may claim either the excelsior investment tax credit component or such tangible property credit component, but not both with regard to a particular piece of property. A credit may not be claimed until a business enterprise has received a certificate of tax credit, provided that qualified investments made on or after the issuance of the certificate of eligibility but before the issuance of the certificate of tax credit to the business enterprise, may be claimed in the first taxable year for which the business enterprise is allowed to claim the credit. Expenses incurred prior to the date the certificate of eligibility is issued are not eligible to be included in the calculation of the credit.

§ 8. Subdivision 3 of section 355 of the economic development law, as amended by chapter 494 of the laws of 2022, is amended to read as follows:

3. Excelsior research and development tax credit component. A participant in the excelsior jobs program shall be eligible to claim a credit equal to fifty percent of the portion of the participant's federal research and development tax credit that relates to the participant's research and development expenditures in New York state during the taxable year; provided however, if not a green project, the excelsior research and development tax credit shall not exceed six percent of the

qualified research and development expenditures attributable to activities conducted in New York state, or, if a green project [~~or~~], a Green CHIPS project, **or a NY HEMP project,** the excelsior research and development tax credit shall not exceed eight percent of the research and development expenditures attributable to activities conducted in New York state. If the federal research and development credit has expired, then the research and development expenditures relating to the federal research and development credit shall be calculated as if the federal research and development credit structure and definition in effect in two thousand nine were still in effect. Notwithstanding any other provision of this chapter to the contrary, research and development expenditures in this state, including salary or wage expenses for jobs related to research and development activities in this state, may be used as the basis for the excelsior research and development tax credit component and the qualified emerging technology company facilities, operations and training credit under the tax law.

§ 9. This act shall take effect immediately.

PART OOO

Section 1. Subdivision 1 of section 80-b of the highway law, as amended by chapter 794 of the laws of 2022, is amended to read as follows:

1. In connection with the undertaking of any project for which the commissioner is authorized to use moneys of the federal government pursuant to the provisions of subdivision thirty-four-a of section ten and section eighty of this chapter to assure the effective discharge of state responsibilities with respect to regional transportation needs, on highways, roads, streets, bicycle paths [~~or~~], pedestrian paths**, or park-and-ride developments** that are not on the state highway system, the commissioner shall submit such project to the governing body or bodies of the affected municipality or municipalities together with estimates of costs thereof. If such project includes a municipal project, as that term is defined in accordance with article thirteen of the transportation law, the state share of such municipal project shall also be included. If such project includes a project affecting a highway, road, street, bicycle path [~~or~~], pedestrian path**, or park-and-ride developments** not on the state highway system, the state share shall be equal to eighty percent of the difference between the total project cost and the federal assistance, provided, however, the state share shall be equal to eighty-seven and one-half percent of the difference between the total project cost and the federal assistance where, in conjunction with such project, the municipality agrees to fund a complete street design feature as defined in section three hundred thirty-one of this chapter, provided, further, the commissioner may increase the state share to an amount equal to one hundred percent of the difference between the total project cost and the federal assistance where he or she determines that the need for the project results substantially from actions undertaken pursuant to section ten of this chapter. No such project shall proceed without the approval of the governing body of a municipality. Such governing body may request the commissioner to undertake the provision of such project. If the commissioner agrees to such undertaking he or she shall notify the local governing body which shall appropriate sufficient moneys to pay the estimated amount of the municipal share. Such moneys shall be deposited with the state comptroller who is authorized to receive and accept the same for the purposes of such project, subject

to the draft or requisition of the commissioner. When the work of such project has been completed, the commissioner shall render to the governing body of such municipality an itemized statement showing in full (a) the amount of money that has been deposited by such municipality with the state comptroller as hereinbefore provided, and (b) all disbursements made pursuant to this section for such project. Any surplus moneys shall be paid to such municipality on the warrant of the comptroller on vouchers therefor approved by the commissioner. When the work of such project has been completed and it is determined by the commissioner that the amount of the cost to be borne by the municipality is in excess of the amount deposited by such municipality with the state comptroller, the commissioner shall then notify the municipality of the deficiency of funds. The municipality shall then within ninety days of the receipt of such notice, pay such amount to the state comptroller. For purposes of this section, the term "municipality" shall include a city, county, town, village or two or more of the foregoing acting jointly.

§ 1-a. Subdivision 1 of section 80-b of the highway law, as amended by chapter 3 of the laws of 2023, is amended to read as follows:

1. In connection with the undertaking of any project for which the commissioner is authorized to use moneys of the federal government pursuant to the provisions of subdivision thirty-four-a of section ten and section eighty of this chapter to assure the effective discharge of state responsibilities with respect to regional transportation needs, on highways, roads, streets, bicycle paths [~~or~~], pedestrian paths**, or park-and-ride developments** that are not on the state highway system, the commissioner shall submit such project to the governing body or bodies of the affected municipality or municipalities together with estimates of costs thereof. If such project includes a municipal project, as that term is defined in accordance with article thirteen of the transportation law, the state share of such municipal project shall also be included. If such project includes a project affecting a highway, road, street, bicycle path [~~or~~], pedestrian path**, or park-and-ride developments** not on the state highway system, the state share shall be equal to eighty percent of the difference between the total project cost and the federal assistance, provided, however, the commissioner may increase the state share to an amount equal to one hundred percent of the difference between the total project cost and the federal assistance where he or she determines that the need for the project results substantially from actions undertaken pursuant to section ten of this chapter. No such project shall proceed without the approval of the governing body of a municipality. Such governing body may request the commissioner to undertake the provision of such project. If the commissioner agrees to such undertaking he or she shall notify the local governing body which shall appropriate sufficient moneys to pay the estimated amount of the municipal share. Such moneys shall be deposited with the state comptroller who is authorized to receive and accept the same for the purposes of such project, subject to the draft or requisition of the commissioner. When the work of such project has been completed, the commissioner shall render to the governing body of such municipality an itemized statement showing in full (a) the amount of money that has been deposited by such municipality with the state comptroller as hereinbefore provided, and (b) all disbursements made pursuant to this section for such project. Any surplus moneys shall be paid to such municipality on the warrant of the comptroller on vouchers therefor approved by the commissioner. When

the work of such project has been completed and it is determined by the commissioner that the amount of the cost to be borne by the municipality is in excess of the amount deposited by such municipality with the state comptroller, the commissioner shall then notify the municipality of the deficiency of funds. The municipality shall then within ninety days of the receipt of such notice, pay such amount to the state comptroller. For purposes of this section, the term "municipality" shall include a city, county, town, village or two or more of the foregoing acting jointly.

§ 2. This act shall take effect immediately; provided, however, that the amendments to subdivision 1 of section 80-b of the highway law made by section one of this act shall be subject to the expiration of such subdivision when upon such date the provisions of section one-a of this act shall take effect.

PART PPP

Section 1. The department of transportation is hereby authorized and directed to conduct a study pertaining to traffic flow and safety of State Route 35 and State Route 202 from the Hudson River to the border of Connecticut. Such study shall include the bear mountain state parkway in Yorktown, the town of Cortlandt and the city of Peekskill located in Westchester county.

1. The department shall study the current conditions and data to ensure the safe and effective traffic flow of State Route 35 and State Route 202.

2. The department of transportation shall report such findings to the governor and the legislature within one year after the effective date of this act.

§ 2. This act shall take effect immediately and shall expire one year after it shall have become a law when upon such date the provisions of this act shall be deemed repealed.

PART QQQ

Section 1. This act shall be known and may be cited as the "NYS entrepreneurial training act".

§ 2. Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding two new sections 16-hh and 16-ii to read as follows:

§ 16-hh. Entrepreneurial training grant program. 1. There is hereby established within the empire state development corporation an entrepreneurial training grant program. The program shall be formulated by such corporation and administered by individual participating cities and towns. The purpose of the program shall be to provide grants to eligible applicants to support and train entrepreneurial candidates.

2. In order for an eligible applicant to receive an award of an annual grant an applicant shall submit with its application a gradable business plan for the use of the grant money.

3. A minimum of twenty percent of the participants of the program shall be New York state certified minority and women's business enterprises and a minimum of ten percent shall be veterans of the United States military.

§ 16-ii. Entrepreneurial training grant program awards. 1. Within amounts appropriated therefor, the empire state development corporation

shall be authorized to grant awards for the support of approved entrepreneurial training grant programs.

2. Grants to support an approved entrepreneurial training grant program shall be awarded on a competitive basis in accordance with criteria established by the empire state development corporation.

3. The empire state development corporation shall, from within amounts appropriated to such corporation, undertake all activities necessary to plan for and preliminarily provide for the timely implementation of the entrepreneurial training grant program authorized by section sixteen-hh of this act for the state fiscal year commencing one year following the effective date of this section.

4. Participating cities having a population of one million or more shall be allocated five million dollars. One million dollars shall be used for the operation of the program. Four million dollars shall be used to grant four hundred ten thousand dollar grants to successful graduates of the program.

5. Participating cities and towns having a population of between ninety thousand and less than one million shall be allocated five hundred thousand dollars. One hundred thousand dollars shall be used for the operation of the program. Four hundred thousand dollars shall be used to grant forty ten thousand dollar grants to successful graduates of the program.

§ 3. This act shall take effect immediately.

PART RRR

Section 1. 1. There is hereby established an East of Hudson watershed road salt reduction task force, hereinafter referred to as the "task force", to conduct a comprehensive review of road salt contamination and roadway, parking lot, driveway, and sidewalk management best practices within the East of Hudson watershed. Such task force shall consist of fourteen members which shall include the commissioner of transportation or their designee, the commissioner of environmental conservation or their designee, the commissioner of health or their designee, the commissioner of the department of environmental protection, or their designee, and ten other members to be appointed by the governor as follows: two upon the recommendation of the temporary president of the senate, two upon the recommendation of the speaker of the assembly, one upon the recommendation of the minority leader of the senate, one upon the recommendation of the minority leader of the assembly, and four without recommendation from any other person. The appointed members of the task force shall include a representative of local governments within the East of Hudson watershed and individuals with expertise in at least one of the following: civil engineering, hydrology, geology, the science of road salt contamination, highway maintenance and operations, and public health. For the purposes of this act, the East of Hudson watershed shall include portions of Dutchess, Putnam and Westchester counties that make up the drainage basin for the New York city reservoir system, consistent with the boundaries delineated by geographic information system maps created by the department of environmental protection.

2. Task force members shall receive no compensation for their services but shall be reimbursed for actual and necessary expenses incurred in the performance of their duties, to the extent funds are appropriated for such purpose. The commissioner of environmental conservation and the commissioner of transportation shall serve as joint chairs of the task force. A majority of the members of the task force shall constitute a

quorum for the transaction of business or the exercise of any power or function of the task force. Any vacancies on the task force shall be filled in the manner provided for in the initial appointment.

3. The task force shall be authorized to hold public hearings and meetings, and to consult with any organization, educational institution, or other government entity or person, to enable it to accomplish its duties. To effectuate the purposes of this act, the task force may request and shall receive from any department, division, board, bureau, commission or other agency of the state or any state public authority such assistance to the extent funds are available, and any such information and data as will enable the task force to properly carry out its powers and duties hereunder, provided however that any request for information and data shall be reasonable in scope and volume, and provided further that any and all information received by the task force from the department of transportation shall not be redisclosed absent specific authorization by the department of transportation.

4. The task force shall undertake a review and assessment of road salt contamination within the East of Hudson watershed and assess current state, local, and commercial policies and practices with respect to state and local roadway, parking lot, driveway, and sidewalk management in winter weather within the East of Hudson watershed. This review and assessment shall take into consideration the best available science concerning road salt contamination and the nature, scope and magnitude of associated impacts to surface and ground waters, public and private lands, property and infrastructure. This assessment shall also be based on due consideration of public safety and the safety of the traveling public.

5. The task force shall prepare and submit to the governor, the temporary president of the senate, the speaker of the assembly, the chairs of the senate committees on transportation, environmental conservation and health, and the chairs of the assembly committees on transportation, environmental conservation and health, on or before December first, two thousand twenty-four, a report containing:

(a) findings of an initial assessment of the nature, scope and magnitude of associated impacts of road salt on surface and ground waters, public and private lands, property, health and infrastructure in the East of Hudson watershed. This assessment shall include the identification of possible sources of salt contamination;

(b) a review of current state, local, and commercial winter road management practices and levels of service for state and local roadways, parking lots, driveways, and sidewalks in the East of Hudson watershed;

(c) recommendations, including consideration of estimate environmental, implementation, and liability costs for state and local governments and the public with respect to:

i. enhancement of winter road maintenance levels of service and best management practices and road salt reduction techniques to reduce state and local roadway, parking lot, driveway, and sidewalk salt contamination of surface and ground waters in the East of Hudson watershed, with due consideration of public safety and the safety of the traveling public;

ii. recommendations for rapid response best practices to surface and ground water contamination in the East of Hudson watershed, including a determination of cost, with the intent to minimize impacts for homeowners to be developed in cooperation with the department of health and the department of environmental conservation;

iii. establishment of a training program for state and local winter road maintenance workers and best practices for commercial applications of road salt used on any surfaces; and

iv. advancement of a public education campaign to inform the public about road salt contamination and how the public can reduce the need for road salt;

(d) recommendations for a publicly accessible record-keeping database system for road salt purchases and applications within the East of Hudson watershed;

(e) recommendations for road salt reduction targets for the East of Hudson watershed that may be used to guide the department of transportation, department of health, department of environmental conservation, local governments in the East of Hudson watershed and commercial entities in measurably reducing sodium and chloride levels in surface and ground waters, provided, however, that such targets represent recommendations that may be adjusted by the department of transportation or local governments if the department of transportation or local governments determine that adjustments are necessary to maintain the state and local roadways in a reasonably safe condition; and

(f) recommendations for an East of Hudson watershed road salt reduction pilot program including monitoring and operational plan goals, objectives, and activities that may be used as guidance for a future pilot program, subject to appropriation, including:

i. varying application methods, rates and frequencies with the intent to measurably reduce road salt applied to state and local roadways, parking lots, driveways, and sidewalks within the East of Hudson watershed. This shall include test comparisons of applications consisting primarily of abrasives and applications consisting primarily of deicers, especially anti-icing and deicing brines;

ii. implementation of well-established best practices such as cutting back the canopy where legal and appropriate, and pre-wetting abrasives or solid deicers;

iii. use of the best available technology and equipment for winter road management;

iv. changes to traffic management when weather events make road conditions hazardous;

v. monitoring of water quality of surface and ground waters on downhill slopes of state and local roadways, parking lots, driveways, and sidewalks in the East of Hudson watershed;

vi. monitoring of road conditions along state roadways within the East of Hudson watershed;

vii. monitoring of truck operators using post-trip reporting;

viii. tracking of weather-related crash rates on state and local roadways within the East of Hudson watershed; and

ix. the conducting of a public education and outreach campaign to inform East of Hudson watershed residents and visitors of changes to winter road maintenance practices and engaging the public in changing behaviors to support road salt reduction efforts.

§ 2. 1. The department of transportation and the department of environmental conservation shall review the report of the East of Hudson watershed road salt reduction task force, established pursuant to section one of this act, shall conduct water sampling and analysis, and shall incorporate into a road salt pilot program in the East of Hudson watershed those recommendations that, in the discretion of the commissioner of transportation, will not jeopardize the health and safety of the traveling public and for which an appropriation is available. Such

road salt pilot program shall be established two years after such water sampling and analysis has been completed to establish necessary baseline data. Local governments in the East of Hudson watershed may review the report of the East of Hudson watershed road salt reduction task force, established pursuant to section one of this act, and may incorporate into a road salt pilot program in their jurisdiction those recommendations that, in the discretion of the commissioner of transportation and the local government, will not jeopardize the health and safety of the traveling public and for which funding is available.

2. Following the incorporation of the recommendations into a road salt pilot program, the department of transportation and department of environmental conservation shall submit a summary report to the governor, temporary president of the senate, and speaker of the assembly by August 30, 2028, of the results of such pilot program, including the identification of effective and ineffective techniques for winter road maintenance and revised levels of service in the East of Hudson watershed.

§ 3. This act shall take effect immediately and shall expire 5 years after the pilot program established pursuant to section two of this act is conducted when upon such date the provisions of this act shall be deemed repealed.

PART SSS

Section 1. The opening paragraph of subdivision 5-a of section 340-b of the highway law, as amended by chapter 30 of the laws of 1987, is amended to read as follows:

The commissioner of transportation and the city of New York, acting through the mayor or other administrative head thereof, pursuant to a resolution of the governing body of such city, are authorized to enter into a written agreement for the maintenance and repair, under the supervision and subject to the approval of the commissioner of transportation, of any state interstate highway or portion thereof, exclusive of service roads and pavement on intersecting street bridges, which is within the boundaries of such city and which is now or which shall hereafter be designated in section three hundred forty-a of this [~~chapter~~] **article** and which has been constructed or which shall have been constructed as authorized by section three hundred forty-a of this [~~chapter~~] **article**. Such agreement may provide that the state shall pay annually to such city a sum to be computed at the rate of (a) not more than [~~eighty-five~~] **one dollar and eighty-seven** cents per square yard of the pavement area that is included in the state highway system according to the provisions of this section, and (b) an additional [~~ten~~] **twenty** cents per square yard of such pavement area where such pavement area is located on any elevated bridge**, such rate shall be increased in each year of the agreement by the percentage change in the consumer price index for all urban consumers (CPI-U), New York-Northern New Jersey-Long Island, NY-NJ-CT-PA, as published by the United States department of labor bureau of labor statistics, over the prior five years**.

§ 2. The opening paragraph of subdivision 7 of section 349-c of the highway law, as amended by chapter 30 of the laws of 1987, is amended to read as follows:

The commissioner of transportation and any city named in this article, acting through the mayor or other administrative head thereof, pursuant to a resolution of the governing body of such city except the city of New York, are authorized to enter into a written agreement for the maintenance and repair, under the supervision and subject to the approval of

the commissioner, of any public street, main route or thoroughfare or portion thereof, exclusive of service roads and pavement on intersecting street bridges, which is within the boundaries of such city and which is now or which shall hereafter be designated in this article and which has been constructed or which shall have been constructed as authorized by [~~articles~~] this article and article four [~~and twelve-B~~] of this chapter and with grants made available by the federal government pursuant to the federal aid highway act of nineteen hundred forty-four, being public law five hundred twenty-one of the seventy-eighth congress, chapter six hundred twenty-six, second session, as approved on the twentieth day of December, nineteen hundred forty-four. Such agreement may provide that the state shall pay annually to such city a sum to be computed at the rate of (a) not more than [~~eighty-five~~] one dollar and eighty-seven cents per square yard of the pavement area that is included in the state highway system according to the provisions of this section, and (b) an additional [~~ten~~] twenty cents per square yard of such pavement area where such pavement area is located on any elevated bridge, such rate shall be increased in each year of the agreement by the percentage change in the consumer price index for all urban consumers (CPI-U), New York-Northern New Jersey-Long Island, NY-NJ-CT-PA, as published by the United States department of labor bureau of labor statistics, over the prior five years.

§ 3. This act shall take effect on the first of April next succeeding the date on which it shall have become a law.

PART TTT

Section 1. Subdivision (a) of section 1640 of the vehicle and traffic law is amended by adding a new paragraph 23 to read as follows:

23. Establish scramble crosswalks in cities of two hundred fifty thousand or more leading to and from school buildings during times of student arrival and dismissal. Such scramble crosswalks shall include, but not be limited to, the following requirements:

(i) scramble crosswalks shall operate on weekdays between 8:00 A.M. and 4:00 P.M.;

(ii) pedestrians shall wait until a pedestrian-control signal indicates a sign to walk;

(iii) vehicles shall not turn right at the intersection while the traffic signal indicates a red light;

(iv) bicyclists may proceed with pedestrians when a pedestrian-control signal indicates a sign to walk, provided however, such bicyclists shall yield the right of way to all pedestrians in the intersection;

(v) bicyclists may proceed with vehicular traffic while the traffic signal indicates a green light; and

(vi) signs shall be erected at such intersections with a scramble crosswalk indicating that no person shall enter the intersection unless a pedestrian-control signal indicates that all pedestrians may walk.

For the purposes of this paragraph, "scramble crosswalk" means a crosswalk with a traffic signal which temporarily stops all vehicular traffic while a pedestrian-control signal indicates that all pedestrians at the intersection shall cross the intersection at the same time.

§ 2. This act shall take effect on the ninetieth day after it shall have become a law.

PART UUU

Section 1. Short title. This act shall be known as the "Long Island Rail Road Fare Act".

§ 2. Legislative findings. The New York state legislature has found that on the weekends the Long Island Rail Road, a subsidiary of the Metropolitan Transportation Authority, provides reduced fare between the hours of 12:01 AM Saturday until 11:59 AM Sunday at certain station locations. Passengers traveling to and from locations within New York city should not forfeit their enjoyment of such reduced fare because their train happens to pass through Nassau county.

§ 3. Section 1266 of the public authorities law is amended by adding a new subdivision 14-a to read as follows:

14-a. Notwithstanding any other provisions of law or the terms of any contract, the Long Island Rail Road shall include Far Rockaway Station in its New York City weekend reduced fare program. Such station shall enjoy the same benefits as all other stations included in such program.

§ 4. This act shall take effect on the first of April next succeeding the date on which it shall have become a law.

PART VVV

Section 1. The public authorities law is amended by adding a new section 378-b to read as follows:

§ 378-b. E-ZPass availability. 1. If the authority shall vote to increase any fees, rentals or charges for the use of the thruway or any part thereof pursuant to subdivision eight of section three hundred fifty-four of this title for cash or users who do not use E-ZPass to pay such fees, rentals or charges, the requirement to make a deposit owed to secure a new E-ZPass transponder shall be waived for a period of no less than sixty days from the later of the date of such vote or the date that the increase takes effect.

2. Any retail location in the state which sells E-ZPass shall be required to accept cash payment as a valid method to purchase an E-ZPass or for E-ZPass holders to reload their E-ZPass transponder.

3. For purposes of this section, "E-ZPass" and "E-ZPass transponder" shall mean a receiver-transmitter issued by the authority in connection with electronic toll collection when such receiver-transmitter is affixed to the exterior of a vehicle in accordance with mounting instructions provided by the authority.

§ 2. This act shall take effect immediately, provided however, that subdivision 2 of section 378-b of the public authorities law as added by section one of this act shall take effect on the ninetieth day after it shall have become a law. Effective immediately the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such date.

PART WWW

Section 1. Subdivisions 3 and 4 of section 311 of the executive law, subdivision 3 as added by chapter 261 of the laws of 1988, paragraphs (d) and (e) of subdivision 3 as amended by chapter 55 of the laws of 1992, paragraphs (f), (h), (i), (j), (k), (l) and (m) as amended by chapter 40 of the laws of 2023, the opening paragraph of subdivision 4 as amended and paragraph (d-1) of subdivision 3 and paragraphs (d) and (e) of subdivision 4 as added by chapter 96 of the laws of 2019, paragraph (g) of subdivision 3 as amended by section 1 of part BB of chapter

59 of the laws of 2006, and subdivision 4 as amended by chapter 361 of the laws of 2009, are amended to read as follows:

3. The director shall have the following powers and duties:

(a) to encourage and assist contracting agencies in their efforts to increase participation by minority and women-owned business enterprises on state contracts and subcontracts [~~so as~~] to facilitate the award of a fair share of such contracts to them **and to provide on the division's website a list of each contracting agency's minority and women-owned business enterprises certification outreach seminars**;

(b) to develop standardized forms and reporting documents necessary to implement this article;

(c) to conduct educational **outreach** programs **to encourage the certification of minority and women-owned business enterprises** consistent with the purposes of this article;

(d) to review [~~periodically~~] **quarterly** the practices and procedures of each contracting agency with respect to compliance with the provisions of this article, and to require them to file [~~periodic~~] **quarterly** reports with the division of minority and women's business development as to the level of minority and women-owned business enterprises participation in the awarding of agency contracts for goods and services **including but not limited to the number of state contracts awarded to certified minority or women-owned business enterprises, the maximum dollar amount obligated pursuant to all those contracts, and the total expenditures made pursuant to all such contracts; the number of state contracts awarded which include a utilization plan for business participation by certified minority or women-owned business enterprises, the maximum amount obligated pursuant to those contracts, and the total expenditures made pursuant to all such contracts; the number of state contracts awarded upon which a waiver was granted from goals required by the contracts for business participation by certified minority or women-owned business enterprises, and the maximum amount obligated pursuant to those contracts; the number of state contracts awarded which required goals for employment of minority group members and women; and the number of state contracts awarded for which waivers of employment goals required by the contracts have been granted**;

(d-1) to require all contracting state agencies to develop a four-year growth plan to determine a means of promoting and increasing participation by [~~minority-owned~~] **minority** and women-owned business enterprises with respect to state contracts and subcontracts. Every four years, beginning September fifteenth, two thousand twenty, each contracting state agency shall submit a four-year growth plan as part of its annual report to the governor and legislature pursuant to section one hundred sixty-four of this chapter.

(e) on January first of each year report to the governor**, the temporary president of the senate, the speaker of the assembly, the minority leaders of the senate and the assembly,** and the chairpersons of the senate finance and assembly ways and means committees on the [~~level~~] **actual versus projected levels** of minority and women-owned business enterprises participating in each agency's contracts for goods [~~and~~]**,** services **and construction, including but not limited to the number of state contracts awarded to certified minority or women-owned business enterprises, the maximum dollar amount obligated pursuant to all those contracts, and the total expenditures made pursuant to all such contracts,** and on activities of the office and effort by each contracting agency to promote employment of minority group members and women, and to promote and increase participation by certified businesses with

respect to state contracts and subcontracts so as to facilitate the award of a fair share of state contracts to such businesses. The comptroller shall assist the division in collecting information on the participation of certified business for each contracting agency. Such report may recommend new activities and programs to effectuate the purposes of this article;

(f) **the director shall list in the division's annual report the names of non-compliant agencies and the extent of their noncompliance in submitting its quarterly minority and women-owned business enterprise utilization reports; and, shall implement a master list of all the state agencies required to file quarterly compliance reports and shall attach such list to the division's annual report.**

(g) to prepare and update[~~, no less than annually,~~] **quarterly** a directory of certified minority and women-owned business enterprises which shall, wherever practicable, (i) make publicly available records of all certifications and recertifications, (ii) be divided into categories of labor, services, supplies, equipment, materials and recognized construction trades, [~~and~~] (iii) indicate areas or locations of the state where such enterprises are available to perform services**, and (iv) provide for such enterprises to access contract and subcontract opportunities**;

[~~(g)~~] **(h)** to appoint independent hearing officers who by contract or terms of employment shall preside over adjudicatory hearings pursuant to section three hundred fourteen of this article for the office and who are assigned no other work by the office;

[~~(h)~~] **(i)** to make publicly available on the division's website records of all revocations of certification for convictions for fraudulently misrepresenting the status of minority or women-owned business enterprises or for evidence of fraudulent conduct with regard to participation of a minority or women-owned business enterprise in the performance of state contracts and the reasoning for such revocations after a final determination has been made, provided that information falling into the categories enumerated in paragraphs (a) through (j) of subdivision two of section eighty-seven of the public officers law shall be withheld;

[~~(i)~~] **(j)** notwithstanding the provisions of section two hundred ninety-six of this chapter, to file a complaint pursuant to the provisions of section two hundred ninety-seven of this chapter where the director has knowledge that a contractor may have violated the provisions of paragraph (a), (b) or (c) of subdivision one of section two hundred ninety-six of this chapter where such violation is unrelated, separate or distinct from the state contract as expressed by its terms;

[~~(j)~~] **(k)** to streamline the state certification process to accept federal and municipal corporation certifications;

[~~(k)~~] **(l)** to make publicly available on the division's website records of all waivers of compliance reported pursuant to paragraph (b) of subdivision six of section three hundred thirteen of this article, including the reasoning for denial of such waivers after a final determination has been made, provided that information falling into the categories enumerated in paragraphs (a) through (j) of subdivision two of section eighty-seven of the public officers law shall be withheld;

[~~(l)~~] **(m)** to work in conjunction with the industrial commissioner pursuant to paragraph (j) of subdivision one of section eight hundred eleven of the labor law to assist contractors in identifying minority group members and women who are participating in apprenticeship agreements under article twenty-three of the labor law; and

[~~(m)~~] (n) to coordinate with appropriate offices, agencies, or authorities, where applicable, to conduct site visits or perform inspections of financial records of minority or women-owned business enterprises in accordance with this article and the regulations of the director.

4. The director shall provide assistance to, and facilitate access to programs serving certified businesses as well as applicants to ensure that such businesses benefit, as needed, from technical, managerial and financial, and general business assistance; training; marketing; organization and personnel skill development; project management assistance; technology assistance; bond and insurance education assistance; and other business development assistance. The director shall maintain a toll-free number at the department of economic development to be used to answer questions concerning the MWBE certification process. In addition, the director [~~may~~] shall, either independently or in conjunction with other state agencies:

(a) develop a clearinghouse of information on programs and services provided by entities that may assist such businesses;

(b) review bonding and paperwork requirements imposed by contracting agencies that may unnecessarily impede the ability of such businesses to compete; and

(c) seek to maximize utilization by minority and women-owned business enterprises of available federal resources including but not limited to federal grants, loans, loan guarantees, surety bonding guarantees, technical assistance, and programs and services of the federal small business administration.

(d) conduct outreach events, training workshops, seminars, and other such educational programs throughout the state, including all regional offices, to state agencies, external stakeholders, and the public, to promote awareness and utilization of minority and women-owned business enterprises; and

(e) identify and establish mentorship opportunities and other business development programs to increase capacity and better prepare MWBEs for bidding on contracts with state agencies upon successful completion of the mentorship opportunity. Such mentorship opportunities shall be intended to ensure that mentor and mentee are connected based on a commercially useful function.

§ 2. Subdivision 5 of section 312 of the executive law, as added by chapter 261 of the laws of 1988, is amended to read as follows:

5. The director shall promulgate rules and regulations to ensure that contractors and subcontractors undertake programs of affirmative action and equal employment opportunity as required by this section. Such rules and regulations as they pertain to any particular agency shall be developed after consultation with contracting agencies. Such rules and regulations [~~may~~] shall require a contractor, after notice in a bid solicitation, to submit an equal employment opportunity program [~~after bid opening and prior to the award of any contract~~] at the time bids are submitted, and [~~may~~] shall require the contractor or subcontractor to submit compliance reports relating to the contractor's or subcontractor's operation and implementation of any equal employment opportunity program in effect as of the date the contract is executed. The contracting agency [~~may recommend to the director that~~] shall have the right to recommend that the director take appropriate action according to the procedures set forth in section three hundred sixteen of this article against the contractor for noncompliance with the requirements of this section. The contracting agency shall be responsible for monitoring compliance with this section.

§ 3. Paragraph (j) of subdivision 2-a of section 313 of the executive law, as amended by chapter 96 of the laws of 2019, is amended and a new paragraph (k) is added to read as follows:

(j) require each agency to consult the most current disparity study when calculating agency-wide and contract specific participation goals pursuant to this article; [~~and~~]

(k) encourage joint ventures, partnerships, and mentor-protege relationships as defined in section one hundred forty-seven of the state finance law, between prime contractors and minority and women-owned business enterprises; and

§ 4. Subdivision 3 and paragraph (a) of subdivision 5 of section 313 of the executive law, subdivision 3 as amended by chapter 96 of the laws of 2019, and paragraph (a) of subdivision 5 as amended by chapter 40 of the laws of 2023, are amended to read as follows:

3. Solely for the purpose of providing the opportunity for [~~meaningful~~] **increased** participation by certified businesses in the performance of state contracts as provided in this section, state contracts shall include leases of real property by a state agency to a lessee where: the terms of such leases provide for the construction, demolition, replacement, major repair or renovation of real property and improvements thereon by such lessee; and the cost of such construction, demolition, replacement, major repair or renovation of real property and improvements thereon shall exceed the sum of one hundred thousand dollars. Reports to the director pursuant to section three hundred fifteen of this article shall include activities with respect to all such state contracts. Contracting agencies shall include or require to be included with respect to state contracts for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon, such provisions as [~~may~~] **shall** be necessary to effectuate the provisions of this section in every bid specification and state contract, including, but not limited to: (a) provisions requiring contractors to make a good faith effort to solicit active participation by enterprises identified in the directory of certified businesses; (b) requiring the parties to agree as a condition of entering into such contract, to be bound by the provisions of section three hundred sixteen of this article; and (c) requiring the contractor to include the provisions set forth in paragraphs (a) and (b) of this subdivision in every subcontract in a manner that the provisions will be binding upon each subcontractor as to work in connection with such contract. Provided, however, that no such provisions shall be binding upon contractors or subcontractors in the performance of work or the provision of services that are unrelated, separate or distinct from the state contract as expressed by its terms, and nothing in this section shall authorize the director or any contracting agency to impose any requirement on a contractor or subcontractor except with respect to a state contract.

(a) Contracting agencies shall administer the rules and regulations promulgated by the director in a good faith effort to achieve the maximum feasible participation by minority and women owned business enterprises adopted pursuant to this article and the regulations of the director. Such rules and regulations: shall require a contractor to submit a utilization plan [~~after bids are opened~~] **at the time bids are submitted**, when bids are required[~~, but prior to the award of a state contract~~]; shall require the contracting agency to review the utilization plan submitted by the contractor and to post the utilization plan and any waivers of compliance issued pursuant to subdivision six of this

section on the website of the contracting agency; shall require the contracting agency to notify the contractor in writing within a period of time specified by the director as to any deficiencies contained in the contractor's utilization plan; shall require remedy thereof within a period of time specified by the director; shall require the contractor to submit **quarterly** compliance reports relating to the operation and implementation of any utilization plan; shall not allow any automatic waivers but shall allow a contractor to apply for a partial or total waiver of the minority and women-owned business enterprise participation requirements pursuant to subdivisions six and seven of this section; shall allow a contractor to file a complaint with the director pursuant to subdivision eight of this section in the event a contracting agency has failed or refused to issue a waiver of the minority and women-owned business enterprise participation requirements or has denied such request for a waiver; and shall allow a contracting agency to file a complaint with the director pursuant to subdivision nine of this section in the event a contractor is failing or has failed to comply with the minority and women-owned business enterprise participation requirements set forth in the state contract where no waiver has been granted.

§ 5. Subdivisions 1, 2-a and 3 of section 315 of the executive law, subdivisions 1 and 3 as amended and subdivision 2-a as added by chapter 96 of the laws of 2019, are amended and two new subdivisions 3-a and 8 are added to read as follows:

1. Each contracting agency shall be responsible for monitoring state contracts under its jurisdiction, and recommending matters to the office respecting non-compliance with the provisions of this article so that the office [~~may~~] **shall** take such action as [~~is appropriate~~] **stated in subdivision three of section three hundred sixteen of this article. Each contracting agency shall have the right to recommend that the director impose a sanction, penalty, or fine for three or more violations of subdivision one of section three hundred sixteen of this article,** to ensure compliance with the provisions of this article, the rules and regulations of the director issued hereunder and the contractual provisions required pursuant to this article. All contracting agencies shall comply with the rules and regulations of the office and are directed to cooperate with the office and to furnish to the office such information and assistance as may be required in the performance of its functions under this article.

2-a. [~~To the extent practicable, upon completion of the restrictive period of a procurement, each~~] **Each** contracting agency when notifying a contractor of a winning bid award shall also notify any minority or women-owned business enterprise identified in the contractor's submitted utilization plan of such contractor's receipt of the winning bid award.

3. Each contracting agency shall report to **the commissioner of economic development, the commissioner of general services and** the director with respect to activities undertaken to promote employment of minority group members and women and promote and increase participation by certified businesses with respect to state contracts and subcontracts. Such reports shall be submitted [~~no later than May fifteenth of every year~~] **quarterly** and shall include such information as is necessary for the director to determine whether the contracting agency and any contractor to the contracting agency have complied with the purposes of this article, including, without limitation, **the number of state contracts awarded to certified minority or women-owned business enterprises; the maximum dollar amount obligated pursuant to all those contracts; and the total expenditures made pursuant to all such contracts; the number of**

state contracts awarded which include a utilization plan for business participation by certified minority or women-owned business enterprises, the maximum amount obligated pursuant to those contracts, and the total expenditures made pursuant to all such contracts; a summary of all waivers of the requirements of subdivisions six and seven of section three hundred thirteen of this article allowed by the contracting agency during the period covered by the report, including a description of the basis of the waiver request [~~and~~], the rationale for granting any such waiver, the maximum amount obligated pursuant to those contracts; the number of state contracts awarded which required goals for employment of minority group members and women; the number of state contracts awarded for which waivers of employment goals required by the contracts have been granted, and any instances in which the contract agency has deemed a contractor to have committed a violation pursuant to section three hundred sixteen of this article and such other information as the director shall require. Each agency shall also include in such annual report whether or not it has been required to prepare a remedial plan, and, if so, the plan and the extent to which the agency has complied with each element of the plan.

3-a. Within thirty days after completion, a copy of the quarterly minority and women-owned business enterprise report shall be transmitted to the commissioner of economic development, the commissioner of general services, and the director. A contracting agency, which has not let more than two million dollars in service and/or construction contracts within the applicable period may apply to the commissioner of economic development, and the director for a waiver of the required annual report. The waiver application shall be made on such form as the commissioner of economic development and the director may prescribe.

8. If a contracting agency shall fail to file or substantially complete, as determined by the commissioner of economic development and the director, the report required by this section, the director shall provide notice to the contracting agency. The notice shall state the following:

(a) that the failure to file a report as required is a violation of this section, or in the case of an insufficient report, the manner in which the report submitted is deficient;

(b) that the contracting agency has thirty days to comply with this section or provide an adequate written explanation to the commissioner of economic development and the commissioner of general services and the director of the contracting agency's reasons for the inability to comply; and

(c) that the contracting agency's continued failure to provide either the required report or an adequate explanation will result in an independent audit of the contracting agency, the cost of which shall be borne by the contracting agency.

§ 6. Section 316 of the executive law, as amended by chapter 567 of the laws of 2022, is amended to read as follows:

§ 316. [~~Enforcement~~] Violations and enforcement. 1. It shall be a violation for any person or entity to:

(a) intentionally use or acquire an MWBE name through deceit or other dishonest means in order to negotiate a lower bid from a non-MWBE.

(b) submit to the department of economic development, documents or other material as evidence of a good faith effort to comply with the provisions of this article without, in fact, having entered into any contract, agreement, subcontract, or sub-agreement with an MWBE for the

use or purchase of such business enterprise's goods or services in the performance of the awarded state contract.

(c) fail to provide an MWBE with sufficient information or other required supporting documentation in order for the MWBE to prepare a proper bid.

2. Upon receipt by the director of a complaint by a contracting agency that a contractor has violated the provisions of a state contract which have been included to comply with the provisions of this article or of a contractor that a contracting agency has violated such provisions or has failed or refused to issue a waiver where one has been applied for pursuant to subdivision six of section three hundred thirteen of this article or has denied such application, the director shall attempt to resolve the matter giving rise to such complaint. If efforts to resolve such matter to the satisfaction of all parties are unsuccessful, the director shall refer the matter, within thirty days of the receipt of the complaint, to the division's hearing officers. Upon conclusion of the administrative hearing, the hearing officer shall submit to the director his or her decision regarding the alleged violation of the contract and recommendations regarding the imposition of sanctions, fines or penalties. The director, within ten days of receipt of the decision, shall file a determination of such matter and shall cause a copy of such determination along with a copy of this article to be served upon the contractor by personal service or by certified mail return receipt requested. The decision of the hearing officer shall be final and may only be vacated or modified as provided in article seventy-eight of the civil practice law and rules upon an application made within the time provided by such article. The determination of the director as to the imposition of any fines, sanctions or penalties shall be reviewable pursuant to article seventy-eight of the civil practice law and rules. The penalties imposed for any violation which is premised upon either a fraudulent or intentional misrepresentation by the contractor or the contractor's willful and intentional disregard of the minority and women-owned participation requirement included in the contract may include a determination that the contractor shall be ineligible to submit a bid to any contracting agency or be awarded any such contract for a period not to exceed one year following the final determination; provided however, if a contractor has previously been determined to be ineligible to submit a bid pursuant to this section, the penalties imposed for any subsequent violation, if such violation occurs within five years of the first violation, may include a determination that the contractor shall be ineligible to submit a bid to any contracting agency or be awarded any such contract for a period not to exceed five years following the final determination. The division of minority and women's business development shall maintain a website listing all contractors that have been deemed ineligible to submit a bid pursuant to this section and the date after which each contractor shall once again become eligible to submit bids.

[~~2.~~] 3. The director shall impose a sanction, penalty, or fine on any individual or entity that has three or more violations of this article within five years. Any fines, or portion thereof, imposed pursuant to [~~the foregoing subdivision~~] this section, or imposed by a court of competent jurisdiction related to convictions involving fraud related to this article or otherwise involving a minority or women-owned business enterprise, [~~may~~] shall be required by the entity imposing such fines to be paid to the minority and women-owned business enterprise fund established pursuant to section ninety-seven-k of the state finance law.

Such funds shall be used to subsidize the facilitation of the provisions of this article. Other sanctions shall include barring such entity or individual from contracting with such agency for a period not to exceed five years.

§ 7. Subdivision 1 of section 137 of the state finance law, as separately amended by section 17 of part MM of chapter 57 and chapter 619 of the laws of 2008, is amended to read as follows:

1. In addition to other bond or bonds, if any, required by law for the completion of a work specified in a contract for the prosecution of a public improvement for the state of New York a municipal corporation, a public benefit corporation or a commission appointed pursuant to law, or in the absence of any such requirement, the comptroller may or the other appropriate official, respectively, shall nevertheless require prior to the approval of any such contract a bond guaranteeing prompt payment of moneys due to all persons furnishing labor or materials to the contractor or any subcontractors in the prosecution of the work provided for in such contract. Whenever a municipal corporation issues a permit subject to compliance with section two hundred twenty of the labor law, such permittee or its contractor or subcontractors furnishing workers shall post a payment bond subject to this section. Provided, however, that all performance bonds and payment bonds may, at the discretion of the head of the state agency, public benefit corporation or commission, or his or her designee, be dispensed with for the completion of a work specified in a contract for the prosecution of a public improvement for the state of New York for which bids are solicited where the aggregate amount of the contract is under one hundred thousand dollars and provided further, that in a case where the contract is not subject to the multiple contract award requirements of section one hundred thirty-five of this article, such requirements may be dispensed with where the head of the state agency, public benefit corporation or commission finds it to be in the public interest and where the aggregate amount of the contract awarded or to be awarded is less than two hundred thousand dollars. **In a case where a contract is awarded to a small business concern or to a minority or women-owned business concern, all performance bonds and payment bonds may be dispensed with when the aggregate amount of the contract is under five hundred thousand dollars. Advertisements for bids shall provide information as to the requirements for, or dispensation of, performance and payment bonds.** Provided further, that in a case where a performance or payment bond is dispensed with, twenty per centum may be retained from each progress payment or estimate until the entire contract work has been completed and accepted, at which time the head of the state agency, public benefit corporation or commission shall, pending the payment of the final estimate, pay not to exceed seventy-five per centum of the amount of the retained percentage.

§ 8. Subdivision 4 of section 139-f of the state finance law, as amended by chapter 83 of the laws of 1995, is amended to read as follows:

4. Notwithstanding any other provision of this section or other law, requirements for the furnishing of a performance bond or a payment bond may be dispensed with at the discretion of the head of the state agency or corporation, or his or her designee, where the public owner is a state agency or corporation described in subdivision one-a of this section and the aggregate amount of the contract awarded or to be awarded is under fifty thousand dollars and, in a case where the contract is not subject to the multiple contract award requirements of section one hundred thirty-five of this article, such requirements may

be dispensed with where the head of the state agency or corporation finds it to be in the public interest and where the aggregate amount of the contract awarded or to be awarded is under two hundred thousand dollars. **In a case where a contract is awarded to a small business concern or to a minority or women-owned business concern, all performance bonds and payment bonds may be dispensed with when the aggregate amount of the contract is under five hundred thousand dollars. Advertisements for proposals shall provide information as to the requirements for, or dispensation of, performance and payment bonds.** Provided further, that in a case where a performance or payment bond is dispensed with, twenty per centum may be retained from each progress payment or estimate until the entire contract work has been completed and accepted, at which time the head of the state agency or corporation shall, pending the payment of the final estimate, pay not to exceed seventy-five per centum of the amount of the retained percentage.

§ 9. The opening paragraph of section 139-g of the state finance law, as amended by chapter 636 of the laws of 2003, is amended to read as follows:

In every state agency, department and authority which has let more than two million dollars in service and construction contracts **and state assisted project contracts** in the prior fiscal year, the chief executive officer of that agency, department or authority shall, with respect to those contracts **and state assisted project contracts** let by his **or her** agency, department or authority:

§ 10. The opening paragraph of subdivision (b) of section 139-g of the state finance law, as amended by chapter 636 of the laws of 2003, is amended to read as follows:

identify all small-business and certified women and minority-owned business concerns which, in the judgment of the chief executive officer of that agency, department or authority, can bid on those contracts **and state assisted project contracts** which are usually and customarily let by that agency, department or authority**, or in which that authority provides a grant or loan or tax exempt financing,** with a reasonable expectation of success. Such chief executive officers shall carry out the provisions of this subdivision:

§ 11. Section 139-g of the state finance law is amended by adding a new subdivision (e) to read as follows:

(e) For the purposes of this section, the following words shall have the following meanings:

(i) "State assisted project contract" shall mean any written agreement arising out of a state assisted housing project or state assisted economic development project or state assisted higher education project or state assisted hospital or health care facility project, for which the total project cost exceeds two million dollars and for which the project owner is committed to spend or does expend funds for the acquisition, construction, demolition, replacement, major repair, or renovation of real property and improvements thereon for such project.

(ii) "State assisted housing project" shall mean those projects which receive from the New York state housing finance agency tax-exempt financing for all or part of the total project cost.

(iii) "State assisted economic development project" shall mean those projects which receive from the New York foundation of science technology and innovation, or the urban development corporation and its subsidiaries a grant or loan or tax-exempt financing for all or part of the total project cost.

(iv) "State assisted higher education project" shall mean those projects which receive from the dormitory authority of the state of New York a grant or loan or tax-exempt financing for all or part of the total project cost.

(v) "State assisted hospital or health care facility project" shall mean those projects which receive from the dormitory authority of the state of New York a grant or loan or tax-exempt financing for all or part of the total project cost.

§ 12. This act shall take effect immediately, provided however, that if chapter 40 of the laws of 2023 shall not have taken effect on or before such date then sections one and four of this act shall take effect on the same date and in the same manner as such chapter of the laws of 2023 takes effect; provided further, the amendments to article 15-A of the executive law made by sections one, two, three, four, five and six of this act shall not affect the repeal of such article and shall be deemed repealed therewith.

PART XXX

Section 1. The public authorities law is amended by adding a new section 8 to read as follows:

§ 8. Local authorities searchable subsidy and economic development benefits database. (1) For the purposes of this section, the following terms shall have the following meanings:

(a) "Economic development benefits" shall mean:

(i) funds made available by a local authority, including without limitation any entity created incorporated pursuant to section fourteen hundred eleven of the not-for-profit corporation law, for economic development, or job creation purposes including, but not limited to, grants, loans, loan guarantees, loan interest subsidies, and subsidies; and

(ii) tax credits, tax exemptions, reduced tax rates or other tax incentives which are applied for and preapproved or certified by or on behalf of a local authority, including without limitation any entity created incorporated pursuant to section fourteen hundred eleven of the not-for-profit corporation law, for economic development.

(b) "Additional state economic development benefits" shall mean those economic development benefits made available to the local authority, including without limitation any entity created incorporated pursuant to section fourteen hundred eleven of the not-for-profit corporation law, by a state entity to award such benefits to qualified recipients.

(c) "Qualified participant" shall mean a person, business, limited liability corporation or any other entity that has applied for and received benefits as defined in paragraph (a) of this subdivision.

(d) "Full-time equivalent" shall mean a unit of measure, which is equal to one filled, full-time, annual-salaried position.

(e) "Project hires" shall mean a job in which an individual is hired for a season or for a limited period of time.

(f) "Part-time job" shall mean a job in which an individual is employed by a qualified participant for less than thirty-five hours a week.

(g) "The office" shall mean the authorities budget office.

(i) "The database" or "the searchable database" shall mean the database created pursuant to subdivision two of this section.

(j) "the project" shall mean specific work, action, endeavor, contract or agreement for which any economic benefit as defined in paragraphs (a)

and (b) of this subdivision, is made available or awarded by a local authority to, including without limitation any entity created incorporated pursuant to section fourteen hundred eleven of the not-for-profit corporation law, to a person, business, limited liability corporation or any other entity.

2. Notwithstanding any laws to the contrary, the office shall create a searchable database, displaying data regarding economic development benefits that a qualified participant has been awarded. Such database shall also separately display data regarding additional state economic development benefits and the aggregate total of benefits defined in paragraph (a) of subdivision one of this section, to the extent that such data has been made available to and is received by the office in the form and manner prescribed by the office. Such searchable database shall include, at a minimum, the following data, features and functionality to the extent practicable:

(a) the ability to search the database by each of the reported information fields;

(b) the ability to be searchable, downloadable, and updated quarterly, and posted on a publicly accessible website as well as referenced on the office's website, with a direct link to the database;

(c) the following data on projects shall be included:

(i) a qualified participant's name and project, project location, the project's complete address, including the postal code in a separate and searchable field, and the economic region of the state;

(ii) the time span over which a qualified participant is to receive or has received aggregate economic development benefits;

(iii) the type of such economic development benefits, as defined in paragraph (a) of subdivision one of this section, provided to a qualified participant, including the name of the program or programs through which such benefits are provided, and details as to whether such programs are grants or tax credit programs as a separate and searchable field. Such data shall be provided to the extent practicable for all contracts initiated six months after the effective date of this section;

(iv) the total number of employees at all entities utilizing such economic development benefits as defined in paragraph (a) of subdivision one of this section, at the time of the agreement, including the number of full-time equivalents, provided that any project hires or part-time jobs shall be displayed in separate fields and may be converted to full-time equivalents and denoted as such, to the extent practicable for all contracts initiated six months after the effective date of this section;

(v) for any economic development benefits as defined in paragraph (a) of subdivision one of this section that provides for job retention or job creation, that a qualified participant has been awarded, the total job creation commitments, job retention commitments, job creation actual number, and the job retention actual number, displayed in terms of full-time equivalents where any project hires or part-time jobs may be converted to full-time equivalents and denoted as such, the actual average wage by occupation or job classification and total payroll to be created as a result of the benefits, shall be provided, each displayed as separate and searchable fields;

(vi) the total and separate amount of economic development benefits defined in paragraph (a) of subdivision one of this section received by a qualified participant to date;

(vii) the total public-private investment made to a project, total public funding received by a project, and project status;

(viii) details related to individual project compliance indicating whether, during the current reporting quarter, the entity managing the award has reduced, cancelled, or recaptured any economic development benefits or additional state economic development benefits from a qualified participant, and, if so, the total amount of the reduction, cancellation, or recapture. Separately, a notation of penalties assessed shall be displayed in a separate and searchable field, as well as the reasons therefor in another separate and searchable field;

(ix) the ability to digitally select defined individual fields corresponding to any of the reported information from qualified participants to create unique database views;

(x) the ability to download the database in its entirety, or in part, in a common machine readable format;

(xi) a definition or description of terms for fields in the database;

(xii) a summary of each separate economic development benefit defined in paragraph (a) of subdivision one of this section awarded to qualified participants;

(xiii) a user-friendly guide to outline the features and functionality of the database; and

(xiv) a dedicated email account for the public to direct questions related to the database, and the office mailing address, office telephone number, and name of the chief officer of the granting body.

3. Data related to subparagraphs (i) through (vi) of paragraph (c) of subdivision two of this section shall be analyzed for quality and accuracy by the entity or authority providing such funding to qualified recipients and managing the contracts related thereto. Upon submission of such data to the office for inclusion in the database, all awarding entities shall certify to the office that each field of project data accurately summarizes project investments and amounts and contains no known misrepresentation of material facts.

4. Upon request the office shall provide, or direct to a source providing, in an electronically accessible and downloadable form, any contracts or award agreements for projects included in the database, to the extent such contracts or award agreements are available to the public pursuant to article six of the public officers law or any other law. Such contracts may, upon request from the office, be shared by the entity holding and managing such contract.

5. The office may request any data from qualified participants that is necessary and required in developing, updating, and maintaining the searchable database. Such qualified participants shall provide any such information requested by the office.

6. The office shall prescribe the form and manner in which a local authority awarding other state agency economic development benefits shall submit information and data regarding other state agency benefits as required for developing, updating, and maintaining the database and publish guidelines as needed to facilitate receipt of such data to comply with the provisions of this section, including the submission provisions of subdivision three of this section. The corporation, to the extent practicable, shall note on the database where a state agency or authority failed to submit the required data.

7. To effectuate the purposes of this section, the office may request and shall receive from any department, division, board, bureau, commission or other agency of the state, or any state or local public authority such assistance, information and data as will enable the office to carry out its powers and duties under this section.

§ 2. Section 2807 of public authorities law, as added by section 3 of part NNN of chapter 58 of the laws of 2022, is amended to read as follows:

§ 2807. **1.** Reporting for searchable state subsidy and aggregate economic development benefits database. Notwithstanding any other provision of law to the contrary, every state authority shall submit to the urban development corporation, and update quarterly, in the form and manner prescribed by the urban development corporation, any and all data and information as necessary for developing, updating, and maintaining the database established in section fifty-eight of section one of chapter one hundred seventy-four of the laws of nineteen hundred sixty-eight, constituting the New York state urban development corporation act, regarding economic development benefits, as such term is defined in such section, awarded by such state authority. A state authority may request and shall receive any data from an individual, business, limited liability corporation or any other entity that has applied for and received approval for, or is the beneficiary of, any such economic development benefits, as is necessary and required to comply with this section.

2. Notwithstanding any other provision of law to the contrary, a local authority shall submit to the authorities budget office, and update quarterly, in the form and manner prescribed by the authorities budget office, any and all data and information as necessary for developing, updating, and maintaining the database established in section eight of the public authorities law, regarding economic development benefits, as the term is defined therein, awarded by such authority. A local authority may request and shall receive any data from a person, business, limited liability corporation or any other entity that has applied for and received approval for or is the beneficiary of, any such economic development benefits, as is necessary and required to comply with this section.

§ 3. The general municipal law is amended by adding a new section 859-d to read as follows:

§ 859-d. Reporting for the local authorities searchable subsidy and economic development benefits database. Notwithstanding any other provision of law to the contrary, an industrial development agency shall submit to the authorities budget office, and update quarterly, in the form and manner prescribed by the authorities budget office, any and all data and information as necessary for developing, updating, and maintaining the database established in section eight of the public authorities law, regarding economic development benefits, as the term is defined therein, awarded by such industrial development agency. An Industrial Development agency may request and shall receive any data from a person, business, limited liability corporation or any other entity that has applied for and received approval for or is the beneficiary of, any such economic development benefits, as is necessary and required to comply with this section.

§ 4. Paragraph (i) of section 1411 of the not-for-profit corporation law is amended and a new paragraph (j) is added to read as follows:

(i) Effect of section.

Corporations incorporated or reincorporated under this section shall be organized and operated exclusively for the purposes set forth in paragraph (a) **of this section**, shall have, in addition to the powers otherwise conferred by law, the powers conferred by paragraph (c) **of this section** and shall be subject to all the restrictions and limitations imposed by paragraph (e) [~~**and**~~]**,** paragraph (g)**, and paragraph (j)**

of this section. In so far as the provisions of this section are inconsistent with the provisions of any other law, general or special, the provisions of this section shall be controlling as to corporations incorporated or reincorporated hereunder.

(j) Public authorities law.

Notwithstanding any other provision of law to the contrary, a corporation incorporated or reincorporated under this section shall be considered a local authority under the public authorities law, and be subject to the provisions of section twenty-eight hundred seven of the public authorities law.

§ 5. This act shall take effect on the ninetieth day after it shall have become a law.

PART YYY

Section 1. Subdivision 6 of section 51 of the public authorities law is REPEALED.

§ 2. This act shall take effect immediately.

PART ZZZ

Section 1. Section 429 of the real property tax law, as added by chapter 459 of the laws of 1982, is amended to read as follows:

§ 429. Real property used for professional major league sports. Real property within a city having a population of one million or more, used by both a professional major league hockey team which is a member of the National Hockey League and a professional major league basketball team which is a member of the National Basketball Association to play their home games shall be exempt from taxation to the extent said taxes are the obligation by lease or otherwise of the owners of franchises for such teams, provided that such owners enter into a written agreement with the chief executive officer of the municipality in which such property is located to play their home games within such municipality for a period of at least ten consecutive years; provided however, that in no case shall the exemption granted by this section apply to any assessment roll issued after the two thousand twenty-three assessment roll. The tax exemption provided herein shall be granted to real property being used, in whole or in part, for the aforesaid purposes on the date such agreement is executed and shall apply to taxes which become due and payable after the aforestated agreement is executed and shall continue with respect to such property as long as both of said teams play their home games therein and no longer. Such exemption shall not apply with respect to any improvement to such property made after the date such agreement is executed which improvement is not used for the provision of facilities or services related to sports, entertainment, expositions, conventions or trade shows. If one or both of said teams shall cease to play their home games in said property at any time, the tax exemption provided herein shall cease immediately and such property shall immediately be restored to the tax rolls and thereupon become subject to taxation and shall be taxed pro rata for the unexpired portion of the taxable year.

§ 2. The real property tax law is amended by adding a new section 429-a to read as follows:

§ 429-a. Expiration of major league sports exemption. The real property tax exemption under section four hundred twenty-nine of this article shall expire upon the effective date of this section; provided however,

that the revenue and penalties collected by the New York city department of finance for such real property shall be remitted by the city of New York to the metropolitan transportation authority on a semiannual basis, to be deposited into the metropolitan transportation authority finance fund established under section one thousand two hundred seventy-h of the public authorities law.

§ 3. This act shall take effect immediately; provided however, that the provisions of this act shall apply to assessment rolls beginning with the 2024 assessment roll.

PART AAAA

Section 1. Subparagraphs (vii) and (viii) and the closing paragraph of paragraph (d) of subdivision 2-a of section 1269-b of the public authorities law, as added by section 1 of part LLL of chapter 58 of the laws of 2022, are amended and three new subparagraphs (ix), (x), (xi) and an undesignated paragraph are added to read as follows:

(vii) budget information including the original budget at the time of project commitment when scope and budget are defined, all amendments, the current budget and planned annual allocations; [~~and~~]

(viii) a schedule for project delivery including original, amended and current start and completion dates as projects develop at each phase[~~.~~];

(ix) a listing of all contract numbers, vendors, and contractors associated with the project;

(x) all sources of funding for the project; and

(xi) coding regarding whether the project is related to accessibility or resiliency.

For the purposes of this paragraph, sources of funding shall be specified as from the state of New York, the federal government, the city of New York, or any other relevant source. Funding from the state of New York shall further specify whether it has been obtained from the central business district tolling lockbox as established by section five hundred fifty-three-j of this chapter or any successor fund or account provided by law. Accessibility shall mean projects regarding elevators, escalators or other projects related to compliance with the federal Americans with Disabilities Act of 1990, as amended, and corresponding guidelines. Resiliency shall have the same meaning as defined by the authority in its twenty-year needs assessment released in two thousand twenty-three as required by subdivision c of section twelve hundred sixty-nine-c of this title.

The status of projects shall be provided and state the current phase of the project, such as planning, design, construction or completion, and shall state how far the project has progressed as measured in percentage by expenditure. The dashboard shall measure progress based on original budgets at the time of project commitment when scope and budget are defined. At a minimum, all changes to planned budgets of greater than ten percent, significant project scope or a three month or more change in schedule shall be provided in narrative form and describe the reason for each change or amendment. The dashboard shall include a glossary or data dictionary which contains plain language descriptions of the data, including individual project data, and any other information provided on the dashboard. The authority shall provide a definition of resiliency in the glossary or data dictionary. The dashboard shall be updated, at a minimum, on a quarterly basis, and all data fields available on the dashboard shall be made available for download on the authority's website in a single tabular data file in a common, machine

readable format. Capital dashboard data shall also be made available on the data.ny.gov website or such other successor website maintained by, or on behalf of, the state, as deemed appropriate by the New York state office of information technology services under executive order number ninety-five of two thousand thirteen, or any successor agency or order.

§ 2. Section 1276-b of the public authorities law is amended by adding two new subdivisions 6 and 7 to read as follows:

6. The authority shall publish all data pertaining to each authority's budget and financial plans as required by this section in a common, machine readable format on the authority's website as defined by executive order number ninety-five of two thousand thirteen, "Using Technology to Promote Transparency, Improve Government Performance and Enhance Citizen Engagement" or any successor order. Such data shall include, but not be limited to:

(a) estimates of projected operating revenues and expenses, including monthly projections for the current fiscal year of all revenues and expenses;

(b) any planned transaction that would shift resources, from any source, from one fiscal year to another, and the amount of any reserves;

(c) quarterly revenue and expense targets;

(d) staffing for the authority and each of its agencies;

(e) 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;

(f) the status of each gap-closing initiative with a projected value greater than one million dollars in any given fiscal year; and

(g) 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.

7. The data required to be published pursuant to this section shall be made in a single tabular data file in a common, machine readable format and shall be accessible on the authority's website and the website data.ny.gov or such other successor website maintained by, or on behalf of, the state, as deemed appropriate by the New York state office of information technology services under executive order number ninety-five of two thousand thirteen, or any successor agency or order.

§ 3. This act shall take effect immediately.

PART BBBB

Section 1. Paragraph (a) of subdivision 1 of section 209-b of the tax law, as amended by section 7 of part A of chapter 59 of the laws of 2014, is amended to read as follows:

(a) For the privilege of exercising its corporate franchise, or of doing business, or of employing capital, or of owning or leasing property in a corporate or organized capacity, or of maintaining an office, or of deriving receipts from activity in the metropolitan commuter transportation district, for all or any part of its taxable year, there is hereby imposed on every corporation, other than a New York S corporation, subject to tax under section two hundred nine of this article, or any receiver, referee, trustee, assignee or other fiduciary, or any officer or agent appointed by any court, who conducts the business of any such corporation, a tax surcharge, in addition to the tax imposed under section two hundred nine of this article, to be computed at the rate of seventeen percent of the tax imposed under such section for such taxable years or any part of such taxable years ending on or after

December thirty-first, nineteen hundred eighty-three and before January first, two thousand fifteen after the deduction of any credits otherwise allowable under this article, at the rate of twenty-five and six-tenths percent of the tax imposed under such section for taxable years beginning on or after January first, two thousand fifteen and before January first, two thousand sixteen before the deduction of any credits otherwise allowable under this article, and at the rate determined by the commissioner pursuant to paragraph (f) of this subdivision of the tax imposed under such section, for taxable years beginning on or after January first, two thousand sixteen **and ending before January first, two thousand twenty-three** before the deduction of any credits otherwise allowable under this article**, and at the rate of forty-five percent of the tax imposed under such section for taxable years beginning on or after two thousand twenty-three**. However, such rate of tax surcharge shall be applied only to that portion of the tax imposed under section two hundred nine of this article before the deduction of any credits otherwise allowable under this article which is attributable to the taxpayer's business activity carried on within the metropolitan commuter transportation district; and provided, further, the surcharge computed on a combined report shall include a surcharge on the fixed dollar minimum tax for each member of the combined group subject to the surcharge under this subdivision.

§ 2. Paragraph (f) of subdivision 1 of section 209-b of the tax law, as added by section 7 of part A of chapter 59 of the laws of 2014, is amended to read as follows:

(f) The commissioner shall determine the rate of tax for taxable years beginning on or after January first, two thousand sixteen **and ending before January first, two thousand twenty-three** by adjusting the rate for taxable years beginning on or after January first, two thousand fifteen and before January first, two thousand sixteen as necessary to ensure that the receipts attributable to such surcharge, as impacted by the chapter of the laws of two thousand fourteen which added this paragraph, will meet and not exceed the financial projections for state fiscal year two thousand sixteen-two thousand seventeen, as reflected in state fiscal year two thousand fifteen-two thousand sixteen enacted budget. The commissioner shall annually determine the rate thereafter using the financial projections for the state fiscal year that commences in the year for which the rate is to be set as reflected in the enacted budget for the fiscal year commencing on the previous April first.

§ 3. This act shall take effect immediately.

PART CCCC

Section 1. The department of transportation is hereby authorized and directed to conduct a study on proposed improvements along the Hudson River Greenway portion of State Route 9A in New York county.

1. Such study shall address no less than the following issues:

(a) The estimated total cost to redesign the 80-intersection corridor to reduce crash frequency and severity;

(b) The estimated total cost for lane and crosswalk configuration, data and traffic analysis, and civil engineering and landscaping components;

(c) The estimated duration of the project;

(d) The impact construction will have on local traffic patterns;

(e) The environmental impact of the project, represented in an environmental impact statement, if such statement is required by law, or is

deemed warranted according to the discretion of the department of transportation; and

(f) Identify areas for cooperation between agencies who have purview over this project and/or relevant properties and solicit and incorporate input from such agencies.

2. The department of transportation shall report such findings to the governor and the legislature within one year after the effective date of this act.

§ 2. This act shall take effect immediately and shall expire one year after it shall have become a law when upon such date the provisions of this act shall be deemed repealed.

PART DDDD

Section 1. Legislative findings and intent. The legislature finds that the public health, safety and welfare of the residents of the state of New York traveling to, from and within the city of New York is an issue that affects millions of New Yorkers and visitors. This issue includes access to adequate residential parking. Residents of the city of New York, particularly from outer borough communities, have some of the longest commutation times in the country. Public transportation access is often limited for these residents and visitors as well. Lack of adequate parking and public transportation options can also pose an issue for parents with small children, caregivers making home visits or providing transportation assistance for severely disabled individuals, and can make life difficult for motorists with disabilities attempting to park near their homes. In addition, emissions from idling vehicles that are stopped or standing, or from vehicles continually looping around their neighborhoods in search of parking, can have deleterious health impacts on the state's most vulnerable populations. New York City's health department has called air pollution a leading threat to its residents, and estimated that particulate matter emissions and ozone caused more than two thousand deaths and eight thousand asthma-related emergency room visits every year. New York City has also taken a number of actions available to it to reduce air pollution, including adopting a motor vehicle idling enforcement program and attempting to shift commercial vehicle traffic to bicycles and other alternative transportation modes. A residential parking permit system would build upon those efforts and assist in reducing these pollution-related outcomes, and its revenues would serve as an investment in the region's public transportation system. For these reasons, improving residential parking options by facilitating establishment of a residential parking permit system addresses an issue of significant importance to the state and serves as a bridge to a future in which more public transportation options are available for both residents and visitors.

§ 2. Subdivision (a) of section 1642 of the vehicle and traffic law is amended by adding a new paragraph 28 to read as follows:

28. (a) Notwithstanding the provisions of any law to the contrary, the city council shall, by adoption of a local law or ordinance, provide for a residential parking permit system and fix and require the payment of fees applicable to parking within the area in which such parking system is in effect in accordance with the provisions of this section.

(b) Such residential parking permit system may be established throughout such city in a manner as determined by the local law or ordinance.

(c) Notwithstanding the foregoing, the city may provide that no permit shall be required on streets or those portions of such streets where the adjacent properties are zoned for commercial/retail use.

(d) The local law or ordinance providing for such residential parking system shall:

(i) set forth factors necessitating the enactment of such parking system; and

(ii) may provide that motor vehicles registered pursuant to section four hundred four-a of this chapter shall be exempt from any permit requirement; and

(iii) shall provide the times of the day and days of the week during which permit requirements shall be in effect, as well as the boundaries or neighborhoods in which permit requirements shall be in effect if relevant; and

(iv) may make not less than twenty percent of all spaces within the permit area available to non-residents, and may provide short-term parking of not less than ninety minutes in duration in such area; and

(v) shall limit issuance of permits to motor vehicles validly registered in the state pursuant to title four of this section; and

(vi) shall provide the schedule of fees to be paid for such permits, provided that such fees shall not exceed thirty dollars per month; and

(vii) shall provide that such fees and penalties collected pursuant to this subdivision shall be remitted by the city of New York to the metropolitan transportation authority on a quarterly basis to be deposited into the general transportation account of the New York city transportation assistance fund established under section twelve hundred seventy-i of the public authorities law. Provided further that such city shall be entitled to deduct reasonable expenses as are necessary to establish and administer the parking permit system.

(e) No ordinance shall be adopted pursuant to this section until a public hearing thereon has been had in the same manner as required for public hearings on a local law pursuant to the municipal home rule law.

(f) The city of New York and the metropolitan transportation authority shall submit a report on the results of the implementation of the parking permit system pursuant to this subdivision to the governor, the state comptroller, the temporary president of the senate, and the speaker of the assembly by July first, within twelve months of operating such parking permit system and annually thereafter. Such report shall also be made public. Such report shall include, but not be limited to:

(i) a description of the locations or neighborhoods where the parking permit system was implemented under this subdivision;

(ii) the total number of violations under this subdivision recorded on an annual basis;

(iii) the number of fines and total amount of fines paid for violations under this subdivision;

(iv) the total amount of revenue realized by the city of New York and metropolitan transportation authority under this subdivision;

(v) the quality of the adjudication process under this subdivision and its results;

(vi) the total number of parking spaces covered by a permit system under this subdivision;

(vii) the total cost to the city of New York under this subdivision; and

(viii) to the extent practicable, a report on the current and historic volume and type of vehicles including, but not limited to, commercial trucks, transportation network companies, taxis, private cars, and tour

buses, entering and idling in the city; environmental improvements, including but not limited to, air quality, and emissions trends in and around the city; and transit ridership and average bus speeds within the neighborhoods where such permit system is implemented.

§ 3. This act shall take effect immediately.

PART EEEE

Section 1. Paragraphs 3 and 4 of subsection (b) of section 800 of the tax law, paragraph 3 as amended by section 1 of part B of chapter 56 of the laws of 2011, paragraph 4 as amended by section 1 of part YY of chapter 59 of the laws of 2015, are amended and a new paragraph 5 is added to read as follows:

(3) an interstate agency or public corporation created pursuant to an agreement or compact with another state or the Dominion of Canada; [~~or~~]

(4) [~~Any~~] **any** eligible educational institution. An "eligible educational institution" shall mean any public school district, a board of cooperative educational services, a public elementary or secondary school, a school approved pursuant to article eighty-five or eighty-nine of the education law to serve students with disabilities of school age, or a nonpublic elementary or secondary school that provides instruction in grade one or above, all public library systems as defined in subdivision one of section two hundred seventy-two of the education law, and all public and free association libraries as such terms are defined in subdivision two of section two hundred fifty-three of the education law[~~.~~]**; or**

(5) the county governments of Dutchess county, Orange county, Putnam county and Rockland county and every town, city, village or other political subdivision of such counties.

§ 2. Subparagraph (i) of paragraph (b-1) and subparagraph (i) of paragraph (c-3) of subdivision 2 of section 503 of the vehicle and traffic law, as amended by section 1 of part FF of chapter 58 of the laws of 2019, are amended to read as follows:

(i) Upon passage of the knowledge test required to obtain a learner's permit, an applicant for a driver's license who resides in the metropolitan commuter transportation district established by section one thousand two hundred sixty-two of the public authorities law **other than the counties of Putnam, Rockland, Dutchess, and Orange** shall be required to pay a supplemental fee of one dollar for each six months or portion thereof of the period of validity of a learner's permit or license which is or may be issued pursuant to the provisions of subparagraph (i) or (ii) of paragraph (b) of this subdivision.

(i) Supplemental renewal fee in the metropolitan commuter transportation district. In addition to the fees required to be paid pursuant to paragraph (c) of this subdivision, a supplemental fee of one dollar for each six months or portion thereof of the validity of the license shall be paid for renewal of a license of a person who resides **outside the counties of Putnam, Rockland, Dutchess or Orange but otherwise** in the metropolitan commuter transportation district established by section one thousand two hundred sixty-two of the public authorities law issued by the commissioner.

§ 3. Section 499 of the vehicle and traffic law, as added by section 1 of part B of chapter 25 of the laws of 2009, is amended to read as follows:

§ 499. Definition. For the purposes of this article "metropolitan commuter transportation district" shall mean the area of the state

included in the district created and governed by section twelve hundred sixty-two of the public authorities law**, other than the counties of Putnam, Rockland, Dutchess and Orange**.

§ 4. This act shall take effect immediately.

PART FFFF

Section 1. Section 1292 of the tax law, as added by section 18 of part AAA of chapter 59 of the laws of 2017, is amended to read as follows:

§ 1292. Imposition. **(a)** There is hereby imposed on every TNC a state assessment fee of 4% of the gross trip fare of every TNC prearranged trip provided by such TNC that originates anywhere in the state outside the city and terminates anywhere in this state.

(b) There is additionally imposed on every TNC a supplemental state assessment fee of fifty cents on every TNC prearranged trip provided by such TNC that originates anywhere in the state outside the city and terminates anywhere in this state.

§ 2. Section 1298 of the tax law, as added by section 18 of part AAA of chapter 59 of the laws of 2017, is amended to read as follows:

§ 1298. Deposit and disposition of revenue. **(a)** All taxes, fees, interest and penalties collected or received by the commissioner under **paragraph (a) of section twelve hundred ninety-two of** this article shall be deposited and disposed of pursuant to the provisions of section one hundred seventy-one-a of this chapter.

(b) All taxes, fees, interest and penalties collected or received by the commissioner under paragraph (b) of section twelve hundred ninety-two of this article for every TNC prearranged trip provided by such TNC that originates anywhere in the state outside the metropolitan commuter transportation district as established by section twelve hundred sixty-two of the public authorities law shall be deposited and disposed into the public transportation systems operating assistance account established by section eighty-eight-a of the state finance law.

(c) All taxes, fees, interest and penalties collected or received by the commissioner under paragraph (b) of section twelve hundred ninety-two of this article for every TNC prearranged trip provided by such TNC that originates anywhere in the state within the metropolitan commuter transportation district as established by section twelve hundred sixty-two of the public authorities law but outside the city of New York shall be deposited and disposed into the metropolitan mass transportation operating assistance account established by section eighty-eight-a of the state finance law and shall be paid to the public transportation systems in the metropolitan transportation commuter district whose service area includes the location in which the prearranged trip originated, provided that no payments shall be made to the metropolitan transportation authority pursuant to this article.

§ 3. The tax law is amended by adding a new article 29-E to read as follows:

ARTICLE 29-E

MTA SURCHARGE FEE ON TRANSPORTATION NETWORK COMPANY PREARRANGED TRIPS IN NEW YORK CITY

1299-x. Records to be kept.
1299-y. Secrecy of returns and reports.
1299-z. Practice and procedure.
1299-aa. Deposit and disposition of revenue.

§ 1299-t. Definitions. (a) "Person" means an individual, partnership, limited liability company, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, referee or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals and any other form of unincorporated enterprise owned or conducted by two or more persons.

(b) "City" means a city of a million or more located in the metropolitan commuter transportation district established by section twelve hundred sixty-two of the public authorities law.

(c) "Transportation network company" or "TNC" means a person, corporation, partnership, sole proprietorship, or other entity that is duly licensed as a high-volume for-hire service by the taxi and limousine commission of the city and permitted to provide TNC prearranged trips.

(d) "TNC prearranged trip" shall mean the provision of transportation by a transportation network company driver to a passenger provided through the use of a TNC's digital network:

(i) beginning when a transportation network company driver accepts a passenger's request for a trip through a digital network controlled by a transportation network company;

(ii) continuing while the transportation network company driver transports the requesting passenger in a TNC vehicle; and

(iii) ending when the last requesting passenger departs from the TNC vehicle.

The term "TNC prearranged trip" does not include transportation services that are administered by or on behalf of the metropolitan transportation authority, including paratransit services.

(e) "TNC driver" shall mean an individual who:

(i) receives connections to potential passengers and related services from a transportation network company in exchange for payment of a fee to the transportation network company; and

(ii) uses a TNC vehicle to offer or provide a TNC prearranged trip to transportation network company passengers upon connection through a digital network controlled by a transportation network company in exchange for compensation or payment of a fee.

(f) "TNC vehicle" shall mean a vehicle that is used by a transportation network company driver to provide a TNC prearranged trip originating within the city of New York as licensed pursuant to section 19-502 of the administrative code of the city of New York.

(g) "Transportation network company passenger" or "passenger" means a person or persons who use a transportation network company's digital network to connect with a transportation network company driver who provides TNC prearranged trips to the passenger in the TNC vehicle between points chosen by the passenger.

§ 1299-u. Imposition. (a) There is hereby imposed on every TNC a surcharge fee of fifty cents per trip for every TNC prearranged trip provided by such TNC that originates anywhere inside the city and terminates anywhere in the state.

(b) The surcharge fee imposed by this article must be passed along to passengers and separately stated on any receipt that is provided to such passengers. The passing along of such surcharge fee shall not be construed by any court or administrative body as the imposition of the

surcharge fee on the person or entity that pays for the TNC prearranged trip. All regulatory agencies must adjust any fares that are authorized by them to include the surcharge fee imposed by this article, and must require that any meter or other instrument used in any TNC vehicle regulated by it to calculate fares be adjusted to include the surcharge fee.

§ 1299-v. Presumption. For the purpose of the proper administration of this article and to prevent evasion of the MTA surcharge fee imposed by this article, it shall be presumed that every TNC prearranged trip that originates or terminates inside the city is subject to the MTA surcharge fee. This presumption shall prevail until the contrary is proven by the person liable for the surcharge fee.

§ 1299-w. Returns and payment of MTA surcharge fee. (a) Every person liable for the MTA surcharge fee imposed by this article shall file a return on a calendar-quarterly basis with the commissioner. Each return shall show the number of TNC prearranged trips together with such other information as the commissioner may require. The returns required by this section shall be filed within thirty days after the end of the quarterly period covered thereby. If the commissioner deems it necessary in order to ensure the payment of the MTA surcharge fee imposed by this article, the commissioner may require returns to be made for shorter periods than prescribed by the foregoing provisions of this section, and upon such dates as the commissioner may specify. The form of returns shall be prescribed by the commissioner and shall contain such information as the commissioner may deem necessary for the proper administration of this article. The commissioner may require amended returns to be filed within thirty days after notice and to contain the information specified in the notice. The commissioner may require that the returns be filed electronically.

(b) Every person required to file a return under this article shall, at the time of filing such return, pay to the commissioner the total of all MTA surcharge fees on the correct number of trips subject to such surcharge fee under this article. The amount so payable to the commissioner for the period for which a return is required to be filed shall be due and payable to the commissioner on the date specified for the filing of the return for such period, without regard to whether a return is filed or whether the return that is filed correctly shows the correct number of trips. The commissioner may require that the surcharge fee be paid electronically.

§ 1299-x. Records to be kept. Every person liable for the MTA surcharge fee imposed by this article shall keep:

(a) records of every TNC prearranged trip subject to the MTA surcharge fee under this article in such form as the commissioner may require;

(b) true and complete copies, including electronic copies, of any records required to be kept by a state agency that is authorized to permit or regulate a TNC; and

(c) such other records and information as the commissioner may require to perform his or her duties under this article.

§ 1299-y. Secrecy of returns and reports. The provisions of section twelve hundred ninety-seven of this chapter shall apply to returns and reports under this article in the same manner and with the same force and effect as if the language of such section twelve hundred ninety-seven of this chapter had been incorporated in full into this article and had expressly referred to the MTA surcharge fee under this article, except to the extent that any such provision is either inconsistent with a provision of this article or is not relevant to this article.

§ 1299-z. Practice and procedure. The provisions of article twenty-seven of this chapter shall apply with respect to the administration of and procedure with respect to the MTA surcharge fee imposed by this article in the same manner and with the same force and effect as if the language of such article twenty-seven had been incorporated in full into this article and had expressly referred to the MTA surcharge fee under this article, except to the extent that any such provision is either inconsistent with a provision of this article or is not relevant to this article.

§ 1299-aa. Deposit and disposition of revenue. Notwithstanding any provision of law to the contrary: (a) All fees, surcharges, taxes, interest and penalties collected or received by the commissioner pursuant to this article shall be deposited daily with such responsible banks, banking houses or trust companies, as may be designated by the comptroller, in trust for the credit of the metropolitan transportation authority. An account may be established in one or more of such depositories. Such deposits shall be kept separate and apart from all other money in the possession of the comptroller. The comptroller shall require adequate security from all such depositories. Of the total revenue collected or received under this section, the comptroller shall retain in the comptroller's hands such amount as the commissioner may determine to be necessary for refunds under this article. The commissioner is authorized and directed to deduct from such amounts collected or received under this article, before deposit into the accounts specified by the comptroller, a reasonable amount necessary to effectuate refunds of appropriations of the department to reimburse the department for the costs to administer, collect and distribute the taxes imposed by this article.

(b) On or before the twelfth day following the end of each month, after reserving such amount for such refunds and such costs, the commissioner shall certify to the comptroller the amount of all revenues so received pursuant to this article during the prior month as a result of the taxes, interest and penalties so imposed.

(c) By the fifteenth day of the last month of each calendar quarter the comptroller shall pay over the amount of revenues from the prior three months in total so certified by the commissioner, without appropriation, into the corporate transportation account of the metropolitan transportation authority special assistance fund established by section twelve hundred seventy-a of the public authorities law to be applied as provided in paragraph (e) of subdivision four of such section twelve hundred seventy-a. Any money collected pursuant to this article that is deposited by the comptroller in the corporate transportation account of the metropolitan transportation authority special assistance fund shall be held in such fund free and clear of any claim by any person or entity paying the tax pursuant to this article, including, without limiting the generality of the foregoing, any right or claim against the metropolitan transportation authority, any of its bondholders, or any subsidiary or affiliate of the metropolitan transportation authority.

§ 4. This act shall take effect the first of June next succeeding the date on which it shall have become a law and shall apply to prearranged trips provided by TNCs on or after such date.

§ 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 FFFF of this act shall be as specifically set forth in the last section of such Parts.