STATE OF NEW YORK

9528

IN SENATE

May 16, 2024

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

AN ACT to amend the public authorities law, in relation to establishing the green transition authority; to amend the tax law, in relation to establishing a for-hire vehicle improvement surcharge; and making an appropriation therefor

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

Section 1. Short title. This act shall be known and may be cited as the "green transition authority act".

§ 2. Legislative findings and declaration. The legislature finds and declares that:

1. New York State's For-Hire Vehicle ("FHV") industry is at the center of three interlinked crises that impact FHV drivers, people with disabilities, and the environment. These issues are:

a. FHV driver poverty. Rideshare driver earnings are in the lowest 10% of all occupations in the United States. This led the City of New York to establish the first-ever pay regulations for app-based drivers, but long hours and low pay remain the norm for most of the for-hire vehicle industry's 91% immigrant, predominantly people of color workforce of over 60,000 active drivers in NYC and for thousands more drivers across the state. Earnings from trips are only half the problem. Union surveys indicate that on average, each driver must spend $31,000 per year for the things they need to do their job: a vehicle, gas, repairs, and insurance. Vehicle costs push drivers into poverty. Unfunded mandates to transition to electric vehicles, such as that of the City of New York's "Green Rides" program, risk deepening this crisis.

b. Climate change. New York's fleet of rideshare vehicles is a major source of greenhouse gas emissions that drive climate change. In New York City alone, a fleet of 109,000 gasoline-fueled rideshare vehicles puts 1.4 million tons of CO2 into the atmosphere every year, a 62% increase from 2013 to 2018 as the FHV fleet ballooned. Transportation generates approximately 30% of New York City's total carbon emissions, with the FHV fleet responsible for a substantial portion of this total.

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

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The massive increase in emissions from the FHV fleet has moved New York City away from the goal established by the City Council of zero carbon emissions by 2050. Statewide, rideshare vehicles are a disproportionate driver of greenhouse gas emissions that cause climate change because they are on the road more hours than privately used vehicles. Additionally, the State is far behind the curve in meeting its emissions reductions and renewable energy production established by the Climate Leadership and Community Protection Act (CLCPA).

c. Wheelchair accessibility. Very few rideshare vehicles are wheelchair accessible across New York State. In 2011, people with disabilities launched a campaign to bring New York City's taxicab fleet into line with the requirements of the Americans with Disabilities Act. In 2014, the campaign won a consent decree that mandated that half of the taxicab fleet of 13,587 vehicles would be made up of Wheelchair Accessible Vehicles ("WAVs") by 2020. To fund this mandate, in 2015 the City of New York created a 30-cent surcharge on all yellow and green cab rides to establish a Taxicab Improvement Fund ("TIF") which would issue grants of up to $30,000 to medallion owners to buy vehicles. This surcharge was recently increased to $1/trip. To date, approximately 4,200 WAV vehicles have been purchased and deployed as taxis, less than half the fleet of 13,587 taxis, and around half the medallion fleet has not come back on the road since the start of the pandemic. As of the most recent report, the Taxicab Improvement Fund held $47 million unspent while the program falls short of its goals of a 50% accessible taxi fleet. With no funding available on the For-Hire Vehicle side of the industry, the situation is even worse with only approximately 5,900 wheelchair-accessible vehicles out of a total of 94,000 FHVs in New York City. Statewide there is no mandate for accessibility, and wheelchair-accessible vehicles are even more scarce.

2. It is in the interest of the state to establish a dedicated public authority, the Green Transition Authority, to address the three crises of driver poverty, climate change and wheelchair accessibility in the FHV industry. The Green Transition Authority will be able to manage funding collected through a surcharge on FHV rides, additional government appropriations, and bond issuances to:

a. Work with auto manufacturers and retrofitters to rapidly develop and market vehicles that are both zero emissions and wheelchair accessible;

b. Establish a co-investment program to incentivize and enable FHV drivers to purchase zero-emission and wheelchair-accessible vehicles;

c. Develop electric and zero-emission vehicle charging infrastructure and maintenance facilities;

d. Establish a voluntary transition program for excess drivers to receive paid training for employment in green jobs;

e. Fund other initiatives to advance economic development with the goal of decarbonization of the economy and creating good, green jobs; and

f. Improve paratransit service across New York State.

3. It is critical that the Green Transition Authority represent the public, drivers, autoworkers, environmental justice advocates, and disability justice advocates, and be transparent and accountable to these stakeholders in managing funding and programs.

§ 3. Article 8 of the public authorities law is amended by adding a new title 7 to read as follows:

TITLE 7

GREEN TRANSITION AUTHORITY

Section 1750. Definitions.
1751. Green transition authority.
1752. Members.
1753. Purposes, powers and duties of the authority.
1754. Additional powers of the authority.
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1756. Accounts and funding.
1757. Exemption from taxes, assessments and certain fees.
1758. Audit and annual report.
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1760. Bonds and notes.
1761. Reserve funds and appropriations.
1762. Exemption from taxation of bonds and notes.
1763. Bonds and notes legal investments for fiduciaries.
1764. Right of state to require redemption of bonds.
1765. Rights and remedies of bondholders and noteholders.
1766. State not liable on bonds and notes.

§ 1750. Definitions. As used or referred to in this title, unless a different meaning clearly appears from the context:

1. "Authority" means the green transition authority established pursuant to section seventeen hundred fifty-one of this title.

2. "Disadvantaged communities" means communities that bear the burdens of negative public health effects, environmental pollution, and impacts of climate change, and possess certain socioeconomic criteria, as identified pursuant to section 75-0111 of the environmental conservation law, or as identified pursuant to the department of energy's Justice40 Initiative, including people with disabilities.

3. "Disadvantaged worker" means a resident of New York state who:

(a) is a woman, when considering construction and building contracts;

(b) has a household income of less than fifty percent of the area median income;

(c) is an individual residing in an area of concentrated poverty;

(d) is disabled;

(e) is a veteran;

(f) is a person previously incarcerated or convicted of a criminal offense; or

(g) is long-term unemployed.

4. "Downstate region" means that portion of the state that includes each of the following counties: Nassau, Suffolk, Putnam, Rockland, Westchester, Bronx, Kings, New York, Queens, and Richmond.

5. "Electric vehicle" means a vehicle powered only by an electric motor that draws current from rechargeable storage batteries, fuel cells, photovoltaic arrays, or other sources of electric current.

6. "Electric vehicle charging infrastructure" means any physical infrastructure required for the construction of electric vehicle charging stations or any related equipment needed to facilitate charging electric vehicles.

7. "Electric vehicle charging station" means stations that deliver electricity from a source outside an electric vehicle into one or more electric vehicles.

8. "Environmentally sustainable practices" means practices that prioritize the responsible use of natural resources to maintain ecological balance and ensure the conservation of resources for future generations.

9. "For-hire vehicle" means any transportation network company vehicle ("TNC vehicle") as defined in section sixteen hundred ninety-one of the

vehicle and traffic law and any for-hire vehicle as defined in section 19-502 of the administrative code of the city of New York.

10. "For-hire vehicle improvement surcharge" means the surcharge on for-hire vehicle transportation trips imposed under article twenty-nine-E of the tax law.

11. "Green job" means employment within industries that employ environmentally sustainable practices.

12. "Upstate region" means that portion of the state that includes each and every county of the state not included in the downstate region.

13. "Wheelchair-accessible vehicle" means a vehicle equipped with a hydraulic lift or ramps designed for the purpose of transporting persons in wheelchairs or containing any other physical device or alteration designed to permit access to and enable the transportation of persons with disabilities.

14. "Zero-emission vehicle" means a vehicle that produces no direct exhaust or tailpipe emissions and includes, but is not limited to, electric vehicles.

15. "President" means the chief executive officer of the authority.

16. "Paratransit" means transportation service required by the federal Americans with disabilities act for individuals with disabilities who are unable to use fixed route transportation systems as defined in 49 CFR § 37.3.

§ 1751. Green transition authority. There is hereby created the green transition authority. The authority shall be a body corporate and politic constituting a public benefit corporation.

§ 1752. Members. 1. The authority shall consist of eleven voting members, who shall be appointed as follows: two shall be representatives of environmental justice organizations, one of whom shall be appointed by the governor, and one of whom shall be appointed by the speaker of the assembly; two shall be representatives of disability justice organizations, one of whom shall be appointed by the governor, and one of whom shall be appointed by the temporary president of the senate; one shall be a representative of a New York state worker cooperative corporation owned by drivers licensed by the New York city taxi and limousine commission and shall be appointed by the governor; one shall be a representative of an organization with a track record of advocating for a transition to electric and wheelchair-accessible vehicles in the for-hire vehicle industry and shall be appointed by the speaker of the assembly; one shall be a representative of a labor union that represents paratransit drivers in New York state and shall be appointed by the governor; one shall be a representative of an automotive workers' union and shall be appointed by the temporary president of the senate; one shall be a representative of an electrical workers' union and shall be appointed by the governor; and two shall be appointed by the governor as at-large representatives of the public. Five of the members shall reside in the upstate region of the state and six of the members shall reside in the downstate region. All of the appointed members shall have relevant experience in any or all of the following areas: environmental justice, disability justice, energy markets, energy systems, organized labor, workforce development, sustainable land use, transportation, and clean energy.

2. All members shall continue to hold office until their successors are appointed and qualify. Of the appointed members, six of the members appointed by the governor shall serve initial terms of four years, while the remaining five members shall serve initial terms of three years. Thereafter, all terms shall be for a period of four years.

3. Vacancies shall be filled in the manner provided for original appointments. Members may be removed from office for the same reasons and in the same manner as may be provided by law for the removal of officers of a county.

4. The members of the authority shall designate the chair. The chair shall preside over meetings of the authority and shall serve as the primary liaison between the members and authority staff. A vice-chair may be elected by the authority from among its other members to serve as such at the pleasure of the authority. The vice-chair shall preside over all meetings of the authority in the absence of the chair and shall have such other duties as the authority may prescribe. The president shall be the chief executive officer of the authority and shall be primarily responsible for the discharge of the executive and administrative functions of the authority.

5. The members of the authority shall receive no compensation for their services but shall be reimbursed for all other actual and necessary expenses incurred in connection with the carrying out of the purposes of this title.

§ 1753. Purposes, powers and duties of the authority. 1. The purposes of the authority shall be to promote the transition of the for-hire vehicle and other state industries to environmentally sustainable practices and increase universal accessibility of for-hire vehicles, paratransit services, and taxi services statewide.

2. Except as otherwise limited by this title, the authority shall have the power to:

(a) Sue and be sued;

(b) Have a seal or alter such seal at pleasure;

(c) Make and alter by-laws for its organization and management and to make and alter rules and regulations governing the exercise of its powers and fulfillment of its purposes under this title;

(d) Make rules and regulations governing the exercise of its corporate powers and the fulfillment of its corporate purposes under this title and title nine-A of this article, which shall be filed with the department of state in the manner provided by section one hundred two of the executive law;

(e) Appoint such officers, agents, and employees, without regard to any personnel or civil service law, rule or regulation of the state and in accordance with guidelines adopted by the authority, as it may require for the performance of its duties and to fix and determine their qualifications, duties and compensation;

(f) Acquire, lease, hold, and dispose of real and personal property, whether tangible or intangible, or any interest therein, by any method;

(g) Make and execute agreements, contracts or other instruments necessary or convenient for the exercise of its functions, powers and duties under this title;

(h) Fix and collect fees, rentals and charges for the use of any property or facility under its jurisdiction, or for the sale of any product, by-product or service produced in or provided by any such facility, and establish the rights and privileges created upon payment thereof. Such fees, rentals and charges shall be established by the authority so as to produce, in the judgment of the authority, revenues sufficient, together with any other funds available to the authority, to meet the expenses of maintenance and operation of the facilities of the authority, to repay any moneys repayable to the state, to fulfill the terms of agreements with the holders of its bonds, notes, or other obligations, and to

provide funds for such other corporate purposes as the authority may deem appropriate;

(i) Borrow money and issue such notes, bonds, or other obligations in relation to such indebtedness, and secure any of its obligations by mortgage or pledge of all or any of its property or any interest therein, wherever situated;

(j) Arrange for guarantees of its bonds, notes, or other obligations by the federal government or by any private insurer or otherwise and to pay any premiums therefor;

(k) Purchase bonds, notes, or other obligations of the authority at such price or prices as the authority may determine;

(l) Lend money, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested;

(m) Procure insurance or obtain indemnification from the federal government or other persons against any loss in connection with its properties or operations in such amount or amounts and from such insurers, including the federal government, as it may deem necessary or desirable, and to pay any premiums therefor;

(n) Accept any gifts or grants or loans of funds or property or financial or other aid in any form from the federal government or any agency or instrumentality thereof, the state, or any other source, and to comply with the provisions of this title and the terms and conditions thereof;

(o) Engage the services of bond counsel, financial advisors, accountants, engineers, attorneys, and other private consultants on a contract basis for rendering professional and technical assistance and advice;

(p) Create or acquire one or more wholly-owned subsidiaries as may be necessary to carry out the provisions of this title;

(q) Negotiate and enter into agreements with trustees or receivers appointed by United States bankruptcy courts or federal district courts or in other proceedings involving adjustment of debts, and to authorize legal counsel for the authority to appear in any such proceedings;

(r) File a petition under chapter nine of title eleven of the United States bankruptcy code, or take other similar action for the adjustment of its debts;

(s) Enter into management agreements for the operation of all or any of the property or facilities owned by the authority;

(t) Maintain an office or offices at such place or places in the state as it may determine;

(u) Make any inquiry, investigation, survey, or study which the authority may deem necessary to enable it to effectively carry out the provisions of this title and to require the production of records, books, papers, accounts, and other documents, including public records, and to make copies thereof or extracts therefrom;

(v) Adopt, revise, amend, and repeal rules and regulations with respect to its operations, properties, facilities, and projects as may be necessary or convenient to carry out the purposes of this title, subject to the provisions of the state administrative procedure act;

(w) From time to time enter into agreements with the New York state energy research and development authority, the department of environmental conservation, the New York power authority, the department of labor, the department of state, the metropolitan transportation authority, the taxi and limousine commission or any other relevant entity to finance the capital costs of projects authorized pursuant to section eighty-eight-b of the state finance law, and to issue bonds and notes

for capital projects approved by the board; provided, however, that each provision of this title relating to bonds and notes which are not inconsistent with the provisions of this section shall apply to the bonds and notes authorized by this section;

(x) Request support and services to the authority from any other state agency or authority;

(y) Levy fines and fees;

(z) Establish and issue grants for programs, jobs, upgrades, or for any other purpose within the scope of the authority; and

(aa) Prioritize granting funds to projects, programs and initiatives in disadvantaged communities or disadvantaged workers.

3. (a) The authority shall not give, grant, gift, or loan money to any projects, jobs, programs, or initiatives that further dependence on fossil fuels.

(b) The authority shall not grant or gift money to any projects, jobs, programs, or initiatives whose shares contain a fifty percent or greater interest from a fossil fuel company or that are being led by a fossil fuel company.

(c) The authority shall not give, grant, gift, or loan money to any projects, jobs, programs or initiatives that use blue, turquoise, brown/black, yellow, white or grey hydrogen, or any combination thereof, or the production thereof in any amount. Any use of such colors of hydrogen that are combined with green hydrogen shall not receive any funding from the authority.

§ 1754. Additional powers of the authority. In addition to the powers enumerated in section seventeen hundred fifty-three of this title, the authority shall have the power and obligation to:

1. Collect data from transportation network company providers operating in the state including, but not limited to: (a) the number of wheelchair-accessible and electric vehicles operating in each county or region; (b) the number of trips, and mileage driven by TNC vehicles; and (c) the annual estimated emissions of TNC vehicles statewide;

2. Conduct and publish annual studies of the for-hire vehicle industry to set standards and goals for the transition of the for-hire vehicle industry to the exclusive use of zero-emission and wheelchair-accessible vehicles;

3. Convene a green and accessible vehicle taskforce, including environmental justice, disability justice, and labor advocates to: (a) assess the availability of zero-emission and wheelchair-accessible vehicles; (b) work with government authorities and automakers to ensure that vehicles meeting appropriate environmental and accessibility standards are brought to market; and (c) vet vehicles eligible for inclusion in the co-investment program pursuant to subdivision four of this section based on their available features and the automakers' commitment to labor, social and environmental benefits;

4. Administer a co-investment program for the purchase of qualifying vehicles, under the terms of which for-hire vehicle drivers shall be eligible for a voucher of an amount and under the terms to be determined by the authority toward the purchase of zero-emission vehicles and wheelchair-accessible vehicles approved for inclusion in the program by the green and accessible vehicle taskforce pursuant to subdivision three of this section;

5. After zero-emission and wheelchair-accessible vehicle transition goals are met, develop and administer a voluntary program for drivers of for-hire vehicles to receive training and financial support to enter into alternative employment in public service or green jobs;

6. Fund the development of infrastructure required to support the expanding use of zero-emission vehicles, including but not limited to electric vehicle charging infrastructure;

7. Fund the purchase of accessible electric and zero-emission vehicles, excluding any hydrogen-based vehicles that operate on any color of hydrogen other than green hydrogen, and infrastructure needed to transition public paratransit services to zero-emission vehicles;

8. Any and all other activities that promote and help achieve greenhouse gas reduction and compliance with the state's emissions reductions mandates under the climate leadership and community protection act, the city of New York's 80 x 2050 initiative and local law ninety-seven, or future requirements for additional greenhouse gas emissions reductions that the legislature may impose, and infrastructure to environmentally sustainable practices, and in the public interest; and

9. Fund programs to expand and improve reliability of paratransit services in the state including, but not limited to: (a) purchase and operation of accessible zero-emission vehicles by paratransit agencies and their contractors; (b) expansion of and ongoing support for on-demand paratransit service; (c) expansion of paratransit service to broader geographic areas; and (d) other innovative projects that seek to enhance paratransit service quality through improved technology, education, and other strategies.

§ 1755. Green transition fund. 1. The authority shall create and establish a fund to be known as the "green transition fund" which shall be kept separate from and shall not be commingled with any other moneys of the authority. The green transition fund shall consist of moneys received by the authority pursuant to the provisions of section twelve hundred ninety-nine-ff of the tax law in accordance with the provisions thereof.

2. Moneys in the fund shall be used for the exclusive purpose of funding programs administered by the authority.

3. Any revenues deposited in the green transition fund pursuant to subdivision one of this section shall be used exclusively for the purposes described in subdivision two of this section. Such revenues shall only supplement and shall not supplant any federal, state, or local funds expended by the authority or such authority's affiliates or subsidiaries for such purposes.

4. Any revenues deposited into the green transition fund pursuant to subdivision one of this section shall not be diverted into the general fund of the state, any other fund maintained for the support of any other governmental purpose, or for any other purpose not authorized by subdivision two of this section.

5. The authority shall report on the receipt and uses of all funds received by the green transition fund to the director of the budget, the temporary president of the senate, and the speaker of the assembly, on an annual basis no later than the first day of February.

§ 1756. Accounts and funding. 1. The programs administered by the authority shall be funded in part by the green transition fund established pursuant to section seventeen hundred fifty-five of this title and any other moneys received by the authority, including payments, gifts, or appropriations to the authority from any other source.

2. The authority shall be authorized to set a standard rate for vehicle charging stations owned by the authority and to collect any revenue generated from such charging stations.

3. The authority shall have the power and is hereby authorized from time to time to issue its negotiable bonds in conformity with applicable

provisions of the uniform commercial code for any purpose authorized by this title.

§ 1757. Exemption from taxes, assessments and certain fees. It is hereby determined that the creation of the authority and the carrying out of its corporate purposes is in all respects for the benefit of the people of the municipality and the state and is a public purpose and the authority shall be regarded as performing a governmental function in the exercise of the powers conferred upon it by this title and shall not be required to pay any taxes, special ad valorem levies or special assessments upon any property owned by it or under its jurisdiction, control or supervision or upon its activities or any filing, recording or transfer fees or taxes in relation to instruments filed, recorded or transferred by it or on its behalf. The construction, use, occupation or possession of any property owned by the authority or the municipality, including improvements thereon, by any person or public corporation under a lease, lease and sublease or any other agreement shall not operate to abrogate or limit the foregoing exemption, notwithstanding that the lessee, user, occupant or person in possession shall claim ownership for federal income tax purposes. Mortgages made or financed, directly or indirectly, by the authority shall be exempt from the mortgage recording taxes imposed by article eleven of the tax law. The authority shall be deemed a public authority for the purposes of section four hundred twelve of the real property tax law.

§ 1758. Audit and annual report. In conformity with the provisions of section five of article ten of the constitution, the accounts of the authority shall be subject to the supervision of the state comptroller and an annual audit shall be performed by an independent certified accountant. The authority shall annually submit to the governor, state comptroller and state legislature a detailed report pursuant to the provisions of section twenty-eight hundred of this chapter, and a copy of such report shall be filed with every municipality included in the report. The authority shall comply with the provisions of sections twenty-eight hundred one, twenty-eight hundred two and twenty-eight hundred three of this chapter.

§ 1759. Labor and procurement standards. 1. Any project that is funded by the authority shall:

(a) Be deemed a public work project subject to article eight of the labor law;

(b) Require that any materials used in the project are produced or made in whole or substantial part in the United States, its territories or possessions; provided, however, that the authority shall establish a waiver process authorizing the purchase of project materials that are produced or made in whole or substantial part outside of the United States, its territories or possessions when such materials are not readily available or cost-effective;

(c) Require that any public owner or third party acting on the behalf of a public owner enter into a project labor agreement as defined by section two hundred twenty-two of the labor law for all construction work;

(d) Require the payment of prevailing wage standards consistent with article nine of the labor law for building services work; and

(e) Require that all rights or benefits, including terms and conditions of employment, and protection of civil service and collective bargaining status of all existing public employees and the work jurisdiction, covered job titles, and work assignments, set forth in the

civil service law and collective bargaining agreements with labor organizations representing public employees shall be preserved and protected.

2. Any such project shall not result in the:

(a) 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;

(b) Transfer of existing duties and functions related to maintenance and operations performed by existing employees of authorized entities to a contracting entity; or

(c) Transfer of future duties and functions ordinarily performed by employees of authorized entities to a contracting entity.

3. The authority shall include requirements in any procurement that:

(a) the materials, components, parts or vehicles be produced or made in whole or substantial part in the United States, its territories or possessions; provided, however, that the president of the authority, or the president's designee may waive the procurement requirements set forth in this paragraph if such official determines that: (i) the requirements would not be in the public interest; (ii) the requirements would result in unreasonable costs; (iii) obtaining such infrastructure-related materials, components or parts in the United States would increase the cost of a project by an unreasonable amount; or (iv) any such vehicles, parts, or components cannot be produced, made, or assembled in the United States in sufficient and reasonably available quantities or of satisfactory quality. Determinations on waivers shall be made on an annual basis no later than December thirty-first, after providing notice and opportunity for public comment, and such determination shall be made publicly available, in writing, on the authority's website with a detailed explanation of the findings leading to such a determination. If the president or the president's designee has issued determinations for three consecutive years finding that no such waiver is warranted pursuant to this paragraph, then the authority shall no longer be required to provide the annual determination required by this paragraph.

(b) the authority shall use a system for procurement that incorporates a best-value contracting framework to consider the quality, cost and efficiency of offerors when evaluating procurement contract proposals for the purchase of zero-emission vehicles and charging equipment. Such framework shall reflect, whenever possible, objective and quantifiable analysis. Such framework shall identify a quantitative factor for offerors that prioritize and include the following in such procurement contract proposal:

(i) an employment plan which shall include but not be limited to:

(1) worker wages;

(2) worker benefits;

(3) worker safety;

(4) training, retraining, and registered apprenticeship programs; and

(5) a commitment to create high-quality jobs within the state to the maximum extent practicable for disadvantaged or underrepresented individuals;

(ii) a commitment to consider the interests of members of the community that surround such offeror's facility and the interests of members of the community from which workers are recruited;

(iii) a description of efforts by the offeror to lower greenhouse gas emissions and such offeror's impact on climate change; and

(iv) compliance with local, state, and federal labor, civil rights, and environmental laws and regulations. Violations of local, state, and

federal labor, civil rights, and environmental laws and regulations shall be considered a negative factor in the authority's procurement framework.

4. The framework established pursuant to paragraph (b) of subdivision three of this section shall include a notice to offerors stating that the terms and conditions of employment and content of employment plans and reports required by subdivision three of this section shall be subject to disclosure under the freedom of information law; and

5. The final procurement contract and any compliance documents shall be made available to the public on the authority's website.

§ 1760. Bonds and notes. 1. The authority shall have the power and is hereby authorized to issue at one time or in series from time to time its negotiable bonds and notes in conformity with applicable provisions of the uniform commercial code in such principal amounts as, in the opinion of the authority, shall be necessary to provide sufficient moneys for achieving the authority's corporate purposes, including the establishment of reserves to secure the bonds and notes and the payment of interest on bonds and notes.

2. The authority shall have power from time to time to renew bonds or notes or to issue renewal bonds or notes for such purpose, to issue bonds or notes to pay bonds or notes, and, whenever it deems refunding expedient, to refund any bond or note by the issuance of new bonds or notes, whether the bonds or notes to be refunded have or have not matured, and may issue bonds or notes partly to refund bonds or notes then outstanding and partly for any other corporate purpose of the authority. Bonds or notes issued for refunding purposes shall be sold and the proceeds applied to the purchase, redemption or payment of the bonds or notes to be refunded.

3. Except as may otherwise be expressly provided by the authority, every issue of bonds or notes shall be general obligations payable out of any moneys or revenues of the authority, subject only to any agreements with the holders of bonds or notes pledging any receipts or revenues.

4. The bonds and notes shall be authorized by resolution of the authority, shall bear such date or dates and mature at such time or times as such resolution shall provide, except that notes and any renewals thereof shall mature within five years from their respective dates of issuance or renewal, as the case may be, and bonds shall mature within forty years from their respective dates of issuance or renewal, as the case may be. The bonds and notes shall bear interest at such rate or rates, be in such denomination, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms of redemption as such resolution or resolutions may provide.

5. Bonds and notes shall be sold by the authority, at public or private sale, at such price or prices as the authority may determine. Bonds and notes of the authority shall not be sold by the authority at private sale unless such sale and the terms thereof have been approved in writing by the comptroller, where such sale is not to the comptroller, or by the director of the budget, where such sale is to the comptroller.

6. In the discretion of the authority any bonds or issue of bonds or notes or issue of notes may be secured by such resolution or by a trust indenture by and between the authority and a corporate trustee which may be any trust company or bank having the powers of a trust company in the

state or by a secured loan agreement or other instrument. Such resolution, trust indenture, loan agreement or other instrument may contain any usual or customary provisions, covenants or limitations for bonds or notes of similar nature which shall be a part of the contract with the holders thereof, including such provisions for protecting and enforcing the rights and remedies of bondholders and noteholders as may be reasonable and proper and not in violation of law.

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

(a) pledging all or part of the fees, charges, gifts, grants, rents, revenues or other moneys received or to be received and leases or agreements to secure the payment of the notes or bonds or of any issue thereof subject to such agreements with bondholders and noteholders as may then exist;

(b) the rates of the fees or charges to be established, and the amounts to be raised in each year thereby and the use and disposition of the fees, charges, gifts, grants, rents, revenues or other moneys received or to be received;

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

(d) limitations on the purpose to which the proceeds of sale of any issue of notes or bonds then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the notes or bonds or of any issue thereof;

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

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

(g) any other matters, of like or different character, which in any way affect the security or protection of the notes or bonds.

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

9. Neither the members of the authority nor any person executing the bonds or notes shall be liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

10. Subject to such agreements with bondholders or noteholders as may then exist, the authority shall have power out of any funds available therefor to purchase bonds or notes at a price not exceeding (a) if the notes or bonds are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment date thereon, or (b) if the notes or bonds are not then redeemable, the redemption price applicable on the first date after such purchase upon which the notes or bonds become subject to redemption plus accrued interest to said date. Bonds and notes so purchased shall thereupon be cancelled.

11. The state does hereby pledge to and agree with the holders of any bonds or notes that the state will not limit or alter the rights and powers vested in the authority by this title to fulfill the terms of any contract made by the authority with such holders, or in any way impair the rights and remedies of such holders until such bonds and notes, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged. The authority is authorized to include this pledge and agreement of the state, insofar as it refers to holders of any bonds or notes, in any contract with such holders.

§ 1761. Reserve funds and appropriations. 1. The authority may create and establish one or more reserve funds to be known as debt service reserve funds and may pay into such reserve funds (a) any moneys appropriated and made available by the state for the purposes of such funds, (b) any proceeds of sale of bonds and notes to the extent provided in the resolution of the authority authorizing the issuance thereof, (c) any moneys directed to be transferred by the authority to such funds, and (d) any other moneys which may be made available to the authority for the purposes of such funds from any other source or sources. The moneys held in or credited to any debt service reserve fund established under this subdivision, except as hereinafter provided, shall be used solely for the payment of the principal of bonds of the authority secured by such reserve fund, as the same mature, required payments to any sinking fund established for the amortization of such bonds (hereinafter referred to as "sinking fund payments"), the purchase or redemption of such bonds of the authority, the payment of interest on such bonds of the authority or the payment of any redemption premium required to be paid when such bonds are redeemed prior to maturity; provided, however, that moneys in any such fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such fund to less than the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on the bonds of the authority then outstanding and secured by such reserve fund, except for the purpose of paying principal and interest on the bonds of the authority secured by such reserve fund maturing and becoming due and sinking fund payments for the payment of which other moneys of the authority are not available. Any income or interest earned by, or increment to, any such debt service reserve fund due to the investment thereof may be transferred to any other fund or account of the authority to the extent it does not reduce the amount of such debt service reserve fund below the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on all bonds of the authority then outstanding and secured by such reserve fund. In computing the amount of any debt service reserve fund for the purposes of this section, securities in which all or a portion of such reserve fund are invested shall be valued at par or, if purchased at less than par, at their cost to the authority.

2. The authority shall not issue bonds at any time if the maximum amount of principal and interest maturing and becoming due in a succeeding calendar year on the bonds outstanding and then to be issued and secured by a debt service reserve fund will exceed the amount of such reserve fund at the time of issuance, unless the authority, at the time of issuance of such bonds, shall deposit in such reserve fund from the proceeds of the bonds so to be issued, or otherwise, an amount which together with the amount then in such reserve fund, will be not less

than the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on the bonds then to be issued and on all other bonds of the authority then outstanding and secured by such reserve fund.

3. To assure the continued operation and solvency of the authority for the carrying out of the public purposes of this title provision is made in subdivision one of this section for the accumulation in each debt service reserve fund of an amount equal to the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on all bonds of the authority then outstanding and secured by such reserve fund. In order further to assure the maintenance of such debt service reserve funds, there shall be annually apportioned and paid to the authority for deposit in each debt service reserve fund such sum, if any, as shall be certified by the chair of the authority to the governor and state director of the budget as necessary to restore such reserve fund to an amount equal to the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on the bonds of the authority then outstanding and secured by such reserve fund. The chair of the authority shall annually, on or before December first, make and deliver to the governor and state director of the budget a certificate stating the sum, if any, required to restore each such debt service reserve fund to the amount aforesaid, and the sum or sums so certified, if any, shall be apportioned and paid to the authority during the then current state fiscal year. The principal amount of bonds secured by a debt service reserve fund or funds to which state funds are apportionable pursuant to this subdivision shall be limited to the total amount of bonds and notes outstanding on the effective date of this title, plus the total amount of bonds and notes contracted after the effective date of this title to finance projects in progress on the effective date of this title as determined by the New York state public authorities control board created pursuant to section fifty of this chapter whose affirmative determination shall be conclusive as to all matters of law and fact solely for the purposes of the limitations contained in this subdivision, but in no event shall the total amount of bonds so secured by such a debt service reserve fund or funds exceed nine million six hundred sixty thousand dollars, excluding bonds issued to refund such outstanding bonds until the date of redemption of such outstanding bonds. As outstanding bonds so secured are paid, the amount so secured shall be reduced accordingly but the redemption of such outstanding bonds from the proceeds of refunding bonds shall not reduce the amount so secured.

4. All amounts paid over to the authority by the state pursuant to the provisions of this section shall constitute and be accounted for as advances by the state to the authority and, subject only to the rights of the holders of any bonds or notes of the authority theretofore or thereafter issued, shall be repaid to the state from all available operating revenues of the authority in excess of debt service reserve fund requirements and operating expenses.

5. As used in this section, (a) the term "operating expenses" shall mean ordinary expenditures for operation and administration of the authority, including maintenance, repair and replacement of authority property; and (b) the term "available operating revenues" shall mean all amounts received on account of rentals and fees charged by the authority, if any, and income or interest earned or added to funds of the authority due to the investment thereof, and not required under the terms or provisions of any covenant or agreement with holders of any

bonds or notes of the authority to be applied to any purposes other than payment of operating expenses of the authority.

§ 1762. Exemption from taxation of bonds and notes. The state covenants with the purchasers and with all subsequent holders and transferees of bonds and notes, in consideration of the acceptance of and payment for the bonds and notes, that the bonds and notes and the income therefrom, and all moneys, funds and revenues pledged to pay or secure the payment of such bonds and notes shall at all times be free from taxation, except for estate and gift taxes and taxes on transfers.

§ 1763. Bonds and notes legal investments for fiduciaries. The bonds and notes are hereby made securities in which all public officers and bodies of the state and all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks, savings associations, including savings and loan associations and building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or who may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds including capital in their control or belonging to them. Notwithstanding any other provisions of law, the bonds and notes of the authority are also hereby made securities which may be deposited with and may be received by all public officers and bodies of this state and all municipalities and municipal subdivisions for any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter be authorized.

§ 1764. Right of state to require redemption of bonds. Notwithstanding and in addition to any provisions for the redemption of bonds which may be contained in any contract with the holders of the bonds, the state may, upon furnishing sufficient funds therefor, require the authority to redeem, prior to maturity, as a whole, any issue of bonds on any interest payment date not less than twenty years after the date of the bonds of such issue at one hundred five percent of their face value and accrued interest or at such lesser redemption price as may be provided in the bonds in case of the redemption thereof as a whole on the redemption date. Notice of such redemption shall be published in at least two newspapers published and circulating respectively in the cities of Albany and New York at least twice, the first publication to be at least thirty days before the date of redemption.

§ 1765. Rights and remedies of bondholders and noteholders. The holders of bonds and notes shall have the following rights and remedies, subject to the terms of the resolution authorizing such bonds and notes or any trust indenture, secured loan agreement or other instrument related thereto:

1. In the event that the authority shall default in the payment of principal of or interest on any issue of bonds or notes after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the authority shall fail or refuse to comply with the provisions of this title, or shall default in any contract made with the holders of any issue of bonds or notes, the holders of twenty-five per centum in aggregate principal amount of the bonds or notes of such issue then outstanding, by instrument or instruments filed in the office of the clerk in the county of Albany and approved or acknowledged in the same

manner as a deed to be recorded, may appoint a trustee to represent the holders of such bonds or notes for the purposes herein provided.

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

(a) by suit, action or special proceeding, enforce all rights of the bondholders or noteholders, including the right to require the authority to collect fees, rentals and charges adequate to carry out any agreements with the holders of such bonds or notes and to perform its duties under this title;

(b) bring suit upon such bonds or notes;

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

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

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

3. Such trustee, whether or not the issuance of bonds or notes represented by such trustee had been declared due and payable, shall be entitled as of right to the appointment of a receiver of any property of the authority, the fees, rentals, charges or other revenues of which are pledged for the security of the bonds or notes of such issue and such receiver may enter and take possession of such property, or any part or parts thereof and operate and maintain the same and receive all fees, charges, rentals and other revenues thereafter arising therefrom and exercise such other powers of the authority as the court may deem advisable and perform the public duties and carry out the agreements and obligations of the authority under the direction of the court. In any suit, action or proceeding by the trustee the fees, counsel fees and expenses of the trustee and of the receiver, if any, shall constitute taxable disbursements and all costs and disbursements allowed by the court shall be a first charge on any fees, charges, rentals and other revenues derived from such properties.

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

5. The supreme court shall have jurisdiction of any suit, action or proceeding by the trustee on behalf of such bondholders or noteholders. The venue of any such suit, action or proceeding shall be laid in the county of Albany.

6. Before declaring the principal of bonds or notes due and payable, the trustee shall first give thirty days' notice in writing to the governor, to the authority, to the comptroller and to the attorney general of the state.

§ 1766. State not liable on bonds and notes. The bonds and notes shall not be a debt of the state of New York nor shall the state be liable thereon and such bonds and notes shall contain on the face thereof a statement to that effect.

§ 4. The tax law is amended by adding a new article 29-E to read as follows:

ARTICLE 29-E
FOR-HIRE VEHICLE IMPROVEMENT SURCHARGE

Section 1299-aa. Definitions.
1299-bb. Imposition of tax.
1299-cc. Liability for surcharge.
1299-dd. Returns and payment of surcharge.
1299-ee. Records to be kept.
1299-ff. Deposit and disposition of revenue.

§ 1299-aa. Definitions. As used or referred to in this article, unless a different meaning clearly appears from the context:

(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) "Authority" means the green transition authority established pursuant to section seventeen hundred fifty-one of the public authorities law.

(c) "For-hire vehicle" means any transportation network company vehicle ("TNC vehicle") as defined in section sixteen hundred ninety-one of the vehicle and traffic law and any for-hire vehicle as defined in section 19-502 of the administrative code of the city of New York.

(d) "For-hire transportation trip" means transportation provided in a for-hire vehicle as defined in subdivision (c) of this section, for which a charge is made.

(e) "High-volume for-hire service" shall have the same meaning as defined in section 19-502 of the administrative code of the city of New York.

§ 1299-bb. Imposition of tax. (a) In addition to any other tax or assessment imposed by this chapter or other law, there is hereby imposed a surcharge of one dollar for each for-hire transportation trip conducted in a transportation network company vehicle or by a high-volume for-hire service.

(b) Receipts subject to tax under paragraph ten of subdivision (c) of section eleven hundred five of this chapter shall be deemed to exclude any surcharge imposed by this article.

§ 1299-cc. Liability for surcharge. (a) Notwithstanding any provision of law to the contrary, any person who dispatches a motor vehicle by any means that provides transportation that is subject to a surcharge imposed by this article shall be liable for the surcharge imposed by this article.

(b) Notwithstanding any law to the contrary: (1) The surcharge imposed by this article shall be passed along to passengers and separately stated on any receipt that is provided to such passengers. The passing along of such surcharge shall not be construed by any court or administrative body as the imposition of the surcharge on the person or entity that pays for the for-hire transportation trip. All regulatory agencies shall adjust any fares that are authorized by such agencies to include the surcharge imposed by this article and shall require that any meter or other instrument used in any for-hire vehicle regulated by such agency to calculate fares be adjusted to include the surcharge.

(2) Neither the failure of a regulatory agency to adjust fares nor the failure to adjust a meter or other instrument used in a for-hire vehicle to calculate fares shall relieve any person liable for the surcharge imposed by this article from the obligation to pay such surcharge.

§ 1299-dd. Returns and payment of surcharge. (a) Every person liable for the surcharge imposed by this article shall file a return with the commissioner on a monthly basis. Each return shall show the number of for-hire transportation trips subject to the surcharge imposed by this article in the month for which the return is filed, along with such other information as the commissioner may require. The returns required by this section shall be filed within twenty days after the end of the month covered thereby. If the commissioner deems it necessary to ensure the payment of the surcharge imposed by this article, the commissioner may require returns to be made for shorter periods than prescribed by the provisions of this section, and upon such dates as may be specified. 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 that returns be filed electronically.

(b) Every person liable for the surcharge imposed by this article shall, at the time of filing such return, pay to the commissioner the total amount of all surcharges due under this article. Such amount shall be due and payable 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 for-hire trips that are subject to the surcharge, or the correct surcharge amount due thereon. The commissioner may require that the surcharge be paid electronically.

(c) In addition to any other penalty or interest provided for under this article or other law, and unless it is shown that such failure is due to reasonable cause and not due to willful neglect, any person liable for the surcharge imposed by this article that fails to pay such surcharge when due shall be liable for a penalty in an amount equal to two hundred percent of the total surcharge amount that is due.

§ 1299-ee. Records to be kept. Every person liable for the surcharge imposed by this article shall keep, and shall make available for review upon demand by the commissioner:

(a) records of every trip provided or arranged by such person, or provided through the use of a for-hire vehicle owned or leased by such person, including all amounts paid, charged, or due thereon, in such form as the commissioner may require;

(b) true and complete copies of any records required to be kept by any applicable regulatory department or agency; and

(c) such other records and information as the commissioner may require to perform their duties under this article.

§ 1299-ff. Deposit and disposition of revenue. (a) Any surcharge, interest, and penalties collected or received by the commissioner shall be deposited daily with such responsible banks, banking houses, or trust companies, as may be designated by the comptroller, to the credit of the comptroller in trust for the green transition 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 article, the comptroller shall retain such amount as the commissioner may determine to be necessary for refunds under this article. The commissioner is authorized and directed to deduct from the amounts the department receives under this article, before deposit into the trust accounts designated by the comptroller, a reasonable amount necessary to effectuate refunds of appropriations of the department to reimburse the

department for the costs incurred to administer, collect and distribute the surcharge, interest, and penalties imposed by this article.

(b) On or before the twelfth day of each month, after reserving such amount for such refunds and deducting such amounts for such costs, as provided for in subdivision (a) of this section, the commissioner shall certify to the comptroller the amount of revenues so received during the prior month as a result of the surcharge, interest, and penalties so imposed. Notwithstanding any provision of law to the contrary, after deducting the amounts specified in this subdivision, the remaining funds collected shall be deposited by the comptroller, without appropriation, into the green transition fund established pursuant to section seventeen hundred fifty-five of the public authorities law.

§ 5. The sum of ten million dollars ($10,000,000), or so much thereof as may be necessary, is hereby appropriated to the green transition authority from any moneys in the state treasury in the general fund to the credit of the state purposes account not otherwise appropriated for the purposes of carrying out the provisions of this act. Such sum shall be payable on the audit and warrant of the state comptroller on vouchers certified or approved by the secretary of state or such secretary's duly designated representative in the manner provided by law.

§ 6. This act shall take effect immediately.