

STATE OF NEW YORK

5828

2025-2026 Regular Sessions

IN ASSEMBLY

February 20, 2025

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

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

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

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

12 PART A

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

LBD05547-01-5

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 and attendance of, the chief executive officer. The salary of the
2 [~~chairman~~] chair, as determined pursuant to subdivision two of this
3 section, shall also be compensation for all services performed as chief
4 executive officer.

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

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

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

33 § 7. Subdivisions 3, 10 and 11 of section 1265 of the public authori-
34 ties law are REPEALED.

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

38 6. [~~(a)~~] To enter into contracts and leases and to execute all instru-
39 ments necessary or convenient;

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

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

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

53 (iii) ~~the board of the authority shall resolve on the basis of parti-~~
54 ~~cularized findings relevant to the factors negotiated that such trans-~~
55 ~~action will provide maximum available financial benefits, consistent~~
56 ~~with other defined objectives and requirements.~~

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

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

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

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

§ 11. Section 1266 of the public authorities law, as added by chapter 324 of the laws of 1965, subdivisions 1, 2, 6 and 8 as amended and subdivisions 3-a and 6-a as added by section 23 of part 0 and subdivision 17 as added by section 8 of part N of chapter 61 of the laws of 2000, subdivision 3 as amended and subdivisions 10, 11 and 12 as added by chapter 314 of the laws of 1981, subdivision 4 as amended by section 3 of part UU of chapter 56 of the laws of 2024, subdivision 5 as amended by section 8 of part H of chapter 25 of the laws of 2009, the opening paragraph of subdivision 5 as amended by chapter 506 of the laws of 2009, subdivision 9 as added by chapter 717 of the laws of 1967, the opening paragraph of subdivision 9 as separately amended by chapters 657 and 789 of the laws of 1973, paragraphs (a), (b), (c) and (d) of subdivision 9 as relettered by chapter 789 of the laws of 1973, paragraph (b) of subdivision 9 as amended by chapter 420 of the laws of 1968, subdivision 12-a as added by section 2 of part VVV of chapter 58 of the laws of 2020, subdivision 13 as added by chapter 530 of the laws of 1986, subdivision 14 as amended by chapter 182 of the laws of 2013, subdivision 15 as added by chapter 523 of the laws of 1999, subdivision 16 as amended by chapter 25 of the laws of 2000, subdivision 18 as amended by chapter 607 of the laws of 2003 and subdivision 19 as added by chapter 261 of the laws of 2021, is amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~3 4. The authority may establish and, in the case of joint service
4 arrangements, join with others in the establishment of such schedules
5 and standards of operations and such other rules and regulations includ-
6 ing but not limited to rules and regulations governing the conduct and
7 safety of the public as it may deem necessary, convenient or desirable
8 for the use and operation of any transportation facility and related
9 services operated by the authority or under contract, lease or other
10 arrangement, including joint service arrangements, with the authority.
11 Such rules and regulations governing the conduct and safety of the
12 public shall be filed with the department of state in the manner
13 provided by section one hundred two of the executive law. In the case of
14 any conflict between any such rule or regulation of the authority
15 governing the conduct or the safety of the public and any local law,
16 ordinance, rule or regulation, such rule or regulation of the authority
17 shall prevail. Violation of any such rule or regulation of the authority
18 or any of its subsidiaries governing the conduct or the safety of the
19 public in or upon any facility of the authority or any of its subsid-
20 iaries shall constitute an offense and shall be punishable by a fine not
21 exceeding fifty dollars or imprisonment for not more than thirty days or
22 both or may be punishable by the imposition of a civil penalty by the
23 transit adjudication bureau established pursuant to the provisions of
24 title nine of this article, except that civil penalties relating to the
25 payment of fares may be punishable by the imposition of a civil penalty
26 not to exceed one hundred fifty dollars, provided that civil penalties
27 relating to the payment of fares to the MTA bus company and the Metro-
28 North railroad and Long Island rail road shall be in accordance with the
29 conditions set forth in subdivisions eleven and twelve of section twelve
30 hundred nine-a of this article, as applicable.~~

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

~~activities shall have all of the privileges, immunities, tax exemptions and other exemptions of the authority and of the authority's property, functions and activities. Each such subsidiary corporation shall be subject to the restrictions and limitations to which the authority may be subject. Each such subsidiary corporation of the authority shall be subject to suit in accordance with section twelve hundred seventy six of this title. The employees of any such subsidiary corporation, except those who are also employees of the authority, shall not be deemed employees of the authority.~~

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

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

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

(a) pay:

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

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

(iii) the operating expenses of the authority;

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

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

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

1 to negotiate for the same upon such terms and conditions as the respec-
2 tive authority may determine to be necessary, convenient or desirable.

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

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

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

55 ~~The jurisdiction, supervision, powers and duties of the department of~~
56 ~~transportation of the state under the transportation law shall not~~

~~extend to the authority in the exercise of any of its powers under this title. The authority may agree with such department for the execution by such department of any grade crossing elimination project or any grade crossing separation reconstruction project along any railroad facility operated by the authority or by one of its subsidiary corporations or under contract, lease or other arrangement with the authority. Any such project shall be executed as provided in article ten of the transportation law and the railroad law, respectively, and the costs of any such project shall be borne as provided in such laws, except that the authority's share of such costs shall be borne by the state.~~

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

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

~~(b) If funds are made available by the authority for the payment of the cost and expense of the acquisition thereof, the commissioner of transportation of the state of New York, when requested by the authority, may acquire in the name of the state such real property lying within~~

~~the territorial boundaries of the state as may be determined from time to time by the authority to be necessary, convenient or desirable to carry out the authorizations set forth in paragraphs (a) and (b) of this subdivision, may remove the owner or occupant thereof where necessary and obtain possession and, when requested by the authority, may dispose of any real property so acquired, all according to the procedure provided in section thirty of the highway law. The authority shall have the right to possess and use for its corporate purposes all such real property so acquired, all according to the procedure provided in section thirty of the highway law. The authority shall have the right to possess and use for its corporate purposes all such real property so acquired. Claims for the value of the property appropriated and for legal damages caused by any such appropriation shall be adjusted and determined by the commissioner of transportation with the approval of the authority or by the court of claims as provided in section thirty of the highway law. When a claim has been filed with the court of claims, the claimant shall cause a copy of such claim to be served upon the authority and the authority shall have the right to be represented and heard before such court. All awards and judgments arising from such claims shall be paid out of moneys of the authority.~~

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

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

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

~~[11. No project to be constructed upon real property theretofore used for a transportation purpose, or on an insubstantial addition to such property contiguous thereto, which will not change in a material respect the general character of such prior transportation use, nor any acts or activities in connection with such project, shall be subject to the provisions of article eight, nineteen, twenty-four or twenty-five of the~~

~~environmental conservation law, or to any local law or ordinance adopted pursuant to any such article. Nor shall any acts or activities taken or proposed to be taken by the authority or by any other person or entity, public or private, in connection with the planning, design, acquisition, improvement, construction, reconstruction or rehabilitation of a transportation facility, other than a marine or aviation facility, be subject to the provisions of article eight of the environmental conservation law, or to any local law or ordinance adopted pursuant to any such article if such acts or activities require the preparation of a statement under or pursuant to any federal law or regulation as to the environmental impact thereof.~~

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

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

(b) (i) Upon the execution of any transfer or acquisition pursuant to this subdivision, which shall be final upon the approval by the board of the metropolitan transportation authority and consent of the city of New York, the fair market value shall be determined pursuant to this paragraph. The authority shall make a written offer to pay to the city of New York the fair market value of the authority's use, occupancy, control, possession or acquisition of such property. The offer by the authority shall be based on an appraisal of the value of such property and a copy of such appraisal shall be included with the offer. Such appraisal shall be done by an independent New York state licensed or certified appraiser, who may not be employed by the authority, selected at random from a panel of appraisers maintained by it for such purpose.

1 Such appraisal and a second appraisal, if required pursuant to subpara-
2 graph (ii) of this paragraph, shall consider only the reasonably antic-
3 ipated lawful use of the property and its zoning designation under the
4 zoning resolution of the city of New York at the time the authority
5 notified the city of New York of its determination to use, occupy,
6 control, possess or acquire such property.

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

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

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

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

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

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

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

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

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

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

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

1 the federal bureau of investigation for a national criminal history
2 record check. If additional copies of fingerprints are required, the
3 applicant shall furnish them upon request. Upon receipt of such criminal
4 history information, the authority or the requesting affiliate or
5 subsidiary shall provide such applicant with a copy of such criminal
6 history information, together with a copy of article twenty-three-A of
7 the correction law, and inform such applicant of ~~[his or her]~~ their
8 right to seek correction of any incorrect information contained in such
9 criminal history information pursuant to regulations and procedures
10 established by the division of criminal justice services. The authority
11 or the requesting affiliate or subsidiary shall ensure that adequate
12 notice be provided to such applicant regarding the fact that state and
13 national criminal history record checks may be conducted. This provision
14 shall not preclude or alter the process by which a municipal civil
15 service commission obtains and provides background information pursuant
16 to subdivision four of section fifty of the civil service law relating
17 to applicants for civil service appointments at the New York city trans-
18 it authority and the Triborough bridge and tunnel authority.

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

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

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

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

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

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

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

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

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

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

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

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

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

6. Such transfers shall be subject to section seventy of the civil service law; or, where not subject to civil service, the provisions of such section seventy shall be deemed applicable, except where the context clearly requires otherwise. Any such employee who, at the time of such transfer, has a temporary or provisional appointment shall be transferred subject to the same right of removal, examination or termination as though such transfer had not been made except to the extent such rights are modified by a collective bargaining agreement.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1. (a) The authority shall **only** have power [~~and is hereby authorized from time to time~~] to issue its bonds, notes and other obligations in such principal amount as [~~in the opinion of the authority, shall be necessary, convenient or desirable to effectuate any of its powers and purposes, including to provide sufficient funds for achieving its purposes, including the acquisition, establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension, rehabilitation or repair of any transportation facility, the payment of principal, redemption premium and interest on bonds, notes and other obligations of the authority, establishment of reserves to secure such bonds notes and other obligations, the provision of working capital and all other expenditures of the authority and its subsidiary corporations,~~

1 ~~and New York city transit authority and its subsidiary corporations~~
2 ~~incident to and necessary or convenient to carry out their purposes and~~
3 ~~powers]~~ already authorized by the 2015-2019 capital program. Such
4 bonds, notes or other obligations may be issued for an individual trans-
5 portation facility or issued on a consolidated basis for such groups or
6 classes of facilities and projects as the authority in its discretion
7 deems appropriate and be payable from and secured separately or on a
8 consolidated basis by, among other things, all or any portion of such
9 revenues and other monies and assets of the authority [~~and its subsid-~~
10 ~~iary corporations, and New York city transit authority and its subsid-~~
11 ~~iary corporations as the authority determines in accordance with the~~
12 ~~provisions of section twelve hundred seventy d of this title];~~

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

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

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

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

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

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

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

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

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

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

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

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

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

4. In addition to the powers herein conferred upon the authority to secure its notes, bonds and other obligations, the authority shall have power in connection with the issuance of notes, bonds and other obligations to enter into such agreements as the authority may deem necessary, convenient or desirable concerning the use or disposition of the monies or property of ~~[any of] the authority[, its subsidiary corporations, New York city transit authority, or any of its subsidiary~~

1 ~~corporations, or Triborough bridge and tunnel authority~~], including the
2 mortgaging of any such property and the entrusting, pledging or creation
3 of any other security interest in any such monies or property and the
4 doing of any act (including refraining from doing any act) which the
5 authority would have the right to do in the absence of such agreements.
6 The authority shall have power to enter into amendments of any such
7 agreements within the powers granted to the authority by this title and
8 to perform such agreements. The provisions of any such agreements may be
9 made a part of the contract with the holders of the notes, bonds and
10 other obligations of the authority.

11 6. Neither the members of the authority, [~~the New York city transit~~
12 ~~authority or the Triborough bridge and tunnel authority~~] the big apple
13 transit authority or any of its affiliates, or the commuter transporta-
14 tion authority nor any person executing the notes, bonds or other obli-
15 gations shall be liable personally on the notes, bonds or other obli-
16 gations or be subject to any personal liability or accountability by
17 reason of the issuance thereof.

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

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

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

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

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

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

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

39 § 35. Subdivisions 2 and 3 and paragraphs (a), (d) and (e) of subdivi-
40 sion 4 of section 1270-a of the public authorities law, subdivisions 2
41 and 3 and paragraphs (a) and (d) of subdivision 4 as amended by section
42 29 of part 0 of chapter 61 of the laws of 2000, and paragraph (e) of
43 subdivision 4 as amended by section 7 of part FF of chapter 58 of the
44 laws of 2019, are amended to read as follows:

45 2. Moneys in the transit account [~~may be pledged to the Triborough~~
46 ~~bridge and tunnel authority to secure bonds and notes and, if so~~
47 ~~pledged,~~] if already pledged prior to January first, two thousand twen-
48 ty-six, shall be paid to the Triborough bridge and tunnel authority in
49 such amounts and at such times as necessary to pay or to reimburse that
50 authority for its payment of debt service and reserve requirements on
51 that portion of special Triborough bridge and tunnel authority bonds and
52 notes issued by that authority pursuant to section five hundred fifty-
53 three-d of this chapter for transit projects undertaken for the New York
54 city transit authority and its subsidiaries. Subject to the provisions
55 of such pledge, any excess monies, or in the event there is no such
56 pledge, any moneys in such account shall, at the direction of the

1 ~~[metropolitan transportation]~~ big apple transit authority, be (a) depos-
2 ited into one or more funds or accounts and used as contemplated by
3 section ~~[twelve hundred seventy-d]~~ thirteen hundred forty-nine-dd of
4 this ~~[title]~~ article or (b) used for the payment of operating and capi-
5 tal costs of the New York city transit authority and its subsidiaries
6 and the Staten Island rapid transit operating authority.

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

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

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

42 (a) Moneys in the corporate transportation account shall first be used
43 for payments to the metropolitan transportation authority Dutchess,
44 Orange and Rockland fund established by section twelve hundred seventy-b
45 of this title. The remaining moneys in the corporate transportation
46 account ~~[may be pledged by the authority, or pledged to the Triborough~~
47 ~~bridge and tunnel authority, to secure bonds, notes or other obligations~~
48 ~~of the authority or the Triborough bridge and tunnel authority, as the~~
49 ~~case may be, and, if so pledged]~~, if already pledged to the Triborough
50 bridge and tunnel authority prior to January first, two thousand twen-
51 ty-six, shall be paid to the Triborough bridge and tunnel authority in
52 such amounts and at such times as necessary to pay or to reimburse that
53 authority for its payment of debt service and reserve requirements, if
54 any, on that portion of special Triborough bridge and tunnel authority
55 bonds and notes issued by that authority pursuant to section five
56 hundred fifty-three-d of this chapter. Subject to the provisions of any

1 such pledge, or in the event there is no such pledge, any excess moneys
2 in the corporate transportation account ~~[may]~~ shall be ~~[used by the~~
3 ~~authority for payment of operating costs of, and capital costs, includ-~~
4 ~~ing debt service and reserve requirements, if any, of or for the author-~~
5 ~~ity,]~~ transferred to the ~~[New York city transit authority and their~~
6 ~~subsidiaries as the authority shall determine]~~ big apple transit author-
7 ity.

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

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

20 (e) Notwithstanding the foregoing provisions of this subdivision, any
21 moneys in the corporate transportation account that are received by the
22 authority: (i) without appropriation pursuant to subdivision one of this
23 section, or (ii) pursuant to the provisions of section ninety-two-ff of
24 the state finance law ~~[may be pledged by the authority, or pledged to~~
25 ~~the Triborough bridge and tunnel authority, to secure bonds, notes or~~
26 ~~other obligations of the authority or the Triborough bridge and tunnel~~
27 ~~authority, as the case may be, and, if so pledged],~~ if already pledged
28 to the Triborough bridge and tunnel authority prior to January first,
29 two thousand twenty-six, shall be paid to the Triborough bridge and
30 tunnel authority in such amounts and at such times as necessary to pay
31 or to reimburse that authority for its payment of debt service and
32 reserve requirements, if any, on that portion of special Triborough
33 bridge and tunnel authority bonds and notes issued by that authority
34 pursuant to section five hundred fifty-three-d of this chapter. Subject
35 to the provisions of any such pledge, or in the event there is no such
36 pledge, any moneys in the corporate transportation account received by
37 the authority: (i) without appropriation pursuant to subdivision one of
38 this section, or (ii) pursuant to the provisions of section ninety-two-
39 ff of the state finance law ~~[may]~~ shall be ~~[used by the authority for~~
40 ~~payment of operating costs of, and capital costs, including debt service~~
41 ~~and reserve requirements, if any, of or for the authority,]~~ transferred
42 to the ~~[New York city transit authority and their subsidiaries as the~~
43 ~~authority shall determine]~~ big apple transit authority. No moneys in the
44 corporate transportation account that are reserved by the authority: (i)
45 without appropriation pursuant to subdivision one of this section; or
46 (ii) pursuant to the provisions of section ninety-two-ff of the state
47 finance law may be used for making any payment to the Dutchess, Orange
48 and Rockland fund created by section twelve hundred seventy-b of this
49 title or considered in calculating the amounts required to be paid into
50 such fund.

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

54 3. Moneys in the fund may be ~~[(a) pledged by the authority to secure~~
55 ~~and be applied to the payment of its bonds, notes or other obligations~~
56 ~~specified by the authority and issued to finance (i) transit projects~~

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

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

Moneys in the operating and capital costs account which were deposited in the fund pursuant to section eighty-eight-a of the state finance law (the "remaining MMTOA amount") shall be distributed by the authority as follows: an amount equal to the debt service incurred in such calendar year as a result of obligations issued and secured by money in the fund, to the extent such debt service is to be paid from money deposited in

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

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

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

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

49 § 1270-g. Regulation of certain authority expenditures. 1. The author-
50 ity shall implement policies as appropriate to minimize unwarranted
51 expenses and to protect against abuses in connection with (i) the grant-
52 ing of any privileges or benefits having financial value, other than
53 wage payments or expense reimbursements, to members or staff of the
54 authority, or any subsidiary or other authority created by the authori-
55 ty; and (ii) the full-time and part-time assignment and use of automo-
56 biles owned or leased by the authority, or any subsidiary or other

1 authority created by the authority, and the use by authority employees
2 and board members of livery vehicles, as defined in section one hundred
3 twenty-one-e of the vehicle and traffic law.

4 2. The authority's total expenses for its first year, not including
5 payments of interest or principal on bonds and notes and other obli-
6 gations of the authority already outstanding as of January first, two
7 thousand twenty-six, or already authorized by the 2015-2019 capital
8 program, shall not exceed one hundred ten million dollars, and in subse-
9 quent years shall not exceed one percent of the total operating
10 expenses, not including capital expenditures or payments of interest or
11 principal on bonds and notes and other obligations, of the big apple
12 transit authority in the previous year.

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

16 3. Moneys in the fund may be [~~(a) pledged by the authority to secure~~
17 ~~and be applied to the payment of the bonds, notes or other obligations~~
18 ~~of the authority issued on or after the effective date of this section~~
19 ~~to finance capital projects of the authority and its subsidiaries and~~
20 ~~the New York city transit authority and any subsidiaries; or (b)] used~~
21 for payment of [~~capital~~] operating costs, including debt service,
22 reserve requirements, if any, the payment of amounts required under bond
23 and note facilities or agreements related thereto, the payment of federal
24 government loans, security or credit arrangements or other agreements
25 related thereto, and the payment of all costs related to such obli-
26 gations, of or for the authority, the New York city transit authority
27 and their subsidiaries as the authority shall determine. To the extent
28 moneys in the fund have already been pledged by the authority prior to
29 January first, two thousand twenty-six, to secure and pay the bonds,
30 notes or other obligations of the authority issued to finance capital
31 projects of the authority and its subsidiaries and the New York city
32 transit authority and any subsidiaries as herein provided, monies depos-
33 ited into the fund shall be deposited to the extent necessary to satisfy
34 the requirements of any debt service or reserve requirements, if any, of
35 the resolution authorizing such bonds, notes or other obligations.

36 Subject to the provisions of any such pledge, or in the event there is
37 no such pledge, any excess moneys in this fund [~~may~~] shall be [~~used by~~
38 ~~the authority for payment of operating costs of, and capital costs,~~
39 ~~including debt service and reserve requirements, if any, of or for the~~
40 ~~authority, the New York city transit authority and their subsidiaries as~~
41 ~~the authority shall determine. To the extent moneys in the fund have~~
42 ~~been pledged by the authority to secure and pay the bonds, notes or~~
43 ~~other obligations of the authority issued to finance capital projects of~~
44 ~~the authority and its subsidiaries and the New York city transit author-~~
45 ~~ity and any subsidiaries as herein provided, monies deposited into the~~
46 ~~fund shall be deposited to the extent necessary to satisfy the require-~~
47 ~~ments of any debt service or reserve requirements, if any, of the resol-~~
48 ~~ution authorizing such bonds, notes or other obligations]~~ transferred to
49 the big apple transit authority.

50 § 40. Subdivisions 2, 3 and 4 of section 1270-i of the public authori-
51 ties law, as added by section 4 of part NNN of chapter 59 of the laws of
52 2018, are amended to read as follows:

53 2. Moneys in the subway action plan account shall be used for the
54 exclusive purpose of funding the operating and capital costs of the
55 [~~metropolitan transportation authority's~~] New York city subway action
56 plan. Such funds may be used for infrastructure including construction,

1 reconstruction, reconditioning and preservation of transportation
2 systems, facilities and equipment, acquisition of property, and for
3 operating costs including personal services, non-personal services,
4 fringe benefits, and contractual services. Funds may also be used to pay
5 or to reimburse the authority for its payment of debt service and
6 reserve requirements on that portion of authority bonds and notes issued
7 by the authority for capital costs of the [~~metropolitan transportation~~
8 ~~authority's~~] New York city subway action plan.

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

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

47 § 41. Section 1271 of the public authorities law, as amended by
48 section 32 of part 0 of chapter 61 of the laws of 2000, is amended to
49 read as follows:

50 § 1271. Agreement of the state. The state does hereby pledge to and
51 agree with the authority and its subsidiaries, [~~New York city transit~~
52 ~~authority and its subsidiaries, and Triborough bridge and tunnel author-~~
53 ~~ity~~] the big apple transit authority and its affiliates, the commuter
54 transportation authority, and the holders of any notes, bonds or other
55 obligations, including lease obligations, issued or incurred under this
56 title, that the state will not limit or alter the denial of authority

1 under subdivision nine of section twelve hundred sixty-nine of this
2 title, or the rights and powers vested in the authority and its subsid-
3 iaries, New York city transit authority and its subsidiaries, and
4 Triborough bridge and tunnel authority by this title to fulfill the
5 terms of any agreements made by any of them with the holders thereof, or
6 in any way impair the rights and remedies of such holders until such
7 notes, bonds or other obligations, including lease obligations, together
8 with the interest thereon, with interest on any unpaid installments of
9 interest, and all costs and expenses for which the authority or its
10 subsidiaries, New York city transit authority and its subsidiaries, and
11 Triborough bridge and tunnel authority is liable in connection with any
12 action or proceeding by or on behalf of such holders, are fully met and
13 discharged. The authority and its subsidiaries, New York city transit
14 authority and its subsidiaries, and Triborough bridge and tunnel author-
15 ity are each authorized to include this pledge and agreement of the
16 state in any agreement with the holders of such notes, bonds or other
17 obligations, including lease obligations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 other public transportation operator or carrier required herein to file
2 such a plan shall review such plan biennially and amend such plan if
3 amendments are necessary.

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

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

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

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

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

46 11. The aggregate principal amount of bonds and notes issued and
47 outstanding at any time to finance projects authorized by paragraphs
48 (m), (n), (o), (p) and (r) of subdivision nine of section five hundred
49 fifty-three of this title shall not exceed one billion one hundred
50 million dollars through December thirty-first, nineteen hundred eighty-
51 six and three billion two hundred million dollars thereafter, provided
52 however that such latter amount shall not exceed two billion two hundred
53 million dollars for all bonds and notes other than those issued pursuant
54 to section five hundred fifty-three-d of this title. This limitation
55 shall not include (i) bonds and notes issued to refund or otherwise
56 repay bonds or notes theretofore issued for such purposes, (ii) bonds

1 issued to fund any reasonably required debt service reserve fund for
2 bonds and notes, and (iii) an amount equal to any original issue
3 discount from the ~~[principal]~~ principal amount of any bonds or notes
4 issued and then outstanding. From the proceeds of the bonds and notes
5 provided for in the first sentence of this subdivision, other than bonds
6 or notes authorized by section five hundred fifty-three-d of this title,
7 the authority shall not expend more than one billion three hundred twenty
8 million dollars for transit projects ~~[as defined in section twelve~~
9 ~~hundred sixty-six-c of this chapter]~~ nor more than eight hundred eighty
10 million dollars for transportation facilities as such term is defined in
11 subdivision fourteen of section twelve hundred sixty-one of this chapter
12 other than marine or aviation facilities. For the purposes of this
13 subdivision, facilities under the jurisdiction of the Staten Island
14 rapid transit operating authority shall be considered transit projects.

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

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

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

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

49 § 61. Intentionally omitted.

50 § 62. Intentionally omitted.

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

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

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

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

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

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

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

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

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

9 § 553-d. Special Triborough bridge and tunnel authority special obli-
10 gation bonds and notes. In addition to the powers contained elsewhere in
11 this title with respect to the projects authorized by paragraphs (m),
12 (n), (o), (p) and (r) of subdivision nine of section five hundred
13 fifty-three of this title, and subject to the application of the reven-
14 ues and other monies and assets of the authority [~~pursuant to section~~
15 ~~twelve hundred seventy-d of this chapter~~], the authority may issue its
16 bonds and notes to finance such projects payable from and secured by all
17 or any part of the moneys received by the authority from the metropol-
18 itan transportation authority special assistance fund established under
19 section twelve hundred seventy-a of this chapter, provided however that
20 such bonds and notes may also be payable from and secured by any other
21 moneys, securities and funds designated by the authority as additional
22 security therefor. Debt service on bonds and notes issued by the author-
23 ity pursuant to this section which is paid or reimbursed from moneys
24 received by the authority from the metropolitan transportation authority
25 special assistance fund shall not be deemed to constitute debt service
26 incurred by the authority for purposes of subdivision three of section
27 twelve hundred nineteen-a of this chapter. Such bonds or notes shall be
28 issued in the manner provided in section five hundred sixty-one of this
29 title.

30 § 66. This act shall take effect January 1, 2026, provided, however,
31 that the amendments to subdivision 12-a of section 1266 of the public
32 authorities law made by section eleven of this act shall not affect the
33 repeal of such subdivision and shall be deemed repealed therewith.

34 PART B

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

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

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

42 4-a. "City council." The city council of New York.

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

45 § 2. Subdivisions 1, 2, 5 and 6 of section 1201 of the public authori-
46 ties law, subdivisions 1 and 5 as amended by chapter 929 of the laws of
47 1986, subdivision 2 as amended by chapter 506 of the laws of 2009, and
48 subdivision 6 as amended by section 11 of part 0 of chapter 61 of the
49 laws of 2000, are amended to read as follows:

50 1. A board, to be known as "New York City Transit Authority" is hereby
51 created. Such board shall be a body corporate and politic constituting a
52 public benefit corporation. It shall consist of seventeen members, all
53 serving ex officio. Those members shall be the persons who from time to

1 time shall hold the offices of [~~chairman~~] chair and members of [~~metro-~~
2 ~~politan transportation~~] the big apple transit authority.

3 2. The [~~chairman~~] chair of such board shall be the [~~chairman~~] chair of
4 [~~metropolitan transportation~~] the big apple transit authority, serving
5 ex officio, and, provided that there is an executive director of the
6 [~~metropolitan transportation~~] big apple transit authority, the executive
7 director of the authority shall be the executive director of the [~~metro-~~
8 ~~politan transportation~~] big apple transit authority, serving ex officio.
9 Notwithstanding any provision of law to the contrary, the [~~chairman~~]
10 chair shall be the chief executive officer of the authority and shall be
11 responsible for the discharge of the executive and administrative func-
12 tions and powers of the authority. The [~~chairman~~] chair and executive
13 director, if any, each shall be empowered to delegate [~~his or her~~] their
14 respective functions and powers to one or more officers or employees
15 designated by [~~him or her~~] such chair or director.

16 5. A majority of the whole number of members of the authority then in
17 office shall constitute a quorum for the transaction of any business or
18 the exercise of any power of the authority. Except as otherwise speci-
19 fied in this title, for the transaction of any business or the exercise
20 of any power of the authority, the authority shall have the power to act
21 by a majority vote of the members present at any meeting at which a
22 quorum is in attendance. In the event of a tie vote the [~~chairman~~] chair
23 shall cast one additional vote. For the purposes of the voting and
24 quorum requirements of this subdivision, the voting and quorum require-
25 ments set forth in subdivision three of section [~~twelve hundred sixty-~~
26 ~~three~~] thirteen hundred forty-nine-c of this article and in any by-law
27 of the [~~metropolitan transportation~~] big apple transit authority adopted
28 pursuant to the provisions of such subdivision shall be applicable here-
29 to.

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

47 § 3. Section 1202 of the public authorities law, as added by chapter
48 200 of the laws of 1953, subdivision 1 as amended by section 12 of part
49 0 of chapter 61 of the laws of 2000 and such section as renumbered by
50 chapter 914 of the laws of 1957, is amended to read as follows:

51 § 1202. Purposes of the authority. 1. The purposes of the authority
52 shall be the acquisition of the transit facilities operated by the board
53 of transportation of the city, the operation of transit facilities in
54 accordance with the provisions of this title for the convenience and
55 safety of the public on a basis which will enable the operations there-
56 of, exclusive of capital costs, to be self-sustaining, and, in coordi-

1 nation with the [~~metropolitan transportation~~] big apple transit authori-
2 ty and the Triborough bridge and tunnel authority, the continuance,
3 further development and improvement of commuter transportation and other
4 services related thereto within the [~~metropolitan commuter transporta-~~
5 ~~tion district~~] city of New York and the development and implementation
6 of a unified mass transportation policy for such [~~district~~] city.

7 2. It is hereby found and declared that such purposes are in all
8 respects for the benefit of the people of the [~~state~~] city of New York
9 and the authority shall be regarded as performing a governmental func-
10 tion in carrying out its corporate purpose and in exercising the powers
11 granted by this title.

12 § 4. Subparagraph (ii) of paragraph b of subdivision 1 of section 1203
13 of the public authorities law, as amended by chapter 717 of the laws of
14 1967, is amended to read as follows:

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

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

51 (f) to operate omnibus lines on those routes in the city of New York
52 where on February twenty-eighth, nineteen hundred sixty-two, omnibus
53 lines were operated under franchises or temporary certificates of
54 convenience and necessity which have been revoked, terminated, rescinded
55 or condemned, or acquired by any other means, and to extend such routes
56 so as to provide the complete service operated on February twenty-

1 eighth, nineteen hundred sixty-two; and such operation, together with
2 the necessary extensions, shall be deemed to constitute operation over
3 approved routes with the same force and effect as if the said routes had
4 been duly approved by the [~~board of estimate~~] city council of the city,
5 as provided by law; and to operate on such other routes as the [~~board~~]
6 council may authorize by resolution adopted only after a public hearing
7 held after notice thereof, and of the proposed route, and the proposed
8 resolutions authorizing the same, have been published in full for at
9 least fifteen days, except Sundays and legal holidays, immediately prior
10 thereto in the City Record, and at least twice in two newspapers
11 published in the borough or boroughs affected, to be designated by the
12 board.

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

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

46 § 6. Section 1203-b of the public authorities law, as amended by
47 section 13 of part 0 of chapter 61 of the laws of 2000, is amended to
48 read as follows:

49 § 1203-b. Transfer of funds. The authority and its subsidiary corpo-
50 ration, the Manhattan and Bronx surface transit operating authority, may
51 each transfer to the other from time to time such available funds as
52 they may jointly determine to be necessary or desirable, including funds
53 accepted by the authority pursuant to the provisions of section twelve
54 hundred nineteen-a of this title. Subject to the rights of the holders
55 of any outstanding bonds, notes or other obligations of the authority,
56 the big apple transit authority, the metropolitan transportation author-

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

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

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

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

19. To invest any funds, accounts or other monies not required for immediate use or disbursement, at the discretion of the authority, in any of the investments in which the [~~metropolitan transportation~~] big apple transit authority is permitted to invest its monies pursuant to

1 subdivision four of section [~~twelve hundred sixty-five~~] thirteen hundred
2 forty-nine-e of this article.

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

5 4. From and after March first, nineteen hundred sixty-eight, no
6 substantial or general change in the levels of service furnished upon
7 the rapid transit facilities or the omnibus line facilities of the
8 authority shall be instituted except upon not less than thirty days'
9 written notice to the mayor and to the [~~board of estimate~~] city council.

10 § 9. Section 1206-a of the public authorities law, as added by chapter
11 576 of the laws of 1972, is amended to read as follows:

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

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

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

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

§ 1207-i. Rates of fare while bonds, notes and other obligations are outstanding. Notwithstanding the provisions of section twelve hundred five of this title or the provisions of any other law to the contrary, so long as the authority shall have outstanding and unpaid bonds, notes or other obligations issued pursuant to section twelve hundred seven-b of this title, or the big apple transit authority, or the metropolitan transportation authority or the Triborough bridge and tunnel authority shall have outstanding and unpaid bonds, notes or other obligations secured by or payable from, in whole or in part, the revenues, assets or other monies of the authority or its subsidiary corporations, the authority shall have the power at all times to fix or adjust the rate or rates of fare to be charged for the use of any transit facility operated by the authority as may, in the judgment of the board, be necessary to produce sufficient revenues to pay, as the same shall become due, the principal of and interest on such bonds, notes and other obligations of the authority, the big apple transit authority, the metropolitan transportation authority and the Triborough bridge and tunnel authority, together with the maintenance of proper reserves therefor, in addition to paying as the same shall become due the expenses of operation of the authority. The authority, the big apple transit authority, the metropolitan transportation authority and the Triborough bridge and tunnel authority, shall be authorized to contract with the holders of such bonds notes and other obligations with respect to the exercise of the power authorized by this section. In furtherance of the mandate of the ~~[metropolitan transportation]~~ big apple transit authority to develop and implement a unified mass transportation policy for the ~~[metropolitan commuter transportation district]~~ city of New York and the exercise of its powers, including the power to issue notes, bonds and other obligations secured in whole or in part by the revenues of the authority and its subsidiaries, the big apple transit authority and its subsidiaries, the metropolitan transportation authority and its subsidiaries, and the Triborough bridge and tunnel authority, the authority shall join with the ~~[metropolitan transportation]~~ big apple transit authority in connection with the establishment, levy and collection of fares, tolls, rentals, rates, charges and other fees for the transportation of passengers on any transit facilities operated by authority and its subsidiaries, including any changes thereto.

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

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

§ 13. Section 1207-m of the public authorities law, as added by chapter 314 of the laws of 1981, subdivisions 2 and 8 as amended by chapter 988 of the laws of 1984, subparagraph (i) of paragraph (a) of subdivision 4 as amended by chapter 602 of the laws of 1984, paragraph (b) of

subdivision 7 as amended by chapter 558 of the laws of 1981, subdivision 11 as amended by section 18 of part 0 of chapter 61 of the laws of 2000 and subdivision 12 as added by chapter 929 of the laws of 1986, is amended to read as follows:

§ 1207-m. Transit projects. 1. The term "transit project" as used in this section shall have the meaning given to such term from time to time in section ~~[twelve hundred sixty-six-e]~~ thirteen hundred forty-nine-j of this article. The provisions of this section shall be controlling and the authority and its subsidiaries shall have the powers provided in this section notwithstanding any contrary provision of this title or of local law or of any lease or other agreement with the city.

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

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

1 not be deemed regularly scheduled rental payments for purposes of the
2 preceding sentence. Rental payments and other payments or costs incurred
3 by the authority or its subsidiary corporation in discharge of its obli-
4 gations under any lease entered into as hereinabove provided shall not
5 be deemed capital costs for the purposes of section twelve hundred three
6 or twelve hundred three-a of this title, and the considerations received
7 by the authority or its subsidiary corporation in connection with any
8 transactions entered into pursuant to the authorization of this para-
9 graph may be expended free of any restriction set forth in subparagraph
10 (ii) of paragraph (b) of subdivision one of section twelve hundred three
11 or in paragraph (c) of subdivision five of section twelve hundred
12 three-a of this title.

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

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

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

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

30 (d) The authority and its subsidiary shall provide to the [~~governor,~~
31 ~~the temporary president of the senate, the speaker of the assembly, the~~
32 ~~minority leader of the senate and the minority leader of the assembly,~~
33 mayor and speaker of the city council] notice of each lease entered into
34 pursuant to paragraph (b) of this subdivision and supporting documenta-
35 tion of compliance by the authority and its subsidiary with subpara-
36 graphs (i), (ii) and (iii) of paragraph (c) of this subdivision.

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

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

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

55 (i) issue its notes or bonds, or execute and deliver its lease,
56 sublease and other such contractual obligations, in payment for a trans-

fer, lease or sublease of a transit project to any of them, provided, however, that in no event shall the aggregate principal amount of all notes and bonds together with the capitalized value of all lease, sublease and other such contractual obligations, exceed the sum of one billion six hundred million dollars, excluding from such limitation (A) the principal amount of any bonds or notes of the authority to the extent the amount thereof is paid, is payable or has been agreed to be paid by the federal government or any agency or instrumentality thereof to the authority or to the holders of such bonds or notes, (B) the principal amount of any bonds or notes of the authority issued to refund or otherwise repay other obligations issued for such transit projects, (C) the principal amount of any bonds or notes and the capitalized value of any lease, sublease or other such contractual obligation, to the extent such obligations are paid or agreed to be paid, subject to annual appropriation, under service contracts issued by the state to the metropolitan transportation authority for the benefit of the authority or its subsidiaries pursuant to the provisions of section sixteen of the transportation systems assistance and financing act of 1981, or under any similar contract of the metropolitan transportation authority or the authority with any other governmental entity for the benefit of the authority or its subsidiaries, (D) the principal amount of any bonds or notes of the authority issued to the metropolitan transportation authority or to the big apple transit authority in connection with the funding of any debt service reserve fund required by any resolution of the metropolitan transportation authority or of the big apple transit authority pursuant to which special obligation bonds of that authority to fund a transit project were issued, and (E) a principal amount of any bonds or notes of the authority equal to the amount of any original issue discount from the principal amount of the special obligation bonds or notes issued by the metropolitan transportation authority or by the big apple transit authority in connection with the financing of a transit project by that authority;

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

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

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

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

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

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

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

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

(c) The term "revenues" as used in this subdivision shall include all those moneys referred to in section twelve hundred of this [~~article~~] title, as well as all operating subsidies provided by any public benefit corporation or by any governmental entity, federal, state or local.

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

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

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

7. (a) In connection with (i) the lease between the city and the authority dated June first, nineteen hundred fifty-three, and (ii) the lease between the city and the Manhattan and Bronx surface transit operating authority dated March twentieth, nineteen hundred sixty-two (such leases, as heretofore supplemented, amended or renewed, and the tenancies originally created thereby, being referred to in this section as "the existing leases"), the city, acting either by the mayor alone or by resolution of the [~~board of estimate~~] city council, or by instruments authorized by such resolution, and the authority are authorized to enter into agreements for renewal or extension of the existing leases, or for new leases, for such terms of years and upon such other terms and condi-

1 tions as the parties thereto shall agree and the [~~metropolitan transpor-~~
2 ~~tation~~] big apple transit authority shall approve, provided that under
3 the terms thereof, the rights, privileges and obligations of the parties
4 are not inconsistent with the provisions of, or in derogation of the
5 powers of the authority all as provided in this title [~~nine of article~~
6 ~~five of this chapter~~], and provided further that such agreements shall
7 in no way impair the rights or powers of the authority or the Manhattan
8 and Bronx surface transit operating authority to fulfill the terms of
9 any contract made by either of them with the holders of any of their
10 then outstanding bonds or notes, and such agreements shall provide that
11 such leases may not be terminated or permitted to expire or be amended
12 in any way inconsistent with the provisions of any agreement, bond,
13 note, lease, sublease or other contractual obligation given or made by
14 either of them in connection with a transit project. Neither the
15 provisions of section one hundred ninety-seven-c of the New York city
16 charter, relating to a uniform land use review procedure, nor the
17 provisions of any other local law of like or similar import shall apply
18 to the renewal or extension of the existing leases or to the making of
19 new leases as herein provided.

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

54 (c) Upon termination or expiration of a new lease or of a renewed or
55 extended existing lease as permitted in paragraph (a) of this subdivi-
56 sion, or upon satisfaction of the requirements of paragraph (b) of this

1 subdivision, title to any real or personal property (or any interest
2 therein) constituting all or any part of a transit project then vested
3 in the authority or any of its subsidiaries or the ~~[metropolitan trans-~~
4 ~~portation]~~ big apple transit authority pursuant to the provisions of
5 this chapter shall be transferred without further consideration or
6 payment to the city.

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

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

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

50 11. So long as the authority or any of its subsidiaries, the big apple
51 transit authority, or the metropolitan transportation authority, shall
52 have outstanding any notes, bonds, lease, sublease or other contractual
53 obligations authorized by this section or section ~~[twelve hundred~~
54 ~~sixty-six-c]~~ thirteen hundred forty-nine-j or ~~[twelve hundred sixty-~~
55 ~~nine]~~ thirteen hundred forty-nine-u of this article, or which have been
56 issued or incurred in connection with the transfer of the interest of

1 any of them in and the lease from the transferee of any property
2 furnished pursuant to chapter twelve of the laws of nineteen hundred
3 seventy-nine or section fifteen of chapter three hundred fourteen of the
4 laws of nineteen hundred eighty-one, neither the authority nor any of
5 its subsidiaries shall have the authority to file a voluntary petition
6 under chapter nine of the federal bankruptcy code, or such corresponding
7 chapter, chapters, or sections as may, from time to time, be in effect,
8 and neither any public officer nor any organization, entity or other
9 person shall authorize the authority or any of its subsidiaries to be or
10 become a debtor under said chapter nine or said corresponding chapter,
11 chapters or sections during any such period.

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

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

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

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

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

§ 15. Subdivision 3 and paragraphs b and i of subdivision 4 of section 1209-a of the public authorities law, as amended by section 2 of part UU of chapter 56 of the laws of 2024, are amended to read as follows:

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

b. To impose civil penalties and to issue warnings for any transit or railroad infraction within its jurisdiction, in accordance with a penalty schedule established by the authority or the ~~[metropolitan transportation]~~ big apple transit authority or a subsidiary thereof, as applicable, and the conditions set forth in subdivisions eleven and twelve of this section and subdivision four of section twelve hundred sixty-six of this article, except that penalties for violations of the health code of the city of New York shall be in accordance with the penalties established for such violations by the board of health of the city of New York, and penalties for violations of the noise code of the city of New York shall be in accordance with the penalties established for such

1 violations by law, and civil penalties for violations of the rules and
2 regulations of the [~~triborough~~] Triborough bridge and tunnel authority
3 shall be in accordance with the penalties established for such
4 violations by section twenty-nine hundred eighty-five of this chapter;

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

8 § 16. Section 1213 of the public authorities law, as amended by chap-
9 ter 838 of the laws of 1983, is amended to read as follows:

10 § 1213. Report. Copies of the annual report required to be made and
11 submitted pursuant to section twenty-eight hundred of this chapter also
12 shall be submitted to the mayor, comptroller and [~~board of estimate~~]
13 city council.

14 § 17. Section 1219-a of the public authorities law, as amended by
15 section 19 of part 0 of chapter 61 of the laws of 2000, is amended to
16 read as follows:

17 § 1219-a. Transfer and receipt of surplus funds. 1. Notwithstanding
18 any provision of this title or any other provision of law, general,
19 special or local, the authority may from time to time transfer and pay
20 over to the metropolitan transportation authority, the big apple transit
21 authority or [~~triborough~~] the Triborough bridge and tunnel authority all
22 or any part of its surplus funds; and may accept and use any moneys
23 transferred and paid over to it by the metropolitan transportation
24 authority, the big apple transit authority or [~~triborough~~] the Tribor-
25 ough bridge and tunnel authority.

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

28 (a) If the city shall have provided in its capital budget for its
29 fiscal year beginning July first, nineteen hundred sixty-eight the
30 amount of one hundred million dollars, or such lesser amount as shall
31 have been requested by the authority for inclusion in such budget, for
32 the payment of the capital cost of projects requested by the authority
33 pursuant to section twelve hundred three of this title, then upon the
34 written request of the mayor made within thirty days after the commence-
35 ment of such fiscal year, [~~triborough~~] the Triborough bridge and tunnel
36 authority shall transfer to the authority, by lump sum payment or
37 installments at such time or times and in such amounts as the mayor
38 shall elect, all or such part of the surplus funds of [~~triborough~~] the
39 Triborough bridge and tunnel authority on hand as of the last day of its
40 last fiscal year ending prior to such request as the mayor shall speci-
41 fy, which funds shall be applied by the authority solely to the payment
42 of its expenses of operation. If the city shall have provided in its
43 capital budget for any of its next four fiscal years, commencing with
44 the fiscal year beginning July first, nineteen hundred sixty-nine, the
45 amount of one hundred million dollars, or such lesser amount as shall
46 have been requested by the authority for inclusion in such budget, for
47 the payment of the capital cost of projects requested by the authority
48 pursuant to section twelve hundred three of this title, then upon the
49 written request of the mayor made within thirty days after the commence-
50 ment of such fiscal year, [~~triborough~~] the Triborough bridge and tunnel
51 authority shall transfer to the authority solely for application to the
52 payment of expenses of operation of the authority the operating surplus
53 of [~~triborough~~] the Triborough bridge and tunnel authority for its last
54 fiscal year ending prior to such request, which transfer shall also be
55 by lump sum payment or installments at such time or times and in such
56 amounts as the mayor shall elect. Projects shall be eligible for inclu-

1 sion in a computation made hereunder only if included in a capital budg-
2 et on the first day of the fiscal year for which it is adopted. A
3 carry-over project shall not be eligible for inclusion unless it was
4 first included in a capital budget by way of an amendment thereto, in
5 which event it shall be eligible for inclusion in a computation made
6 hereunder with respect to the first fiscal year of the city commencing
7 after the adoption of the amendment.

8 (b) Promptly upon the making of the certification of its operating
9 surplus, if any, for its fiscal year ending December thirty-first, nine-
10 teen hundred seventy-two and for each of its subsequent fiscal years,
11 ~~[triborough]~~ the Triborough bridge and tunnel authority, at the direc-
12 tion of ~~[metropolitan transportation]~~ the big apple transit authority,
13 shall transfer such operating surplus (1) to the ~~[metropolitan transpor-~~
14 ~~tation]~~ big apple transit authority for deposit into one or more funds
15 or accounts to be used as contemplated by section ~~[twelve hundred seven-~~
16 ~~ty-d]~~ thirteen hundred forty-nine-dd of this article, or (2) to the
17 authority and the ~~[metropolitan transportation]~~ big apple transit
18 authority solely for application to the payment of the expenses of oper-
19 ation. ~~[For purposes of determining the proportional allocation of the~~
20 ~~operating surplus as between the authority and the metropolitan trans-~~
21 ~~portation authority, the following formula shall apply: (i) twenty-four~~
22 ~~million dollars plus fifty percentum of the balance of such operating~~
23 ~~surplus shall be allocable to the authority, and (ii) the remainder~~
24 ~~shall be allocable to metropolitan transportation authority on behalf of~~
25 ~~the commuter railroads operated by it, by its subsidiary corporations or~~
26 ~~by others under joint arrangements.]~~

27 (c) The Triborough bridge and tunnel authority is authorized, at the
28 direction of the ~~[metropolitan transportation]~~ big apple transit author-
29 ity, from time to time to make advances from available funds on account
30 of the operating surplus it anticipates will or may be certified and
31 transferred as provided in this subdivision to (1) the ~~[metropolitan~~
32 ~~transportation]~~ big apple transit authority for deposit into one or more
33 funds or accounts to be used as contemplated by section ~~[twelve hundred~~
34 ~~seventy-d]~~ thirteen hundred forty-nine-dd of this article, or (2) the
35 authority and the ~~[metropolitan transportation]~~ big apple transit
36 authority solely for application to the payment of the expenses of oper-
37 ation. In the event that advances so made in respect of any fiscal year
38 including the year in which the surpluses are being earned exceed the
39 amounts required to be transferred to the authority and ~~[metropolitan~~
40 ~~transportation]~~ the big apple transit authority pursuant to the
41 provisions of this subdivision, then the amount of any such excess shall
42 be refunded to ~~[triborough]~~ the Triborough bridge and tunnel authority
43 by the authority or ~~[metropolitan transportation]~~ the big apple transit
44 authority, as the case may be, within thirty days of the making by
45 ~~[triborough]~~ the Triborough bridge and tunnel authority of its certif-
46 ication of operating surplus for such fiscal year.

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

52 (e) The Triborough bridge and tunnel authority shall certify to the
53 mayor and to the ~~[chairman]~~ chair of ~~[metropolitan transportation]~~ the
54 big apple transit authority within ninety days after the end of its
55 fiscal year ending December thirty-first, nineteen hundred sixty-seven,
56 and within forty-five days after the end of each of its subsequent

1 fiscal years, the amount of its operating surplus for that year and, in
2 the case of the fiscal year ending December thirty-first, nineteen
3 hundred sixty-seven, the amount of all of its surplus funds on hand as
4 of the last day of such fiscal year.

5 (f) No transfer of funds shall be made to the authority pursuant to
6 any provision of this section at any time when there shall have been
7 pending and not acted upon by the mayor for ninety days any request of
8 the authority for permission to expend or contract to expend funds for a
9 project included in a capital budget for transit facility purposes.
10 There shall be excluded from such ninety-day period any time during
11 which the mayor is prevented from acting by order of court or by opera-
12 tion of law.

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

41 § 18. This act shall take effect January 1, 2026.

42 PART C

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

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

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

49 § 2. Subdivisions 1 and 2 of section 552 of the public authorities
50 law, subdivision 1 as amended by chapter 506 of the laws of 2009 and
51 subdivision 2 as amended by section 1 of part 0 of chapter 61 of the
52 laws of 2000, are amended to read as follows:

53 1. A board, to be known as "Triborough bridge and tunnel authority" is
54 hereby created. Such board shall be a body corporate and politic consti-

1 tuting a public benefit corporation. It shall consist of seventeen
2 members, all serving ex officio. Those members shall be the persons who
3 from time to time shall hold the offices of ~~[chairman]~~ chair and members
4 of ~~[metropolitan transportation]~~ the big apple transit authority. The
5 ~~[chairman]~~ chair of such board shall be the ~~[chairman]~~ chair of ~~[metro-~~
6 ~~politan transportation]~~ the big apple transit authority, serving ex
7 officio, and, provided that there is an executive director of the
8 ~~[metropolitan transportation]~~ big apple transit authority, the executive
9 director of the authority shall be the executive director of the ~~[metro-~~
10 ~~politan transportation]~~ big apple transit authority, serving ex officio.
11 Notwithstanding any provision of law to the contrary, the ~~[chairman]~~
12 chair shall be the chief executive officer of the authority and shall be
13 responsible for the discharge of the executive and administrative func-
14 tions and powers of the authority. The ~~[chairman]~~ chair and executive
15 director, if any, each shall be empowered to delegate ~~[his or her]~~ their
16 respective functions and powers to the executive officer of the Tribor-
17 ough bridge and tunnel authority or to such person as may succeed to the
18 powers and duties of said executive officer. The ~~[chairman]~~ chair and
19 other members of the board hereby created, and the executive director,
20 if any, shall not be entitled to compensation for their services here-
21 under but shall be entitled to reimbursement for their actual and neces-
22 sary expenses incurred in the performance of their official duties.

23 2. A majority of the whole number of members of the authority then in
24 office shall constitute a quorum for the transaction of any business or
25 the exercise of any power of the authority. Except as otherwise speci-
26 fied in this title for the transaction of any business or the exercise
27 of any power of the authority, the authority shall have the power to act
28 by a majority vote of the members present at any meeting at which a
29 quorum is in attendance and except further, that in the event of a tie
30 vote the ~~[chairman]~~ chair shall cast one additional vote. For the
31 purposes of the voting and quorum requirements of this subdivision, the
32 voting and quorum requirements set forth in ~~[subdivision three of~~
33 ~~section twelve hundred sixty-three]~~ subdivision three of section thir-
34 teen hundred forty-nine-c of this chapter and in any by-law of the
35 ~~[metropolitan transportation]~~ big apple transit authority adopted pursu-
36 ant to the provisions of such subdivision shall be applicable hereto.
37 Such board and its corporate existence shall continue only for a period
38 of five years and thereafter until all its liabilities have been met and
39 its bonds, notes and other obligations have been paid in full or such
40 liabilities or bonds, notes or other obligations have otherwise been
41 discharged, including bonds, notes or other obligations issued by the
42 metropolitan transportation authority that are payable in whole or in
43 part by revenues of the authority. When all liabilities incurred by the
44 authority of every kind and character have been met and all its bonds,
45 notes and other obligations have been paid in full, including bonds,
46 notes or other obligations issued by the metropolitan transportation
47 authority that are payable in whole or in part by revenues of the
48 authority, or such liabilities or bonds, notes or other obligations have
49 otherwise been discharged, all rights and properties of the authority
50 shall pass to and be vested in the city, except those rights and proper-
51 ties held by it relating to the convention center which shall pass to
52 and be vested in the state. The authority shall retain full jurisdiction
53 and control over all its projects, with the right and duty, subject to
54 the limitations of subdivision nine of section five hundred fifty-two-a
55 of this title, to charge tolls and collect revenues therefrom, for the
56 benefit of the holders of any of its bonds, notes or other obligations

1 or other liabilities, even if not issued or incurred in connection with
2 the project. Upon the authority's ceasing to exist all its remaining
3 rights and properties shall pass to the city, except those rights and
4 properties held by it relating to the convention center which shall pass
5 to the state.

6 § 3. Subdivisions 4-a, 4-b and 7-a, paragraphs (k), (o), (p) and (r)
7 of subdivision 9 and subdivisions 12, 13, 14, 17, 20 and 21 of section
8 553 of the public authorities law, subdivision 4-a as added by chapter
9 954 of the laws of 1946, subdivision 4-b as amended by section 2, subdivi-
10 sion 12 as amended by section 3, subdivision 17 as amended by section
11 4 and subdivision 21 as added by section 5 of part 0 of chapter 61 of
12 the laws of 2000, subdivision 7-a as amended by section 7 of subpart B
13 of part ZZZ of chapter 59 of the laws of 2019, paragraph (k) of subdivi-
14 sion 9 as added by chapter 806 of the laws of 1955, paragraphs (o) and
15 (p) of subdivision 9 as added by chapter 369 of the laws of 1979, para-
16 graph (r) of subdivision 9 as added by chapter 314 of the laws of 1981,
17 subdivision 13 as amended by chapter 576 of the laws of 1964, subdivi-
18 sion 14 as amended by chapter 874 of the laws of 1939 and subdivision 20
19 as added by chapter 929 of the laws of 1986, are amended to read as
20 follows:

21 4-a. Whenever any real property is determined by the authority to be
22 unnecessary for its corporate purpose.

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

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

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

7-a. Notwithstanding any inconsistent provision of law, the bridge and tunnel officers employed by the authority shall have the power to issue simplified traffic informations for traffic infractions as defined in section one hundred fifty-five of the vehicle and traffic law, committed on the sites owned, operated and maintained by the ~~[triborough]~~ Triborough bridge and tunnel authority, such informations to be administered pursuant to the provisions of chapter two of title ~~[A of chapter forty]~~ nineteen of the administrative code of the city of New York or article two-A of the vehicle and traffic law, as applicable and also shall have the power to issue notices of violation for transit infractions committed in and about any or all of the facilities, equipment or real property owned, occupied or operated by the ~~[metropolitan transportation]~~ big apple transit authority or its subsidiaries and the New York city transit authority and its subsidiaries, as provided and in accordance with section twelve hundred nine-a of this chapter. Nothing set forth in this subdivision shall be construed to impede, infringe or diminish the rights and benefits that accrue to employees and employers through collective bargaining agreements, or impact or change an employee's membership in a bargaining unit.

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

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

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

(r) In its discretion and subject to and in accordance with all contract provisions with respect to any bonds and the rights of the

holders of bonds, at the request of the New York city transit authority or the [~~metropolitan transportation~~] big apple transit authority, (i) the planning for and the design, acquisition, construction, improvement, reconstruction or rehabilitation, in the name of the authority, of any capital asset, whether in the nature of personal or real property (or any interest therein) which is used or useful for a transit or transportation purpose other than a marine or aviation purpose of the requesting authority or its designated subsidiary (and in the case of such assets then owned, operated by or under lease to the requesting authority or its designated subsidiary, the receipt by the authority of the use, occupancy, control or possession of such assets for the purpose of planning, designing, constructing, improving, reconstructing or rehabilitating the same) and the transfer or transfer back of such asset to the requesting authority, its designated subsidiary or other designee for a nominal consideration upon its acquisition or upon the completion of such improvement, construction, reconstruction or rehabilitation; or, alternatively or in combination with the foregoing, (ii) the making of capital grants to the requesting authority or its designated subsidiary to permit it to undertake and to finance such planning, design, acquisition, improvement, construction, reconstruction or rehabilitation, or, alternatively or in combination with the foregoing, (iii) the financing of all or any part of the costs to the authority or to any other person or entity, public or private, of such planning, design, acquisition, construction, improvement, reconstruction or rehabilitation of any such capital asset through or accompanied by a leasing of the asset by such person or entity to the authority or through or accompanied by a sale by the authority to any such person or entity and leaseback to the authority, in each case for subleasing to the requesting authority, its designated subsidiary or other designee for a nominal rental, except that such leasing or leaseback from such person or entity may be directly to the requesting authority or its designated subsidiary or other designee, for consideration, with the consent and at the expense of the authority. The foregoing authorization shall extend to and include the continuation of projects enumerated in paragraphs (m)[~~7~~] and (n)[~~7~~, ~~(o)~~ and ~~(p)~~] of this subdivision without regard to any limitations set forth in section five hundred fifty-three-c of this title. The authority shall have no obligation to operate or, except as may otherwise be provided in any lease to which it may be a party as aforesaid, repair or maintain any capital asset after its acquisition, construction, improvement, reconstruction or rehabilitation and subsequent transfer, lease or sublease, nor shall it be liable to the transferee, lessee or sublessee by reason of any warranty, express or implied, in respect thereof. Warranties furnished in connection with such acquisition, improvement, construction, reconstruction or rehabilitation shall be assignable and assigned as directed by the requesting authority and approved by the authority.

12. To charge tolls, fees or rentals for the use of the project, subject to and in accordance with such agreement with bondholders as may be made as hereinafter provided. The toll rates charged for the use of either the Triborough or Whitestone bridge project shall, however, never be less than the toll rates charged for the use of the other, and this clause shall be deemed an obligation to the holders of any and all bonds at any time issued secured by the revenues of said projects. Subject to contracts with bondholders, all tolls and other revenues derived from any project shall be applied to the payment of operating, administration and other necessary expenses of the authority properly chargeable to

1 such project and thereafter to the payment of interest or principal of
2 bonds or for making sinking fund payments for bonds, not otherwise
3 adequately provided for, whether issued in connection with such project
4 or any other project. It is the intention hereof that surplus funds from
5 any project remaining after providing for the payment of all operating,
6 administration and other necessary expenses of the authority and all
7 contract provisions with respect to any bonds, may be used to meet obli-
8 gations incurred for other projects and if not so used or reserved for
9 such use shall, at the discretion of ~~[metropolitan transportation]~~ the
10 big apple transit authority, be transferred to ~~[metropolitan transporta-~~
11 ~~tion]~~ the big apple transit authority or the New York city transit
12 authority pursuant to section five hundred sixty-nine-c of this title.
13 Subject to contracts with bondholders, the authority may treat one or
14 more projects as a single enterprise in respect of revenues, expenses,
15 the issuance of bonds, maintenance, operation or other purposes;

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

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

32 17. To do all things necessary or convenient to carry out the powers
33 expressly given in this title and to assist and cooperate with the
34 ~~[metropolitan transportation]~~ big apple transit authority to carry out
35 the powers of the ~~[metropolitan transportation]~~ big apple transit
36 authority in furtherance of the purposes and powers of the authority as
37 provided in this article, including, without limitation, the trans-
38 actions described in sections ~~[twelve hundred sixty-six-c]~~ thirteen
39 hundred forty-nine-j, ~~[twelve hundred sixty-nine]~~ thirteen hundred
40 forty-nine-u, and ~~[twelve hundred seventy-d]~~ thirteen hundred forty-
41 nine-dd of this chapter.

42 20. Prior to the adoption after January first, nineteen hundred eight-
43 y-seven by the authority of a general resolution pursuant to which it is
44 authorized to issue any general or special obligation bonds or notes to
45 finance a project pursuant to the authorization contained in paragraph
46 (r) of subdivision nine of this section, not including any series resolu-
47 tion or resolutions, and prior to the adoption of any amendment to a
48 general resolution, whenever adopted, pursuant to which it is authorized
49 to issue any general or special obligation bonds or notes for such
50 purpose, not including a series resolution or resolutions, the authority
51 shall submit a copy of such proposed resolution to the ~~[metropolitan~~
52 ~~transportation authority capital program review]~~ big apple transit
53 authority's board (hereinafter referred to as the "board"). Within
54 fifteen days of such submission, the board may notify the authority of
55 its unanimous approval of the same by the members entitled to vote ther-
56 eon, or if the resolution is not approved and no individual member of

1 the board who is entitled to vote on such resolution has notified the
2 authority in writing of [~~his~~] such member's disapproval, the resolution
3 shall be deemed to have been approved. Neither the board nor any member
4 thereof shall disapprove a proposed resolution by reason of any covenant
5 requiring the authority to charge and fix tolls, rentals and other
6 charges sufficient to pay its operating expenses and the debt service,
7 including the funding of requisite reserves, on the bonds and notes
8 authorized by such resolution. If the board or any member thereof enti-
9 tled to vote thereon shall disapprove a proposed resolution, the author-
10 ity may, at any time, resubmit a reformulated resolution. Within ten
11 days of the submission of such reformulated resolution the board may
12 notify the authority of its unanimous approval of the same by the
13 members entitled to vote thereon, or, if the reformulated resolution is
14 not approved and no individual member of the board who is entitled to
15 vote thereon has notified the authority in writing of [~~his~~] such
16 member's disapproval within such period, the reformulated resolution
17 shall have been deemed to have been approved. Any individual member of
18 the board who votes against a resolution or a reformulated resolution or
19 who notifies the authority of [~~his~~] such member's disapproval shall
20 state [~~his~~] such member's reasons therefor. The member appointed on the
21 recommendation of the mayor of the city of New York shall participate in
22 the action of the board with respect to any resolution of the authority
23 submitted pursuant to this subdivision. The authority shall not adopt a
24 resolution or any amendment to a resolution disapproved by the board as
25 herein provided.

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

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

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

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

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

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

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

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

(b) Neither the provisions of section one hundred ninety-seven-c of the New York city charter, relating to a uniform land use review procedure, nor the provisions of any other local law of the city of New York of like or similar tenor or import shall apply (i) to the acquisition of any real property (or any interest therein) for the purposes of any such project by the city or by the New York city transit authority or any of its subsidiaries; (ii) to the subsequent transfer of any real property (or interest therein) so acquired to the authority or its designee for the purposes of such project or to the transfer to the authority or its designee for such purposes of any real property (or interest therein) then owned by the city or by the New York city transit authority or any such subsidiary; nor (iii) to the transfer to the authority or its designee for such purposes of the right of use, occupancy, control or possession of any real property (or interest therein), whether presently

owned or hereafter acquired by the city or by the New York city transit authority or any such subsidiary; provided in each such case, however, that if at the time of such proposed acquisition or transfer the real property which is the subject of such acquisition or transfer is not then being utilized for a transit or transportation purpose or is not an insubstantial addition to such property contiguous thereto; (a) the authority proposing to acquire or receive such property shall, unless a submission with respect to such property has previously been made and approved as herein provided, submit to the community board for the community district in which such property is located, data with respect to the proposed use of such property and to the design of any facility proposed to be constructed thereon; (b) such community board shall inform the ~~[board of estimate of the]~~ city council of New York, with copies to the city planning commission of the city of New York and the proposing authority, of its views and recommendations with respect thereto within forty-five days of such submission, and if the community board shall fail to so inform the ~~[board of estimate]~~ city council within such period it shall be deemed to have recommended the proposal; and (c) the ~~[board of estimate]~~ city council shall, within forty-five days of the recommendation of the community board, approve or disapprove such acquisition or transfer, and if the ~~[board of estimate]~~ city council shall fail to act within such period it shall be deemed to have approved the same.

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

8. No such project to be constructed upon real property theretofore used for a transit or transportation purpose, or on an insubstantial addition to such property contiguous thereto, which will not change in a material respect the general character of such prior transit or transportation use, nor any acts or activities in connection with such project, shall be subject to the provisions of article eight, nineteen, twenty-four or twenty-five of the environmental conservation law, or to

1 any local law or ordinance adopted pursuant to any such article. Nor
2 shall any project or acts or activities in connection therewith taken by
3 any person or entity, public or private, pursuant to paragraph (m),
4 (n)[~~, (o), (p),~~] or (r) of subdivision nine of section five hundred
5 fifty-three of this title be subject to the provisions of article eight
6 of the environmental conservation law if such project, acts or activ-
7 ities to be taken in connection therewith require the preparation of a
8 statement under or pursuant to any federal law or regulation as to the
9 environmental impact thereof.

10 9. In connection with the negotiation, award and implementation of
11 contracts of the authority relating to any project hereafter initiated
12 pursuant to paragraphs (m), (n)[~~, (o), (p),~~] and (r) of subdivision nine
13 of section five hundred fifty-three of this title, the provisions of
14 [~~paragraphs (a), (b), (c) and (d) of subdivision~~] subdivisions thirteen
15 and fourteen of section [~~twelve hundred sixty-six-c~~] thirteen hundred
16 forty-nine-j of this chapter shall apply to the authority as if it were
17 the "authority" referred to therein, and the [~~officer designated by the~~
18 ~~metropolitan transportation authority pursuant to paragraph (e) of that~~
19 ~~subdivision~~] division of minority and women's business development,
20 established pursuant to article fifteen-A of the executive law, shall
21 perform the duties therein described with respect to such contracts of
22 the authority.

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

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

53 § 7. Intentionally omitted.

54 § 8. Subdivision 2 of section 553-j of the public authorities law, as
55 added by section 5 of subpart A of part ZZZ of chapter 59 of the laws of
56 2019, is amended to read as follows:

1 2. Monies in the fund shall be applied, subject to agreements with
2 bondholders and applicable federal law, to the payment of operating,
3 administration, and other necessary expenses of the authority, or to the
4 city of New York subject to the memorandum of understanding executed
5 pursuant to subdivision two-a of section seventeen hundred four of the
6 vehicle and traffic law properly allocable to such program, including
7 the planning, designing, constructing, installing or maintaining of the
8 central business district tolling program, including, without limita-
9 tion, the central business district tolling infrastructure, the central
10 business district tolling collection system and the central business
11 district tolling customer service center, and the costs of any [~~metro-~~
12 ~~politan transportation~~] big apple transit authority capital projects
13 included within the 2020 to 2024 [~~MTA~~] big apple transit authority capi-
14 tal program or any successor programs. Monies in the fund may be: (a)
15 pledged by the authority to secure and be applied to the payment of the
16 bonds, notes or other obligations of the authority to finance the costs
17 of the central business district tolling program, including, without
18 limitation, the central business district tolling infrastructure, the
19 central business district tolling collection system and the central
20 business district tolling customer service center, and the costs of any
21 [~~metropolitan transportation~~] big apple transit authority capital
22 projects included within the 2020 to 2024 [~~MTA~~] big apple transit
23 authority capital program or any successor programs, including debt
24 service, reserve requirements, if any, the payment of amounts required
25 under bond and note facilities or agreements related thereto, the
26 payment of federal government loans, security or credit arrangements or
27 other agreements related thereto; or (b) used by the authority for the
28 payment of such capital costs of the central business district tolling
29 program and the costs of any [~~metropolitan transportation~~] big apple
30 transit authority capital projects included within the 2020 to 2024
31 [~~MTA~~] big apple transit authority capital program or any successor
32 programs; or (c) transferred to the [~~metropolitan transportation~~] big
33 apple transit authority and (1) pledged by the [~~metropolitan transpor-~~
34 ~~tation~~] big apple transit authority to secure and be applied to the
35 payment of the bonds, notes or other obligations of the [~~metropolitan~~
36 ~~transportation~~] big apple transit authority to finance the costs of any
37 [~~metropolitan transportation~~] big apple transit authority capital
38 projects included within the 2020 to 2024 [~~MTA~~] big apple transit
39 authority capital program or any successor programs, including debt
40 service, reserve requirements, if any, the payment of amounts required
41 under bond and note facilities or agreements related thereto, the
42 payment of federal government loans, security or credit arrangements or
43 other agreements related thereto, or (2) used by the [~~metropolitan~~
44 ~~transportation~~] big apple transit authority for the payment of the costs
45 of any [~~metropolitan transportation~~] big apple transit authority capital
46 projects included within the 2020 to 2024 [~~MTA~~] big apple transit
47 authority capital program or any successor programs. Such revenues shall
48 only supplement and shall not supplant any federal, state, or local
49 funds expended by the authority or the [~~metropolitan transportation~~] big
50 apple transit authority, or such authority's or [~~metropolitan transpor-~~
51 ~~tation~~] big apple transit authority's affiliates or subsidiaries for
52 such respective purposes. Central business district toll revenues may be
53 used as required to obtain, utilize, or maintain federal authorization
54 to collect tolls on federal aid highways.

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

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

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

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

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

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

§ 555. Selection of site. Notwithstanding any provisions of any other statute, the authority in conjunction with the commissioner of parks of the city or ~~[his]~~ their successor, the commissioner of parks and recreation, and with the approval of the ~~[board of estimate]~~ city council of such city and with the separate approval of the mayor thereof, is hereby authorized to select sites in the boroughs of the Bronx and Queens of the city for the Whitestone bridge project and parkways connecting therewith, which sites may be in or through existing public parks, and to select sites for new public parks contiguous to such project or contig-

uous to the roads, streets, parkways or avenues connecting with such project. A site or sites may be selected for any or all of the aforementioned purposes and thereafter the use thereof shall be allocated by the commissioner of parks and recreation as herein provided. The property so selected solely for such project, not already owned by the city, shall be acquired at the sole expense of the authority in the manner provided for under this title. The property so selected solely for new public parks shall be acquired by the city at its sole expense. The cost of the property so selected for such project, combined with any other aforementioned purposes the use of which is to be thereafter determined, shall be divided between the city and the authority as may be determined by a contract or contracts hereby authorized to be entered into between the city and the authority, subject to the approval of the [~~board of estimate of the~~] city council. So much of the sites so selected and acquired or such easements or rights of way therein as may be necessary or convenient for the corporate purposes of the authority may be assigned by the commissioner of parks and recreation of the city to the authority for its use so long as its corporate existence shall continue.

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

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

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

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

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

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

particular tolls or revenues. Every issue of special obligation bonds shall be payable out of any revenues, receipts, monies or assets of the authority, the ~~[metropolitan transportation]~~ big apple transit authority and its subsidiary corporations and the New York city transit authority and its subsidiary corporations identified for such purposes in accordance with agreements with the holders of particular bonds.

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

§ 569-c. Transfer and receipt of surplus funds. Notwithstanding any provision of this title or any other provision of law, general, special or local, the authority shall, at the direction of the ~~[metropolitan transportation]~~ big apple transit authority, from time to time transfer and pay over all or any part of its surplus funds to (a) ~~[metropolitan transportation]~~ the big apple transit authority or (b) the New York city transit authority, all in accordance with the provisions of subdivision twelve of section five hundred fifty-three of this title ~~[and the determination of the proportional allocation of such amounts of surplus funds so deposited as between the New York city transit authority and the commuter railroads operated by metropolitan transportation authority shall be governed by the provisions of section twelve hundred nineteen-a of this chapter]~~ and the authority may accept and use any moneys transferred and paid over to it by ~~[metropolitan transportation]~~ the big apple transit authority or the New York city transit authority.

§ 16. This act shall take effect January 1, 2026.

PART D

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

TITLE 11-E

BIG APPLE TRANSIT AUTHORITY

Section 1349-a. Short title.

1349-b. Definitions.

1349-c. Big apple transit authority.

1349-d. Purposes of the authority.

1349-e. General powers of the authority.

1349-f. Contracts.

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

1349-h. Special powers of the authority.

1349-i. Medical emergency services.

1349-j. Transit projects.

1349-k. Excess loss fund.

1349-l. Authority police force.

1349-m. The permanent citizens advisory committee.

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

1349-o. Expired fare transfer policy.

1349-p. Acquisition and disposition of real property.

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

1349-r. Transit facilities for transit construction fund.

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

1349-t. Promotion of qualified transportation fringes.

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

1 1349-v. Capital program plans; approvals; effect of disap-
2 proval.
3 1349-w. Submission of strategic operation plan.
4 1349-x. Financial and operational reports.
5 1349-y. Mission statement and measurement report.
6 1349-z. Requirements for certain authority contracts and
7 related subcontracts.
8 1349-aa. Reserve funds and appropriations.
9 1349-bb. Big apple transit authority special assistance fund.
10 1349-cc. Big apple transit authority dedicated tax fund.
11 1349-dd. Consolidated financings.
12 1349-ee. Regulation of certain authority expenditures.
13 1349-ff. Metropolitan transportation authority finance fund.
14 1349-gg. New York city transportation assistance fund.
15 1349-hh. Agreement of the state.
16 1349-ii. Right of state to require redemption of bonds.
17 1349-jj. Remedies of noteholders and bondholders.
18 1349-kk. Notes and bonds as legal investment.
19 1349-ll. Exemption from taxation.
20 1349-mm. Actions against the authority.
21 1349-nn. Annual audit of authority.
22 1349-oo. Authority budget and financial plan.
23 1349-pp. Independent audit of authority.
24 1349-qq. Independent audit by the legislature.
25 1349-rr. Reporting.
26 1349-ss. Transfer and receipt of surplus funds.
27 1349-tt. Title not affected if in part unconstitutional or
28 ineffective.
29 1349-uu. Big apple transit authority inspector general.
30 1349-vv. Management advisory board.
31 1349-ww. The office of legislative and community input.
32 1349-xx. Supplemental revenue reporting program.

33 § 1349-a. Short title. This title may be known and may be cited as the
34 "big apple transit authority act".

35 § 1349-b. Definitions. As used or referred to in this title, unless a
36 different meaning clearly appears from the context:

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

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

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

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

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

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

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

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

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

6 10. "Joint service arrangements" shall mean agreements between or
7 among the authority and any common carrier or freight forwarder, the
8 state, any state agency, the federal government, any other state or
9 agency or instrumentality thereof, any public authority of this or any
10 other state, or any political subdivision or municipality of the state,
11 relating to property, buildings, structures, facilities, services,
12 rates, fares, classifications, divisions, allowances or charges (includ-
13 ing charges between operators of railroad, omnibus, marine and aviation
14 facilities), or rules or regulations pertaining thereto, for or in
15 connection with or incidental to transportation in part in or upon rail-
16 road, omnibus, marine or aviation facilities located within the district
17 and in part in or upon railroad, omnibus, marine or aviation facilities
18 located outside the district.

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

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

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

36 14. "Omnibus facilities" shall mean motor vehicles, of the type oper-
37 ated by carriers subject to the jurisdiction of the public service
38 commission, engaged in the transportation of passengers and their
39 baggage, express and mail between points within the district or pursuant
40 to joint service arrangements, and equipment, property, buildings,
41 structures, improvements, loading or unloading areas, parking areas or
42 other facilities, necessary, convenient or desirable for the accommo-
43 dation of such motor vehicles or their passengers, including but not
44 limited to buildings, structures and areas notwithstanding that portions
45 may not be devoted to any omnibus purpose other than the production of
46 revenues available for the costs and expenses of all or any facilities
47 of the authority.

48 15. "Railroad facilities" shall mean right of way and related track-
49 age, rails, cars, locomotives, other rolling stock, signal, power, fuel,
50 communication and ventilation systems, power plants, stations, termi-
51 nals, storage yards, repair and maintenance shops, yards, equipment and
52 parts, offices and other real estate or personalty used or held for or
53 incidental to the operation, rehabilitation or improvement of any rail-
54 road operating or to operate between points within the district or
55 pursuant to joint service arrangements, including but not limited to
56 buildings, structures, and areas notwithstanding that portions thereof

1 may not be devoted to any railroad purpose other than the production of
2 revenues available for the costs and expenses of all or any facilities
3 of the authority.

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

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

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

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

28 20. "Transportation district" and "district" shall mean the metropol-
29 itan commuter transportation district created by section twelve hundred
30 sixty-two of this article.

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

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

38 23. "Triborough bridge and tunnel authority" shall mean the corpo-
39 ration created pursuant to title three of article three of this chapter.

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

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

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

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

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

5 § 1349-c. Big apple transit authority. 1. (a) There is hereby created
6 the "big apple transit authority". The authority shall be a body corpo-
7 rate and politic constituting a public benefit corporation. The authori-
8 ty shall consist of seven voting members, including a chairperson, and
9 two non-voting members. Members shall have experience in one or more of
10 the following areas of expertise: transportation or transit planning;
11 urban planning, including sustainability and resiliency; advocacy for
12 individuals with disabilities; demographics, social trends or the needs
13 of low-income New Yorkers; capital planning or civil engineering;
14 finance; or another area of expertise central to the purpose of the
15 authority. The mayor shall appoint four voting members, including the
16 chairperson, and each member shall be entitled to cast one vote. Each
17 borough president of the city of New York shall appoint one voting
18 member who shall be entitled to cast a half vote. The public advocate of
19 the city of New York shall appoint one voting member who shall be enti-
20 tled to cast a half vote. The two non-voting members shall be appointed
21 by the mayor. The first non-voting member shall be a regular mass trans-
22 it user of the facilities of the authority and be recommended to the
23 mayor of the city of New York by the permanent citizens advisory commit-
24 tee established pursuant to section thirteen hundred forty-nine-m of
25 this title. The second non-voting member shall be recommended to the
26 mayor by the labor organization representing the majority of employees
27 of the authority. The chairperson, at such chairperson's direction, may
28 exclude such non-voting member from attending any portion of a meeting
29 of the authority or of any committee established pursuant to paragraph
30 (b) of subdivision three of this section held for the purpose of
31 discussing negotiations with labor organizations. The chairperson and
32 each of the members shall be appointed for a term of three years.

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

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

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

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

51 (b) The chairperson shall establish committees to assist such chair-
52 person in the performance of such chairperson's duties and shall appoint
53 members of the authority to such committees. Among such committees,
54 there shall be a committee on operations of the New York city transit
55 authority, the Manhattan and Bronx surface transit operating authority
56 and the Staten Island rapid transit operating authority; a committee on

1 operations of the Triborough bridge and tunnel authority; a committee on
2 finance; a committee on capital program oversight; and a committee on
3 safety. In addition to such appointed members, each of the non-voting
4 members shall serve on the committee on capital program oversight, the
5 committee on finance, the committee on safety, and the committee on
6 operations of the Triborough bridge and tunnel authority. The committee
7 on capital program oversight shall include not less than four members,
8 and shall include the chairpersons of the committee on operations of the
9 New York city transit authority, the Manhattan and Bronx surface transit
10 operating authority and the Staten Island rapid transit operating
11 authority, and the committee on safety. The committee on safety shall
12 convene at least once annually and each committee chairperson, that is a
13 member of the committee on safety, shall report to the committee on
14 safety any and all initiatives, concerns, improvements, or failures
15 involving the safety of customers, employees, and the public at large,
16 in relation to authority facilities and services. The capital program
17 committee shall, with respect to any approved or proposed capital
18 program plans:

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

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

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

28 (B) collective bargaining agreements;

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

31 (D) New York state labor laws;

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

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

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

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

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

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

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

50 (c) The capital program committee shall issue a quarterly report on
51 its activities and findings, and shall in connection with the prepara-
52 tion of such quarterly report, consult with the city department of
53 transportation, the mayor, and any other group the committee deems rele-
54 vant, including public employee organizations, and, at least annually,
55 with a nationally recognized independent transit engineering firm. Such
56 report shall be made available to the members of the authority, to the

1 mayor, and the directors of the municipal assistance corporation for the
2 city of New York.

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

7 (e) Notwithstanding paragraph (c) of subdivision one of section twenty-
8 eight hundred twenty-four of this chapter or any other provision of
9 law to the contrary, the chairperson shall not participate in establish-
10 ing authority policies regarding the payment of salary, compensation and
11 reimbursement to, nor establish rules for the time and attendance of,
12 the chief executive officer. The salary of the chairperson, as deter-
13 mined pursuant to subdivision two of this section, shall also be compen-
14 sation for all services performed as chief executive officer.

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

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

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

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

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

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

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

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

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

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

7 § 1349-d. Purposes of the authority. 1. The purposes of the authority
8 shall be the continuance, further development and improvement of commu-
9 ter transportation and other services related thereto within the city of
10 New York, including but not limited to such transportation by railroad,
11 omnibus, marine and air, in accordance with the provisions of this
12 title. It shall be the further purpose of the authority, consistent with
13 its status as the ex officio board of both the New York city transit
14 authority and the Triborough bridge and tunnel authority, to develop and
15 implement a unified mass transportation policy for the city in an effi-
16 cient and cost-effective manner that includes the use of design-build
17 contracting on all appropriate projects.

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

23 § 1349-e. General powers of the authority. Except as otherwise limited
24 by this title, the authority shall have power:

25 1. to sue and be sued;

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

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

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

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

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

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

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

48 (e) obligations of any bank or corporation created under the laws of
49 either the United States or any state of the United States maturing
50 within two hundred seventy days, provided that such obligations receive
51 the highest rating of two nationally recognized independent rating agen-
52 cies and, provided further, that no more than two hundred fifty million
53 dollars may be invested in such obligations of any one bank or corpo-
54 ration;

55 (f) as to any such moneys held in reserve and sinking funds, other
56 securities in which the trustee or trustees of any public retirement

1 system or pension fund has the power to invest the monies thereof pursu-
2 ant to article four-A of the retirement and social security law, each
3 such reserve and sinking fund being treated as a separate fund for the
4 purposes of article four-A of the retirement and social security law;

5 (g) notes, bonds, debentures, mortgages and other evidences of indebt-
6 edness, issued or guaranteed at the time of the investment by the United
7 States Postal Service, the federal national mortgage association, the
8 federal home loan mortgage corporation, the student loan marketing asso-
9 ciation, the federal farm credit system, or any other United States
10 government sponsored agency, provided that at the time of the investment
11 such agency or its obligations are rated and the agency receives, or its
12 obligations receive, the highest rating of all independent rating agen-
13 cies that rate such agency or its obligations, provided, however, that
14 no more than two hundred fifty million dollars or such greater amount as
15 may be authorized for investment by the state comptroller pursuant to
16 section ninety-three of the state finance law may be invested in the
17 obligations of any one agency;

18 (h) general obligation bonds and notes of any state other than the
19 state, provided that such bonds and notes receive the highest rating of
20 at least one independent rating agency, and bonds and notes of any coun-
21 ty, town, city, village, fire district or school district of the state,
22 provided that such bonds and notes receive either of the two highest
23 ratings of at least two independent rating agencies;

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

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

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

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

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

50 (i) notice of intention to negotiate shall be published in at least
51 one newspaper of general circulation, and a copy thereof shall be mailed
52 to all parties who have requested notification from the authority to
53 engage in transactions of this type, and such notice shall describe the
54 nature of the proposed transaction and the factors subject to negoti-
55 ation, which shall include, but not be limited to, the price to be paid
56 to the authority;

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

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

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

13 (c) paragraphs (a) and (b) of this subdivision shall be of no force
14 and effect with respect to any lease transaction entered into pursuant
15 to a commitment approved prior the effective date of this section by the
16 board of the metropolitan transportation authority;

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

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

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

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

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

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

50 12. to conduct investigations and hearings in the furtherance of its
51 general purposes, and in aid thereof have access to any books, records
52 or papers relevant thereto; and if any person whose testimony shall be
53 required for the proper performance of the duties of the authority shall
54 fail or refuse to aid or assist the authority in the conduct of any
55 investigation or hearing, or to produce any relevant books, records or
56 other papers, the authority is authorized to apply for process of

1 subpoena, to issue out of any court of general original jurisdiction
2 whose process can reach such person, upon due cause shown;

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

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

9 § 1349-f. Contracts. 1. (a) Except as otherwise provided in this
10 section, all purchase contracts for supplies, materials or equipment
11 involving an estimated expenditure in excess of one million dollars and
12 all contracts for public work involving an estimated expenditure in
13 excess of one million dollars shall be awarded by the authority to the
14 lowest responsible bidder after obtaining sealed bids in the manner
15 hereinafter set forth. For purposes hereof, contracts for public work
16 shall exclude contracts for personal, engineering and architectural, or
17 professional services. The authority may reject all bids and obtain new
18 bids in the manner provided by this section when it is deemed in the
19 public interest to do so or, in cases where two or more responsible
20 bidders submit identical bids which are the lowest bids, award the
21 contract to any of such bidders or obtain new bids from such bidders.
22 Nothing in this paragraph shall obligate the authority to seek new bids
23 after the rejection of bids or after cancellation of an invitation to
24 bid. Nothing in this section shall prohibit the evaluation of bids on
25 the basis of costs or savings including life cycle costs of the item to
26 be purchased, discounts, and inspection services so long as the invita-
27 tion to bid reasonably sets forth the criteria to be used in evaluating
28 such costs or savings. Life cycle costs may include but shall not be
29 limited to costs or savings associated with installation, energy use,
30 maintenance, operation and salvage or disposal.

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

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

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

54 2. (a) Advertisement for bids, when required by this section, shall be
55 published at least once in a newspaper of general circulation in the
56 area served by the authority and in the procurement opportunities news-

1 letter published pursuant to article four-C of the economic development
2 law provided that, notwithstanding the provisions of such article, an
3 advertisement shall only be required for a purchase contract for
4 supplies, materials or equipment when required by this section. Publi-
5 cation in a newspaper of general circulation in the area served or in
6 the procurement opportunities newsletter shall not be required if bids
7 for contracts for supplies, materials or equipment are of a type regu-
8 larly purchased by the authority and are to be solicited from a list of
9 potential suppliers, if such list is or has been developed consistent
10 with the provisions of subdivision six of this section. Any such adver-
11 tisement shall contain a statement of:

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

14 (ii) the name of the contracting agency;

15 (iii) the contract identification number;

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

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

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

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

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

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

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

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

41 3. Notwithstanding the foregoing, the authority may, by resolution
42 approved by a two-thirds vote, or by a majority vote with respect to
43 contracts proposed to be let pursuant to paragraph (a) of this subdivi-
44 sion, declare that competitive bidding is impractical or inappropriate
45 because of the existence of any of the circumstances hereinafter set
46 forth and thereafter the authority may proceed to award contracts with-
47 out complying with the requirements of subdivision one or two of this
48 section. In each case where the authority declares competitive bidding
49 impractical or inappropriate, it shall state the reason therefor in
50 writing and summarize any negotiations that have been conducted. Except
51 for contracts awarded pursuant to paragraphs (a), (b), (c) and (e) of
52 this subdivision, the authority shall not award any contract pursuant to
53 this subdivision earlier than thirty days from the date on which the
54 authority declares that competitive bidding is impractical or inappro-
55 priate. Competitive bidding may only be declared impractical or inappro-
56 priate where:

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

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

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

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

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

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

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

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

(g) the authority issues a competitive request for proposals pursuant to the procedures of paragraph (f) of this subdivision for the purchase or rehabilitation of rail cars and omnibuses. Any such request may include among the stated selection criteria the performance of all or a portion of the contract at sites within the state of New York or the use of goods produced or services provided within the state of New York, provided however that in no event shall the authority award a contract to a manufacturer whose final offer, as expressed in unit cost is more than ten percent higher than the unit cost of any qualified competing final offer, if the sole basis for such award is that the higher priced offer includes a more favorable provision for the performance of the contract within the state of New York or the use of goods produced or services provided within the state of New York, and further provided that the authority's discretion to award a contract to any manufacturer shall not be so limited if a basis for such award, as determined by the authority, is superior financing, delivery schedule, life cycle, reliability, or any other factor the authority deems relevant to its operations;

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

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

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

5. The authority shall compile a list of potential sources of supplies, materials or equipment regularly purchased. The authority shall, by resolution, set forth the procedures it has established to

1 identify new sources and to notify such new sources of the opportunity
2 to bid for contracts for the purchase of supplies, materials or equip-
3 ment. Such procedures shall include, but not be limited to:

4 (a) advertising in trade journals;

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

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

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

10 6. The provisions of this section shall not supersede any other
11 provisions of law relative to purchases of products or devices manufac-
12 tured or provided by the blind or other severely handicapped persons, to
13 the invitation and acceptance of bids from small or minority business
14 enterprises or to the purchases of supplies, materials or equipment
15 through the office of general services. Except as may otherwise be
16 provided by law or as more restrictively defined in the official policy
17 or bid specifications of the authority, as used in this section the term
18 "small business" means a small business or similar term, under federal
19 regulations applicable to projects of the authority which are federally
20 assisted.

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

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

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

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

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

53 § 1349-g. Big apple transit authority small business mentoring
54 program. 1. As used in this section, unless the context requires other-
55 wise:

1 (a) "Small business" means a business in the construction trades which
2 (i) is independently owned and operated; (ii) has annual revenues not
3 exceeding a fiscal limitation of five million dollars or such lesser
4 amount as established by the authority pursuant to these provisions; and
5 (iii) meets additional criteria as otherwise established by the chair-
6 person in consultation with the members of the big apple transit author-
7 ity small business mentoring program advisory committee. The chair of
8 the committee shall be the chief diversity officer of the authority. The
9 authority shall establish a detailed definition in general and specific
10 to different segments of the construction industry to the extent neces-
11 sary to reflect differing characteristics of such segments based on the
12 criteria used by the United States small business administration for
13 loans to small businesses as set forth in sections 121.301, 121.302,
14 121.303, 121.304, and 121.305, or for awarding government procurements
15 as set forth in sections 121.401, 121.402, 121.403, 121.404, 121.405,
16 121.406, 121.407, 121.408, 121.409, 121.410, 121.411, 121.412, and
17 121.413 of subpart A of part 121 of chapter I of title 13 of the Code of
18 Federal Regulations as amended, and such other criteria as determined by
19 the authority;

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

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

31 (ii) for a small business mentoring program participant which the
32 authority has determined has successfully completed the program under
33 subparagraph (i) of this paragraph, for up to four additional years, (A)
34 additional opportunities to compete with other designated small busi-
35 nesses in the program for certain public work contracts to be designated
36 for inclusion under this subparagraph and, where awarded, to perform
37 such authority public work contracts, with the further assistance of an
38 authority-provided mentor, which shall be a firm competitively selected
39 by the authority that has extensive construction management and mentor-
40 ing experience, with the mentor to provide the small business with
41 advice and technical assistance in competing for and managing authority
42 public work contracts, and (B) authority-provided assistance, as deter-
43 mined by the authority, for such a small business to obtain bonding for
44 public work contracts that are competitively awarded pursuant to
45 provisions of law other than this section.

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

55 2. (a) The authority may establish a small business mentoring program.
56 In connection therewith, the authority may determine the criteria pursu-

1 ant to which a small business shall be eligible for and selected to
2 participate in the program under subparagraphs (i) and (ii) of paragraph
3 (b) of subdivision one of this section, the number of participants to
4 participate in each of such components of the program, the criteria for
5 the competitive selection of the firms that will provide small busi-
6 nesses with mentoring services, the assignment of a mentor to a specific
7 small business in the small business mentoring program, and the funding
8 for the program.

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

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

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

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

23 (iv) to competitively select, designate and contract with one or more
24 experienced construction management firms that, under the general super-
25 vision of the authority, will provide mentoring services to the small
26 businesses participating in the small business mentoring program, and to
27 assign such mentors one or more designated small businesses participat-
28 ing in the program;

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

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

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

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

54 (b) If the authority withdraws the designation of contract as a small
55 business mentoring program contract, the firms, if any, that made offers
56 shall be notified. Invitations to compete containing the same or rewrit-

1 ten specifications and terms shall then be re-issued as a small business
2 mentoring program contract for one or more additional contract period.

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

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

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

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

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

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

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

23 § 1349-h. Special powers of the authority. In order to effectuate the
24 purposes of this title:

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

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

55 3. (a) Except as directed in paragraph (c) of this subdivision, the
56 authority shall establish, levy and collect or cause to be established,

1 levied and collected and, in the case of a joint service arrangement,
2 join with others in the establishment, levy and collection of such
3 fares, tolls, rentals, rates, charges and other fees necessary for the
4 use and operation of any transportation facility and related services
5 operated by the authority or by a subsidiary corporation of the authori-
6 ty or under contract, lease or other arrangement, including joint
7 service arrangements, with the authority. Any such fares, tolls,
8 rentals, rates, charges or other fees for the transportation of passen-
9 gers shall be established and changed only if approved by resolution of
10 the authority adopted by not less than a majority vote and only after a
11 public hearing, provided however, that fares, tolls, rentals, rates,
12 charges or other fees for the transportation of passengers on any trans-
13 portation facility which are in effect at the time that the then owner
14 of such transportation facility becomes a subsidiary corporation of the
15 authority or at the time that operation of such transportation facility
16 is commenced by the authority or is commenced under contract, lease or
17 other arrangement, including joint service arrangements, with the
18 authority may be continued in effect without such a hearing. Such fares,
19 tolls, rentals, rates, charges and other fees shall be established as
20 may in the judgment of the authority be necessary to maintain the
21 combined operations of the authority and its subsidiary corporations on
22 a self-sustaining basis and to ensure that the operations of the author-
23 ity are such that, at the end of the fiscal year, the results thereof
24 shall not show a deficit when reported in accordance with generally
25 accepted accounting principles unless such deficit is offset by funds
26 withdrawn from reserves therefor. The said operations shall be deemed to
27 be on a self-sustaining basis as required by this title, when the
28 authority is able to pay or cause to be paid from revenue and any other
29 funds or property actually available to the authority and its subsidiary
30 corporations (i) as the same shall become due, the principal of and
31 interest on the bonds and notes and other obligations of the authority
32 and its subsidiaries, and the metropolitan transportation authority,
33 together with the maintenance of proper reserves therefor, (ii) the cost
34 and expense of keeping the properties and assets of the authority and
35 its subsidiary corporations in good condition and repair, and (iii) the
36 capital and operating expenses of the authority and its subsidiary
37 corporations. The authority may contract with the holders of bonds and
38 notes with respect to the exercise of the powers authorized by this
39 section. No acts or activities taken or proposed to be taken by the
40 authority or any subsidiary of the authority pursuant to the provisions
41 of this subdivision shall be deemed to be "actions" for the purposes or
42 within the meaning of article eight of the environmental conservation
43 law.

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

53 (c) In the event that the monthly revenues of the metropolitan trans-
54 portation authority fall below one hundred twenty-five percent of the
55 amount necessary to maintain the operations of the metropolitan trans-
56 portation authority on a self-sustaining basis, as defined by section

1 twelve hundred sixty-six of this article, the authority shall, at the
2 direction of the metropolitan transportation authority, establish, levy
3 and collect or cause to be established, levied and collected, in the
4 case of a joint service arrangement, and join with others in the estab-
5 lishment, levy and collection of such fares, tolls, rentals, rates,
6 charges and other fees as the metropolitan transportation authority may
7 deem necessary, convenient or desirable for the use and operation of any
8 transportation facility and related services operated by the authority
9 or by a subsidiary corporation of the authority or under contract, lease
10 or other arrangement, including joint service arrangements, with the
11 authority, until such time that monthly revenues of the metropolitan
12 transportation authority has exceeded, for three consecutive months, two
13 hundred percent of the amount necessary to maintain the monthly oper-
14 ations of the metropolitan transportation authority on a self-sustaining
15 basis.

16 4. In furtherance of the authority's mandate to develop and implement
17 a unified mass transportation policy for the city and the exercise of
18 its powers, including the power to issue notes, bonds and other obli-
19 gations secured in whole or in part by the revenues of the authority and
20 its subsidiaries, and New York city transit authority and its subsid-
21 aries, the authority shall join with the New York city transit authori-
22 ty and its subsidiaries in connection with any change in the establish-
23 ment, levy and collection of fares, tolls, rentals, rates, charges and
24 other fees for the transportation of passengers on any transportation
25 facilities operated by New York city transit authority and its subsid-
26 aries. Such fares, tolls, rentals, charges and other fees on transit
27 facilities shall be established in accordance with the requirements of
28 sections twelve hundred five and twelve hundred seven-i of this article.

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

47 6. The authority may acquire, hold, own, lease, establish, construct,
48 effectuate, operate, maintain, renovate, improve, extend or repair any
49 transportation facilities through, and cause any one or more of its
50 powers, duties, functions or activities to be exercised or performed by,
51 one or more wholly owned subsidiary corporations of the authority, or by
52 New York city transit authority or any of its subsidiary corporations in
53 the case of transit facilities and may transfer to or from any such
54 corporations any moneys, real property or other property for any of the
55 purposes of this title upon such terms and conditions as shall be agreed
56 to and subject to such payment or repayment obligations as are required

1 by law or by any agreement to which any of the affected entities is
2 subject. The directors or members of each such subsidiary corporation of
3 the authority corporation shall be the same persons holding the offices
4 of members of the authority. The chairperson of the board of each such
5 subsidiary shall be the chairperson of the authority, serving ex officio
6 and, provided that there is an executive director of the big apple tran-
7 sit authority, the executive director of such subsidiary shall be the
8 executive director of the big apple transit authority, serving ex offi-
9 cio. Notwithstanding any provision of law to the contrary, the chair-
10 person shall be the chief executive officer of each such subsidiary and
11 shall be responsible for the discharge of the executive and administra-
12 tive functions and powers of each such subsidiary. The chairperson and
13 executive director, if any, shall be empowered to delegate their respec-
14 tive functions and powers to one or more officers or employees of each
15 such subsidiary designated by such chair or director. Each such subsid-
16 iary corporation of the authority and any of its property, functions and
17 activities shall have all of the privileges, immunities, tax exemptions
18 and other exemptions of the authority and of the authority's property,
19 functions and activities. Each such subsidiary corporation shall be
20 subject to the restrictions and limitations to which the authority may
21 be subject. Each such subsidiary corporation of the authority shall be
22 subject to suit in accordance with section thirteen hundred forty-nine-
23 mm of this title. The employees of any such subsidiary corporation,
24 except those who are also employees of the authority, shall not be
25 deemed employees of the authority.

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

40 8. Whenever any state, political subdivision, municipality, commis-
41 sion, agency, officer, department, board, division or person is author-
42 ized and empowered for any of the purposes of this title to co-operate
43 and enter into agreements with the authority such state, political
44 subdivision, municipality, commission, agency, officer, department,
45 board, division or person shall have the same authorization and power
46 for any of such purposes to co-operate and enter into agreements with a
47 subsidiary corporation of the authority.

48 9. Each of the authority and its subsidiaries, and the New York city
49 transit authority and its subsidiaries, in its own name or in the name
50 of the city, may apply for and receive and accept grants of property,
51 money and services and other assistance offered or made available to it
52 by any person, government or agency, which it may use to meet capital or
53 operating expenses and for any other use within the scope of its powers,
54 and to negotiate for the same upon such terms and conditions as the
55 respective authority may determine to be necessary, convenient or desir-
56 able.

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

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

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

50 13. The jurisdiction, supervision, powers and duties of the department
51 of transportation of the state under the transportation law shall not
52 extend to the authority in the exercise of any of its powers under this
53 title. The authority may agree with such department for the execution by
54 such department of any grade crossing elimination project or any grade
55 crossing separation reconstruction project along any railroad facility
56 operated by the authority or by one of its subsidiary corporations or

1 under contract, lease or other arrangement with the authority. Any such
2 project shall be executed as provided in article ten of the transporta-
3 tion law and the railroad law, respectively, and the costs of any such
4 project shall be borne as provided in such laws, except that the author-
5 ity's share of such costs shall be borne by the state.

6 14. Notwithstanding the provisions of any other law, general, special
7 or local, or of any agreement entered into in pursuance thereof, relat-
8 ing to the repayment of any loan or advance made by the city or the
9 state to the authority or to the New York city transit authority,
10 neither the authority nor the New York city transit authority shall be
11 required to repay any such loan or advance heretofore made from or by
12 reason of the issuance of bonds or notes of either of them or from the
13 proceeds realized upon such issuance or from any other funds received by
14 either of them from any source whatever in aid or assistance of the
15 project or projects for the financing of which such bonds or notes are
16 issued.

17 15. No project to be constructed upon real property theretofore used
18 for a transportation purpose, or on an insubstantial addition to such
19 property contiguous thereto, which will not change in a material respect
20 the general character of such prior transportation use, nor any acts or
21 activities in connection with such project, shall be subject to the
22 provisions of article eight, nineteen, twenty-four, or twenty-five of
23 the environmental conservation law, or to any local law or ordinance
24 adopted pursuant to any such article. Nor shall any acts or activities
25 taken or proposed to be taken by the authority or by any other person or
26 entity, public or private, in connection with the planning, design,
27 acquisition, improvement, construction, reconstruction or rehabilitation
28 of a transportation facility, other than a marine or aviation facility,
29 be subject to the provisions of article eight of the environmental
30 conservation law, or to any local law or ordinance adopted pursuant to
31 any such article if such acts or activities require the preparation of a
32 statement under or pursuant to any federal law or regulation as to the
33 environmental impact thereof.

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

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

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

51 (b) In order to be eligible for such no fare program the personal care
52 attendant must show their community based personal care attendant agency
53 issued identification card.

54 (c) In order to be considered accompanying an Americans with Disabili-
55 ties Act paratransit eligible individual the personal care attendant

1 shall have the same origin and destination as such paratransit eligible
2 individual.

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

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

12 § 1349-i. Medical emergency services. The authority is hereby author-
13 ized and directed to prepare and develop a medical emergency services
14 program to be implemented at a time to be specified in such program for
15 the benefit of persons utilizing transportation and other related
16 services of the authority. Such program may include but not be limited
17 to the provision for the following: the training of designated employees
18 in first aid, emergency techniques and procedures, handling and posi-
19 tioning of stricken commuters, and knowledge of procedures and equipment
20 used for respiratory and cardiac emergencies. Such program shall be
21 submitted to the legislature not later than one hundred eighty days
22 after the effective date of this section.

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

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

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

55 (b) finance all or any part of the costs to the authority or to any
56 other person or entity, public or private, of such transit project

1 through, or accompanied by, a leasing of such project or any part there-
2 of by such person or entity to the authority or through or accompanied
3 by a sale by the authority to any such person or entity and leaseback to
4 the authority, in each case for subleasing to the New York city transit
5 authority, its designated subsidiary or other designee for consider-
6 ation, except that such leasing or leaseback from such person or entity
7 may be made directly to the New York city transit authority or its
8 designated subsidiary or other designee with the consent of the authori-
9 ty;

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

14 (d) accept the notes, bonds, lease, sublease and other contractual
15 obligations of the New York city transit authority and any of its desig-
16 ated subsidiaries in payment for a transfer, lease or sublease of a
17 transit project;

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

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

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

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

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

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

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

52 (c) no bonds or notes of the authority shall be issued for the purpose
53 of defeasing the lien of, refunding or otherwise repaying outstanding
54 bonds, notes or other obligations of the New York city transit authority
55 unless (i) the city of New York shall have entered into an agreement on
56 terms satisfactory to the authority to make periodic payments to the New

1 York city transit authority, and (ii) the New York city transit authori-
2 ty shall have entered into an agreement on terms satisfactory to the
3 authority to make periodic payments to the authority, in each case
4 sufficient to pay, when due, the principal, redemption premium, if any,
5 and interest upon the bonds or notes of the authority issued to effect
6 such defeasance, refunding or repayment;

7 (d) notwithstanding and in addition to any provisions for the redemp-
8 tion of such bonds or notes which may be contained in any contract with
9 the holders thereof, the city of New York may, upon furnishing suffi-
10 cient funds therefor, require the authority to redeem as a whole any
11 issue of such bonds or notes at the time or times and at the place or
12 places and in accordance with the terms upon which such bonds or notes
13 are redeemable; and

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

17 4. The authority shall not undertake any transit project unless the
18 New York city transit authority or the subsidiary for whose benefit the
19 transit project is to be undertaken, or both, shall pay or agree to pay,
20 in the form of a bond, note, lease, sublease or other contractual obli-
21 gation, in a manner and on terms and conditions satisfactory to the
22 authority, any portion of the costs to the authority of such transit
23 project and the financing thereof which is not paid to the authority
24 from any federal, state or local aid or assistance or which is not paya-
25 ble from any other moneys made available or payable to the authority by
26 others for such project.

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

1 fail to so inform such council within such period it shall be deemed to
2 have recommended the proposal; and (iii) such council shall, within
3 forty-five days of the recommendation of the community board, approve or
4 disapprove such acquisition or transfer, and if such council shall fail
5 to act within such period it shall be deemed to have approved the same.

6 6. In its performance of any transit project, the authority shall not
7 be deemed the agent or instrumentality of the city of New York or the
8 New York city transit authority or any of its subsidiaries notwithstanding
9 the fact that title to any real or personal property (or any inter-
10 est therein) which is the subject of or is a part of such project is
11 held by or upon completion of such project is to be transferred to such
12 other entity. In its performance of any transit project, however, the
13 provisions of section twelve hundred nine of this article shall apply to
14 the authority as if it were the authority referred to in such section.

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

24 8. After the transfer, transfer back, lease or sublease to the New
25 York city transit authority or its designated subsidiary or other desig-
26 nee of any transit project or part thereof, actions for damages for
27 injuries to real or personal property or for the destruction thereof, or
28 for personal injuries or death, based upon the use, condition or state
29 of such project or part thereof may not be instituted against the
30 authority, which shall have no liability or responsibility to the trans-
31 feree, lessee or sublessee or to third parties therefor.

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

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

42 11. No transit project to be constructed upon real property to be used
43 for a transit or transportation purpose, or on an insubstantial addition
44 to such property contiguous thereto, which will not change in a material
45 respect the general character of such prior transit or transportation
46 use, nor any acts or activities in connection with such project, shall
47 be subject to the provisions of article eight, nineteen, twenty-four or
48 twenty-five of the environmental conservation law, or to any local law
49 or ordinance adopted pursuant to any such article. Nor shall any trans-
50 it project or any acts or activities in connection therewith taken by
51 any person or entity, public or private, pursuant to this section be
52 subject to the provisions of article eight of the environmental conser-
53 vation law if such project, acts or activities require the preparation
54 of a statement under or pursuant to any federal law or regulation as to
55 the environmental impact thereof.

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

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

9 (i) The contractor will not discriminate against employees or appli-
10 cants for employment because of race, creed, color, national origin,
11 sex, age, disability, or marital status, and will undertake or continue
12 existing programs of affirmative action to ensure that minority group
13 persons and women are afforded equal opportunity without discrimination.
14 Such programs shall include, but not be limited to, recruitment, employ-
15 ment, job assignment, promotion, upgrading, demotion, transfer, layoff,
16 termination, rates of pay or other forms of compensation, and selections
17 for training or retraining, including apprenticeship and on-the-job
18 training.

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

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

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

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

51 14. (a)(i) In the performance of projects pursuant to this title
52 minority and women-owned business enterprises shall be given the oppor-
53 tunity for meaningful participation. The authority provided for in this
54 title shall establish measures and procedures to secure meaningful
55 participation and identify those contracts and items of work for which
56 minority and women-owned business enterprises may best bid to actively

1 and affirmatively promote and assist their participation in the
2 projects, so as to facilitate the award of a fair share of contracts to
3 such enterprises; provided, however, that nothing in this title shall be
4 construed to limit the ability of the authority to assure that qualified
5 minority and women-owned business enterprises may participate in the
6 program.

7 (A) For purposes of this section, minority business enterprise shall
8 mean any business enterprise which is at least fifty-one per centum
9 owned by, or in the case of a publicly owned business, at least fifty-
10 one per centum of the stock of which is owned by citizens or permanent
11 resident non-citizens who are African-American, Hispanic, Asian or Amer-
12 ican Indian, Pacific Islander or Alaskan natives and such ownership
13 interest is real, substantial and continuing and have the authority to
14 independently control the day to day business decisions of the entity
15 for at least one year; and women-owned business enterprise shall mean
16 any business enterprise which is at least fifty-one per centum owned by,
17 or in the case of a publicly owned business, at least fifty-one per
18 centum of the stock of which is owned by citizens or permanent resident
19 non-citizens who are women, and such ownership interest is real,
20 substantial and continuing and have the authority to independently
21 control the day to day business decisions of the entity for at least one
22 year.

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

26 (ii) In the implementation of this subdivision, the authority shall
27 consider compliance by any contractor with the requirements of any
28 federal, state, or local law concerning minority and women-owned busi-
29 ness enterprises, which may effectuate the requirements of this subdivi-
30 sion. If the authority determines that by virtue of the imposition of
31 the requirements of any such law, in respect to capital project
32 contracts, the provisions thereof duplicate or conflict with such law,
33 the authority may waive the applicability of this subdivision to the
34 extent of such duplication or conflict.

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

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

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

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

1 § 1349-k. Excess loss fund. 1. Subject to the provisions of this
2 section, the authority is authorized to issue bonds and notes, in
3 accordance with section thirteen hundred forty-nine-u of this title, in
4 such principal amounts not in excess of the seventy-five million dollar
5 limitation established in subdivision four of this section as, in the
6 opinion of the authority, shall be necessary to provide sufficient funds
7 to meet the capital and reserve requirements of a trust, pooling
8 arrangement or other entity established for the purpose of providing
9 reimbursement and funding to the authority and its subsidiaries, the New
10 York city transit authority and its subsidiaries and Triborough bridge
11 and tunnel authority for excess or extraordinary losses for damages to
12 real or personal property or for the destruction thereof or for personal
13 injuries or death and for certain property damage losses which may be
14 incurred or sustained by any of them in connection with the use and
15 operation of their respective facilities and in the conduct of their
16 respective activities, the trust, pooling arrangement or other entity
17 established in order to provide such benefits to such participants being
18 referred to in this section as the "excess loss fund". Prior to the
19 issuance of any bonds or notes, other than refunding bonds or notes,
20 authorized by this section, the authority shall make a finding that such
21 issue is expected to result, on a present value basis, in a lower effec-
22 tive cost to the participating authorities than funding the requirements
23 of the excess loss fund solely through the payment of premiums and
24 assessments by such participating authorities.

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

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

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

39 (c) enter into contracts with the excess loss fund and with the
40 participants therein, on such terms and conditions as the parties may
41 agree, with respect to the payment of premiums, assessments, reimburse-
42 ments and other payments to the excess loss fund and the nature and
43 extent of the benefits to be paid by the excess loss fund to such
44 participants.

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

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

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

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

5 (c) bonds and notes issued to refund or otherwise repay bonds or notes
6 theretofore issued for such purposes, provided, however, that upon any
7 such refunding or repayment of the total aggregate principal amount of
8 outstanding bonds and notes, including for purpose of such calculation
9 the principal amount of the refunding bonds or notes then to be issued
10 and excluding the principal amount of the bonds or notes so to be
11 refunded or repaid and any amounts excluded under paragraph (a) or (b)
12 of this subdivision, may be greater than seventy-five million dollars,
13 only if the present value of the aggregate debt service of the refunding
14 or repayment bonds or notes to be issued shall not exceed the present
15 value of the aggregate debt service of the bonds or notes so to be
16 refunded or repaid. For purposes of this subparagraph, the present
17 values of the aggregate debt service of the refunding or repayment bonds
18 or notes and of the aggregate debt service of the bonds or notes so to
19 be refunded or repaid, shall be calculated by utilizing the effective
20 interest rate of the refunding or repayment bonds or notes, which shall
21 be that rate arrived at by doubling the semi-annual interest rate,
22 compounded semi-annually, necessary to discount the debt service
23 payments on the refunding or repayment bonds or notes from the payment
24 dates thereof to the date of issue of the refunding or repayment bonds
25 or notes and to the price bid including estimated accrued interest or
26 proceeds received by the authority including estimated accrued interest
27 from the sale thereof.

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

37 § 1349-l. Authority police force. 1. The authority is hereby author-
38 ized and empowered, to provide and maintain an authority police depart-
39 ment and a uniformed authority police force. Each member of such
40 uniformed police force shall be a "police officer" for the purposes of
41 the criminal procedure law, with all of the powers of such police offi-
42 cers thereunder and subject to the same jurisdictional provisions on the
43 exercise of that power as set forth in such law. The geographical area
44 of employment of such police officers for the purposes of the criminal
45 procedure law shall embrace the city of New York. Such department and
46 force shall have the power, in and about any or all of the facilities
47 owned, occupied and/or operated by the authority and its subsidiary
48 corporations, the New York city transit authority and its subsidiaries,
49 and the Triborough bridge and tunnel authority, as determined in the
50 discretion of the authority, to enforce and prevent violation of all
51 laws and ordinances. Nothing in this section shall confer upon the
52 authority police force or upon their collective negotiations represen-
53 tatives exclusive jurisdiction or claim over the exercise of police
54 power or security work on behalf of the authority and its subsidiary
55 corporations, the New York city transit authority and its subsidiaries,
56 and the Triborough bridge and tunnel authority. Nothing in this section

1 shall limit the authority and its subsidiary corporations, the New York
2 city transit authority and its subsidiaries, and the Triborough bridge
3 and tunnel authority from continuing to rely on local police for police
4 services.

5 2. Initial appointments to such authority police force shall be from
6 the incumbent police officers of the metropolitan transportation author-
7 ity at the time of such appointment. The executive director of the
8 authority, through the chief of police, shall have the power and author-
9 ity to appoint and employ such number of police officers as such execu-
10 tive director deems necessary to act as police officers of the authority
11 and to administer to the officers an oath or affirmation faithfully to
12 perform the duties of their respective positions or offices. Unless, at
13 the time of appointment, the person is a police officer of the metropol-
14 itan transportation authority, only persons who have never been
15 convicted of a felony and are citizens of the United States shall be
16 appointed police officers on the authority police force. After the
17 initial appointments are made, selection of police officer candidates
18 shall be made pursuant to an examination process to be determined at the
19 discretion of the authority and candidates must receive a certificate
20 attesting to satisfactory completion of an approved municipal police
21 basic training program, as described in section two hundred nine-q of
22 the general municipal law. No person shall be eligible for appointment
23 unless such person is not less than twenty years of age as of the date
24 of appointment nor more than thirty-five years of age as of the date
25 when the applicant takes the written examination, provided, however,
26 that time spent on military duty or on terminal leave, not exceeding a
27 total of six years, shall be subtracted from the age of any applicant
28 who has passed their thirty-fifth birthday as provided in subdivision
29 ten-a of section two hundred forty-three of the military law. Upon
30 appointments made by transferring an entire group of police officers
31 into the authority police force, thereby eliminating such other group of
32 police officers, the authority shall recognize any representative previ-
33 ously chosen by the police officers for the purposes of collective nego-
34 tiations consistent with the bargaining units already established and
35 shall also assume and continue to observe any existing labor contracts
36 covering these police officers including such provisions which relate to
37 the grievance and disciplinary procedures and interest arbitration.
38 Subsequent to the establishment of the consolidated police force the
39 authority and the collective bargaining representatives shall be author-
40 ized to negotiate a merger of the separate bargaining units.

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

55 4. The authority may, in its sole discretion, establish within the
56 authority's defined benefit program, a retirement program consistent

1 with the foregoing. If the authority has not so established such program
2 in its defined benefit program within one hundred eighty days after
3 enactment, then the authority shall elect to participate in article
4 fourteen-B of the retirement and social security law.

5 5. If the authority elects to participate in the New York city employ-
6 ees' retirement system, such election to participate shall be made by
7 resolution filed with the comptroller and accepted by the comptroller
8 pursuant to section thirty-one of the retirement and social security
9 law.

10 6. Nothing contained in this section shall be deemed to diminish,
11 suspend or abolish an existing benefit inured to a police officer,
12 transferred from the metropolitan transportation authority police force
13 and subject to the provisions of this section in and to the rights,
14 privileges or status previously earned within a pension or retirement
15 system of which they were a member immediately prior to the enactment of
16 this section; and any such existing right, privilege or status shall
17 survive the effect of any decisions or determinations lawfully made in
18 accordance with the provisions of this section so long as such right,
19 privilege or status is greater in benefit to that which would be imposed
20 or imputed to any subject officer as a result of actions of the authori-
21 ty authorized by this section.

22 § 1349-m. The permanent citizens advisory committee. There is hereby
23 established a permanent citizens advisory committee. The members of the
24 committee shall consist of the New York city transit authority advisory
25 council, as defined in section twelve hundred four-e of this article.

26 § 1349-n. Big apple transit authority pledge to customers. 1. A big
27 apple transit authority pledge to customers shall be created and adopted
28 by the big apple transit authority. A copy of such pledge shall be post-
29 ed on the website of the authority and shall be posted in stations where
30 the authority makes regular postings. The authority shall post the
31 pledge in the language or languages it deems necessary and appropriate.

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

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

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

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

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

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

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

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

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

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

1 § 1349-o. Expired fare transfer policy. Notwithstanding any other
2 provision of law to the contrary, the authority shall, within ninety
3 days of the effective date of this section, establish an expired fare
4 transfer policy that may be amended from time to time. Such policy shall
5 provide any person who purchases a fare the ability to transfer any
6 remaining balance for two years after such fare is deemed expired.

7 § 1349-p. Acquisition and disposition of real property. 1. In addi-
8 tion to the powers provided in section thirteen hundred forty-nine-h of
9 this title to acquire transportation facilities, equipment and real
10 property, the authority may acquire, by condemnation pursuant to the
11 eminent domain procedure law, any real property within the city of New
12 York it may deem necessary, convenient or desirable to effectuate the
13 purposes of this title, provided however, that any such condemnation
14 proceedings shall be brought only in the supreme court and the compen-
15 sation to be paid shall be ascertained and determined by the court with-
16 out a jury. Notwithstanding the provisions of this subdivision, no real
17 property may be acquired by the authority by condemnation for purposes
18 other than a transportation facility unless the governing body of the
19 city, village or town in which such real property is located shall first
20 consent to such condemnation.

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

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

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

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

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

46 § 1349-q. Acquisition and disposition of real property by department
47 of transportation. If funds are made available by the authority for the
48 payment of the cost and expense of the acquisition thereof, the commis-
49 sioner of transportation of the state of New York, when requested by the
50 authority, may acquire such real property in the name of the state as
51 may be determined from time to time by the authority as being necessary,
52 convenient or desirable to effectuate the purposes of this title, may
53 remove the owner or occupant thereof where necessary and obtain
54 possession and, when requested by the authority, may dispose of any real
55 property so acquired, all according to the procedure provided in section
56 thirty of the highway law. The authority shall have the right to possess

1 and use for its corporate purposes all such real property so acquired.
2 Claims for the value of the property appropriated and for legal damages
3 caused by any such appropriation shall be adjusted and determined by
4 such commissioner with the approval of the authority or by the court of
5 claims as provided in section thirty of the highway law. When a claim
6 has been filed with the court of claims, the claimant shall cause a copy
7 of such claim to be served upon the authority and the authority shall
8 have the right to be represented and heard before such court. All awards
9 and judgments arising from such claims shall be paid out of moneys of
10 the authority. No real property may be acquired pursuant to the
11 provisions of this section for purposes other than a transportation
12 facility unless the governing body of the city, village or town in which
13 such real property is located shall first consent to such acquisition.

14 § 1349-r. Transit facilities for transit construction fund. 1. As
15 used in this section, unless a different meaning clearly appears from
16 the context:

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

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

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

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

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

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

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

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

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

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

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

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

51 (a) Payment of the principal, redemption premium, if any, and interest
52 on such bonds and notes shall be made only from monies payable to the
53 authority from the transit construction fund under a lease or other
54 agreement entered into pursuant to the provisions of the transit
55 construction fund act, and any security given by the authority for the
56 payment of such principal, redemption premium or interest on such bonds

1 and notes shall be limited to the monies so payable from the transit
2 construction fund. The authority shall not grant any security interest
3 in or otherwise encumber any transit facility leased to the transit
4 construction fund.

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

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

17 4. Notwithstanding the provisions of any general or special law to the
18 contrary, or of any agreement entered into in pursuance thereof relating
19 to the repayment of any loan or advance made by the state to the author-
20 ity, the authority shall not be required to repay any such loan or
21 advance from or by reason of the issuance: (a) of bonds or notes of the
22 authority issued to finance any purpose authorized under this section or
23 the transit construction fund act, or the proceeds realized upon such
24 issuance; or (b) from any other funds of the authority derived from the
25 transit construction fund or from any other source whatever to effectuate
26 the purposes of the transit construction fund act.

27 § 1349-s. Co-operation and assistance of other agencies. 1. To avoid
28 duplication of effort and in the interests of economy, the authority may
29 make use of existing studies, surveys, plans, data and other materials
30 in the possession of any state agency or any municipality or political
31 subdivision of the state. Each such agency, municipality or subdivision
32 is hereby authorized to make the same available to the authority and
33 otherwise to assist it in the performance of its functions. At the
34 request of the authority, each such agency, municipality or subdivision
35 which is engaged in highway or other transportation activities or in
36 land use or development planning, or which is charged with the duty of
37 providing or regulating any transportation facility or any other public
38 facility, is further authorized to provide the authority with informa-
39 tion regarding its plans and programs affecting the transportation
40 district so that the authority may have available to it current informa-
41 tion with respect thereto. The officers and personnel of such agencies,
42 municipalities or subdivisions, and of any other government or agency
43 whatever, may serve at the request of the authority upon such advisory
44 committees as the authority shall determine to create and such officers
45 and personnel may serve upon such committees without forfeiture of
46 office or employment and with no loss or diminution in the compensation,
47 status, rights and privileges which they otherwise enjoy.

48 2. The authority shall, at the request of any state agency, munici-
49 pality or political subdivision of the state, engaged in highway or
50 other transportation activities or in land use or development planning,
51 provide said state agency, municipality or political subdivision with
52 all current and relevant information regarding its plans or programs, so
53 as to enable said agency, municipality or subdivision to properly effec-
54 tuate said activities or planning.

55 3. To the extent that the provisions of this title authorize the
56 authority to enter into any agreement or arrangement with, or undertake

1 any other activity requiring the participation of, the New York city
2 transit authority or any of its subsidiary corporations in furtherance
3 of their respective purposes and powers or the Triborough bridge and
4 tunnel authority in furtherance of its purposes and powers, such enti-
5 ties are hereby authorized and empowered to enter into and perform such
6 contract or other arrangement and to undertake such activities.

7 § 1349-t. Promotion of qualified transportation fringes. The authori-
8 ty shall promote the broad use of qualified transportation fringes,
9 under section one hundred thirty-two of the federal internal revenue
10 code, in order to increase the number of participating companies and
11 employees in such programs. The authority may also study and report on
12 ways in which programs may be improved so as to increase public partic-
13 ipation.

14 § 1349-u. Notes, bonds and other obligations of the authority. 1. (a)
15 The authority shall have power and is hereby authorized from time to
16 time to issue its bonds, notes and other obligations in such principal
17 amount as, in the opinion of the authority, shall be necessary, conven-
18 ient or desirable to effectuate any of its powers and purposes, includ-
19 ing to provide sufficient funds for achieving its purposes, including
20 the acquisition, establishment, construction, effectuation, operation,
21 maintenance, renovation, improvement, extension, rehabilitation or
22 repair of any transportation facility, the payment of principal, redemp-
23 tion premium and interest on bonds, notes and other obligations of the
24 authority, establishment of reserves to secure such bonds, notes and
25 other obligations, the provision of working capital and all other
26 expenditures of the authority and its subsidiary corporations, and New
27 York city transit authority and its subsidiary corporations incident to
28 and necessary or convenient to carry out their purposes and powers. Such
29 bonds, notes or other obligations may be issued for an individual trans-
30 portation facility or issued on a consolidated basis for such groups or
31 classes of facilities and projects as the authority in its discretion
32 deems appropriate and be payable from and secured separately or on a
33 consolidated basis by, among other things, all or any portion of such
34 revenues and other monies and assets of the authority and its subsidiary
35 corporations, and New York city transit authority and its subsidiary
36 corporations as the authority determines in accordance with the
37 provisions of section thirteen hundred forty-nine-dd of this title;

38 (b) The authority shall have power, from time to time, to issue
39 renewal notes, to issue bonds to refund, redeem or otherwise pay,
40 including by purchase or tender, notes of the authority and its subsid-
41 iary corporations, the metropolitan transportation authority, and the
42 New York city transit authority and its subsidiary corporations and
43 whenever it deems refunding, redemption or payment expedient, to refund,
44 redeem or otherwise pay, including by purchase or tender, any bonds of
45 the authority and its subsidiary corporations, the metropolitan trans-
46 portation authority, the New York city transit authority and its subsid-
47 iary corporations and the Triborough bridge and tunnel authority by the
48 issuance of new bonds, whether the bonds to be refunded, redeemed or
49 otherwise paid have or have not matured, and to issue bonds partly for
50 such purpose and partly for any other purpose and to otherwise refund,
51 redeem, acquire by purchase or tender, or in any other way repay any
52 outstanding notes, bonds or other obligations of the authority, any of
53 its subsidiary corporations, the metropolitan transportation authority,
54 the New York city transit authority, any of its subsidiary corporations
55 and the Triborough bridge and tunnel authority;

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

15 2. The authority may from time to time issue its bonds and notes in
16 such principal amounts as, in the opinion of the authority, shall be
17 necessary to finance the unfunded pension fund liabilities of the
18 authority, its affiliates and subsidiaries, provided, however, that in
19 no event shall the cumulative amounts of bonds and notes issued pursuant
20 to the authority under this subdivision exceed one billion two hundred
21 million dollars or sixty percent of such unfunded pension fund liabil-
22 ities, whichever is less, and provided, further, that no bonds shall be
23 issued under this subdivision for a term longer than twenty years. The
24 authority may not issue bonds or notes in any twelve month period in a
25 cumulative principal amount in excess of forty percent of the total
26 amount permitted to be issued under this subdivision. Prior to the issu-
27 ance of any bonds or notes, the authority shall make a finding that such
28 issue is expected to result, on a present value basis, in a lower effec-
29 tive cost to the authority than funding the unfunded pension fund
30 liability solely through the payment of annual amounts to the pension
31 fund, assuming that the principal component of the unfunded liability
32 will be amortized over the same number of years as the term of the bonds
33 or notes and that the interest payable thereon is the actuarial rate of
34 interest determined by the actuary for the pension fund at the time of
35 the issuance of such bonds or notes. The aggregate principal amount of
36 bonds and notes issued for such purposes may be increased to fund costs
37 of issuance and reasonably required debt service or other reserve funds.
38 Bonds and notes may be issued to refund or otherwise repay bonds or
39 notes theretofore issued for such purposes; provided, however, that upon
40 any such refunding or repayment, including for purpose of such calcu-
41 lation the principal amount of the refunding bonds or notes then to be
42 issued and excluding the principal amount of the bonds or notes so to be
43 refunded or repaid and also excluding any amounts used to pay costs of
44 issuance and reasonably required debt service or other reserve funds,
45 the present value of the aggregate debt service of the refunding or
46 repayment bonds or notes to be issued shall not exceed the present value
47 of the aggregate debt service of the bonds or notes so to be refunded or
48 repaid. For purposes of the preceding sentence, the present values of
49 the aggregate debt service of the refunding or repayment bonds or notes
50 and of the aggregate debt service of the bonds or notes so to be
51 refunded or repaid shall be calculated by utilizing the effective inter-
52 est rate of the refunding or repayment bonds or notes, which shall be
53 that rate arrived at by doubling the semi-annual interest rate,
54 compounded semi-annually, necessary to discount the debt service
55 payments on the refunding or repayment bonds or notes from the payment
56 dates thereof to the date of issue of the refunding or repayment bonds

1 or notes and to the price bid including estimated accrued interest or
2 proceeds received by the authority including estimated accrued interest
3 from the sale thereof. Debt service on the bonds or notes shall be
4 structured so that the economic benefits thereof shall be relatively
5 uniform for each full year throughout the term of the bonds or notes.
6 Beginning with the date of first issuance of bonds under this section,
7 the authority and its subsidiaries shall make annual payments into the
8 pension fund in amounts at least equal to the current pension contrib-
9 ution liability applicable to such year. The net proceeds of the bonds
10 or notes intended to be invested in non-debt securities may be invested
11 by the recipient pension fund in a fiscally prudent manner in securities
12 consistent with any trust indentures and all applicable state and feder-
13 al law over a reasonable period of time not less than thirty days
14 following the issuance of the bonds or notes. The operating budget
15 savings associated with the issuance of pension obligation bonds pursu-
16 ant to this subdivision shall be dedicated to reducing service elimi-
17 nations projected to occur within that period.

18 3. The notes, bonds and other obligations shall be authorized by
19 resolution approved by not less than a majority vote of the whole number
20 of members of the authority then in office, except that in the event of
21 a tie vote the chairperson shall cast one additional vote. Such notes,
22 bonds and other obligations shall bear such date or dates, and shall
23 mature at such time or times, in the case of any such note or any
24 renewals thereof not exceeding five years from the date of issue of such
25 original note, and in the case of any such bond not exceeding fifty
26 years from the date of issue, as such resolution or resolutions may
27 provide. The notes, bonds and other obligations shall bear interest at
28 such rate or rates, be in such denominations, be in such form, either
29 coupon or registered, carry such registration privileges, be executed in
30 such manner, be payable in such medium of payment, at such place or
31 places and be subject to such terms of redemption as such resolution or
32 resolutions may provide. The notes, bonds and other obligations of the
33 authority may be sold by the authority, at public or private sale, at
34 such price or prices as the authority shall determine. No notes or bonds
35 of the authority may be sold by the authority at private sale, however,
36 unless such sale and the terms thereof have been approved in writing by
37 (a) the comptroller, where such sale is not to the comptroller, or (b)
38 the director of the office of management and budget, where such sale is
39 to the comptroller.

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

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

53 (b) pledging all or any part of the assets of the authority or of any
54 of its subsidiary corporations or New York city transit authority or any
55 of its subsidiary corporations or Triborough bridge and tunnel authority
56 to secure the payment of the notes or bonds or of any issue of notes or

bonds, or any other obligations of the authority, subject to such agreements with noteholders, bondholders, or holders of other obligations of the authority, the New York city transit authority and its subsidiary corporations, and Triborough bridge and tunnel authority;

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

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

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

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

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

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

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

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

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

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

5 6. Any pledge, mortgage or security instrument made by the authority
6 shall be valid and binding from the time when the pledge, mortgage or
7 security instrument is made; the monies or property so pledged, mort-
8 gaged and entrusted and thereafter received by the authority, or any of
9 its subsidiary corporations shall immediately be subject to the lien of
10 such pledge, mortgage or security instrument without any physical deliv-
11 ery thereof or further act; and the lien of any such pledge, mortgage or
12 security instrument shall be valid and binding as against all parties
13 having claims of any kind in tort, contract or otherwise against the
14 authority, or any of its subsidiary corporations, irrespective of wheth-
15 er such parties have notice thereof. Neither the resolution nor any
16 mortgage, security instrument or other instrument by which a pledge,
17 mortgage lien or other security is created shall need to be recorded or
18 filed and neither the authority nor, any of its subsidiary corporations
19 shall be required to comply with any of the provisions of the uniform
20 commercial code.

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

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

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

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

53 11. The term "monies" as used in this section shall include, but not
54 be limited to, all operating subsidies provided by (a) any public bene-
55 fit corporation, including without limitation transfers of operating
56 surplus by Triborough bridge and tunnel authority pursuant to section

1 twelve hundred nineteen-a of this article, or (b) any governmental enti-
2 ty, federal, state or local and shall exclude all funds required to be
3 transferred to the metropolitan transportation authority pursuant to
4 section thirteen hundred forty-nine-h of this title.

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

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

53 § 1349-v. Capital program plans; approvals; effect of disapproval. 1.
54 On or before October first next succeeding the effective date of this
55 section, and every fifth year thereafter, the authority shall submit to

1 the mayor a capital program plan for the ten-year period commencing
2 January first of the following year.

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

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

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

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

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

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

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

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

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

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

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

53 10. If the mayor vetoes the plan and the authority does not override
54 the veto, the authority may thereafter reformulate and resubmit such
55 plan at any time. Within thirty days of the submission of such reformu-
56 lated plan, the mayor may notify the authority of its approval, or, if

1 the reformulated plan is not approved and the mayor has not notified the
2 authority of their disapproval within such period, the reformulated plan
3 shall be deemed to have been approved.

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

13 12. The disapproval of a capital program plan shall not affect: (a)
14 the right of the authority, of the Triborough bridge and tunnel authori-
15 ty, or of the New York city transit authority, or of the subsidiaries of
16 any of them to initiate and complete any capital element which will be
17 financed otherwise than through the issuance of the bonds or notes the
18 issuance of which is prohibited under subdivision eleven of this
19 section; (b) the right of the authority or the Triborough bridge and
20 tunnel authority to issue bonds or notes to finance a capital element
21 which was initiated prior to such disapproval in conformity with a
22 previously approved plan; (c) the right of the New York city transit
23 authority to issue its bonds, notes, lease, sublease or other contractu-
24 al obligations in payment for a transit project initiated prior to such
25 disapproval in conformity with a previously approved plan; (d) the right
26 of the authority or of the Triborough bridge and tunnel authority to
27 issue bonds or notes to refund or otherwise repay any of its outstanding
28 bonds or notes or to fulfill any of their obligations to the holders of
29 any of their outstanding bonds or notes; or (e) the right of the New
30 York city transit authority to issue its bonds, notes, lease, sublease
31 or other contractual obligations to refund or otherwise repay any of its
32 outstanding bonds or notes or to fulfill any of its obligations to the
33 holders of any of its outstanding bonds or notes.

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

47 14. (a) The authority may from time to time submit to the mayor amend-
48 ments or modifications to any ten-year plan theretofore submitted, and
49 shall submit such an amendment or modification (i) if the estimated cost
50 of any capital element for which a specified dollar amount was proposed
51 to be expended exceeds the amount set forth in the approved plan for
52 such element by more than ten percent, (ii) if with respect to a partic-
53 ularly described capital element for which only an estimate of projected
54 cost has been provided in the plan there is a material change in the
55 description of such element from that contained in the approved plan,
56 (iii) if a capital element not previously included in the approved plan

1 is proposed to be undertaken and its cost, together with the cost of
2 other elements included in category (l) of the plan, exceeds by ten
3 percent the amount provided for such category (l) elements, (iv) if the
4 authority shall propose to change by more than one year from the time
5 when any capital element is proposed to be initiated or the effect of
6 such change will be to increase the estimated amount of capital funding
7 required in any year covered by the plan by more than twenty percent, or
8 (v) if the availability of funding sources changes to the degree to
9 which the authority or the Triborough bridge and tunnel authority are
10 precluded from exercising the authorization provided in subdivision nine
11 of this section and the authority wishes to do so.

12 (b) An amendment or modification may only be approved in two ways: (i)
13 an amendment or modification shall only be approved by the mayor and
14 within thirty days of the submission of an amendment or modification the
15 mayor may notify the authority of its approval of the same; or (ii) if
16 the amendment or modification is not approved by the mayor within such
17 thirty day period and the mayor has not notified the authority in writ-
18 ing of their disapproval within such period, the amendment or modifica-
19 tion shall be deemed to have been approved.

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

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

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

8 § 1349-w. Submission of strategic operation plan. 1. On or before the
9 first of July next succeeding the effective date of this section, the
10 authority shall submit to the mayor a strategic operation plan for the
11 bus and subway services of the New York city transit authority and its
12 subsidiaries and for the Staten Island rapid transit operating authority
13 for the five year period commencing January first of the following year.
14 The plan may be amended as required but shall be updated at least annu-
15 ally. The plan shall include, but need not be limited to, the following:

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

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

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

35 (d) Estimated operating and capital resources anticipated to be avail-
36 able from internal sources as well as from federal, state, regional and
37 local sources;

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

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

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

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

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

53 (j) An analysis of the relationship between specific planned capital
54 elements contained in approved capital program plans and the achievement
55 of planned service and performance standards. Such analysis shall
56 include the relationship of specific planned capital elements to the

1 achievement of such service and performance standards for each subway
2 line, bus route or group of bus routes as appropriate.

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

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

15 § 1349-x. Financial and operational reports. The authority shall
16 submit to the mayor and speaker of the city council, no later than thir-
17 ty days following the submission of the annual independent audit report
18 pursuant to section twenty-eight hundred two of this chapter, a complete
19 detailed report or reports setting forth, to the extent such matters are
20 not fully addressed in the annual independent audit report, the follow-
21 ing:

22 1. its financial reports, including:

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

26 (b) grant and subsidy programs;

27 (c) operating and financial risks;

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

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

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

34 (a) descriptions of the authority and its major units and subsid-
35 iaries;

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

38 (c) an organizational chart;

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

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

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

45 § 1349-y. Mission statement and measurement report. 1. The authority
46 shall submit to the mayor and speaker of the city council, on or before
47 the first of October next succeeding the effective date of this title, a
48 proposed authority mission statement and proposed measurements. The
49 proposed mission statement and proposed measurements shall have the
50 following components: a brief mission statement expressing the purpose
51 and goals of the authority; a description of the stakeholders of the
52 authority and their reasonable expectations from the authority, which
53 stakeholders shall include at a minimum: the residents and taxpayers of
54 the area of the state served by the authority, the persons that use the
55 services provided by the authority, and the employees of the authority
56 and any employee organization; the goals of the authority in response to

1 the needs of each group of stakeholders; and a list of measures by which
2 performance of the authority and the achievement of its goals may be
3 evaluated.

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

7 § 1349-z. Requirements for certain authority contracts and related
8 subcontracts. 1. Any contractor or subcontractor subject to the posting
9 requirements of paragraph a of subdivision three-a of section two
10 hundred twenty of the labor law with respect to a public works contract
11 of the authority shall:

12 (a) post information conforming to the provisions of subdivision two
13 of this section in one or more conspicuous places at each major work-
14 place site where persons who perform work on the contract or subcon-
15 tract, including management, are most likely to see such postings;
16 provided that, this requirement may be satisfied by the displaying of
17 such information with other notices that inform persons of rights under
18 federal or state laws or rules, human resource policies, or collective
19 bargaining agreements;

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

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

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

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

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

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

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

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

55 3. No later than forty-five days after the effective date of this
56 section, the authority shall establish and continuously maintain on its

1 public website and its intranet site a page that shall provide the
2 information specified in subdivision two of this section, and that shall
3 also provide sample statements, displays and other materials suitable
4 for insertion in employee handbooks or posting at workplaces or on
5 websites that would satisfy the disclosure requirements of this section.

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

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

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

15 § 1349-aa. Reserve funds and appropriations. The authority may create
16 and establish one or more reserve funds in accordance with agreements
17 with bondholders, noteholders or the holders of other obligations of the
18 authority and may pay into such reserve funds (a) any monies appropri-
19 ated and made available by the state for the purposes of such funds, (b)
20 any proceeds of sales of notes, bonds or other obligations to the extent
21 provided in the resolution of the authority authorizing the issuance
22 thereof, and (c) any other moneys which may be made available to the
23 authority for the purpose of such funds from any other source or sourc-
24 es. In lieu thereof, the authority may provide for the deposit therein
25 of, or substitute for moneys on deposit therein, a liquidity or credit
26 facility, surety bond or other similar agreement.

27 § 1349-bb. Big apple transit authority special assistance fund. 1. The
28 authority shall create and establish a fund to be known as the "big
29 apple transit authority special assistance fund" which shall be kept
30 separate from and shall not be commingled with any other moneys of the
31 authority. The special assistance fund shall consist of two separate
32 accounts: (a) the "transit account"; and (b) the "corporate transporta-
33 tion account".

34 2. Moneys in the transit account may be pledged to the Triborough
35 bridge and tunnel authority to secure bonds and notes and, if so
36 pledged, shall be paid to the Triborough bridge and tunnel authority in
37 such amounts and at such times as necessary to pay or to reimburse that
38 authority for its payment of debt service and reserve requirements on
39 that portion of special Triborough bridge and tunnel authority bonds and
40 notes issued by that authority pursuant to section five hundred fifty-
41 three-d of this chapter for transit projects undertaken for the New York
42 city transit authority and its subsidiaries. Subject to the provisions
43 of such pledge, any excess moneys, or in the event there is no such
44 pledge, any moneys in such account shall, at the direction of the big
45 apple transit authority, be: (a) deposited into one or more funds or
46 accounts and used as contemplated by section thirteen hundred forty-
47 nine-dd of this title; or (b) used for the payment of operating and
48 capital costs of the New York city transit authority and its subsid-
49 iaries and the Staten Island rapid transit operating authority.

50 3. Moneys in the corporate transportation account shall be pledged by
51 the authority, or pledged to the Triborough bridge and tunnel authority,
52 to secure bonds, notes or other obligations of the authority or the
53 Triborough bridge and tunnel authority, as the case may be, and, if so
54 pledged to the Triborough bridge and tunnel authority, shall be paid to
55 the Triborough bridge and tunnel authority in such amounts and at such
56 times as necessary to pay or to reimburse that authority for its payment

1 of debt service and reserve requirements, if any, on that portion of
2 special Triborough bridge and tunnel authority bonds and notes issued by
3 that authority pursuant to section five hundred fifty-three-d of this
4 chapter. Subject to the provisions of any such pledge, or in the event
5 there is no such pledge, any excess moneys in the corporate transporta-
6 tion account may be used by the authority for payment of operating costs
7 of, and capital costs, including debt service and reserve requirements,
8 if any, of or for the authority, the New York city transit authority and
9 their subsidiaries as the authority shall determine.

10 § 1349-cc. Big apple transit authority dedicated tax fund. 1. The
11 authority shall establish a fund to be known as the "big apple transit
12 authority dedicated tax fund" which shall be kept separate from and
13 shall not be commingled with any other moneys of the authority. The fund
14 shall consist of a "pledged amounts account" and an "operating and capi-
15 tal costs account" and such other accounts and subaccounts as the
16 authority may determine.

17 2. Moneys in the fund may be:

18 (a) pledged by the authority to secure and be applied to the payment
19 of its bonds, notes or other obligations specified by the authority and
20 issued to finance: (i) transit projects undertaken for the New York city
21 transit authority and its subsidiaries; and (ii) transportation facili-
22 ties undertaken for the authority and its subsidiaries; and

23 (b) used for payment of operating costs, and capital costs, including
24 debt service, reserve requirements, if any, the payment of amounts
25 required under bond and note facilities or agreements related thereto,
26 the payment of federal government loans, security or credit arrangements
27 or other agreements related thereto, and the payment of all costs
28 related to such obligations, of or for the authority, the New York city
29 transit authority and their subsidiaries as the authority shall deter-
30 mine. To the extent moneys in the fund have been pledged by the authori-
31 ty to secure and pay its bonds, notes or other obligations as herein
32 provided, moneys deposited into the fund shall first be deposited into
33 the pledged amounts account to the extent necessary to satisfy the
34 requirements of any debt service or reserve requirements, if any, of the
35 resolution authorizing such bonds, notes or other obligations. After
36 satisfaction of such requirements of the resolution, or if the authority
37 has not so pledged the moneys in the fund, moneys deposited in the fund
38 shall be directly deposited into the operating and capital costs account
39 and, subject to the provisions of any resolutions of the authority not
40 secured by the pledged amounts account, transferred forthwith to or for
41 the benefit of the New York city transit authority and its subsidiaries
42 and the Staten Island rapid transit operating authority.

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

53 § 1349-dd. Consolidated financings. 1. Notwithstanding any inconsist-
54 ent provisions of this law or any other law, general, special or local,
55 the authority may issue its notes, bonds and other obligations to
56 finance transportation facilities, including transit projects and

Triborough bridge and tunnel authority projects, utilizing a consolidated pledge of all or any portion of the revenues and other moneys and assets of the authority and its subsidiaries, the New York city transit authority and its subsidiaries, and the Triborough bridge and tunnel authority, together with those other sources of payment described in this section. In connection therewith, at its discretion, the authority, subject to the rights of the holders of notes, bonds or other obligations of the authority, the metropolitan transportation authority, the New York city transit authority or the Triborough bridge and tunnel authority, may: (a) agree with the New York city transit authority or the Triborough bridge and tunnel authority that any such entity shall deposit all or any portion of the revenues, other monies and assets received by it or its subsidiaries into one or more funds or accounts; and (b) deposit or cause to be deposited into one or more funds and accounts: (i) all or any portion of the revenues, other monies and assets received by the authority and its subsidiaries; (ii) all or any portion of the annual operating surplus of the Triborough bridge and tunnel authority as certified pursuant to paragraph (b) of subdivision two of section twelve hundred nineteen-a of this article; (iii) all or any portion of the amounts from the operating and capital costs account of the metropolitan transportation authority dedicated tax fund required to be distributed to New York city transit authority under the provisions of section twelve hundred seventy-c of this article; (iv) all or any portion of the available monies in the transit account of the metropolitan transportation authority special assistance fund established under the provisions of section twelve hundred seventy-a of this article available for payment of operating and capital costs of the New York city transit authority and its subsidiaries and Staten Island rapid transit operating authority as provided in subdivision two of section twelve hundred seventy-a of this article; (v) all or any portion of the available moneys in the corporate transportation account of the metropolitan transportation authority special assistance fund established under the provisions of section twelve hundred seventy-a of this article available for use by the authority for payment of operating costs of, and capital costs, including debt service and reserve requirements, if any, of or for the authority, the New York city transit authority and their subsidiaries as provided in paragraph (a) of subdivision four of section twelve hundred seventy-a of this article; and (vi) any other monies of the authority, its subsidiaries, the New York city transit authority and its subsidiaries, and the Triborough bridge and tunnel authority from any source whatsoever.

2. Amounts so deposited in such funds or accounts may be: (a) pledged by the authority to secure, and be applied to, the payment of its bonds, notes or other obligations issued to finance transportation facilities undertaken for the authority and its subsidiaries, transportation facilities, including transit projects, undertaken for the New York city transit authority and its subsidiaries, and Triborough bridge and tunnel authority projects undertaken for the Triborough bridge and tunnel authority; and (b) used for payment of operating costs, and capital costs, including debt service, reserve requirements, if any, the payment of amounts required under bond, note or other financing facilities or agreements, and the payment of all costs related to such obligations, of or for the authority and its subsidiaries, and the New York city transit authority and its subsidiaries as the authority in its full discretion shall determine. To the extent moneys so deposited have been pledged by the authority to secure and pay its bonds, notes or other obligations

1 pursuant to this subdivision, such moneys shall first be applied to
2 satisfy the requirements of any debt service or reserve requirements of
3 the resolution or resolutions or other contractual arrangements author-
4 izing such bonds, notes or other obligations. After satisfaction of such
5 requirements of any such resolution, resolutions, or other contractual
6 arrangements or if the authority has not so pledged such moneys, such
7 moneys so deposited, subject to the provisions of any other resolutions
8 or contractual arrangements of the authority and the New York city trans-
9 it authority and applicable provisions of law, may be transferred to or
10 for the benefit of the authority and its subsidiaries and the New York
11 city transit authority and its subsidiaries. Revenues and other monies
12 of the authority and its subsidiaries and the New York city transit
13 authority and its subsidiaries, respectively, which are deposited in the
14 funds or accounts authorized by this section, as reduced by any applica-
15 tion of such revenues or monies to the payment of debt service, reserve
16 requirements, if any, and other costs attributable to the funding of the
17 capital costs of such entity, shall be allocated, credited and distrib-
18 uted to such source entity. Any other revenues or monies which are
19 deposited in the funds or accounts authorized by this section which are
20 required by law to be allocated or paid to the authority or its subsid-
21 aries or the New York city transit authority or its subsidiaries, shall
22 be allocated or paid to the entity to which it is required to be allo-
23 cated or paid by law after reduction by an amount equal to the portion
24 thereof applied to the payment of debt service, reserve requirements, if
25 any, and other costs attributable to the funding of the capital costs of
26 such entity. In determining the amount of debt service, reserve
27 requirements, if any, and other costs attributable to the authority and
28 its subsidiaries and the New York city transit authority and its subsid-
29 aries, the authority shall make such calculation based upon the
30 percentage of the proceeds of the bonds, notes and other obligations
31 expended for the capital costs attributable to each such entity. The
32 authority may utilize any interim allocation of such distributions,
33 provided that within ninety days after the end of each calendar year,
34 the authority shall certify that the aggregate amount of moneys trans-
35 ferred to each of the authority and its subsidiaries, and the New York
36 city transit authority and its subsidiaries in respect of such calendar
37 year, taking into account any interagency repayments or reimbursements
38 anticipated to be made in the next succeeding calendar year, is not less
39 than the amounts required to be paid or transferred to such entities.

40 3. For the purpose of appropriately aligning and allocating the ulti-
41 mate responsibility for debt service among and between the authority and
42 its subsidiaries, the New York city transit authority and its subsid-
43 aries, or the Triborough bridge and tunnel authority, each being an
44 "affiliated group", and except as otherwise authorized or required by
45 law, in connection with the application of revenues, subsidies or other
46 moneys or securities of an affiliated group to pay the debt service
47 attributable to bonds, notes or other obligations which provide funding
48 of the capital costs of another affiliated group or to refund or redeem
49 bonds, notes or other obligations, the proceeds of which were used to
50 fund the capital costs of another affiliated group, the affiliated group
51 for whose benefit debt service is paid or obligations refunded or
52 redeemed, shall repay, through payments, adjustments or other form of
53 reconciliation, such amounts to the affiliated group that made such
54 payments not later than the end of the next succeeding fiscal year;
55 provided, however, that in connection with any refunding or redemption
56 of bonds, notes or other obligations, such repayment, adjustments or

1 other form of reconciliation shall be completed within the period of the
2 applicable capital program plan.

3 § 1349-ee. Regulation of certain authority expenditures. The authori-
4 ty shall implement policies as appropriate to minimize unwarranted
5 expenses and to protect against abuses in connection with (a) the grant-
6 ing of any privileges or benefits having financial value, other than
7 wage payments or expense reimbursements, to members or staff of the
8 authority, or any subsidiary or other authority created by the authori-
9 ty; and (b) the full-time and part-time assignment and use of automo-
10 biles owned or leased by the authority, or any subsidiary or other
11 authority created by the authority, and the use by authority employees
12 and board members of livery vehicles, as defined in section one hundred
13 twenty-one-e of the vehicle and traffic law.

14 § 1349-ff. Metropolitan transportation authority finance fund. 1. The
15 authority shall establish a fund to be known as the "metropolitan trans-
16 portation authority finance fund" which shall be kept separate from and
17 shall not be commingled with any other moneys of the authority.

18 2. Moneys in the fund may be: (a) pledged by the authority to secure
19 and be applied to the payment of the bonds, notes or other obligations
20 of the authority issued on or after the effective date of this section
21 to finance capital projects of the authority and its subsidiaries and
22 the New York city transit authority and any subsidiaries; or (b) used
23 for payment of capital costs, including debt service, reserve require-
24 ments, if any, the payment of amounts required under bond and note
25 facilities or agreements related thereto, the payment of federal govern-
26 ment loans, security or credit arrangements or other agreements related
27 thereto, and the payment of all costs related to such obligations, of or
28 for the authority, the New York city transit authority and their subsid-
29 aries as the authority shall determine. Subject to the provisions of
30 any such pledge, or in the event there is no such pledge, any excess
31 moneys in this fund may be used by the authority for payment of operat-
32 ing costs of, and capital costs, including debt service and reserve
33 requirements, if any, of or for the authority, the New York city transit
34 authority and their subsidiaries as the authority shall determine. To
35 the extent moneys in the fund have been pledged by the authority to
36 secure and pay the bonds, notes or other obligations of the authority
37 issued to finance capital projects of the authority and its subsidiaries
38 and the New York city transit authority and any subsidiaries as herein
39 provided, moneys deposited into the fund shall be deposited to the
40 extent necessary to satisfy the requirements of any debt service or
41 reserve requirements, if any, of the resolution authorizing such bonds,
42 notes or other obligations.

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

53 § 1349-gg. New York city transportation assistance fund. 1. The
54 authority shall create and establish a fund to be known as the "New York
55 city transportation assistance fund" which shall be kept separate from
56 and shall not be commingled with any other moneys of the authority. The

1 New York city transportation assistance fund shall consist of three
2 separate accounts: (a) the "subway action plan account"; (b) the "outer
3 borough transportation account"; and (c) the "general transportation
4 account".

5 2. Moneys in the subway action plan account shall be used for the
6 exclusive purpose of funding the operating and capital costs of the
7 metropolitan transportation authority's New York city subway action
8 plan. Such funds may be used for infrastructure including construction,
9 reconstruction, reconditioning and preservation of transportation
10 systems, facilities and equipment, acquisition of property, and for
11 operating costs including personal services, non-personal services,
12 fringe benefits, and contractual services. Funds may also be used to pay
13 or to reimburse the authority for its payment of debt service and
14 reserve requirements on that portion of authority bonds and notes issued
15 by the authority for capital costs of the metropolitan transportation
16 authority's New York city subway action plan.

17 3. Moneys in the outer borough transportation account shall be used
18 for the exclusive purpose of funding the operating and capital costs of
19 metropolitan transportation authority facilities, equipment and services
20 in the counties of Bronx, Kings, Queens and Richmond, and any projects
21 improving transportation connections from such counties to New York
22 county. Such funds may be used for infrastructure including
23 construction, reconstruction, reconditioning and preservation of trans-
24 portation systems, facilities and equipment, acquisition of property,
25 and for operating costs including personal services, non-personal
26 services, fringe benefits, and contractual services. Funds may also be
27 used to fund a toll reduction program for any crossings under the juris-
28 diction of the metropolitan transportation authority or its subsidiaries
29 or affiliates. Funds may also be used to pay or to reimburse the author-
30 ity for its payment of debt service and reserve requirements on that
31 portion of authority bonds and notes that have been issued by the
32 authority specifically for the authorized purpose of this account.
33 Notwithstanding any law to the contrary, final approval of the use of
34 any funds paid into the outer borough transportation account shall be
35 approved by the mayor.

36 4. Moneys in the general transportation account shall be used for
37 funding the operating and capital costs of the metropolitan transporta-
38 tion authority. Such funds may be used for infrastructure including
39 construction, reconstruction, reconditioning and preservation of trans-
40 portation systems, facilities and equipment, acquisition of property,
41 and for operating costs including personal services, non-personal
42 services, fringe benefits, and contractual services. Funds may also be
43 used to pay or to reimburse the authority for its payment of debt
44 service and reserve requirements on that portion of authority bonds and
45 notes that have been issued by the authority specifically for the
46 purposes of this account.

47 5. Any revenues deposited in the subway action plan account, the outer
48 borough transportation account, or the general transportation account
49 pursuant to subdivision one of this section shall be used exclusively
50 for the purposes described, respectively, in subdivisions two, three,
51 and four of this section. Such revenues shall only supplement and shall
52 not supplant any federal, state, or local funds expended by the metro-
53 politan transportation authority, such authority's affiliates or subsid-
54 aries for such respective purposes.

55 6. Any revenues deposited into the New York city transportation
56 assistance fund pursuant to subdivision one of this section shall not be

1 diverted into the general fund of the state, any other fund maintained
2 for the support of any other governmental purpose, or for any other
3 purpose not authorized by subdivisions two, three and four of this
4 section.

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

10 § 1349-hh. Agreement of the state. The state does hereby pledge to and
11 agree with the authority and its subsidiaries, the New York city transit
12 authority and its subsidiaries, and the Triborough bridge and tunnel
13 authority, and the holders of any notes, bonds or other obligations,
14 including lease obligations, issued or incurred under this title, that
15 the state shall not limit or alter the denial of authority under subdi-
16 vision nine of section thirteen hundred forty-nine-u of this title, or
17 the rights and powers vested in the authority and its subsidiaries, the
18 New York city transit authority and its subsidiaries, and the Triborough
19 bridge and tunnel authority by this title to fulfill the terms of any
20 agreements made by any of them with the holders thereof, or in any way
21 impair the rights and remedies of such holders until such notes, bonds
22 or other obligations, including lease obligations, together with the
23 interest thereon, with interest on any unpaid installments of interest,
24 and all costs and expenses for which the authority or its subsidiaries,
25 the New York city transit authority and its subsidiaries, and the
26 Triborough bridge and tunnel authority is liable in connection with any
27 action or proceeding by or on behalf of such holders, are fully met and
28 discharged. The authority and its subsidiaries, the New York city trans-
29 it authority and its subsidiaries, and the Triborough bridge and tunnel
30 authority are each authorized to include this pledge and agreement of
31 the state in any agreement with the holders of such notes, bonds or
32 other obligations, including lease obligations.

33 § 1349-ii. Right of state to require redemption of bonds. Notwith-
34 standing, and in addition to any provisions for the redemption of bonds
35 which may be contained in any contract with the holders of the bonds,
36 the state may, upon furnishing sufficient funds therefor, require the
37 authority to redeem, prior to maturity, as a whole, any issue of bonds
38 on any interest payment date not less than twenty years after the date
39 of the bonds of such issue at one hundred five per centum of their face
40 value and accrued interest or at such lower redemption price as may be
41 provided in the bonds in case of the redemption thereof as a whole on
42 the redemption date. Notice of such redemption shall be published in at
43 least two newspapers publishing and circulating respectively in the
44 cities of Albany and New York at least twice, the first publication to
45 be at least thirty days before the date of redemption.

46 § 1349-jj. Remedies of noteholders and bondholders. 1. In the event
47 that the authority shall default in the payment of principal of or
48 interest on any issue of notes or bonds after the same shall become due,
49 whether at maturity or upon call for redemption, and such default shall
50 continue for a period of thirty days, or in the event that the authority
51 shall fail or refuse to comply with the provisions of this title or
52 shall default in any agreement made with the holders of any issue of
53 notes or bonds, the holders of twenty-five per centum in aggregate prin-
54 cipal amount of the notes or bonds of such issue then outstanding, by
55 instrument or instruments filed in the office of the clerk of any county
56 in which the authority operates and has an office and proved or acknowl-

1 edged in the same manner as a deed to be recorded, may appoint a trustee
2 to represent the holders of such notes or bonds for the purposes
3 provided by this section.

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

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

10 (b) bring suit upon such notes or bonds;

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

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

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

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

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

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

20 § 1349-kk. Notes and bonds as legal investment. The notes and bonds of the authority are hereby made securities in which all public officers and bodies of the state and all municipalities and political subdivisions, all insurance companies and associations and all other persons
21 carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other
22 persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or who may hereinafter be authorized to invest in bonds
23 or other obligations of the state, may properly and legally invest funds, including capital, in their control or belonging to them. Notwithstanding any other provisions of law, the bonds of the authority
24 are also hereby made securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities and political subdivisions for any purpose for which the deposit of bonds or other obligations of the state is now or may hereinafter
25 be authorized.

26 § 1349-ll. Exemption from taxation. It is hereby found, determined and declared that the creation of the authority and the carrying out of its

1 purposes is, in all respects, for the benefit of the people of the city
2 of New York and for the improvement of their health, welfare and pros-
3 perity and is a public purpose, and that the authority shall be perform-
4 ing an essential governmental function in the exercise of the powers
5 conferred upon it by this title. Without limiting the generality of the
6 following provisions of this section, property owned by the authority,
7 property leased by the authority and used for transportation purposes,
8 and property used for transportation purposes by or for the benefit of
9 the authority exclusively pursuant to the provisions of a joint service
10 arrangement or of a joint facilities agreement or trackage rights agree-
11 ment shall all be exempt from taxation and special ad valorem levies.
12 The authority shall be required to pay no fees, taxes or assessments,
13 whether state or local, including but not limited to fees, taxes or
14 assessments on real estate, franchise taxes, sales taxes or other excise
15 taxes, upon any of its property, or upon the use thereof, or upon its
16 activities in the operation and maintenance of its facilities or on any
17 fares, tolls, rentals, rates, charges or other fees, revenues or other
18 income received by the authority and the bonds of the authority and the
19 income therefrom shall at all times be exempt from taxation, except for
20 gift and estate taxes and taxes on transfers. This section shall consti-
21 tute a covenant and agreement with the holders of all bonds issued by
22 the authority. The terms "taxation" and "special ad valorem levy" shall
23 have the same meanings as defined in section one hundred two of the real
24 property tax law and the term "transportation purposes" shall have the
25 same meaning as used in titles two-A and two-B of article four of such
26 law.

27 § 1349-mm. Actions against the authority. 1. As a condition to the
28 consent of the state to suits against the authority, in every action
29 against the authority for damages, for injuries to real or personal
30 property or for the destruction thereof, or for personal injuries or
31 death, the complaint shall contain an allegation that at least thirty
32 days have elapsed since the demand, claim or claims upon which such
33 action is founded were presented to a member of the authority or other
34 officer designated for such purpose and that the authority has neglected
35 or refused to make an adjustment or payment thereof.

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

45 3. The authority shall be liable, and shall assume the liability to
46 the extent that it shall save harmless any duly appointed officer or
47 employee of the authority, for the negligence of such officer or employ-
48 ee, in the operation of a vehicle or other facility of transportation
49 owned or otherwise under the jurisdiction and control of the authority
50 in the discharge of a duty imposed upon such officer or employee at the
51 time of the accident, injury or damages complained of, while otherwise
52 acting in the performance of their duties and within the scope of their
53 employment.

54 4. The authority may require any person, presenting for settlement an
55 account or claim for any cause whatever against the authority, to be
56 sworn before a member, counsel or an attorney, officer or employee of

1 the authority designated for such purpose, concerning such account or
2 claim and when so sworn to answer orally as to any facts relative to
3 such account or claim. The authority shall have power to settle or
4 adjust all claims in favor of or against the authority.

5 5. The rate of interest to be paid by the authority upon any judgment
6 for which it is liable shall not exceed four per centum per annum.

7 6. The provisions of this section which relate to the requirement for
8 service of a notice of claim shall not apply to a subsidiary corporation
9 of the authority. In all other respects, each subsidiary corporation of
10 the authority shall be subject to the provisions of this section as if
11 such subsidiary corporation were separately named herein, provided,
12 however, that a subsidiary corporation of the authority which is a stock
13 corporation shall not be subject to the provisions of this section
14 except with respect to those causes of action arising on and after the
15 first day of the twelfth calendar month following that calendar month in
16 which such stock corporation becomes a subsidiary corporation of the
17 authority.

18 § 1349-nn. Annual audit of authority. The comptroller shall conduct an
19 annual audit of the books and records of the authority and its subsid-
20 iary corporations. Such audit shall include a complete and thorough
21 examination of such authority's receipts, disbursements, revenues and
22 expenses during the prior fiscal year in accordance with the categories
23 or classifications established by such authority for its own operating
24 and capital outlay purposes; assets and liabilities at the end of its
25 last fiscal year including the status of reserve, depreciation, special
26 or other funds and including the receipts and payments of these funds;
27 schedule of bonds and notes outstanding at the end of its fiscal year
28 and their redemption dates, together with a statement of the amounts
29 redeemed and incurred during such fiscal year; operations, debt service
30 and capital construction during the prior fiscal year.

31 The comptroller, upon completion of such audit, shall within sixty
32 days thereafter, report to the mayor and city council of their findings,
33 conclusions and recommendations thereof.

34 § 1349-oo. Authority budget and financial plan. 1. In addition to the
35 requirements of section twenty-eight hundred two of this chapter, each
36 authority budget and plan shall be posted on its website and shall: (a)
37 present information relating to the authority and each of its agencies
38 in a clear and consistent manner and format; (b) be prepared in accord-
39 ance with generally accepted accounting principles, except as otherwise
40 consented to by the comptroller upon a showing of good cause; (c) be
41 based on reasonable assumptions and methods of estimation; (d) include
42 estimates of projected operating revenues and expenses; (e) identify any
43 planned transaction that would shift resources, from any source, from
44 one fiscal year to another, and the amount of any reserves; and (f)
45 contain a summary in plain English of the principal information in the
46 budget and conclusions to be drawn from it.

47 2. The authority shall prepare and make available for public
48 inspection on its website information that details the sources of data
49 and the assumptions and methods of estimation used to calculate all
50 operating and capital budget projections, consistent with generally
51 accepted budgetary practices.

52 3. The authority shall establish, at least annually, the quarterly
53 revenue and expense targets for the authority, and for each subsidiary
54 or other authority created by the authority itself and for which it
55 reports financial data.

1 4. The authority shall prepare and make available for public
2 inspection on its website: (a) within sixty days of the release of the
3 adopted budget and any updates to the budget, except updates released
4 within ninety days of the close of the fiscal year, monthly projections
5 for the current fiscal year of all revenues and expenses, staffing for
6 the authority and each of its agencies, and utilization for each of the
7 authority's agencies that operate transportation systems, including
8 bridges and tunnels; (b) within sixty days after the close of each quar-
9 ter, a comparison of actual revenues and expenses, actual staffing and
10 actual utilization to planned or projected levels for each of the
11 authority's agencies that operate transportation systems, including
12 bridges and tunnels, with an explanation of each material variance and
13 its budgetary impact; and (c) within ninety days after the close of each
14 quarter, the status of each gap-closing initiative with a projected
15 value greater than one million dollars in any given fiscal year; the
16 status of capital projects by capital element, including but not limited
17 to commitments, expenditures and completions; and an explanation of
18 material variances from the plan, cost overruns and delays.

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

23 § 1349-pp. Independent audit of authority. The independent auditor
24 retained by the authority shall not provide to the authority, contempo-
25 raneously with the audit, unless it shall have previously received writ-
26 ten approval by the audit committee, any non-audit service, including:

- 27 1. routine bookkeeping or other services;
- 28 2. financial information systems design and implementation;
- 29 3. appraisal or valuation services, fairness opinions, or contribu-
30 tion-in-kind reports;
- 31 4. actuarial services;
- 32 5. outsourcing services;
- 33 6. authority management functions or human resources;
- 34 7. broker or dealer, investment advisor or investment banking
35 services; and
- 36 8. legal services and expert services unrelated to the audit.

37 § 1349-qq. Independent audit by the legislature. After the submission
38 of the annual independent audit report to the legislature pursuant to
39 section twenty-eight hundred two of this chapter, and after review of
40 such report, the temporary president of the senate and the speaker of
41 the assembly may commission an auditing firm, every two years, to
42 conduct an independent audit of the authority, including its subsid-
43 aries. The temporary president of the senate and the speaker of the
44 assembly shall set the scope of such audit and determine the terms of
45 the request for proposal for such audit. Such audit shall be performed
46 for the second year after the effective date of this section. The
47 authority shall fully cooperate with and assist in such an audit.

48 § 1349-rr. Reporting. The authority shall post on its website on or
49 before the first of May, the law firms retained by the authority which
50 in the past year received payment for services in such year.

51 § 1349-ss. Transfer and receipt of surplus funds. Notwithstanding any
52 provision of this title or any other provision of law, general, special
53 or local, the authority may from time to time transfer and pay over to
54 New York city transit authority or Triborough bridge and tunnel authori-
55 ty all or any part of its surplus funds; and may accept and use any

1 moneys transferred and paid over to it by New York city transit authori-
2 ty or Triborough bridge and tunnel authority.

3 § 1349-tt. Title not affected if in part unconstitutional or ineffec-
4 tive. If any provision of any section of this title or the application
5 thereof to any person or circumstance shall be adjudged invalid by a
6 court of competent jurisdiction, such order or judgment shall be
7 confined in its operation to the controversy in which it was rendered,
8 and shall not affect or invalidate the remainder of any provision of any
9 section of this title or the application of any part thereof to any
10 other person or circumstance and to this end the provisions of each
11 section of this title are hereby declared to be severable.

12 § 1349-uu. Big apple transit authority inspector general. 1. There is
13 hereby created in the big apple transit authority an office of big apple
14 transit authority inspector general. The inspector general shall be
15 appointed by the mayor with the advice and consent of the city council.
16 The inspector general shall, prior to their appointment, have had at
17 least ten years experience in the management of transportation services,
18 in auditing and investigation of governmental operations, or in services
19 related to management and productivity improvement. The term of office
20 of the inspector general shall be five years from the effective date of
21 appointment, and they shall serve at the pleasure of the mayor. The
22 salary of the inspector general shall be determined by the authority
23 board.

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

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

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

40 (a) to receive and investigate complaints from any source or upon
41 their own initiative concerning alleged abuses, frauds and service defi-
42 ciencies, including deficiencies in the maintenance and operation of
43 facilities, relating to the authority and its affiliates;

44 (b) to initiate such reviews as they may deem appropriate of the oper-
45 ations of the authority and its affiliate subsidiaries, in order to
46 identify areas in which performance might be improved and available
47 funds used more effectively;

48 (c) to recommend remedial actions to be taken by the authority and its
49 affiliates, to overcome or correct operating or maintenance deficiencies
50 and inefficiencies that they determine to exist;

51 (d) to make available to appropriate law enforcement officials infor-
52 mation and evidence that relate to criminal acts that they may obtain in
53 carrying out their duties;

54 (e) to subpoena witnesses, administer oaths or affirmations, take
55 testimony and compel the production of such books, papers, records and
56 documents as they may deem to be relevant to any inquiry or investi-

1 gation undertaken pursuant to this section and to delegate such powers
2 to a duly authorized deputy inspector general;

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

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

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

16 6. The inspector general shall make annual public reports on their
17 findings and recommendations. Such a report shall be filed in the office
18 of the mayor and with the city council on or before the first day of
19 February for the preceding year. The big apple transit authority and its
20 applicable constituent agencies shall prepare a response to the annual
21 report and to any and all other final reports made by the inspector
22 general within thirty days of receipt, which time may be extended by the
23 inspector general in their discretion, indicating whether such authority
24 intends to implement the recommendations in such reports, and, if not,
25 an explanation of why not. In addition, the big apple transit authority
26 and its applicable constituent agencies shall give quarterly reports to
27 the inspector general outlining the status of each of the recommenda-
28 tions made by the inspector general in their final reports. Copies of
29 all such reports shall be sent to the mayor and the speaker of the city
30 council.

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

39 § 1349-vv. Management advisory board. 1. There is hereby created in
40 the office of the big apple transit authority inspector general a
41 management advisory board, consisting of thirteen members appointed by
42 the mayor, of whom two shall be appointed upon nomination by the city
43 council. All members shall serve for a term of three years. One of the
44 members appointed to the management advisory board directly by the mayor
45 shall be designated by the mayor to serve as its chair.

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

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

55 4. No later than April first, two thousand twenty-six. Proceeding the
56 effective date of this section, and annually thereafter, the management

1 advisory board shall submit to the mayor and the city council a report
2 on its activities during the previous year.

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

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

9 § 1349-ww. The office of legislative and community input. 1. The
10 chairperson of the authority shall establish the office of legislative
11 and community input for the purpose of communicating information to, and
12 receiving comments, concerns and recommendations from, members of the
13 city council, and members of the permanent citizens advisory committee
14 to the authority, as defined in section thirteen hundred forty-nine-m of
15 this title, on the following:

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

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

20 (ii) the frequency of operating service on the authority's mass trans-
21 it facilities;

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

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

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

34 2. The office shall establish a process to ensure timely notification
35 of the receipt of, and response to, comments, concerns, and recommenda-
36 tions by members of the legislature or members of the permanent citizens
37 advisory committee to the authority.

38 3. The chair and office shall prepare a report containing the follow-
39 ing information:

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

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

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

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

55 § 1349-xx. Supplemental revenue reporting program. 1. On or before the
56 first of January next succeeding the effective date of this section, the

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

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

§ 2. This act shall take effect January 1, 2026.

PART E

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

TITLE 11-F

COMMUTER TRANSPORTATION AUTHORITY

Section 1349-aaaa. Short title.

1349-bbbb. Definitions.

1349-cccc. Commuter transportation authority.

1349-dddd. Purposes of the authority.

1349-eeee. State of emergency; boarding of a commuter transportation by domestic companion animals.

1349-ffff. General powers of the authority.

1349-gggg. Contracts.

1349-hhhh. Commuter transportation authority small business mentoring program.

1349-iiii. Special powers of the authority.

1349-jjjj. Medical emergency services.

1349-kkkk. Medical emergency services plan; implementation on Long Island Rail Road.

1349-llll. Long Island Rail Road commuter council.

1349-mmmm. Metro-North rail commuter council.

1349-nnnn. Medical emergency services plan; implementation on Metro-North Commuter Railroad Company.

1349-oooo. Excess loss fund.

1349-pppp. Authority police force.

1349-qqqq. The permanent citizens advisory committee.

1349-rrrr. Commuter transportation authority pledge to customers.

1349-ssss. Expired fare transfer policy.

1349-tttt. Acquisition and disposition of real property.

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

1349-vvvv. Cooperation and assistance of other agencies.

1349-wwwv. Promotion of qualified transportation fringes.

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

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

1349-zzzz. Submission of strategic operation plan.

1349-aaaaa. Financial and operational reports.

1 1349-bbbbbb. Mission statement and measurement report.
2 1349-cccccc. Requirements for certain authority contracts and
3 related subcontracts.
4 1349-dddddd. Reserve funds and appropriations.
5 1349-eeeeee. Consolidated financings.
6 1349-ffffff. Regulation of certain authority expenditures.
7 1349-gggggg. Agreement of the state.
8 1349-hhhhhh. Right of state to require redemption of bonds.
9 1349-iiiii. Remedies of noteholders and bondholders.
10 1349-jjjjjj. Notes and bonds as legal investment.
11 1349-kkkkkk. Exemption from taxation.
12 1349-llllll. Actions against the authority.
13 1349-mmmmmm. Annual audit of the authority.
14 1349-nnnnnn. Authority budget and financial plan.
15 1349-oooooo. Independent audit of the authority.
16 1349-pppppp. Independent audit by the legislature.
17 1349-qqqqqq. Reporting.
18 1349-rrrrrr. Station operation and maintenance.
19 1349-ssssss. Transfer and receipt of surplus funds.
20 1349-tttttt. Title not affected if in part unconstitutional or
21 ineffective.
22 1349-uuuuuu. Commuter transportation authority inspector general.
23 1349-vvvvvv. Management advisory board.
24 1349-wwwww. Transition-election to withdraw from the metropol-
25 itan commuter transportation district.
26 1349-xxxxxx. The office of legislative and community input.
27 1349-yyyyyy. Debarment.
28 1349-zzzzzz. Right to share employees.
29 § 1349-aaaa. Short title. This title may be known and may be cited as
30 the "Metropolitan Commuter Authority Act".
31 § 1349-bbbb. Definitions. As used or referred to in this title, unless
32 a different meaning clearly appears from the context:
33 1. "Authority" shall mean the corporation created by section thirteen
34 hundred forty-nine-cccc of this title.
35 2. "Authority facilities" shall mean the authority's railroad, omni-
36 bus, marine and aviation facilities and operations pursuant to joint
37 service arrangements.
38 3. "Budget" shall mean the preliminary, final proposed and adopted
39 final plans of the authority, and each of its agencies.
40 4. "Comptroller" shall mean the comptroller of the state of New York.
41 5. "Equipment" shall mean rolling stock, omnibuses, vehicles, air,
42 marine or surface craft, motors, boilers, engines, wires, ways, conduits
43 and mechanisms, machinery, tools, implements, materials, supplies,
44 instruments and devices of every nature whatsoever used or useful for
45 transportation purposes or for the generation or transmission of motive
46 power including but not limited to all power houses, and all apparatus
47 and all devices for signaling, communications and ventilation as may be
48 necessary, convenient or desirable for the operation of a transportation
49 facility.
50 6. "Federal government" shall mean the United States of America, and
51 any officer, department, board, commission, bureau, division, corpo-
52 ration, agency or instrumentality thereof.
53 7. "Gap" shall mean the difference between projected revenues and
54 expenses for any given fiscal year based on the existing fare structure.
55 8. "Gap-closing initiative" shall mean any action to reduce a project-
56 ed gap.

1 9. "Joint service arrangements" shall mean agreements between or among
2 the authority and any common carrier or freight forwarder, the state,
3 any state agency, the federal government, any other state or agency or
4 instrumentality thereof, any public authority of this or any other
5 state, or any political subdivision or municipality of the state, relat-
6 ing to property, buildings, structures, facilities, services, rates,
7 fares, classifications, divisions, allowances or charges, including
8 charges between operators of railroad, omnibus, marine and aviation
9 facilities, or rules or regulations pertaining thereto, for or in
10 connection with or incidental to transportation in part in or upon rail-
11 road, omnibus, marine or aviation facilities located within the district
12 and in part in or upon railroad, omnibus, marine or aviation facilities
13 located outside the district.

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

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

41 12. "Railroad facilities" shall mean right of way and related track-
42 age, rails, cars, locomotives, other rolling stock, signal, power, fuel,
43 communication and ventilation systems, power plants, stations, termi-
44 nals, storage yards, repair and maintenance shops, yards, equipment and
45 parts, offices and other real estate or personal property used or held
46 for or incidental to the operation, rehabilitation or improvement of any
47 railroad operating or to operate between points within the district or
48 pursuant to joint service arrangements, including but not limited to
49 buildings, structures, and areas notwithstanding that portions thereof
50 shall not be devoted to any railroad purpose other than the production
51 of revenues available for the costs and expenses of all or any facili-
52 ties of the authority.

53 13. "Real property" shall mean lands, structures, franchises and
54 interests in land, waters, lands under water, riparian rights and air
55 rights and any and all things and rights included within said term and
56 includes not only fees simple absolute but also any and all lesser

1 interests including but not limited to easements, rights of way, uses,
2 leases, licenses and all other incorporeal hereditaments and every
3 estate, interest or right, legal or equitable, including terms for years
4 and liens thereon by way of judgments, mortgages or otherwise.

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

6 15. "State agency" shall mean any officer, department, board, commis-
7 sion, bureau, division, public benefit corporation, agency or instrumen-
8 talidity of the state.

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

21 17. "Transportation district" and "district" shall mean the metropol-
22 itan commuter transportation district created by section twelve hundred
23 sixty-two of this article.

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

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

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

32 21. "Inspector general" shall mean the commuter transportation author-
33 ity inspector general.

34 22. "Revenues" shall mean all monies received by the authority or its
35 subsidiaries from whatever source, derived directly or indirectly from
36 or in connection with the operations of the respective entity except for
37 any monies transferred to the metropolitan transportation authority
38 pursuant to section thirteen hundred forty-nine-h of this article that
39 is not returned to the authority pursuant to paragraph (c) of subdivi-
40 sion two of section twelve hundred sixty-six of this article.

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

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

51 § 1349-cccc. Commuter transportation authority. 1. (a) (i) There is
52 hereby created the "commuter transportation authority". The authority
53 shall be a body corporate and politic constituting a public benefit
54 corporation. The authority shall consist of a chairperson, seven other
55 voting members, and four non-voting members, as described in subpara-
56 graph (ii) of this paragraph, appointed by the governor and with the

1 advice and consent of the senate. Any member appointed shall have expe-
2 rience in one or more of the following areas of expertise: transporta-
3 tion, public administration, business management, finance, accounting,
4 law, engineering, land use, urban and regional planning, management of
5 large capital projects, labor relations, or have experience in some
6 other area of activity central to the mission of the authority. Each
7 voting member other than the chairperson shall be appointed after
8 selection from a written list of three recommendations from the chief
9 executive officer of the county in which such member is required to
10 reside pursuant to the provisions of this subdivision. Of the members
11 appointed on recommendation of the chief executive officer of a county,
12 one such member shall be, at the time of appointment: a resident of the
13 county of Nassau; one a resident of the county of Suffolk; one a resi-
14 dent of the county of Westchester; one a resident of the county of
15 Dutchess; one a resident of the county of Orange; one a resident of the
16 county of Putnam; and one a resident of the county of Rockland. The term
17 of any member who is a resident of a county that has withdrawn from the
18 metropolitan commuter transportation district pursuant to section twelve
19 hundred seventy-nine-b of this article shall terminate upon the effec-
20 tive date of such county's withdrawal from such district. The chair-
21 person and each of the members shall be appointed for a term of six
22 years. The members from the counties of Dutchess, Orange, Putnam and
23 Rockland shall cast one collective vote.

24 (ii) There shall be four non-voting members, as referred to in subpar-
25 agraph (i) of this paragraph. The first non-voting member shall be a
26 regular user of the facilities of the authority and be recommended to
27 the governor by the Metro-North commuter council. The second non-voting
28 member shall be a regular mass transit user of the facilities of the
29 authority and be recommended to the governor by the Long Island Rail
30 Road commuter council. The third non-voting member shall be recommended
31 to the governor by the labor organization representing the majority of
32 employees of the Long Island Rail Road. The fourth non-voting member
33 shall be recommended to the governor by the labor organization repres-
34 enting the majority of employees of the Metro-North Commuter Railroad
35 Company. The chairperson of the authority, at their direction, may
36 exclude such non-voting member from attending any portion of a meeting
37 of the authority or of any committee established pursuant to paragraph
38 (b) of subdivision four of this section held for the purpose of discuss-
39 ing negotiations with labor organizations.

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

43 2. The chairperson and the first vice chairperson shall be paid a
44 salary in the amount determined by the authority; the other members
45 shall not receive a salary or other compensation. Each member, includ-
46 ing the chairperson and the first vice chairperson, shall be entitled to
47 reimbursement for actual and necessary expenses incurred in the perform-
48 ance of their official duties.

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

(b) For purposes of determining the presence of a quorum, and for purposes of participation on any committee or subcommittee, those members who collectively cast a single vote pursuant to the provisions of paragraph (a) of subdivision one of this section shall be considered to be a single member, and the presence of such member shall be determined as provided in this subdivision. Except as otherwise provided in a by-law adopted as hereinafter provided, such single member constituting those members entitled to a collective vote shall be deemed present as a single member for purposes of a quorum if one or more of the members then in office entitled to cast such collective vote is present, and such collective vote shall be cast in accordance with the majority agreement of the members entitled to a collective vote who are present or in the event a single member entitled to a collective vote is present it shall be cast by that member. To evidence the existence of such majority agreement among the members entitled to a collective vote, each such member shall be polled as to their vote and such poll shall be recorded in the minutes. In the event a majority vote is not achieved by the members entitled to a collective vote who are present, then the vote shall not be cast. Nothing herein shall limit the right of an individual member to participate in board meetings or in other activities of the authority when the other members then in office entitled to collectively cast a vote are not present. At any meeting of the authority at which there is a quorum including all the members then in office entitled to cast a collective vote, the authority may adopt a by-law or by-laws regulating the casting of such collective vote, provided all members then in office entitled to cast a collective vote affirmatively approve such by-law or by-laws. Any action taken by the authority in accordance with any such by-law or by-laws adopted pursuant to the provisions of this paragraph shall take effect in the same manner as any other action of the authority. Any such by-law or by-laws shall not provide for the casting of any fractional vote. Nor shall such a by-law or by-laws provide for the amendment, repeal or adoption in the future of such a by-law or by-laws in a manner other than that set forth in this paragraph.

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

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

(b) The chairperson shall establish committees to assist in the performance of their duties and shall appoint members of the authority to such committees. Among such committees, there shall be: (i) a committee on operations of the Long Island Rail Road and the metropolitan suburban bus authority; (ii) a committee on operations of the Metro-North commuter railroad; (iii) a committee on finance; (iv) a committee on capital program oversight; and (v) a committee on safety. The committee on capital program oversight shall include not less than four members, and shall include the chairpersons of the committee on operations of the Long Island Rail Road and the metropolitan suburban bus

1 authority, the committee on operations of the Metro-North commuter rail-
2 road, and the committee on safety. The committee on safety shall convene
3 at least once annually and each committee chairperson, that is a member
4 of the committee on safety, shall report to the committee on safety any
5 and all initiatives, concerns, improvements, or failures involving the
6 safety of: (i) customers; (ii) employees; and (iii) the public at large,
7 in relation to authority facilities and services. The capital program
8 committee shall, with respect to any approved or proposed capital
9 program plans: (i) monitor the current and future availability of funds
10 to be utilized for such plans; (ii) monitor the contract awards of the
11 commuter transportation authority to ensure that such awards are
12 consistent with: (A) provisions of law authorizing United States content
13 and New York state content; (B) collective bargaining agreements; (C)
14 provisions of law providing for participation by minority and women-
15 owned businesses; (D) New York state labor laws; (E) competitive bidding
16 requirements including those regarding sole source contracts; and (F)
17 any other relevant requirements established by law; (iii) monitor the
18 award of contracts to determine if such awards are consistent with the
19 manner in which the work was traditionally performed in the past
20 provided, however, that any such determination shall not be admissible
21 as evidence in any arbitration or judicial proceeding; (iv) review the
22 relationship between capital expenditures pursuant to each such capital
23 program plan and current and future operating budget requirements; (v)
24 monitor the progress of capital elements described in each capital
25 program plan; (vi) monitor the expenditures incurred and to be incurred
26 for each such element; and (vii) identify capital elements not progress-
27 ing on schedule, ascertain responsibility therefor and recommend those
28 actions required or appropriate to accelerate their implementation. The
29 capital program committee shall issue a quarterly report on its activ-
30 ities and findings, and shall in connection with the preparation of such
31 quarterly report, consult with the division of the budget, the depart-
32 ment of transportation, the governor, and any other group the committee
33 deems relevant, including public employee organizations, and, at least
34 annually, with a nationally recognized independent transit engineering
35 firm. Such report shall be made available to the members of the authori-
36 ty, to the governor, and the directors of the municipal assistance
37 corporation for the city of New York.

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

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

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

52 6. Notwithstanding any inconsistent provisions of this or any other
53 law, general, special or local, no officer or employee of the state, or
54 of any public corporation, shall be deemed to have forfeited or shall
55 forfeit their office or employment or any benefits provided under the
56 retirement and social security law or under any public retirement system

1 maintained by the state by reason of their acceptance of membership on
2 or chairpersonship of the authority; provided, however, a member or
3 chairperson who holds such other public office or employment shall
4 receive no additional compensation for services rendered pursuant to
5 this title, but shall be entitled to reimbursement for their actual and
6 necessary expenses incurred in the performance of such services.

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

15 8. The authority shall continue so long as it shall have bonds or
16 other obligations outstanding and until its existence shall be termi-
17 nated by law. Upon the termination of the existence of the authority,
18 all its rights and properties shall pass to and be vested in the state.

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

37 § 1349-dddd. Purposes of the authority. 1. The purposes of the author-
38 ity shall be the continuance, further development and improvement of
39 commuter transportation and other services related thereto within the
40 metropolitan commuter transportation district, except within the city of
41 New York, including but not limited to such transportation by railroad,
42 omnibus, marine and air, in accordance with the provisions of this
43 title, in an efficient and cost-effective manner that includes the use
44 of design-build contracting on all appropriate projects.

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

50 § 1349-eeee. State of emergency; boarding of a commuter transportation
51 by domestic companion animals. 1. For the purposes of this section:

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

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

8 2. (a) In the event that a state of emergency has been declared and an
9 evacuation of any region of the state is in progress, the owner of a
10 domestic companion animal shall be permitted to board any commuter
11 transportation with such domestic companion animal so long as that
12 animal is under the owner's control by use of a leash or tether, or is
13 properly confined in an appropriate container or by other suitable
14 means, provided that such boarding is authorized by and consistent with
15 the provisions of state disaster emergency plans or local state of emer-
16 gency plans pertaining to the needs of animals and individuals with an
17 animal under their care. The provisions of this section shall only apply
18 to the owners of domestic companion animals who are evacuating from a
19 region of the state affected by an emergency or disaster, or a local
20 state of emergency, as defined in section twenty-four of the executive
21 law.

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

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

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

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

39 § 1349-ffff. General powers of the authority. Except as otherwise
40 limited by this title, the authority shall have power:

41 1. To sue and be sued;

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

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

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

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

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

54 (c) certificates of deposit of banks or trust companies in this state,
55 secured, if the authority shall so require, by obligations of the United

1 States or of the state of New York of a market value equal at all times
2 to the amount of the deposit;

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

9 (e) obligations of any bank or corporation created under the laws of
10 either the United States or any state of the United States maturing
11 within two hundred seventy days, provided that such obligations receive
12 the highest rating of two nationally recognized independent rating agen-
13 cies and, provided further, that no more than two hundred fifty million
14 dollars may be invested in such obligations of any one bank or corpo-
15 ration;

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

22 (g) notes, bonds, debentures, mortgages and other evidences of indebt-
23 edness, issued or guaranteed at the time of the investment by the United
24 States Postal Service, the federal national mortgage association, the
25 federal home loan mortgage corporation, the student loan marketing asso-
26 ciation, the federal farm credit system, or any other United States
27 government sponsored agency, provided that at the time of the investment
28 such agency or its obligations are rated and the agency receives, or its
29 obligations receive, the highest rating of all independent rating agen-
30 cies that rate such agency or its obligations, provided, however, that
31 no more than two hundred fifty million dollars or such greater amount as
32 may be authorized for investment by the state comptroller by section
33 ninety-eight of the state finance law may be invested in the obligations
34 of any one agency;

35 (h) general obligation bonds and notes of any state other than the
36 state, provided that such bonds and notes receive the highest rating of
37 at least one independent rating agency, and bonds and notes of any coun-
38 ty, town, city, village, fire district or school district of the state,
39 provided that such bonds and notes receive either of the two highest
40 ratings of at least two independent rating agencies;

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

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

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

4 6. (a) To enter into contracts and leases and to execute all instru-
5 ments necessary or convenient;

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

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

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

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

23 (c) The authority shall provide to the governor, the temporary presi-
24 dent of the senate, the speaker of the assembly, the minority leader of
25 the senate and the minority leader of the assembly notice of each lease
26 entered into pursuant to paragraph (b) of this subdivision and support-
27 ing documentation of compliance by the authority with subparagraphs (i),
28 (ii) and (iii) of paragraph (b) of this subdivision;

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

31 8. To appoint such officers and employees as it may require for the
32 performance of its duties, and to fix and determine their qualifica-
33 tions, duties, and compensation and to retain or employ counsel, audi-
34 tors, engineers and private consultants on a contract basis or otherwise
35 for rendering professional or technical services and advice;

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

42 (b) The authority and any of its public benefit subsidiary corpo-
43 rations may be a participating employer in the New York state employees'
44 retirement system with respect to one or more classes of officers and
45 employees of such authority or any such public benefit subsidiary corpo-
46 ration, as may be provided by resolution of such authority or any such
47 public benefit subsidiary corporation, as the case may be, or any subse-
48 quent amendment thereof, filed with the comptroller and accepted by them
49 pursuant to section thirty-one of the retirement and social security
50 law. In taking any action pursuant to this paragraph, the authority and
51 any of its public benefit subsidiary corporations shall consider the
52 coverages and benefits continued or provided pursuant to paragraph (a)
53 of this subdivision;

54 10. To make plans, surveys, and studies necessary, convenient or
55 desirable to the effectuation of the purposes and powers of the authori-
56 ty and to prepare recommendations in regard thereto;

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

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

16 13. A copy of any report submitted by the authority pursuant to
17 sections twenty-eight hundred, twenty-eight hundred one and twenty-eight
18 hundred two of this chapter shall be forwarded to the mayor of the city
19 of New York and to the chairperson of the board of supervisors and to
20 the county executive, if any, of each county within the district; and

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

23 § 1349-gggg. Contracts. 1. The provisions of this section shall not
24 apply to:

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

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

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

55 (b) Section twenty-eight hundred seventy-nine of this chapter shall
56 apply to the authority's acquisition of goods or services of any kind,

1 in the actual or estimated amount of fifteen thousand dollars or more,
2 provided: (i) that a contract for services in the actual or estimated
3 amount of one million dollars or less shall not require approval by the
4 board of the authority regardless of the length of the period over which
5 the services are rendered, and provided further that a contract for
6 services in the actual or estimated amount of one million dollars or
7 more shall require approval by the board of the authority regardless of
8 the length of the period over which the services are rendered unless
9 such a contract is awarded to the lowest responsible bidder after
10 obtaining sealed bids; and (ii) the board of the authority may by resolu-
11 tion adopt guidelines that authorize the award of contracts to small
12 business concerns, to service disabled veteran owned businesses certi-
13 fied pursuant to article three of the veterans' services law, or minori-
14 ty or women-owned business enterprises certified pursuant to article
15 fifteen-A of the executive law, or purchases of goods or technology that
16 are recycled or remanufactured, in an amount not to exceed one million
17 dollars without a formal competitive process and without further board
18 approval. The board of the authority shall adopt guidelines which shall
19 be made publicly available for the awarding of such contract without a
20 formal competitive process.

21 (c)(i) Notwithstanding the provisions of paragraph (a) of this subdivi-
22 sion, the authority shall establish guidelines governing the quali-
23 fications of bidders entering into contracts for its project to bring
24 the Long Island Rail Road into Grand Central Terminal, referred to as
25 the "East Side Access Project" for the purposes of this section. The
26 bidding may be restricted to those who have qualified prior to the
27 receipt of bids according to standards fixed by the authority; provided,
28 however, that the award of contracts shall, to the extent not inconsis-
29 ent with this paragraph, be in accordance with paragraph (a) of this
30 subdivision.

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

42 3. (a) Advertisement for bids, when required by this section, shall be
43 published at least once in a newspaper of general circulation in the
44 area served by the authority and in the procurement opportunities news-
45 letter published pursuant to article four-C of the economic development
46 law provided that, notwithstanding the provisions of article four-C of
47 the economic development law, an advertisement shall only be required
48 for a purchase contract for supplies, materials or equipment when
49 required by this section. Publication in a newspaper of general circu-
50 lation in the area served or in the procurement opportunities newsletter
51 shall not be required if bids for contracts for supplies, materials or
52 equipment are of a type regularly purchased by the authority and are to
53 be solicited from a list of potential suppliers, if such list is or has
54 been developed consistent with the provisions of subdivision six of this
55 section. Any such advertisement shall contain a statement of: (i) the
56 time and place where bids received pursuant to any notice requesting

1 sealed bids will be publicly opened and read; (ii) the name of the
2 contracting agency; (iii) the contract identification number; (iv) a
3 brief description of the public work, supplies, materials, or equipment
4 sought, the location where work is to be performed, goods are to be
5 delivered or services provided and the contract term; (v) the address
6 where bids or proposals are to be submitted; (vi) the date when bids or
7 proposals are due; (vii) a description of any eligibility or qualifica-
8 tion requirement or preference; (viii) a statement as to whether the
9 contract requirements may be fulfilled by a subcontracting, joint
10 venture, or co-production arrangement; (ix) any other information deemed
11 useful to potential contractors; and (x) the name, address, and tele-
12 phone number of the person to be contacted for additional information.
13 At least fifteen business days shall elapse between the first publica-
14 tion of such advertisement or the solicitation of bids, as the case may
15 be, and the date of opening and reading of bids.

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

25 4. Notwithstanding the foregoing, the authority may, by resolution
26 approved by a two-thirds vote of its members then in office, or by a
27 majority vote of its members with respect to contracts proposed to be
28 let pursuant to paragraph (a) of this subdivision declare that compet-
29 itive bidding is impractical or inappropriate because of the existence
30 of any of the circumstances hereinafter set forth and thereafter the
31 authority may proceed to award contracts without complying with the
32 requirements of subdivision two or three of this section. In each case
33 where the authority declares competitive bidding impractical or inappro-
34 prate, it shall state the reason therefor in writing and summarize any
35 negotiations that have been conducted. Except for contracts awarded
36 pursuant to paragraphs (a), (b), (c) and (e) of this subdivision, the
37 authority shall not award any contract pursuant to this subdivision
38 earlier than thirty days from the date on which the authority declares
39 that competitive bidding is impractical or inappropriate. Competitive
40 bidding may only be declared impractical or inappropriate where:

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

46 (b) the item to be purchased is available only from a single responsi-
47 ble source, provided that if bids have not been solicited for such item
48 pursuant to subdivision two of this section within the preceding twelve
49 months, public notice shall first be given pursuant to subdivision three
50 of this section;

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

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

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

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

24 (i) The authority may award a contract pursuant to this paragraph only
25 after a resolution approved by a two-thirds vote of its members then in
26 office at a public meeting of the authority with such resolution: (A)
27 disclosing the other proposers and the substance of their proposals; (B)
28 summarizing the negotiation process including the opportunities, if any,
29 available to proposers to present and modify their proposals; and (C)
30 setting forth the criteria upon which the selection was made.

31 (ii) Nothing in this paragraph shall require or preclude: (A) negoti-
32 ations with any proposers following the receipt of responses to the
33 request for proposals; or (B) the rejection of any or all proposals at
34 any time. Upon the rejection of all proposals, the authority may solicit
35 new proposals or bids in any manner prescribed in this section.

36 (g) The authority issues a competitive request for proposals pursuant
37 to the procedures of paragraph (f) of this subdivision for the purchase
38 or rehabilitation of rail cars and omnibuses. Any such request may
39 include among the stated selection criteria the performance of all or a
40 portion of the contract at sites within the state of New York or the use
41 of goods produced or services provided within the state of New York,
42 provided however that in no event shall the authority award a contract
43 to a manufacturer whose final offer, as expressed in unit cost is more
44 than ten percent higher than the unit cost of any qualified competing
45 final offer, if the sole basis for such award is that the higher priced
46 offer includes more favorable provision for the performance of the
47 contract within the state of New York or the use of goods produced or
48 services provided within the state of New York, and further provided
49 that the authority's discretion to award a contract to any manufacturer
50 shall not be so limited if a basis for such award, as determined by the
51 authority, is superior financing, delivery schedule, life cycle, reli-
52 ability, or any other factor the authority deems relevant to its oper-
53 ations;

54 (i) The authority may award a contract pursuant to this paragraph only
55 after a resolution approved by a vote of not less than a two-thirds vote
56 of its members then in office at a public meeting of the authority with

1 such resolution; (A) disclosing the other proposers and the substance of
2 their proposals; (B) summarizing the negotiation process including the
3 opportunities, if any, available to proposers to present and modify
4 their proposals; and (C) setting forth the criteria upon which the
5 selection was made.

6 (ii) Nothing in this paragraph shall require or preclude: (A) negoti-
7 ations with any proposers following the receipt of responses to the
8 request for proposals; or (B) the rejection of any or all proposals at
9 any time. Upon the rejection of all proposals, the authority may solicit
10 new proposals or bids in any manner prescribed in this section.

11 5. Upon the adoption of a resolution by the authority stating, for
12 reasons of efficiency, economy, compatibility or maintenance reliabil-
13 ity, that there is a need for standardization, the authority may estab-
14 lish procedures whereby particular supplies, materials or equipment are
15 identified on a qualified products list. Such procedures shall provide
16 for products or vendors to be added to or deleted from such list and
17 shall include provisions for public advertisement of the manner in which
18 such lists are compiled. The authority shall review such list no less
19 than twice a year for the purpose of making such modifications.
20 Contracts for particular supplies, materials or equipment identified on
21 a qualified products list may be awarded by the authority to the lowest
22 responsible bidder after obtaining sealed bids in accordance with this
23 section or without competitive sealed bids in instances when the item is
24 available from only a single source, except that the authority may
25 dispense with advertising provided that it mails copies of the invita-
26 tion to bid to all vendors of the particular item on the qualified
27 products list.

28 6. The authority shall compile a list of potential sources of
29 supplies, materials or equipment regularly purchased. The authority
30 shall, by resolution, set forth the procedures it has established to
31 identify new sources and to notify such new sources of the opportunity
32 to bid for contracts for the purchase of supplies, materials or equip-
33 ment. Such procedures shall include, but not be limited to: (a) adver-
34 tising in trade journals; (b) cooperation with federal, state and local
35 agencies within its area of operations; (c) publication in the state
36 register quarterly; and (d) procedures established pursuant to subdivi-
37 sion thirteen of section thirteen hundred forty-nine-j of this article.

38 7. The provisions of this section shall not supersede any other
39 provisions of law relative to purchases of products or devices manufac-
40 tured or provided by the blind or other severely handicapped persons, to
41 the invitation and acceptance of bids from small or minority business
42 enterprises or to the purchases of supplies, materials or equipment
43 through the office of general services. Except as may otherwise be
44 provided by law or as more restrictively defined in the official policy
45 or bid specifications of the authority, the term "small business" means
46 a small business or similar term, under federal regulations applicable
47 to projects of the authority which are federally assisted.

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

55 9. The provisions of this section shall not apply to any procurement
56 made by any other public entity not otherwise required by law to award

1 contracts for such purchases to the lowest responsible bidder if such
2 purchases are made at the sole cost and expense of such entity.

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

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

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

24 § 1349-hhhh. Commuter transportation authority small business mentor-
25 ing program. 1. As used in this section, unless the context requires
26 otherwise:

27 (a) "authority" means commuter transportation authority and its
28 subsidiaries;

29 (b) "chairperson" means the chairperson of the authority and its
30 subsidiaries and affiliates;

31 (c) "small business" means a business in the construction trades
32 which: (i) is independently owned and operated; (ii) has annual revenues
33 not exceeding a fiscal limitation of five million dollars or such lesser
34 amount as established by the authority pursuant to these provisions; and
35 (iii) meets additional criteria as otherwise established by the chair-
36 person in consultation with the members of the commuter transportation
37 small business mentoring program advisory committee. The chair of the
38 committee shall be the chief diversity officer of the authority. The
39 authority shall establish a detailed definition in general and specific
40 to different segments of the construction industry to the extent neces-
41 sary to reflect differing characteristics of such segments based on the
42 criteria used by the United States small business administration for
43 loans to small businesses as set forth in Sections 121.301 through
44 121.305, or for awarding government procurements as set forth in
45 Sections 121.401 through 121.413, of Subpart A of Part 121 of Chapter I
46 of Title 13 of the Code of Federal Regulations as amended, and such
47 other criteria as determined by the authority;

48 (d) "small business mentoring program" is a program established by the
49 authority pursuant to these provisions to provide small businesses
50 accepted into the program with the opportunity:

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

1 small business with advice and assistance in competing for and managing
2 authority public work contracts; and

3 (ii) for a small business mentoring program participant which the
4 authority has determined has successfully completed the program under
5 subparagraph (i) of this paragraph, for up to four additional years: (A)
6 additional opportunities to compete with other designated small busi-
7 nesses in the program for certain public work contracts to be designated
8 for inclusion under this subparagraph and, where awarded, to perform
9 such authority public work contracts, with the further assistance of an
10 authority-provided mentor, which shall be a firm competitively selected
11 by the authority that has extensive construction management and mentor-
12 ing experience, with the mentor to provide the small business with
13 advice and technical assistance in competing for and managing authority
14 public work contracts; and (B) authority-provided assistance, as deter-
15 mined by the authority, for such a small business to obtain bonding for
16 public work contracts that are competitively awarded pursuant to
17 provisions of law other than this section;

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

27 2. (a) Pursuant to these provisions, the authority may establish a
28 small business mentoring program. In connection therewith, the authority
29 may determine the criteria pursuant to which a small business shall be
30 eligible for and selected to participate in the program under subpara-
31 graphs (i) and (ii) of paragraph (d) of subdivision one of this section,
32 the number of participants to participate in each such components of the
33 program, the criteria for the competitive selection of the firms that
34 will provide small businesses with mentoring services, the assignment of
35 a mentor to a specific small business in the small business mentoring
36 program, and the funding for the program.

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

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

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

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

51 (iv) to competitively select, designate and contract with one or more
52 experienced construction management firms that, under the general super-
53 vision of the authority, will provide mentoring services to the small
54 businesses participating in the small business mentoring program, and to
55 assign such mentors one or more designated small businesses participat-
56 ing in the program;

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

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

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

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

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

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

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

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

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

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

44 5. The authority may delegate to the chairperson or the chairperson's
45 designee the authority's responsibilities set forth herein.

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

51 § 1349-iiii. Special powers of the authority. In order to effectuate
52 the purposes of this title:

53 1. The authority may acquire, by purchase, gift, grant, transfer,
54 contract or lease, any transportation facility other than a transit
55 facility wholly or partially within the metropolitan commuter transpor-
56 tation district, or any part thereof, or the use thereof, and may enter

1 into any joint service arrangements as hereinafter provided. Any such
2 acquisition or joint service arrangement shall be authorized only by
3 resolution of the authority approved by not less than a majority vote of
4 the whole number of members of the authority then in office, except that
5 in the event of a tie vote the chairperson shall cast one additional
6 vote.

7 2. The authority may on such terms and conditions as the authority may
8 determine necessary, convenient or desirable itself plan, design,
9 acquire, establish, construct, effectuate, operate, maintain, renovate,
10 improve, extend, rehabilitate or repair any transportation facility
11 other than a transit project, or may provide for such planning, design,
12 acquisition, establishment, construction, effectuation, operation, main-
13 tenance, renovation, improvement, extension, rehabilitation or repair by
14 contract, lease or other arrangement on such terms as the authority may
15 deem necessary, convenient or desirable with any person, including but
16 not limited to any common carrier or freight forwarder, the state, any
17 state agency, the federal government, any other state or agency or
18 instrumentality thereof, any public authority of this or any other
19 state, the port of New York authority or any political subdivision or
20 municipality of the state. In connection with the operation of any
21 transportation facility, the authority may plan, design, acquire, estab-
22 lish, construct, effectuate, operate, maintain, renovate, improve,
23 extend or repair or may provide by contract, lease or other arrangement
24 for the planning, design, acquisition, establishment, construction,
25 effectuation, operation, maintenance, renovation, improvement, extension
26 or repair of any related services and activities it deems necessary,
27 convenient or desirable, including but not limited to the transportation
28 and storage of freight and the United States mail, feeder and connecting
29 transportation, parking areas, transportation centers, stations and
30 related facilities.

31 3. (a) Except as directed in paragraph (c) of this subdivision, the
32 authority may establish, levy and collect or cause to be established,
33 levied and collected and, in the case of a joint service arrangement,
34 join with others in the establishment, levy and collection of such
35 fares, tolls, rentals, rates, charges and other fees as it may deem
36 necessary, convenient or desirable for the use and operation of any
37 transportation facility and related services operated by the authority
38 or by a subsidiary corporation of the authority or under contract, lease
39 or other arrangement, including joint service arrangements, with the
40 authority. Any such fares, tolls, rentals, rates, charges or other fees
41 for the transportation of passengers shall be established and changed
42 only if approved by resolution of the authority adopted by not less than
43 a majority vote of the whole number of members of the authority then in
44 office, with the chairperson having one additional vote in the event of
45 a tie vote, and only after a public hearing, provided however, that
46 fares, tolls, rentals, rates, charges or other fees for the transporta-
47 tion of passengers on any transportation facility which are in effect at
48 the time that the then owner of such transportation facility becomes a
49 subsidiary corporation of the authority or at the time that operation of
50 such transportation facility is commenced by the authority or is
51 commenced under contract, lease or other arrangement, including joint
52 service arrangements, with the authority may be continued in effect
53 without such a hearing. Such fares, tolls, rentals, rates, charges and
54 other fees shall be established as may in the judgment of the authority
55 be necessary to maintain the combined operations of the authority and
56 its subsidiary corporations on a self-sustaining basis. The said oper-

1 ations shall be deemed to be on a self-sustaining basis as required by
2 this title, when the authority is able to pay or cause to be paid from
3 revenue and any other funds or property actually available to the
4 authority and its subsidiary corporations: (i) as the same shall become
5 due, the principal of and interest on the bonds and notes and other
6 obligations of the authority and its subsidiaries and the metropolitan
7 transportation authority, together with the maintenance of proper
8 reserves therefor; (ii) the cost and expense of keeping the properties
9 and assets of the authority and its subsidiary corporations in good
10 condition and repair; and (iii) the capital and operating expenses of
11 the authority and its subsidiary corporations. The authority may
12 contract with the holders of bonds and notes with respect to the exer-
13 cise of the powers authorized by this section. No acts or activities
14 taken or proposed to be taken by the authority or any subsidiary of the
15 authority pursuant to the provisions of this subdivision shall be deemed
16 to be "actions" for the purposes or within the meaning of article eight
17 of the environmental conservation law.

18 (b) All fares, tolls, rentals, rates, charges, and other fees estab-
19 lished, levied, and collected or caused to be established, levied, and
20 collected, shall first be transferred to the metropolitan transportation
21 authority in order to maintain the metropolitan transportation authority
22 on a self-sustaining basis unless already pledged to secure, and neces-
23 sary to satisfy the debt service or reserve requirements of, bonds,
24 notes or other obligations of the authority prior to January first, two
25 thousand twenty-six.

26 (c) In the event that the monthly revenues of the metropolitan trans-
27 portation authority fall below one hundred twenty-five percent of the
28 amount necessary to maintain the operations of the metropolitan trans-
29 portation authority on a self-sustaining basis, as defined by section
30 twelve hundred sixty-six of this article, the authority shall, at the
31 direction of the metropolitan transportation authority, establish, levy
32 and collect or cause to be established, levied and collected, in the
33 case of a joint service arrangement, and join with others in the estab-
34 lishment, levy and collection of such fares, tolls, rentals, rates,
35 charges and other fees as the metropolitan transportation authority may
36 deem necessary, convenient or desirable for the use and operation of any
37 transportation facility and related services operated by the authority
38 or by a subsidiary corporation of the authority or under contract, lease
39 or other arrangement, including joint service arrangements, with the
40 authority, until such time that monthly revenues of the metropolitan
41 transportation authority has exceeded, for three consecutive months, two
42 hundred percent of the amount necessary to maintain the operations of
43 the metropolitan transportation authority on a self-sustaining basis.

44 4. The authority may establish and, in the case of joint service
45 arrangements, join with others in the establishment of such schedules
46 and standards of operations and such other rules and regulations includ-
47 ing but not limited to rules and regulations governing the conduct and
48 safety of the public as it may deem necessary, convenient or desirable
49 for the use and operation of any transportation facility and related
50 services operated by the authority or under contract, lease or other
51 arrangement, including joint service arrangements, with the authority.
52 Such rules and regulations governing the conduct and safety of the
53 public shall be filed with the department of state in the manner
54 provided by section one hundred two of the executive law. In the case of
55 any conflict between any such rule or regulation of the authority
56 governing the conduct or the safety of the public and any local law,

1 ordinance, rule or regulation, such rule or regulation of the authority
2 shall prevail. Violation of any such rule or regulation of the authority
3 governing the conduct or the safety of the public in or upon any facili-
4 ty of the authority shall constitute an offense and shall be punishable
5 by a fine not exceeding fifty dollars or imprisonment for not more than
6 thirty days or both or may be punishable by the imposition of a civil
7 penalty by the transit adjudication bureau established pursuant to the
8 provisions of title nine of this article.

9 5. (a) The authority may acquire, hold, own, lease, establish,
10 construct, effectuate, operate, maintain, renovate, improve, extend or
11 repair any transportation facilities through, and cause any one or more
12 of its powers, duties, functions or activities to be exercised or
13 performed by, one or more wholly owned subsidiary corporations of the
14 authority, and may transfer to or from any such corporations any moneys,
15 real property or other property for any of the purposes of this title
16 upon such terms and conditions as shall be agreed to and subject to such
17 payment or repayment obligations as are required by law or by any agree-
18 ment to which any of the affected entities is subject. The directors or
19 members of each such subsidiary corporation of the authority corporation
20 shall be the same persons holding the offices of members of the authori-
21 ty. The chairperson of the board of each such subsidiary shall be the
22 chairperson of the authority, serving ex officio and, provided that
23 there is an executive director of the commuter transportation authority,
24 the executive director of such subsidiary shall be the executive direc-
25 tor of the commuter transportation authority, serving ex officio.
26 Notwithstanding any provision of law to the contrary, the chairperson
27 shall be the chief executive officer of each such subsidiary and shall
28 be responsible for the discharge of the executive and administrative
29 functions and powers of each such subsidiary. The chairperson and execu-
30 tive director, if any, shall be empowered to delegate their respective
31 functions and powers to one or more officers or employees of each such
32 subsidiary designated by such chair or director. Each such subsidiary
33 corporation of the authority and any of its property, functions and
34 activities shall have all of the privileges, immunities, tax exemptions
35 and other exemptions of the authority and of the authority's property,
36 functions and activities. Each such subsidiary corporation shall be
37 subject to the restrictions and limitations to which the authority may
38 be subject. Each such subsidiary corporation of the authority shall be
39 subject to suit in accordance with section thirteen hundred forty-nine-
40 lllll of this title. The employees of any such subsidiary corporation,
41 except those who are also employees of the authority, shall not be
42 deemed employees of the authority.

43 (b) If the authority shall determine that one or more of its subsid-
44 iary corporations should be in the form of a public benefit corporation,
45 it shall create each such public benefit corporation by executing and
46 filing with the secretary of state a certificate of incorporation, which
47 may be amended from time to time by filing, which shall set forth the
48 name of such public benefit subsidiary corporation, its duration, the
49 location of its principal office, and any or all of the purposes of
50 acquiring, owning, leasing, establishing, constructing, effectuating,
51 operating, maintaining, renovating, improving, extending or repairing
52 one or more facilities of the authority. Each such public benefit
53 subsidiary corporation shall be a body politic and corporate and shall
54 have all those powers vested in the authority by the provisions of this
55 title which the authority shall determine to include in its certificate
56 of incorporation except the power to contract indebtedness.

1 (c) Whenever any state, political subdivision, municipality, commis-
2 sion, agency, officer, department, board, division or person is author-
3 ized and empowered for any of the purposes of this title to co-operate
4 and enter into agreements with the authority such state, political
5 subdivision, municipality, commission, agency, officer, department,
6 board, division or person shall have the same authorization and power
7 for any of such purposes to co-operate and enter into agreements with a
8 subsidiary corporation of the authority.

9 6. Each of the authority and its subsidiaries, in its own name or in
10 the name of the state, may apply for and receive and accept grants of
11 property, money and services and other assistance offered or made avail-
12 able to it by any person, government or agency, which it may use to meet
13 capital or operating expenses and for any other use within the scope of
14 its powers, and to negotiate for the same upon such terms and conditions
15 as the respective authority may determine to be necessary, convenient or
16 desirable.

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

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

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

53 9. Upon approval by the commissioner of transportation of the state of
54 New York of detailed plans and specifications, which approval may be
55 based upon considerations of relative need and the timing of
56 construction, the authority is authorized to design, construct, main-

tain, operate, improve and reconstruct a highway bridge crossing Long Island sound, as follows:

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

(b) If funds are made available by the authority for the payment of the cost and expense of the acquisition thereof, the commissioner of transportation of the state of New York, when requested by the authority, may acquire in the name of the state such real property lying within the territorial boundaries of the state as may be determined from time to time by the authority to be necessary, convenient or desirable to carry out the authorizations set forth in paragraph (a) of this subdivision and this paragraph, may remove the owner or occupant thereof where necessary and obtain possession and, when requested by the authority, may dispose of any real property so acquired, all according to the procedures provided in section thirty of the highway law. The authority shall have the right to possess and use for its corporate purposes all such real property so acquired, all according to the procedures provided in section thirty of the highway law. The authority shall have the right to possess and use for its corporate purposes all such real property so acquired. Claims for the value of the property appropriated and for legal damages caused by any such appropriation shall be adjusted and determined by the commissioner of transportation with the approval of

1 the authority or by the court of claims as provided in section thirty of
2 the highway law. When a claim has been filed with the court of claims,
3 the claimant shall cause a copy of such claim to be served upon the
4 authority and the authority shall have the right to be represented and
5 heard before such court. All awards and judgments arising from such
6 claims shall be paid out of moneys of the authority.

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

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

27 10. Notwithstanding the provisions of any other law, general, special
28 or local, or of any agreement entered into in pursuance thereof, relat-
29 ing to the repayment of any loan or advance made by the state to the
30 authority, the authority shall not be required to repay any such loan or
31 advance heretofore made from or by reason of the issuance of bonds or
32 notes or from the proceeds realized upon such issuance or from any other
33 funds received from any source whatever in aid or assistance of the
34 project or projects for the financing of which such bonds or notes are
35 issued.

36 11. No project to be constructed upon real property theretofore used
37 for a transportation purpose, or on an insubstantial addition to such
38 property contiguous thereto, which will not change in a material respect
39 the general character of such prior transportation use, nor any acts or
40 activities in connection with such project, shall be subject to the
41 provisions of article eight, nineteen, twenty-four or twenty-five of the
42 environmental conservation law, or to any local law or ordinance adopted
43 pursuant to any such article. Nor shall any acts or activities taken or
44 proposed to be taken by the authority or by any other person or entity,
45 public or private, in connection with the planning, design, acquisition,
46 improvement, construction, reconstruction or rehabilitation of a trans-
47 portation facility, other than a marine or aviation facility, be subject
48 to the provisions of article eight of the environmental conservation
49 law, or to any local law or ordinance adopted pursuant to any such arti-
50 cle if such acts or activities require the preparation of a statement
51 under or pursuant to any federal law or regulation as to the environ-
52 mental impact thereof.

53 12. The authority and each of its subsidiary corporations shall place
54 on each transformer and substation which contains polychlorinated biphe-
55 nyls (PCBs) a symbol so indicating the presence of PCBs. Use of a PCB
56 mark illustrated in the rules and regulations promulgated pursuant to

1 the federal Toxic Substances Control Act shall constitute compliance
2 with the provisions of this subdivision.

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

22 14. (a) Notwithstanding any other provisions of law or the terms of
23 any contract, the authority, in consultation with the Long Island Rail
24 Road and the Metro-North Commuter Railroad Company, shall establish and
25 implement a no fare program for transportation on the Long Island Rail
26 Road and the Metro-North Commuter Railroad Company for individuals serv-
27 ing as personal care attendants accompanying an Americans with Disabili-
28 ties Act paratransit eligible individual.

29 (b) In order to be eligible for such no fare program the personal care
30 attendant shall show their community based personal care attendant agen-
31 cy issued identification card.

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

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

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

45 § 1349-jjjj. Medical emergency services. The authority is hereby
46 authorized and directed to prepare and develop a medical emergency
47 services program to be implemented at a time to be specified in such
48 program for the benefit of persons utilizing transportation and other
49 related services of the authority. Such program may include but not be
50 limited to provisions for the following:

- 51 1. the training of designated employees in first aid;
- 52 2. emergency techniques and procedures;
- 53 3. handling and positioning of stricken commuters; and
- 54 4. knowledge of procedures and equipment used for respiratory and
55 cardiac emergencies.

1 Such program shall be submitted to the legislature not later than one
2 hundred eighty days after the effective date of this section.

3 § 1349-kkkk. Medical emergency services plan; implementation on Long
4 Island Rail Road. 1. (a) The authority in consultation with the Long
5 Island Rail Road is hereby authorized and directed to implement a
6 comprehensive medical emergency services program, including an emergency
7 response protocol, not later than the first of September next succeeding
8 the effective date of this section, for the benefit of persons utilizing
9 transportation and other related services of the Long Island Rail Road.
10 Such program shall include but not be limited to provisions for the
11 following:

12 (i) the training of designated employees in first aid;
13 (ii) emergency techniques and procedures;
14 (iii) handling and positioning of stricken commuters;
15 (iv) knowledge of procedures and equipment used for respiratory and
16 cardiac emergencies and an emergency response protocol for all employ-
17 ees.

18 (b) Such program and plan shall be submitted to the temporary presi-
19 dent of the senate, the speaker of the assembly and the governor on or
20 before the first of September next succeeding the effective date of this
21 section and shall be updated as necessary. The authority will issue an
22 annual report on or before April first of each year, which will include
23 current updates, descriptions of medical emergencies, responses and
24 outcomes since the most recent report, information regarding training of
25 personnel, analysis of the current plan and any recommendations for
26 improving the program.

27 2. Notwithstanding any inconsistent provision of any general, special
28 or local law, a designated employee employed upon facilities of the Long
29 Island Rail Road who has been trained in first aid, emergency techniques
30 and procedures, handling and positioning of stricken commuters, and the
31 applicable procedures and equipment used for respiratory and cardiac
32 emergencies who voluntarily and without the expectation of monetary
33 compensation renders any of the foregoing treatment in an emergency to a
34 commuter upon facilities of the Long Island Rail Road who is uncon-
35 scious, ill or injured shall not be liable for damages for injuries
36 alleged to have been sustained by such commuter or for damages for the
37 death of such commuter alleged to have occurred by reason of an act or
38 omission in the rendering of such treatment in an emergency unless it is
39 established that such injuries were or such death was caused by gross
40 negligence on the part of such designated employee.

41 § 1349-llll. Long Island Rail Road commuter council. 1. There is
42 hereby created the Long Island Rail Road commuter council, to study,
43 investigate, monitor and make recommendations with respect to the main-
44 tenance and operation of the Long Island Rail Road. Such council shall
45 study and investigate all aspects of the day to day operations of such
46 railroad, monitor its performance and recommend changes to improve the
47 efficiency of the operation thereof.

48 2. Such council shall consist of twelve members who shall be commuters
49 who regularly use the transportation services of such railroad, and who
50 shall be residents of Nassau, Suffolk, Queens or Brooklyn county.
51 Members shall be appointed by the governor upon the recommendation of
52 the county executive of each such county, provided, however, that such
53 members shall be chosen from a list of ten names submitted by each such
54 county executive and provided further however that no more than six
55 members of such council shall be residents of either such county.
56 Provided, however, that one member shall be appointed on the recommenda-

tion of the borough president of Queens and one member shall be appointed on the recommendation of the borough president of Brooklyn. Vacancies occurring in the membership of the council shall be filled in the same manner as original appointments, provided, however, that such vacancy shall be filled from a list of three names submitted by each such county executive.

3. The members of the council shall receive no compensation for their services but shall be reimbursed for their expenses actually and necessarily incurred in the performance of their duties hereunder.

4. The council may request and shall receive from any department, division, board, bureau, commission, agency, public authority of the state or any political subdivision thereof such assistance and data as will enable it properly to carry out its activities hereunder and effectuate the purposes set forth herein.

§ 1349-mmmm. Metro-North rail commuter council. 1. There is hereby created the Metro-North rail commuter council to study, investigate, monitor and make recommendations with respect to the maintenance and operation of those portions of, if any, the Hudson, Harlem, New Haven, Pascack Valley and Port Jervis commuter railroad lines remaining within the metropolitan commuter transportation district. Such council shall study and investigate all aspects of the day to day operation of such railroad lines, monitor their performance and recommend changes to improve the efficiency of the operation thereof.

2. Such council shall consist of eleven members and shall be commuters who regularly use the transportation services of such railroad lines. At least five of such members shall be residents of the county of Westchester. Of the other six members, at least one of such members shall be a resident of each of the counties of Rockland, Putnam, Dutchess, Orange and Bronx, provided that such county has not withdrawn from the metropolitan commuter transportation district pursuant to section thirteen hundred forty-nine-wwwww of this title; provided further, should only the county of Putnam remain in the metropolitan commuter transportation district then membership on such council shall consist of seven members, five of whom reside in the county of Westchester and two of whom reside in the county of Putnam. Members shall be appointed by the governor. In making such appointments the governor shall consult with and solicit recommendations from local officials and to the extent possible appoint members who represent the ridership of the several commuter railroad lines. Vacancies occurring in the membership of the council shall be filled in the same manner as original appointments.

3. The members of the council shall receive no compensation for their services but shall be reimbursed for their expenses actually and necessarily incurred by them in the performance of their duties hereunder from funds appropriated to the commissioner of transportation.

4. The council may request and shall receive from any department, division, board, bureau, commission, agency, public authority of the state or any political subdivision thereof such assistance and data as it requests and will enable it to properly carry out its activities for the purposes set forth herein.

§ 1349-nnnn. Medical emergency services plan; implementation on Metro-North Commuter Railroad Company. 1. The authority is hereby authorized and directed to implement a medical emergency services program for the benefit of persons utilizing transportation and other related services of the Metro-North Commuter Railroad Company. Such program shall include but not be limited to provisions for the following:

1 (a) the training of conductors, trainmen and other designated employ-
2 ees in first aid;
3 (b) emergency techniques and procedures;
4 (c) handling and positioning of stricken commuters; and
5 (d) knowledge of procedures and equipment used for respiratory and
6 cardiac emergencies.

7 2. Notwithstanding any inconsistent provision of any general, special
8 or local law, a designated employee employed upon facilities of the
9 Metro-North Commuter Railroad Company who has successfully completed a
10 course in first aid, including instruction and training in cardiopulmo-
11 nary resuscitation and who voluntarily and without expectation of mone-
12 etary compensation renders first aid, emergency treatment or cardiopulmo-
13 nary resuscitation at the scene of an accident or other emergency, in
14 the course of their duties as an employee of the Metro-North Commuter
15 Railroad Company to a person who is unconscious, ill or injured, shall
16 not be liable for damages and injuries alleged to have been sustained by
17 such person or for damages for death of such person alleged to have
18 occurred by reason of an act or omission in the rendering of such first
19 aid, emergency treatment or cardiopulmonary resuscitation unless it is
20 established that such injuries were or such death was caused by gross
21 negligence on the part of such designated employee.

22 § 1349-0000. Excess loss fund. 1. Subject to the provisions of this
23 section, the authority is authorized to issue bonds and notes, in
24 accordance with section thirteen hundred forty-nine-xxxx of this title,
25 in such principal amounts not in excess of the seventy-five million
26 dollar limitation established in subdivision four of this section as, in
27 the opinion of the authority, shall be necessary to provide sufficient
28 funds to meet the capital and reserve requirements of a trust, pooling
29 arrangement or other entity established for the purpose of providing
30 reimbursement and funding to the authority and its subsidiaries for
31 excess or extraordinary losses for damages to real or personal property
32 or for the destruction thereof or for personal injuries or death and for
33 certain property damage losses which may be incurred or sustained by any
34 of them in connection with the use and operation of their respective
35 facilities and in the conduct of their respective activities, the trust,
36 pooling arrangement or other entity established in order to provide such
37 benefits to such participants being referred to in this section as the
38 "excess loss fund". Prior to the issuance of any bonds or notes, other
39 than refunding bonds or notes, authorized by this section, the authority
40 shall make a finding that such issue is expected to result, on a present
41 value basis, in a lower effective cost to the participating authorities
42 than funding the requirements of the excess loss fund solely through the
43 payment of premiums and assessments by such participating authorities.

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

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

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

1 premiums, assessments, reimbursements and other payments and the use and
2 disposition thereof; and

3 (c) enter into contracts with the excess loss fund and with the
4 participants therein, on such terms and conditions as the parties may
5 agree, with respect to the payment of premiums, assessments, reimburse-
6 ments and other payments to the excess loss fund and the nature and
7 extent of the benefits to be paid by the excess loss fund to such
8 participants.

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

17 4. The aggregate principal amount of bonds and notes issued for the
18 purposes enumerated in subdivision one of this section shall not exceed
19 seventy-five million dollars, excluding: (a) bonds and notes issued to
20 fund costs of issuance and any reasonably required debt service reserve
21 fund for such bonds or notes; (b) an amount equal to any original issue
22 discount from the principal amount of any bonds or notes issued; and (c)
23 bonds and notes issued to refund or otherwise repay bonds or notes ther-
24 etofore issued for such purposes, provided, however, that upon any such
25 refunding or repayment of the total aggregate principal amount of
26 outstanding bonds and notes, including for the purpose of such calcu-
27 lation the principal amount of the refunding bonds or notes then to be
28 issued and excluding the principal amount of the bonds or notes so to be
29 refunded or repaid and any amounts excluded under paragraph (a) or (b)
30 of this subdivision, may be greater than seventy-five million dollars,
31 only if the present value of the aggregate debt service of the refunding
32 or repayment bonds or notes to be issued shall not exceed the present
33 value of the aggregate debt service of the bonds or notes so to be
34 refunded or repaid. For purposes of paragraph (c) of this subdivision,
35 the present values of the aggregate debt service of the refunding or
36 repayment bonds or notes and of the aggregate debt service of the bonds
37 or notes so to be refunded or repaid, shall be calculated by utilizing
38 the effective interest rate of the refunding or repayment bonds or
39 notes, which shall be that rate arrived at by doubling the semi-annual
40 interest rate, compounded semi-annually, necessary to discount the debt
41 service payments on the refunding or repayment bonds or notes from the
42 payment dates thereof to the date of issue of the refunding or repayment
43 bonds or notes and to the price bid including estimated accrued interest
44 or proceeds received by the authority including estimated accrued inter-
45 est from the sale thereof.

46 5. The term "excess loss fund" as used in this section shall not
47 include any trust, pooling arrangements or other entity: (a) which
48 provides or offers to provide reimbursement or funding for losses or
49 liabilities to any entity other than the authority and its subsidiaries;
50 or (b) in which any entity other than the authority and its subsidiaries
51 holds an equity interest.

52 § 1349-pppp. Authority police force. 1. The authority is hereby
53 authorized and empowered, to provide and maintain an authority police
54 department and a uniformed authority police force. Each member of such
55 uniformed police force shall be a "police officer" for the purposes of
56 the criminal procedure law, with all of the powers of such police offi-

1 cers thereunder and subject to the same jurisdictional provisions on the
2 exercise of that power as set forth in such law. The geographical area
3 of employment of such police officers for the purposes of the criminal
4 procedure law shall embrace the metropolitan commuter transportation
5 district as defined in section twelve hundred sixty-two of this article.
6 Such department and force shall have the power, in and about any or all
7 of the facilities owned, occupied and/or operated by the authority and
8 its subsidiary corporations, as determined in the discretion of the
9 authority, to enforce and prevent violation of all laws and ordinances.
10 Nothing herein shall confer upon the authority police force or upon
11 their collective negotiations representatives exclusive jurisdiction or
12 claim over the exercise of police power or security work on behalf of
13 the authority and its subsidiary corporations. Nothing herein shall
14 limit the authority and its subsidiary corporations from continuing to
15 rely on local police for police services. However, traditional police
16 functions previously performed by the Long Island Rail Road Company
17 and/or the Metro-North Commuter Railroad Company police force shall
18 continue to be performed by the authority police forces.

19 2. Initial appointments to such authority police force shall be all
20 incumbent police officers from the Long Island Rail Road Company and/or
21 the Metro-North Commuter Railroad Company at the time of such appoint-
22 ment. The executive director of the authority, through the chief of
23 police, shall have the power and authority to appoint and employ such
24 number of police officers as they deem necessary to act as police offi-
25 cers of the authority and to administer to the officers an oath or
26 affirmation faithfully to perform the duties of their respective posi-
27 tions or offices. Unless, at the time of appointment, the person is a
28 police officer of the Long Island Rail Road Company or the Metro-North
29 Commuter Railroad Company, only persons who have never been convicted of
30 a felony and are citizens of the United States shall be appointed police
31 officers on the authority police force. After the initial appointments
32 are made, selection of police officer candidates shall be made pursuant
33 to an examination process to be determined at the discretion of the
34 authority and candidates shall receive a certificate attesting to satis-
35 factory completion of an approved municipal police basic training
36 program, as described in section two hundred nine-q of the general
37 municipal law. No person shall be eligible for appointment unless such
38 person is not less than twenty years of age as of the date of appoint-
39 ment nor more than thirty-five years of age as of the date when the
40 applicant takes the written examination, provided, however, that time
41 spent on military duty or on terminal leave, not exceeding a total of
42 six years, shall be subtracted from the age of any applicant who has
43 passed their thirty-fifth birthday as provided in subdivision ten-a of
44 section two hundred forty-three of the military law. Upon appointments
45 made by transferring an entire group of police officers into the author-
46 ity police force, thereby eliminating such other group of police offi-
47 cers, the authority shall recognize any representative previously chosen
48 by the police officers for the purposes of collective negotiations
49 consistent with the bargaining units already established and shall also
50 assume and continue to observe any existing labor contracts covering
51 these police officers including such provisions which relate to the
52 grievance and disciplinary procedures and interest arbitration. Subse-
53 quent to the establishment of the consolidated police force the authori-
54 ty and the collective bargaining representatives shall be authorized to
55 negotiate a merger of the separate bargaining units.

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

15 4. The authority shall provide for a twenty-year retirement plan under
16 the same terms and conditions as provided by section three hundred
17 eighty-nine of the retirement and social security law as enacted by
18 chapter six hundred twenty-eight of the laws of nineteen hundred nine-
19 ty-one; except that:

20 (a) any benefit provided pursuant to such plan shall be subject to an
21 offset, as defined in this paragraph, for any tier II benefit payable
22 pursuant to the federal Railroad Retirement Act to or in the respect of
23 a member. The offset provided for by this paragraph shall be the amount
24 of the tier II benefit which would be payable to or in respect to such
25 member pursuant to the federal Railroad Retirement Act multiplied by a
26 fraction, the numerator of which is the member's years of credited
27 service covered by the federal Railroad Retirement Act rendered to, or
28 credited by, the authority or any subsidiary corporation of the authori-
29 ty, and the denominator of which is the member's total years of service
30 covered by the federal Railroad Retirement Act;

31 (b) references to the Long Island Rail Road shall be to the authority;

32 (c) the transfer of funds described in subdivision f of section three
33 hundred eighty-nine of the retirement and social security law as enacted
34 by chapter six hundred twenty-eight of the laws of nineteen hundred
35 ninety-one shall include the Metro-North Commuter Railroad Company
36 Defined Contribution Pension Plan for Agreement Employees;

37 (d) the provisions of subdivision g of section three hundred eighty-
38 nine of the retirement and social security law as enacted by chapter six
39 hundred twenty-eight of the laws of nineteen hundred ninety-one to the
40 extent of requiring contributions for past service liability shall not
41 be applicable; and

42 (e) when a police officer transferred from the Long Island Rail Road
43 Company police force to the authority police force reaches age sixty-two
44 the authority will offset the amount payable under this plan by the
45 amount of tier II benefit payable from the Railroad Retirement Board for
46 a service age annuity or disability payable at the participants age
47 sixty-two.

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

54 6. If the authority elects to participate in the New York state and
55 local employees' retirement system, such election to participate shall
56 be made by resolution filed with the comptroller and accepted by them

1 pursuant to section thirty-one of the retirement and social security
2 law.

3 7. Nothing herein contained shall be deemed to diminish, suspend or
4 abolish an existing benefit inured to a police officer, transferred from
5 the Long Island Rail Road Company and/or Metro-North Commuter Railroad
6 Company police force and subject to the provisions of this section in
7 and to the rights, privileges or status previously earned within a
8 pension or retirement system of which they were a member immediately
9 prior to the enactment of this section; and any such existing right,
10 privilege or status shall survive the effect of any decisions or deter-
11 minations lawfully made in accordance with the provisions hereof so long
12 as such right, privilege or status is greater in benefit to that which
13 would be imposed or imputed to any subject officer as a result of
14 actions of the authority authorized herein.

15 § 1349-qqqq. The permanent citizens advisory committee. There is
16 hereby established a permanent citizens advisory committee. The members
17 of the committee shall consist of the following members: the Long Island
18 Rail Road commuter council and the Metro-North commuter council.

19 § 1349-rrrr. Commuter transportation authority pledge to customers. 1.
20 A commuter transportation authority pledge to customers shall be created
21 and adopted by the commuter transportation authority. A copy of such
22 pledge shall be posted on the website of the authority and shall be
23 posted in stations where the authority makes regular postings. The
24 authority shall post the pledge in the language or languages it deems
25 necessary and appropriate.

26 2. The commuter transportation authority pledge to customers shall be
27 in the form and manner as prescribed by the authority, include the
28 contact information of the authority, and include, but not be limited
29 to, the following:

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

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

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

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

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

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

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

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

47 3. The authority from time to time may, update and amend the commuter
48 transportation authority pledge to customers as it deems necessary and
49 proper and may adopt rules and regulations for the proper administration
50 of this section.

51 § 1349-ssss. Expired fare transfer policy. Notwithstanding any other
52 provision of law to the contrary, the authority shall, within ninety
53 days of the effective date of this section, establish an expired fare
54 transfer policy that may be amended from time to time. Such policy shall
55 provide any person who purchases a fare the ability to transfer any
56 remaining balance for two years after such fare is deemed expired.

1 § 1349-tttt. Acquisition and disposition of real property. 1. In
2 addition to the powers provided in section thirteen hundred forty-nine-
3 iiii of this title to acquire transportation facilities, equipment and
4 real property, the authority may acquire, by condemnation pursuant to
5 the condemnation law, any real property it may deem necessary, conven-
6 ient or desirable to effectuate the purposes of this title, provided
7 however, that any such condemnation proceedings shall be brought only in
8 the supreme court and the compensation to be paid shall be ascertained
9 and determined by the court without a jury. Notwithstanding the forego-
10 ing provisions of this subdivision, no real property may be acquired by
11 the authority by condemnation for purposes other than a transportation
12 facility unless the governing body of the city, village or town in which
13 such real property is located shall first consent to such condemnation.

14 2. Nothing herein contained shall be construed to prevent the authori-
15 ty from bringing any proceedings to remove a cloud on title or such
16 other proceedings as it may, in its discretion, deem proper and neces-
17 sary or from acquiring any such property by negotiation or purchase.

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

26 4. Subject to the provisions of section thirteen hundred forty-nine-
27 iiii of this title, title to all property acquired under this title
28 shall vest in the authority or one of its subsidiary corporations as the
29 authority directs.

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

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

37 § 1349-uuuu. Acquisition and disposition of real property by depart-
38 ment of transportation. If funds are made available by the authority for
39 the payment of the cost and expense of the acquisition thereof, the
40 commissioner of transportation of the state of New York, when requested
41 by the authority, may acquire such real property in the name of the
42 state as may be determined from time to time by the authority as being
43 necessary, convenient or desirable to effectuate the purposes of this
44 title, may remove the owner or occupant thereof where necessary and
45 obtain possession and, when requested by the authority, may dispose of
46 any real property so acquired, all according to the procedures provided
47 in section thirty of the highway law. The authority shall have the right
48 to possess and use for its corporate purposes all such real property so
49 acquired. Claims for the value of the property appropriated and for
50 legal damages caused by any such appropriation shall be adjusted and
51 determined by such commissioner with the approval of the authority or by
52 the court of claims as provided in section thirty of the highway law.
53 When a claim has been filed with the court of claims, the claimant shall
54 cause a copy of such claim to be served upon the authority and the
55 authority shall have the right to be represented and heard before such
56 court. All awards and judgments arising from such claims shall be paid

1 out of moneys of the authority. No real property may be acquired pursu-
2 ant to the provisions of this section for purposes other than a trans-
3 portation facility unless the governing body of the city, village or
4 town in which such real property is located shall first consent to such
5 acquisition. The provisions of this section shall not be applicable to
6 the acquisition or disposition of real property required for the
7 construction of the two highway bridges crossing Long Island sound
8 referred to in section thirteen hundred forty-nine-iiii of this title.
9 The authority shall be empowered to lease for such other purposes as the
10 authority may determine any part or parts of Republic airport not needed
11 for transportation purposes.

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

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

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

49 § 1349-www. Promotion of qualified transportation fringes. The
50 authority shall promote the broad use of qualified transportation fring-
51 es, under section 132(f) of the internal revenue code, in order to
52 increase the number of participating companies and employees in such
53 programs. The authority may also study and report on ways in which
54 programs may be improved so as to increase public participation.

55 § 1349-xxxx. Notes, bonds and other obligations of the authority. 1.
56 (a) The authority shall have power and is hereby authorized from time to

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

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

34 (c) Every issue of its notes, bonds or other obligations shall be
35 general obligations or special obligations. Every issue of general obli-
36 gations of the authority shall be payable out of any revenues or monies
37 of the authority, subject only to any agreements with the holders of
38 particular notes or bonds pledging any particular receipts or revenues.
39 Every issue of special obligations shall be payable out of any revenues,
40 receipts, monies or other assets of the authority and its subsidiary
41 corporations, identified for such purposes in accordance with agreements
42 with the holders of particular notes, bonds or other obligations. The
43 authority may issue transportation revenue special obligation bonds,
44 notes or other obligations as provided in section thirteen hundred
45 forty-nine-eeeeee of this title;

46 2. The authority may from time to time issue its bonds and notes in
47 such principal amounts as, in the opinion of the authority, shall be
48 necessary to finance the unfunded pension fund liabilities of the
49 authority, its affiliates and subsidiaries, provided, however, that in
50 no event shall the cumulative amounts of bonds and notes issued pursuant
51 to the authority of this subdivision exceed one billion two hundred
52 million dollars or sixty percent of such unfunded pension fund liabil-
53 ities, whichever is less, and provided, further, that no bonds shall be
54 issued under this subdivision for a term longer than twenty years. The
55 authority shall not issue bonds or notes in any twelve-month period in a
56 cumulative principal amount in excess of forty percent of the total

1 amount permitted to be issued under this subdivision. Prior to the issu-
2 ance of any bonds or notes, the authority shall make a finding that such
3 issue is expected to result, on a present value basis, in a lower effec-
4 tive cost to the authority than funding the unfunded pension fund
5 liability solely through the payment of annual amounts to the pension
6 fund, assuming that the principal component of the unfunded liability
7 will be amortized over the same number of years as the term of the bonds
8 or notes and that the interest payable thereon is the actuarial rate of
9 interest determined by the actuary for the pension fund at the time of
10 the issuance of such bonds or notes. The aggregate principal amount of
11 bonds and notes issued for such purposes may be increased to fund costs
12 of issuance and may reasonably require debt service of other reserve
13 funds. Bonds and notes may be issued to refund or otherwise repay bonds
14 or notes theretofore issued for such purposes; provided, however, that
15 upon any such refunding or repayment, including for the purpose of such
16 calculation the principal amount of the refunding bonds or notes then to
17 be issued and excluding the principal amount of the bonds or notes so to
18 be refunded or repaid and also excluding any amounts used to pay costs
19 of issuance and reasonably required debt service or other reserve funds,
20 the present value of the aggregate debt service of the refunding or
21 repayment bonds or notes to be issued shall not exceed the present value
22 of the aggregate debt service of the bonds or notes so to be refunded or
23 repaid. For purposes of the preceding sentence, the present values of
24 the aggregate debt service of the refunding or repayment bonds or notes
25 and of the aggregate debt service of the bonds or notes so to be
26 refunded or repaid shall be calculated by utilizing the effective inter-
27 est rate of the refunding or repayment bonds or notes, which shall be
28 that rate arrived at by doubling the semi-annual interest rate,
29 compounded semi-annually, necessary to discount the debt service
30 payments on the refunding or repayment bonds or notes from the payment
31 dates thereof to the date of issue of the refunding or repayment bonds
32 or notes and to the price bid including estimated accrued interest or
33 proceeds received by the authority including estimated accrued interest
34 from the sale thereof. Debt service on the bonds or notes shall be
35 structured so that the economic benefits thereof shall be relatively
36 uniform for each full year throughout the term of the bonds or notes.
37 Beginning with the date of first issuance of bonds under this section,
38 the authority and its subsidiaries shall make annual payments into the
39 pension fund in amounts at least equal to the current pension contrib-
40 ution liability applicable to such year. The net proceeds of the bonds
41 or notes intended to be invested in non-debt securities may be invested
42 by the recipient pension fund in a fiscally prudent manner in securities
43 consistent with any trust indentures and all applicable state and feder-
44 al law over a reasonable period of time not less than thirty days
45 following the issuance of the bonds or notes. The operating budget
46 savings associated with the issuance of pension obligation bonds pursu-
47 ant to this subdivision shall be dedicated to reducing service elimi-
48 nations projected to occur within that period.

49 3. The notes, bonds and other obligations shall be authorized by
50 resolution approved by not less than a majority vote of the whole number
51 of members of the authority then in office, except that in the event of
52 a tie vote the chairperson shall cast one additional vote. Such notes,
53 bonds and other obligations shall bear such date or dates, and shall
54 mature at such time or times, in the case of any such note or any
55 renewals thereof not exceeding five years from the date of issue of such
56 original note, and in the case of any such bond not exceeding fifty

1 years from the date of issue, as such resolution or resolutions may
2 provide. The notes, bonds and other obligations shall bear interest at
3 such rate or rates, be in such denominations, be in such form, either
4 coupon or registered, carry such registration privileges, be executed in
5 such manner, be payable in such medium of payment, at such place or
6 places and be subject to such terms of redemption as such resolution or
7 resolutions may provide. The notes, bonds and other obligations of the
8 authority may be sold by the authority, at public or private sale, at
9 such price or prices as the authority shall determine. No notes or bonds
10 of the authority may be sold by the authority at private sale, however,
11 unless such sale and the terms thereof have been approved in writing by
12 (a) the comptroller, where such sale is not to the comptroller, or (b)
13 the director of the budget, where such sale is to the comptroller.

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

18 (a) pledging all or any part of the revenues of the authority or of
19 any of its subsidiary corporations to secure the payment of the notes or
20 bonds or of any issue thereof, or any other obligations of the authori-
21 ty, subject to such applicable agreements with bondholders, noteholders,
22 or holders of other obligations of the authority and the metropolitan
23 transportation authority, as may then exist;

24 (b) pledging all or any part of the assets of the authority or of any
25 of its subsidiary corporations to secure the payment of the notes or
26 bonds or of any issue of notes or bonds, or any other obligations of the
27 authority, subject to such agreements with noteholders, bondholders, or
28 holders of other obligations of the authority as may then exist;

29 (c) the use and disposition of revenues, including fares, tolls,
30 rentals, rates, charges and other fees, made or received by the authori-
31 ty, or any of its subsidiary corporations;

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

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

38 (f) limitations on the issuance of additional notes, bonds or other
39 obligations of the authority; the terms upon which additional notes,
40 bonds or other obligations of the authority may be issued and secured;
41 the refunding of outstanding or other notes, bonds or other obligations
42 of the authority;

43 (g) the procedure, if any, by which the terms of any contract with
44 noteholders, bondholders, or holders of other obligations of the author-
45 ity, may be amended or abrogated, the amount of notes, bonds or other
46 obligations of the authority the holders of which shall consent thereto,
47 and the manner in which such consent may be given;

48 (h) limitations on the amount of monies to be expended by the authori-
49 ty or any of its subsidiary corporations for operating, administrative
50 or other expenses of the authority or any of its subsidiary corpo-
51 rations;

52 (i) vesting in a trustee or trustees such property, rights, powers and
53 duties in trust as the authority may determine, which may include any or
54 all of the rights, powers and duties of the trustee appointed by the
55 bondholders, noteholders or holders of other obligations of the authori-
56 ty pursuant to this title, and limiting or abrogating the right of the

1 bondholders, noteholders or holders of other obligations of the authori-
2 ty to appoint a trustee under this article or limiting the rights,
3 powers and duties of such trustee;

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

7 5. In addition to the powers herein conferred upon the authority to
8 secure its notes, bonds and other obligations, the authority shall have
9 power in connection with the issuance of notes, bonds and other obli-
10 gations to enter into such agreements as the authority may deem neces-
11 sary, convenient or desirable concerning the use or disposition of the
12 monies or property of any of the authority, its subsidiary corporations,
13 including the mortgaging of any such property and the entrusting, pledg-
14 ing or creation of any other security interest in any such monies or
15 property and the doing of any act, including refraining from doing any
16 act, which the authority would have the right to do in the absence of
17 such agreements. The authority shall have power to enter into amendments
18 of any such agreements within the powers granted to the authority by
19 this title and to perform such agreements. The provisions of any such
20 agreements may be made a part of the contract with the holders of the
21 notes, bonds and other obligations of the authority.

22 6. It is the intention hereof that any pledge, mortgage or security
23 instrument made by the authority shall be valid and binding from the
24 time when the pledge, mortgage or security instrument is made; that the
25 monies or property so pledged, mortgaged and entrusted and thereafter
26 received by the authority, or any of its subsidiary corporations shall
27 immediately be subject to the lien of such pledge, mortgage or security
28 instrument without any physical delivery thereof or further act; and
29 that the lien of any such pledge, mortgage or security instrument shall
30 be valid and binding as against all parties having claims of any kind in
31 tort, contract or otherwise against the authority, or any of its subsid-
32 iary corporations, irrespective of whether such parties have notice
33 thereof. Neither the resolution nor any mortgage, security instrument
34 or other instrument by which a pledge, mortgage lien or other security
35 is created need be recorded or filed and neither the authority nor, any
36 of its subsidiary corporations shall be required to comply with any of
37 the provisions of the uniform commercial code.

38 7. Neither the members of the authority nor any person executing the
39 notes, bonds or other obligations shall be liable personally on the
40 notes, bonds or other obligations or be subject to any personal liabil-
41 ity or accountability by reason of the issuance thereof.

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

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

54 10. So long as the authority has any outstanding bonds, notes or other
55 obligations issued pursuant to this section, none of the authority or
56 any of its subsidiary corporations shall have the authority to file a

voluntary petition under chapter nine of the federal bankruptcy code or such corresponding chapter, chapters or sections as may, from time to time, be in effect, and neither any public officer nor any organization, entity or other person shall authorize the authority or any of its subsidiary corporations to be or become a debtor under chapter nine or said corresponding chapter, chapters or sections during any such period.

11. The term "monies" as used in this section shall include, but not be limited to, all operating subsidies provided by: (a) any public benefit corporation; or (b) any governmental entity, federal, state or local and shall exclude all funds required to be transferred to the metropolitan transportation authority pursuant to section thirteen hundred forty-nine-iiii of this title.

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

13. The aggregate principal amount of bonds, notes or other obligations issued after the effective date of this title by the authority to fund projects contained in capital program plans approved pursuant to section thirteen hundred forty-nine-yyyy of this title for the new capital program period shall not exceed the new capital program debt limit. Such aggregate principal amount of bonds, notes or other obligations or the expenditure thereof shall not be subject to any limitation contained in any other provision of law on the principal amount of bonds, notes or other obligations or the expenditure thereof applicable to the authority. The aggregate limitation established by this subdivision shall not include:

(a) obligations issued to refund, redeem or otherwise repay, including by purchase or tender, obligations theretofore issued either by the issuer of such refunding obligations or by the authority;

(b) obligations issued to fund any debt service or other reserve funds for such obligations;

(c) obligations issued or incurred to fund the costs of issuance, the payment of amounts required under bond and note facilities, federal or other governmental loans, security or credit arrangements or other agreements related thereto and the payment of other financing, original issue premiums and related costs associated with such obligations;

(d) an amount equal to any original issue discount from the principal amount of such obligations or to fund capitalized interest;

(e) obligations incurred in connection with the leasing, selling or transferring of equipment; and

(f) bond anticipation notes or other obligations payable solely from the proceeds of other bonds, notes or other obligations which would be included in the aggregate principal amount specified in the opening paragraph of this subdivision, whether or not additionally secured by revenues of the authority, or any of its subsidiary corporations.

§ 1349-yyyy. Capital program plans; approvals; effect of disapproval.

1. (a) On or before the first of October next succeeding the effective date of this section and every fifth year thereafter, the authority

1 shall submit to the governor a capital program plan for the ten-year
2 period commencing January first of the following year.

3 (b) Each such plan shall contain the capital program for the railroad
4 facilities, not including the Staten Island rapid transit operating
5 authority, under the jurisdiction of the authority.

6 (c) The plan shall set system-wide goals and objectives for capital
7 spending, establish standards for service and operations, and describe
8 each capital element proposed to be initiated in each of the years
9 covered by the plan and explain how each proposed element supports the
10 achievement of the service and operational standards established in the
11 plan. The plan shall also set forth an estimate of the amount of capital
12 funding required each year and the expected sources of such funding.
13 Each plan subsequent to the first such plan and each proposed amendment
14 or modification thereof shall also describe the current status of each
15 capital element included in the previously approved plan, if any. The
16 plan shall be accompanied or supplemented by such supporting materials
17 as the governor shall require.

18 (d) A capital element shall mean either a category of expenditure
19 itemized in a plan, as hereinafter provided, for which a specified maxi-
20 mum dollar amount is proposed to be expended, or a particularly
21 described capital project within one or more categories for which no
22 maximum expenditure is proposed, but for which an estimate of expected
23 cost is provided. A capital element shall be deemed to have been initi-
24 ated for purposes of this section if in connection with such element the
25 authority shall certify that: (i) purchase or construction contracts
26 have been entered into, obligating in the aggregate an amount exceeding
27 ten percent of the maximum or estimated cost of the element as set forth
28 in a plan; (ii) financing specific to the project has been undertaken;
29 or (iii) in a case where such element is limited to design or engineer-
30 ing, a contract therefor has been entered into.

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

39 3. A capital program plan shall be approved only by resolution of the
40 authority approved by not less than a majority vote of the whole number
41 of members of the authority then in office, except that in the event of
42 a tie vote the chairperson shall cast one additional vote. After
43 approval, the authority shall submit the plan to the governor, who has
44 ninety days to approve the plan.

45 4. A copy of any capital program plan that has been approved by the
46 authority and distributed to the governor shall be simultaneously
47 provided to the public by the commuter transportation authority, via its
48 official or shared internet website.

49 5. If the governor takes no action within ninety days after receiving
50 the plan, the plan shall be deemed to have been approved.

51 6. If the governor vetoes the plan, the authority may only override
52 the veto by unanimous vote.

53 7. If the governor vetoes the plan and the authority does not override
54 the veto, the authority may thereafter reformulate and resubmit such
55 plan at any time. Within thirty days of the submission of such reformu-
56 lated plan, the governor shall notify the authority of its approval, or,

1 if the reformulated plan is not approved and the governor has not noti-
2 fied the authority of their disapproval within such period, the reformu-
3 lated plan shall be deemed to have been approved.

4 8. No general obligation bonds or notes of the authority, no special
5 obligation bonds or notes of the authority to finance a transit project
6 shall be issued to finance the costs of a capital element unless such
7 capital element and such source of funding was set forth in a plan
8 approved as provided in this section.

9 9. The disapproval of a capital program plan shall not affect: (a) the
10 right of the authority or of its subsidiaries to initiate and complete
11 any capital element which will be financed otherwise than through the
12 issuance of the bonds or notes the issuance of which is prohibited under
13 subdivision four of this section; (b) the right of the authority to
14 issue bonds or notes to finance a capital element which was initiated
15 prior to such disapproval in conformity with a previously approved plan;
16 or (c) the right of the authority to issue bonds or notes to refund or
17 otherwise repay any of its outstanding bonds or notes or to fulfill any
18 of their obligations to the holders of any of their outstanding bonds or
19 notes.

20 10. Notwithstanding the provisions of subdivision eight of this
21 section, if a source of funding described in an approved plan shall be
22 unavailable or be available in a lesser amount than that set forth in
23 such plan, the authority may issue bonds or notes as necessary to
24 provide the requisite funding for the capital elements included in the
25 plan to the extent that the aggregate amount of such bonds or notes to
26 be issued in substitution for such unavailable amounts shall not exceed
27 the greater of fifty million dollars or twenty percent of the total
28 amount described in such plan for either the substitute funding source
29 or the funding source being substituted for.

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

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

1 in writing of their disapproval within such period, the amendment or
2 modification shall be deemed to have been approved.

3 12. In formulating its capital program plans, the authority shall give
4 consideration to the physical condition and urgency of need of each of
5 the several transportation and transit systems involved, to the needs of
6 all of the communities and areas serviced by these systems, to the
7 extent to which other capital aid or assistance may be available to each
8 of these systems, and to the safety, comfort and convenience of its
9 passengers. In determining the source or method of funding which the
10 authority is to use to finance the cost of the capital elements included
11 in its capital program plans, the authority shall, insofar as practica-
12 ble, give consideration, among other things, to: (a) the potential
13 impact of each such source or method upon the level of passenger fares;
14 (b) the relative cost of the several funding alternatives; and (c) the
15 relative ability of each source or method to provide funding at times
16 and in amounts estimated to be required by the capital program plan. To
17 the extent funding is proposed to be obtained through the issuance and
18 sale of bonds or notes, the authority shall, insofar as practicable and
19 consistent with the matters set forth in paragraphs (a), (b) and (c) of
20 this subdivision, give preference to the use of funds appropriated or to
21 be appropriated to the authority by virtue of service contracts with the
22 director of the budget entered into pursuant to the provisions of the
23 transportation systems assistance and financing act of 1981 for purposes
24 of paying the annual cost of debt service for such bonds or notes.

25 13. On or before the fourth first of October succeeding the effective
26 date of this subdivision, and on or before October first of every fifth
27 year thereafter, the authority shall submit to the governor a twenty-
28 year capital needs assessment. Such assessment shall begin with the
29 period commencing on the second first of January after such submission,
30 and begin each assessment with every fifth year thereafter, and describe
31 capital investments over the succeeding twenty years. Such assessment
32 shall: (a) set forth broad long-term capital investments to be made
33 throughout the district; and (b) establish a non-binding basis to be
34 used by the authority in the planning of strategic investments involving
35 capital elements in its five-year capital plans. Such assessment shall
36 not require the approval of the governor and shall be for informational
37 purposes only. For purposes of this section, "broad long-term capital
38 investments" shall include but not be limited to: system rebuilding,
39 enhancement, and expansion needs; agency needs broken down by capital
40 element or investment category; and projected future trends and network
41 implications. Such assessment shall be certified by the chairperson of
42 the authority and shall be entered into the permanent record of the
43 minutes of the review board.

44 § 1349-zzzz. Submission of strategic operation plan. 1. On or before
45 the first of July next succeeding the effective date of this section,
46 the authority shall submit to the governor a strategic operation plan
47 for the commuter railroad services under the jurisdiction of the author-
48 ity for the five-year period commencing January first of the following
49 year. The plan may be amended as required but shall be updated at least
50 annually. The plan shall include, but need not be limited to, the
51 following:

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

54 (b) Planned service and performance standards for each year of the
55 period covered by the plan; including, in such plan submitted after the
56 first of July next succeeding the effective date of this section: (i)

1 standards for determining frequency of service at peak hours and off-
2 peak hours; (ii) frequency of service at peak and off-peak hours based
3 on the application of such standards to the current period for each bus
4 route or group of bus routes, and commuter rail lines, divisions or
5 branches as appropriate; (iii) projected performance for each bus route
6 or group of bus routes, and commuter rail lines, divisions or branches
7 as appropriate as measured by reliability indicators commonly utilized
8 within the transit industry, including such measures as planned number
9 of vehicles with air conditioning and projected reliability of such
10 equipment, planned standards for cleanliness of the interior and exteri-
11 or of commuter rail cars, buses, and passenger stations, and other
12 appropriate measures of planned performance influencing the quality of
13 services;

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

16 (d) Estimated operating and capital resources anticipated to be avail-
17 able from internal sources as well as from federal, state, regional and
18 local sources;

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

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

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

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

30 (i) Identification of the operating and capital costs as compared to
31 the revenues anticipated from system users for the commuter transporta-
32 tion authority.

33 An analysis of the relationship between specific planned capital
34 elements contained in approved capital program plans and the achievement
35 of planned service and performance standards. Such analysis shall
36 include the relationship of specific planned capital elements to the
37 achievement of such service and performance standards for each bus route
38 or group of bus routes, or commuter rail lines, divisions or branches as
39 appropriate.

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

46 3. The commuter transportation authority shall take into consideration
47 any petitions from local officials for improved services, including how
48 these service improvements relate to the service and performance stand-
49 ards described in this section, and shall consult with appropriate local
50 officials in its preparation and periodic updates to the operation plan.

51 § 1349-aaaaa. Financial and operational reports. The authority shall
52 submit to the governor, the temporary president of the senate and the
53 speaker of the assembly, no later than thirty days following the
54 submission of the annual independent audit report pursuant to section
55 twenty-eight hundred two of this chapter, a complete detailed report or

1 reports setting forth, to the extent such matters are not fully
2 addressed in the annual independent audit report, the following:

3 1. its financial reports, including, but not limited to:

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

7 (b) grant and subsidy programs;

8 (c) operating and financial risks;

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

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

13 2. an assessment of the effectiveness of its internal control struc-
14 ture and procedures, including, but not limited to:

15 (a) descriptions of the authority and its major units and subsid-
16 iaries;

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

19 (c) an organizational chart;

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

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

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

26 § 1349-bbbbb. Mission statement and measurement report. 1. The
27 authority shall submit to the governor, the temporary president of the
28 senate and the speaker of the assembly, on or before the thirty-first of
29 October next succeeding the effective date of this section, a proposed
30 authority mission statement and proposed measurements. The proposed
31 mission statement and proposed measurements shall have the following
32 components: (a) a brief mission statement expressing the purpose and
33 goals of the authority; (b) a description of the stakeholders of the
34 authority and their reasonable expectations from the authority, which
35 stakeholders shall include at a minimum: (i) the residents and taxpayers
36 of the area of the state served by the authority; (ii) the persons that
37 use the services provided by the authority; and (iii) the employees of
38 the authority and any employee organization; (c) the goals of the
39 authority in response to the needs of each group of stakeholders; and
40 (d) a list of measures by which performance of the authority and the
41 achievement of its goals may be evaluated.

42 2. The authority shall thereafter reexamine its mission statement and
43 measurements on an annual basis, and publish on its website self evalu-
44 ations based on the stated measures.

45 § 1349-ccccc. Requirements for certain authority contracts and related
46 subcontracts. 1. Any contractor or subcontractor subject to the posting
47 requirements of paragraph a of subdivision three-a of section two
48 hundred twenty of the labor law with respect to a public works contract
49 of the authority shall:

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

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

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

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

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

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

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

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

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

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

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

45 4. The authority shall not enter into any contract described in subdi-
46 vision one of this section that does not incorporate the terms of this
47 section.

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

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

54 § 1349-ddddd. Reserve funds and appropriations. The authority may
55 create and establish one or more reserve funds in accordance with agree-
56 ments with bondholders, noteholders or the holders of other obligations

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

10 § 1349-eeee. Consolidated financings. 1. Notwithstanding any incon-
11 sistent provisions of this or any other law, general, special or local,
12 the authority may issue its notes, bonds and other obligations to
13 finance transportation facilities utilizing a consolidated pledge of all
14 or any portion of the revenues and other monies and assets of the
15 authority and its subsidiaries, together with those other sources of
16 payment described in this section. In connection therewith, at its
17 discretion, the authority, subject to the rights of the holders of
18 notes, bonds or other obligations of the authority, and the metropolitan
19 transportation authority, may deposit or cause to be deposited into one
20 or more funds and accounts: (a) all or any portion of the revenues,
21 other monies and assets received by the authority and its subsidiaries;
22 (b) all or any portion of the amounts from the operating and capital
23 costs account of the metropolitan transportation authority dedicated tax
24 fund required to be distributed to the authority under the provisions of
25 section twelve hundred seventy-c of this article; (c) all or any portion
26 of the available monies in the commuter railroad account of the metro-
27 politan transportation authority special assistance fund established
28 under the provisions of section twelve hundred seventy-a of this article
29 available for payment of operating and capital costs of the Long Island
30 Rail Road company and the Metro-North Commuter Railroad Company as
31 provided in subdivision three of section twelve hundred seventy-a of
32 this article; and (d) any other monies of the authority and its subsid-
33 aries from any source whatsoever.

34 2. Amounts so deposited in such funds or accounts may be: (a) pledged
35 by the authority to secure, and be applied to, the payment of its bonds,
36 notes or other obligations issued to finance transportation facilities
37 undertaken for the authority and its subsidiaries; and (b) used for
38 payment of operating costs, and capital costs, including debt service,
39 reserve requirements, if any, the payment of amounts required under
40 bonds, notes or other financing facilities or agreements, and the
41 payment of all costs related to such obligations, of or for the authori-
42 ty and its subsidiaries as the authority in its full discretion shall
43 determine. To the extent moneys so deposited have been pledged by the
44 authority to secure and pay its bonds, notes or other obligations as
45 herein provided, such moneys shall first be applied to satisfy the
46 requirements of any debt service or reserve requirements of the resol-
47 ution or resolutions or other contractual arrangements authorizing such
48 bonds, notes or other obligations. After satisfaction of such require-
49 ments of any such resolution, resolutions, or other contractual arrange-
50 ments or if the authority has not so pledged such moneys, such moneys so
51 deposited, subject to the provisions of any other resolutions or
52 contractual arrangements of the authority applicable provisions of law,
53 may be transferred to or for the benefit of the authority and its
54 subsidiaries. Revenues and other monies of the authority and its subsid-
55 aries which are deposited in the funds or accounts authorized by this
56 section, as reduced by any application of such revenues or monies to the

1 payment of debt service, reserve requirements, if any, and other costs
2 attributable to the funding of the capital costs of such entity, shall
3 be allocated, credited and distributed to such source entity. Any other
4 revenues or monies which are deposited in the funds or accounts author-
5 ized by this section which are required by law to be allocated or paid
6 to the authority or its subsidiaries shall be allocated or paid to the
7 entity to which it is required to be allocated or paid by law after
8 reduction by an amount equal to the portion thereof applied to the
9 payment of debt service, reserve requirements, if any, and other costs
10 attributable to the funding of the capital costs of such entity. In
11 determining the amount of debt service, reserve requirements, if any,
12 and other costs attributable to the authority and its subsidiaries the
13 authority shall make such calculation based upon the percentage of the
14 proceeds of the bonds, notes and other obligations expended for the
15 capital costs attributable to each such entity. The authority may
16 utilize any interim allocation of such distributions, provided that
17 within ninety days after the end of each calendar year, the authority
18 shall certify to the director of the budget, the chairperson of the
19 senate finance committee and the chairperson of the assembly ways and
20 means committee, that the aggregate amount of monies transferred to each
21 of the authority and its subsidiaries in respect of such calendar year,
22 taking into account any interagency repayments or reimbursements antic-
23 ipated to be made in the next succeeding calendar year, is not less than
24 the amounts required to be paid or transferred to such entities.

25 § 1349-fffff. Regulation of certain authority expenditures. The
26 authority shall implement policies as appropriate to minimize unwar-
27 ranted expenses and to protect against abuses in connection with: (a)
28 the granting of any privileges or benefits having financial value, other
29 than wage payments or expense reimbursements, to members or staff of the
30 authority, or any subsidiary or other authority created by the authori-
31 ty; and (b) the full-time and part-time assignment and use of automo-
32 biles owned or leased by the authority, or any subsidiary or other
33 authority created by the authority, and the use by authority employees
34 and board members of livery vehicles, as defined in section one hundred
35 twenty-one-e of the vehicle and traffic law.

36 § 1349-ggggg. Agreement of the state. The state does hereby pledge to
37 and agree with the authority and its subsidiaries, and the holders of
38 any notes, bonds or other obligations, including lease obligations,
39 issued or incurred under this title, that the state will not limit or
40 alter the denial of authority under subdivision nine of section thirteen
41 hundred forty-nine-xxxx of this title, or the rights and powers vested
42 in the authority and its subsidiaries, by this title to fulfill the
43 terms of any agreements made by any of them with the holders thereof, or
44 in any way impair the rights and remedies of such holders until such
45 notes, bonds or other obligations, including lease obligations, together
46 with the interest thereon, with interest on any unpaid installments of
47 interest, and all costs and expenses for which the authority or its
48 subsidiaries is liable in connection with any action or proceeding by or
49 on behalf of such holders, are fully met and discharged. The authority
50 and its subsidiaries are each authorized to include this pledge and
51 agreement of the state in any agreement with the holders of such notes,
52 bonds or other obligations, including lease obligations.

53 § 1349-hhhhh. Right of state to require redemption of bonds. Notwith-
54 standing and in addition to any provisions for the redemption of bonds
55 which may be contained in any contract with the holders of the bonds,
56 the state may, upon furnishing sufficient funds therefor, require the

authority to redeem, prior to maturity, as a whole, any issue of bonds on any interest payment date not less than twenty years after the date of the bonds of such issue at one hundred five per centum of their face value and accrued interest or at such lower redemption price as may be provided in the bonds in case of the redemption thereof as a whole on the redemption date. Notice of such redemption shall be published in at least two newspapers publishing and circulating respectively in the cities of Albany and New York at least twice, the first publication to be at least thirty days before the date of redemption.

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

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

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

(b) bring suit upon such notes or bonds;

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

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

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

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

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

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

1 governor, to the authority, to the comptroller and to the attorney
2 general of the state.

3 § 1349-jjjjj. Notes and bonds as legal investment. The notes and bonds
4 of the authority are hereby made securities in which all public officers
5 and bodies of the state and all municipalities and political subdivi-
6 sions, all insurance companies and associations and other persons carry-
7 ing on an insurance business, all banks, bankers, trust companies,
8 savings banks and savings associations, including savings and loan asso-
9 ciations, building and loan associations, investment companies and other
10 persons carrying on a banking business, all administrators, guardians,
11 executors, trustees and other fiduciaries, and all other persons whatso-
12 ever who are now or who may hereafter be authorized to invest in bonds
13 or other obligations of the state, may properly and legally invest funds
14 including capital in their control or belonging to them. Notwithstand-
15 ing any other provisions of law, the bonds of the authority are also
16 hereby made securities which may be deposited with and shall be received
17 by all public officers and bodies of this state and all municipalities
18 and political subdivisions for any purpose for which the deposit of
19 bonds or other obligations of the state is now or may hereafter be
20 authorized.

21 § 1349-kkkkk. Exemption from taxation. It is hereby found, determined
22 and declared that the creation of the authority and the carrying out of
23 its purposes is in all respects for the benefit of the people of the
24 state of New York and for the improvement of their health, welfare and
25 prosperity and is a public purpose, and that the authority will be
26 performing an essential governmental function in the exercise of the
27 powers conferred upon it by this title. Without limiting the generality
28 of the following provisions of this section, property owned by the
29 authority, property leased by the authority and used for transportation
30 purposes, and property used for transportation purposes by or for the
31 benefit of the authority exclusively pursuant to the provisions of a
32 joint service arrangement or of a joint facilities agreement or trackage
33 rights agreement shall all be exempt from taxation and special ad valo-
34 rem levies. The authority shall be required to pay no fees, taxes or
35 assessments, whether state or local, including but not limited to fees,
36 taxes or assessments on real estate, franchise taxes, sales taxes or
37 other excise taxes, upon any of its property, or upon the use thereof,
38 or upon its activities in the operation and maintenance of its facili-
39 ties or on any fares, tolls, rentals, rates, charges or other fees,
40 revenues or other income received by the authority and the bonds of the
41 authority and the income therefrom shall at all times be exempt from
42 taxation, except for gift and estate taxes and taxes on transfers. This
43 section shall constitute a covenant and agreement with the holders of
44 all bonds issued by the authority. The terms "taxation" and "special ad
45 valorem levy" shall have the same meanings as defined in section one
46 hundred two of the real property tax law and the term "transportation
47 purposes" shall have the same meaning as used in titles two-A and two-B
48 of article four of such law.

49 § 1349-lllll. Actions against the authority. 1. As a condition to the
50 consent of the state to such suits against the authority, in every
51 action against the authority for damages, for injuries to real or
52 personal property or for the destruction thereof, or for personal inju-
53 ries or death, the complaint shall contain an allegation that at least
54 thirty days have elapsed since the demand, claim or claims upon which
55 such action is founded were presented to a member of the authority or

1 other officer designated for such purpose and that the authority has
2 neglected or refused to make an adjustment or payment thereof.

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

12 3. The authority shall be liable, and shall assume the liability to
13 the extent that it shall save harmless any duly appointed officer or
14 employee of the authority, for the negligence of such officer or employ-
15 ee, in the operation of a vehicle or other facility of transportation
16 owned or otherwise under the jurisdiction and control of the authority
17 in the discharge of a duty imposed upon such officer or employee at the
18 time of the accident, injury or damages complained of, while otherwise
19 acting in the performance of their duties and within the scope of their
20 employment.

21 4. The authority may require any person, presenting for settlement an
22 account or claim for any cause whatever against the authority, to be
23 sworn before a member, counsel or an attorney, officer or employee of
24 the authority designated for such purpose, concerning such account or
25 claim and when so sworn to answer orally as to any facts relative to
26 such account or claim. The authority shall have power to settle or
27 adjust all claims in favor of or against the authority.

28 5. The rate of interest to be paid by the authority upon any judgment
29 for which it is liable shall not exceed four per centum per annum.

30 6. The provisions of this section which relate to the requirement for
31 service of a notice of claim shall not apply to a subsidiary corporation
32 of the authority. In all other respects, each subsidiary corporation of
33 the authority shall be subject to the provisions of this section as if
34 such subsidiary corporation were separately named herein, provided,
35 however, that a subsidiary corporation of the authority which is a stock
36 corporation shall not be subject to the provisions of this section
37 except with respect to those causes of action arising on and after the
38 first day of the twelfth calendar month following that calendar month in
39 which such stock corporation becomes a subsidiary corporation of the
40 authority.

41 § 1349-mmmmm. Annual audit of the authority. 1. The comptroller shall
42 conduct an annual audit of the books and records of the authority and
43 its subsidiary corporations. Such audit shall include a complete and
44 thorough examination of such authority's receipts, disbursements, reven-
45 ues and expenses during the prior fiscal year in accordance with the
46 categories or classifications established by such authority for its own
47 operating and capital outlay purposes; assets and liabilities at the end
48 of its last fiscal year including the status of reserve, depreciation,
49 special or other funds and including the receipts and payments of these
50 funds; schedule of bonds and notes outstanding at the end of its fiscal
51 year and their redemption dates, together with a statement of the
52 amounts redeemed and incurred during such fiscal year; operations, debt
53 service and capital construction during the prior fiscal year.

54 2. The comptroller, upon completion of such audit, shall within sixty
55 days thereafter, report to the governor and the legislature their find-
56 ings, conclusions and recommendations thereof.

1 § 1349-nnnnn. Authority budget and financial plan. 1. In addition to
2 the requirements of section twenty-eight hundred two of this chapter,
3 each authority budget and plan shall be posted on its website and shall:
4 (a) present information relating to the authority and each of its agen-
5 cies in a clear and consistent manner and format; (b) be prepared in
6 accordance with generally accepted accounting principles, except as
7 otherwise consented to by the comptroller upon good cause shown; (c) be
8 based on reasonable assumptions and methods of estimation; (d) include
9 estimates of projected operating revenues and expenses; (e) identify any
10 planned transaction that would shift resources, from any source, from
11 one fiscal year to another, and the amount of any reserves; and (f)
12 contain a summary in plain English of the principal information in the
13 budget and conclusions to be drawn from it.

14 2. The authority shall prepare and make available for public
15 inspection on its website information that details the sources of data
16 and the assumptions and methods of estimation used to calculate all
17 operating and capital budget projections, consistent with generally
18 accepted budgetary practices.

19 3. The authority shall establish at least annually the quarterly
20 revenue and expense targets for the authority, and for each subsidiary
21 or other authority created by the authority itself and for which it
22 reports financial data.

23 4. The authority shall prepare and make available for public
24 inspection on its website: (a) within sixty days of the release of the
25 adopted budget and any updates to the budget, except updates released
26 within ninety days of the close of the fiscal year, monthly projections
27 for the current fiscal year of all revenues and expenses, staffing for
28 the authority and each of its agencies, and utilization for each of the
29 authority's agencies that operate transportation systems, including
30 bridges and tunnels; (b) within sixty days after the close of each quar-
31 ter, a comparison of actual revenues and expenses, actual staffing and
32 actual utilization to planned or projected levels for each of the
33 authority's agencies that operate transportation systems, including
34 bridges and tunnels, with an explanation of each material variance and
35 its budgetary impact; and (c) within ninety days after the close of each
36 quarter, the status of each gap-closing initiative with a projected
37 value greater than one million dollars in any given fiscal year; the
38 status of capital projects by capital element, including but not limited
39 to commitments, expenditures and completions; and an explanation of
40 material variances from the plan, cost overruns and delays.

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

46 § 1349-ooooo. Independent audit of the authority. The independent
47 auditor retained by the authority shall not provide to the authority,
48 contemporaneously with the audit unless it shall have previously
49 received written approval by the audit committee any non-audit service,
50 including:

- 51 1. routine bookkeeping or other services;
- 52 2. financial information systems design and implementation;
- 53 3. appraisal or valuation services, fairness opinions, or contribu-
- 54 tion-in-kind reports;
- 55 4. actuarial services;
- 56 5. outsourcing services;

6. authority management functions or human resources;
 7. broker or dealer, investment advisor or investment banking
 8. services;

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

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

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

§ 1349-rrrrr. Station operation and maintenance. 1. (a) The operation,
maintenance and use of passenger stations shall be public purposes of
the city of New York and the counties within the district. The total
cost to the authority and each of its subsidiary corporations of opera-
tion, maintenance and use of each passenger station within the district
served by one or more railroad facilities of the authority or of such
subsidiary corporation, including the buildings, appurtenances, plat-
forms, lands and approaches incidental or adjacent thereto, shall be
borne by the city of New York if such station is located in such city
or, if not located in such city, by such county within the district in
which such station is located. On or before June first of each year, the
authority shall, in accordance with the method specified herein, deter-
mine and certify to the city of New York and to each county within the
district the respective allocation of costs related to the operation,
maintenance and use of passenger stations within such city and each such
other county, for the twelve-month period ending the preceding March
thirty-first.

(i) The total payment amount to be billed by the authority for the
operation, maintenance and use of each passenger station within the city
of New York and the counties of Nassau, Suffolk, Westchester, Dutchess,
Putnam, Orange, and Rockland shall be calculated by summing the total
amount listed in the base amount table plus an adjustment to such base
year amount equal to the base amount times the increase or decrease in
the Consumer Price Index for Wage Earners and Clerical Workers for the
New York, Northeastern-New Jersey Standard Metropolitan Statistical Area
for the twelve-month period being billed.

BASE AMOUNT TABLE

<u>County</u>	<u>Base Amount</u>
<u>Nassau</u>	<u>\$19,200,000</u>
<u>Suffolk</u>	<u>\$11,834,091</u>
<u>Westchester</u>	<u>\$13,269,310</u>
<u>Dutchess</u>	<u>\$1,581,880</u>
<u>Putnam</u>	<u>\$618,619</u>
<u>Orange</u>	<u>\$327,247</u>
<u>Rockland</u>	<u>\$34,791</u>

City of New York\$61,435,330

(ii) For each year thereafter, such total payment for each such county shall be the same amount as the total payment during the immediately prior year, plus an adjustment equal to the prior year amount times the increase or decrease in the Consumer Price Index for Wage Earners and Clerical Workers for the New York, Northeastern-New Jersey Standard Metropolitan Statistical Area for the twelve-month period being billed.

(b) On or before the following September first, of each year, such city and each such county shall pay to the authority such cost or amount so certified to it on or before the preceding June first. Such city and each such county shall have power to finance such costs to it by the issuance of budget notes pursuant to section 29.00 of the local finance law. Each year, the authority, the city of New York and the counties of Nassau, Suffolk, Westchester, Dutchess, Putnam, Orange, and Rockland may, after having reached an agreement, recommend to the legislature modifications to the amounts set forth in this section based upon changes made to commuter services including but not limited to changes in the number of passenger stations within such counties or the level of commuter rail service provided to any such passenger stations. Failure between the authority and between the counties to reach agreement will be referred to the state comptroller for mediation. If the mediation is unsuccessful, each party and the state comptroller may submit a recommendation to the governor and the legislature for legislative action.

(c) In the event that a city or county shall fail to make payment to the authority for station maintenance as required pursuant to this section, or any part thereof, the chief executive officer of the authority or such other person as the chairperson shall designate shall certify to the state comptroller the amount due and owing the authority at the end of the state fiscal year and the state comptroller shall withhold an equivalent amount from the next succeeding state aid allocated to such county or city from the motor fuel tax and the motor vehicle registration fee distributed pursuant to former section one hundred twelve of the highway law, or amounts distributed pursuant to section ten-c of the highway law, or per capita local assistance pursuant to section fifty-four of the state finance law subject to the following limitations: (i) prior to withholding amounts due the authority from such county or city, the comptroller shall pay in full any amount due the state of New York municipal bond bank agency, on account of any such county's or city's obligation to such agency; the city university construction fund pursuant to the provisions of the city university construction fund act; the New York city housing development corporation, pursuant to the provisions of the New York city housing development corporation act, article twelve of the private housing finance law; and (ii) the transit construction fund pursuant to the provisions of title nine-A of this article. The comptroller shall give the director of the budget notification of any such payment. Such amount or amounts so withheld by the comptroller shall be paid to the authority and the authority shall use such amount for the repayment of the state advances hereby authorized. When such amount or amounts are received by the authority, it shall credit such amounts against any amounts due and owing by the city or county on whose account such amount was withheld and paid.

2. A public hearing or hearings shall be held at least thirty days prior to the closure of any transportation facility due to construction, improvement, reconstruction or rehabilitation where such facility will

1 be out-of-service for ninety days or longer. Public hearings required by
2 this subdivision shall be held at one or more locations conveniently
3 accessible to the persons who would be affected by such closure.

4 § 1349-sssss. Transfer and receipt of surplus funds. Notwithstanding
5 any provision of this title or any other provision of law, general,
6 special or local, the authority may from time to time transfer and pay
7 over to the New York city transit authority or the Triborough bridge and
8 tunnel authority all or any part of its surplus funds and may accept and
9 use any monies transferred and paid over to it by the New York city
10 transit authority or the Triborough bridge and tunnel authority.

11 § 1349-ttttt. Title not affected if in part unconstitutional or inef-
12 fective. If any provision of any section of this title or the applica-
13 tion thereof to any person or circumstance shall be adjudged invalid by
14 a court of competent jurisdiction, such order or judgment shall be
15 confined in its operation to the controversy in which it was rendered,
16 and shall not affect or invalidate the remainder of any provision of any
17 section of this title or the application of any part thereof to any
18 other person or circumstance and to this end the provisions of each
19 section of this title are hereby declared to be severable.

20 § 1349-uuuuu. Commuter transportation authority inspector general. 1.
21 There is hereby created in the commuter transportation authority an
22 office of commuter transportation authority inspector general. The
23 inspector general shall be appointed by the governor with the advice and
24 consent of the senate. The inspector general shall, prior to their
25 appointment, have had at least ten years experience in the management of
26 transportation services, in auditing and investigation of governmental
27 operations, or in services related to management and productivity
28 improvement. The term of office of the inspector general shall be five
29 years from the effective date of appointment, and they shall serve at
30 the pleasure of the governor. The salary of the inspector general shall
31 be determined by the authority board.

32 2. The inspector general shall annually submit to the board of the
33 commuter transportation authority a budget request for the operation of
34 the office. If the board disapproves any portion of such request and the
35 commissioner of transportation determines such disapproval to be unrea-
36 sonable, such commissioner shall withhold from payments due such author-
37 ity, the amount so determined to be unreasonable and transfer such
38 amount to the office of the commuter transportation authority inspector
39 general.

40 3. The inspector general shall have full and unrestricted access to
41 all records, information, data, reports, plans, projections, matters,
42 contracts, memoranda, correspondence and any other materials of the
43 authority and its subsidiaries, the Long Island Rail Road, Metro-North
44 Railroad, and metropolitan suburban bus authority, or any other agency
45 that may come under the control of the authority, or within their custo-
46 dy or control.

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

50 (a) to receive and investigate complaints from any source or upon
51 their own initiative concerning alleged abuses, frauds and service defi-
52 ciencies, including deficiencies in the maintenance and operation of
53 facilities, relating to the authority and its subsidiaries;

54 (b) to initiate such reviews as they may deem appropriate of the oper-
55 ations of the authority and its subsidiaries, in order to identify areas

1 in which performance might be improved and available funds used more
2 effectively;

3 (c) to recommend remedial actions to be taken by the authority and its
4 subsidiaries, to overcome or correct operating or maintenance deficien-
5 cies and inefficiencies that they determines to exist;

6 (d) to make available to appropriate law enforcement officials infor-
7 mation and evidence which relate to criminal acts that they may obtain
8 in carrying out their duties;

9 (e) to subpoena witnesses, administer oaths or affirmations, take
10 testimony and compel the production of such books, papers, records and
11 documents as they may deem to be relevant to any inquiry or investi-
12 gation undertaken pursuant to this section and to delegate such powers
13 to a duly authorized deputy inspector general;

14 (f) to monitor the implementation by the authority and its subsid-
15 iaries of recommendations made by the inspector general or other audit
16 agencies; and

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

19 5. The inspector general shall cooperate, consult and coordinate with
20 the state public transportation safety board with regard to any activity
21 concerning the operations of the commuter transportation authority. With
22 respect to any accident on the facilities of the commuter transportation
23 authority, the primary responsibility for investigation shall be that of
24 the board which shall share its findings with the commuter transporta-
25 tion authority inspector general.

26 6. The inspector general shall make annual public reports on their
27 findings and recommendations. Such a report shall be filed in the office
28 of the governor and with the legislature on or before the first of
29 February for the preceding year. The commuter transportation authority
30 and its applicable constituent agencies shall prepare a response to the
31 annual report and to any and all other final reports made by the inspec-
32 tor general within thirty days of receipt, which time may be extended by
33 the inspector general in their discretion, indicating whether such
34 authority intends to implement the recommendations in such reports, and,
35 if not, why not. In addition, the commuter transportation authority and
36 its applicable constituent agencies shall give quarterly reports to the
37 inspector general outlining the status of each of the recommendations
38 made by the inspector general in their final reports. Copies of all of
39 these reports shall be sent to the governor, the temporary president of
40 the senate, the speaker of the assembly, the chairperson of the senate
41 transportation committee, the chairperson of the senate finance commit-
42 tee, the chairperson of the assembly corporations, authorities and
43 commissions committee and the chairperson of the assembly ways and means
44 committee.

45 7. To effectuate the purposes of this section, the inspector general
46 may request from any department, board, bureau, commission, office or
47 other agency of the state, or any of its political subdivisions, such
48 cooperation, assistance, services and data as will enable them to carry
49 out their functions, powers and duties hereunder, and they are author-
50 ized and directed to provide said cooperation, assistance, services and
51 data.

52 § 1349-vvvvv. Management advisory board. 1. There is hereby created in
53 the office of the commuter transportation authority inspector general a
54 management advisory board, consisting of thirteen members appointed by
55 the governor, of whom two shall be appointed upon nomination by the
56 temporary president of the senate, two upon nomination by the speaker of

1 the assembly, one upon nomination by the minority leader of the senate
2 and one upon nomination by the minority leader of the assembly. All
3 members shall serve for a term of three years, except that, of the two
4 members first appointed upon nomination by the temporary president of
5 the senate, one shall serve for a term of two years and one shall serve
6 for a term of one year; of the two members first appointed upon nomi-
7 nation by the speaker of the assembly, one shall serve for a term of two
8 years and one shall serve for a term of one year; and, of two of the
9 members first appointed by the governor without nomination by any other
10 person, two shall each serve for a term of two years and two shall each
11 serve for a term of one year. One of the members appointed to the
12 management advisory board directly by the governor shall be designated
13 by the governor to serve as its chairperson.

14 2. All members of the management advisory board shall be residents of
15 the metropolitan transportation district, and shall be persons with
16 substantial experience in the management of private enterprise, in the
17 delivery of public services, or in labor or labor-management relations.

18 3. The management advisory board shall assist the commuter transporta-
19 tion authority inspector general in identifying ways to improve
20 services, reduce costs and increase the efficiency of the authority and
21 its subsidiaries.

22 4. No later than the first of April next succeeding the effective date
23 of this section, and annually thereafter, the management advisory board
24 shall submit to the governor and the legislature a report on its activ-
25 ities during the previous year.

26 5. The office of the commuter transportation authority inspector
27 general shall provide the management advisory board with such staff
28 support as may be required for the performance of its duties.

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

32 § 1349-wwwww. Transition-election to withdraw from the metropolitan
33 commuter transportation district. 1. The counties of Dutchess, Orange
34 and Rockland shall have an option to withdraw from the metropolitan
35 commuter transportation district and have such withdrawal take effect on
36 either: (a) The first of January next succeeding the effective date of
37 this section. If any such county plans to withdraw from the district on
38 the first of January next succeeding the effective date of this section,
39 it shall: (i) no later than seventy-five days after the effective date
40 of this section, furnish the commissioner of transportation, and chair-
41 person of the authority and the other counties which have an option to
42 withdraw, a resolution adopted by the county legislature providing
43 notice of intent to withdraw; (ii) on or before the first of October
44 next succeeding the effective date of this section, furnish to the
45 commissioner of transportation, the chairperson of the authority and
46 other counties which have an option to withdraw, a resolution adopted by
47 the county legislature providing for a public transportation plan. For
48 the purposes of this section, a "public transportation plan" shall mean
49 a plan that maintains adequate and continuous public transportation
50 services from the withdrawing county to the city of New York or any
51 terminus previously served, provides a reasonable level of rail passen-
52 ger service, provides a schedule for implementing such service, protects
53 the public investment in the rail transportation system and any other
54 criteria deemed necessary by the commissioner of transportation. Prior
55 to withdrawal pursuant to this paragraph or paragraph (b) of this subdi-
56 vision, a county shall receive approval of its public transportation

1 plan pursuant to paragraph (c) of this subdivision; and (iii) on or
2 before the first of December next succeeding the effective date of this
3 section, furnish the commissioner of transportation, a copy of an agree-
4 ment with the authority or an operator of rail passenger service for the
5 provision of rail passenger service to and from such county and the city
6 of New York or any terminus previously served.

7 If a county planning to withdraw on the first of January next succeed-
8 ing the effective date of this section is unable to withdraw because it
9 could not meet the requirements of this paragraph, it may elect to with-
10 draw pursuant to paragraph (b) of this subdivision.

11 (b) The second or third first of January succeeding the effective date
12 of this section. If any such county plans to withdraw on either the
13 second or third first of January next succeeding the effective date of
14 this section, it shall: (i) no later than ninety days after the first of
15 January of the year immediately preceding the year in which such county
16 plans to withdraw from the district, furnish the commissioner of trans-
17 portation, the chairperson of the authority and the other counties which
18 have an option to withdraw, a resolution adopted by the county legisla-
19 ture providing notice of intent to withdraw from the district; (ii) no
20 later than one hundred twenty days after the first of January of the
21 year immediately preceding the year in which such county plans to with-
22 draw from the district furnish to the commissioner of transportation,
23 the chairperson of the authority and the counties which have an option
24 to withdraw a resolution adopted by the county legislature providing a
25 public transportation plan as described in this section; and (iii) on or
26 before October first of the year immediately preceding the year in which
27 such county plans to withdraw from the district, furnish to the commis-
28 sioner a copy of an agreement with the authority or an operator of rail
29 passenger service for the provision of rail passenger service to and
30 from such county and the city of New York or any terminus previously
31 served.

32 (c) No later than thirty days after receipt of the public transporta-
33 tion plan the commissioner of transportation shall, in writing, either
34 approve such plan as conforming with the requirements heretofore
35 described or disapprove such plan as failing to meet such requirements
36 and the reasons therefor. Disapproval of a plan shall not prohibit a
37 county from resubmitting a public transportation plan and such resubmit-
38 ted plan shall be approved or disapproved no later than fifteen days
39 after receipt by the commissioner of transportation. The public trans-
40 portation plan shall be subject to any state or federal public hearing
41 requirements which the authority would be subject to if the authority
42 made the changes proposed by such plan.

43 (d) Any such county which plans to withdraw from the district shall
44 meet the requirements of this section prior to the effective date of
45 withdrawal, and no withdrawal for the purposes of this section shall
46 take effect unless such county furnishes the resolutions and agreement
47 prior to the effective date of withdrawal.

48 2. The authority and any subsidiary corporation of the authority shall
49 enter into an agreement or agreements with a county that plans to with-
50 draw from the district to transfer and assign to such county all author-
51 ity and subsidiary railroad facilities and operations, rights and obli-
52 gations, and contract rights and obligations, including operating
53 contract rights and obligations, which are owned, operated, maintained
54 or used directly or by contract or which are otherwise involved in the
55 provision of railroad services to such counties. Such agreement shall
56 provide, in the event a facility, operation, right or obligation is

1 necessary and material to the provision of rail passenger service in the
2 district or is not assignable under applicable bond covenants or
3 contracts or the parties agree that it should not be assigned, that the
4 authority or subsidiary thereof shall continue to hold and be responsi-
5 ble for such facility, operation, right or obligation and that such
6 county shall reimburse to the authority that portion of the cost to the
7 authority or subsidiary of its retention of such facility, operation,
8 right or obligation that is allocable to such county. If the parties
9 agree that the authority or subsidiary thereof shall operate the rail-
10 road facilities in a county after the effective date of such county's
11 withdrawal, the agreement also shall provide for the terms and condi-
12 tions of the operation of such service.

13 3. Within forty-five days of the effective date of this section, the
14 authority and any subsidiary corporation of the authority shall provide
15 to the counties of Dutchess, Orange and Rockland a written statement,
16 including cost estimates and the useful life, if any, of all of its
17 facilities, operations, rights and obligations relating to the provision
18 of rail service in such counties.

19 4. The authority and any subsidiary corporation of the authority is
20 authorized to enter into an agreement or agreements with a county that
21 plans to withdraw from the district, pursuant to which the authority or
22 subsidiary thereof will provide technical assistance to such county
23 prior to, during and after the withdrawal, with respect to the transfer
24 of ownership, operation, maintenance and use of railroad facilities
25 within such county. Such agreement may provide that the county reimburse
26 the authority or its subsidiary for the cost to the authority and its
27 subsidiary for the provision of such technical assistance.

28 5. The authority shall have no obligation to undertake or continue any
29 project or part thereof in a current or future capital program plan
30 which pertains to railroad facilities within or services to a county
31 that withdraws from the district on or after such date of withdrawal nor
32 shall the authority enter into any contract for a project or part there-
33 of which would increase liabilities pursuant to subdivision six of this
34 section in a county after such county notifies the authority of its
35 intent to withdraw as provided in subdivision one of this section,
36 provided, however, that if the authority has executed a contract for the
37 effectuation of a project or part thereof in a capital program plan in
38 such county, it shall be assigned to such county in accordance with
39 subdivision two of this section, unless the parties agree that it shall
40 not be assigned and that the authority or its subsidiary shall continue
41 to be responsible therefor, in which event the county shall reimburse
42 the authority or its subsidiary in accordance with the provisions of
43 subdivision two of this section.

44 6. Any county which withdraws from the district shall reimburse to the
45 authority or its subsidiary, within the time period agreed to by the
46 parties, any capital expenditures heretofore undertaken by the authori-
47 ty, the metropolitan transportation authority or its subsidiary for
48 railroad facilities only within such county which were financed by
49 commuter railroad revenue bonds issued by the metropolitan transporta-
50 tion authority pursuant to section twelve hundred sixty-nine of this
51 article or by the authority pursuant to section thirteen hundred forty-
52 nine-xxxx of this title and are assigned to such county in accordance
53 with the provisions of subdivision two of this section.

54 7. The obligations of a county that withdraws from the district to
55 reimburse the authority and any subsidiary corporation of the authority
56 for the costs of operation, maintenance and use of passenger stations

pursuant to section thirteen hundred forty-nine-rrrrr of this title, shall continue for any such costs incurred up to the effective date of the county's withdrawal from the district and for costs incurred thereafter that result from acts preceding such withdrawal, and the applicability of the payment provisions and procedures of such section thirteen hundred forty-nine-rrrrr to such county shall continue thereafter with respect to the aforesaid costs.

8. In the event of a county's failure to make payment of any monies determined by the authority to be owed and due it or any subsidiary corporation of the authority pursuant to the terms of any agreement entered into pursuant to this section, the authority is authorized to recover such payments in the same manner as in section thirteen hundred forty-nine-rrrrr of this title and the state comptroller shall withhold and pay monies to the authority in accordance with the procedures set forth in that section.

9. The term of office of any resident of a county that withdraws from the district under this section, as a member of the board of the authority, the Metro-North rail commuter council or the management advisory board, which is based upon residence in such county, shall terminate upon the county's withdrawal and the office shall be deemed vacant and filled in the manner provided by law.

10. The provisions of this section and all agreements undertaken in accordance herewith shall be subject to the rights of the holders of any outstanding bonds or notes issued by the authority.

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

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

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

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

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

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

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

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

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

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

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

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

11 4. Such report shall on a biannual basis, commencing the first of
12 September next succeeding the effective date of this section, be submit-
13 ted to the governor, the temporary president of the senate and the
14 speaker of the assembly, be posted on the authority's website and also
15 be made readily available to the public.

16 § 1349-yyyyy. Debarment. The authority shall establish, pursuant to
17 regulation, a debarment process for contractors of the authority that
18 prohibits such contractors from bidding on future contracts, after a
19 debarment determination by such authority, for a period of five years
20 from such determination. Such regulations shall ensure notice and an
21 opportunity to be heard before such debarment determination and provide
22 as a defense acts such as force majeure. Such regulations shall only
23 provide for a debarment in situations involving a contractor's failure
24 to substantially complete the work within the time frame set forth in
25 the contract, or in any subsequent change order, by more than ten
26 percent of the contract term; or where a contractor's disputed work
27 exceeds ten percent or more of the total contract cost where claimed
28 costs are deemed to be invalid pursuant to the contractual dispute
29 resolution process.

30 § 1349-zzzzz. Right to share employees. 1. It is hereby found and
31 declared to be necessary and proper to authorize the authority, its
32 subsidiaries, affiliates, and subsidiaries of affiliates, powers to
33 effectuate and ensure such entities continued financial viability, which
34 is at issue given sizable operating deficits and significant capital
35 needs. Allowing wholesale internal management reforms will create
36 savings, combat entrenched bureaucracies, create streamlined, uniform,
37 and efficient services, ensure public accountability and reestablish
38 public trust. In order to facilitate these necessary goals it is both
39 reasonable and a legitimate public purpose to provide systematic author-
40 ity for the sharing of employees within and between the respective enti-
41 ties.

42 2. Notwithstanding any provision of law to the contrary, the authori-
43 ty, its subsidiaries, affiliates, and subsidiaries of affiliates shall
44 each have the right to share employees within and between such entities
45 and to assign such employees to perform any operation or function
46 subject only to a determination that they are substantially similar to
47 any operation or function currently performed. Substantially similar
48 operation or function shall be determined exclusively by the authority.

49 3. Nothing set forth in this subdivision shall be construed to impede,
50 infringe or diminish the rights and benefits that accrue to employees
51 and employers through collective bargaining agreements, or impact or
52 change an employee's membership in a bargaining unit.

53 § 2. This act shall take effect January 1, 2026.

54 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
55 sion, section or part of this act shall be adjudged by any court of
56 competent jurisdiction to be invalid, such judgment shall not affect,

1 impair, or invalidate the remainder thereof, but shall be confined in
2 its operation to the clause, sentence, paragraph, subdivision, section
3 or part thereof directly involved in the controversy in which such judg-
4 ment shall have been rendered. It is hereby declared to be the intent of
5 the legislature that this act would have been enacted even if such
6 invalid provisions had not been included herein.

7 § 3. This act shall take effect immediately provided, however, that
8 the applicable effective date of Parts A through E of this act shall be
9 as specifically set forth in the last section of such Parts.