§ 99-n. Transfer and lease of ferry boats and buses. 1. As used in this section the term "municipality" shall mean a county, city, town or village.

2. Notwithstanding any other law, general, special or local, a municipality, acting through its chief executive officer and its chief fiscal officer, without further approval, except, in the case of any municipality with respect to which the legislature has declared that a state of financial emergency exists, the approval of any emergency financial control board or similar body established by state law for such municipality, may (a) sell or transfer all interest in any or all of its ferry boats and buses, except to the extent of any portion of any ferry boat or bus financed by federal grants, for consideration and on such terms and conditions as it may deem appropriate, and 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 such ferry boats or buses, as the case may be, provided (i) such lease contains an option to the municipality to repurchase such interest at the expiration of the scheduled lease term for nominal consideration and (ii) the aggregate of the regularly scheduled rental payments which the municipality 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 municipality 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 municipality to indemnify the transferee for, among other things, any loss resulting from the loss or destruction of any property which is the subject of such lease and requiring the municipality to undertake to replace, repair or restore any such property, but such obligations shall not be deemed regularly scheduled rental payments for purposes of the preceding sentence; and (b) provide compensation to one or more third parties for services rendered by them in connection with any such transaction.

3. Notwithstanding any other law, general, special or local, the proceeds from any transaction described in this section may be used by such municipality for any lawful municipal purpose.

4. The lessor of such property, during the term of any lease thereof to a municipality, shall, if the lessor shall have assigned to the lessee all manufacturers' and other warranties furnished to the lessor in connection with its purchase of such property, and except as the lease may otherwise provide, have no liability or responsibility to the lessee or to third parties for damages to real or personal property or for the destruction thereof, or for personal injuries or death, based upon the use, condition or state of such property, or any part thereof, except to the extent such lessor may have any such responsibility or liability by virtue of its being the manufacturer of such property, or any part thereof.

5. With respect to any transaction described in this section, a municipality shall comply with the following standards and procedures: (i) notice of intention to negotiate a transaction described in this section shall be published in at least one newspaper of general circulation, and a copy thereof shall be mailed to all parties who have requested notification from the municipality of its intent to engage in transactions of this type. Such notice shall describe the nature of the proposed transaction and the factors subject to negotiation which shall include, but not be limited to, the price to be paid to the municipality; (ii) the municipality shall consider each proposal which complies with the requirements set forth in the notice; and (iii) the municipality shall determine, on the basis of relevant factors, that the transaction negotiated will provide maximum available financial benefits, consistent with other defined objectives and requirements.