§ 376. Further additional powers of the authority. The authority shall have the power, in addition to the powers granted in other sections of this title:

1. (a) To enter into a cooperative highway contractual agreement or agreements with the commissioner of transportation for the financing by the authority of expenditures made in advance by the state for design, acquisition, construction, reconstruction or the reconditioning and preservation of transportation facilities pursuant to the provisions of section eighty-eight-b of the state finance law, state highways, state parkways, state arterial highways in cities and related facilities and structures thereon, including bridges, the reconditioning and preservation of structures separating highways and railroads, and the traffic operations program to increase capacity and safety on existing street and highway systems in urban areas, capacity and infrastructure improvements to state, county, town, city or village roads, highways, parkways and bridges, in any case where the expense thereof is paid in whole or in part by the state.

(b) To issue use permits to the commissioner of transportation for projects financed by the authority of expenditures made in advance by the state in accordance with the provisions of a cooperative highway contractual agreement or agreements provided, that such projects are maintained and operated under the supervision of the department of transportation or the municipal agency designated by the commissioner of transportation without cost to the New York State thruway authority for the full term of such agreement or agreements, and, provided further that such use permit shall be granted by the authority for the use of such projects by the department of transportation or the municipal agency designated by the commissioner of transportation on a toll free basis.

2. From time to time to issue emergency highway reconditioning and preservation bonds and notes for the purposes of this section. All the provisions of this title relating to bonds and notes, which are not inconsistent with the provisions of this section, shall apply to the bonds and notes authorized by this section. The authority shall not issue emergency highway reconditioning and preservation bonds and notes

in an aggregate principal amount exceeding: (a) one hundred million dollars, excluding bonds issued to refund outstanding notes, in the period from April first, nineteen hundred seventy-two through March thirty-first, nineteen hundred eighty-two; and (b) an additional one hundred thirty-six million dollars, excluding bonds issued to refund outstanding notes, on or after April first, nineteen hundred eighty-two but before April first, nineteen hundred eighty-six.

2-a. From time to time issue emergency highway construction and reconstruction bonds and notes for the purposes of this section. All the provisions of this title relating to bonds and notes which are not inconsistent with the provisions of this section shall apply to the bonds and notes authorized by this section. The authority shall not issue emergency highway construction and reconstruction bonds and notes in an aggregate principal amount exceeding: (a) one hundred million dollars, excluding bonds or notes issued to refund outstanding bonds or notes, before April first, nineteen hundred ninety and (b) an additional thirty-four million dollars, excluding bonds or notes issued to refund outstanding bonds or notes, on or after April first, nineteen hundred ninety and (c) an additional ninety-three million dollars, excluding bonds or notes, issued to refund outstanding bonds or notes on or after April first, nineteen hundred ninety-one and (d) an additional ninety million dollars, excluding bonds or notes issued to refund outstanding bonds or notes, on or after April first, nineteen hundred ninety-two.

2-b. From time to time to enter into agreements with the commissioner of transportation to finance the capital costs of projects authorized pursuant to section eighty-eight-b of the state finance law, and to issue bonds and notes for capital projects approved by metropolitan planning organizations or transportation coordinating committees pursuant to the provisions of such section eighty-eight-b. All the provisions of this title relating to bonds and notes which are not inconsistent with the provisions of this section shall apply to the bonds and notes authorized by this section. No bonds or notes shall be issued for the purposes authorized by this subdivision after the thirty-first day of March, two thousand.

2-c. From time to time to issue additional emergency highway reconditioning and preservation bonds and notes for the purposes of this section. All the provisions of this title relating to bonds and notes, which are not inconsistent with the provisions of this section, shall apply to the bonds and notes authorized by this section. The authority shall not issue such additional emergency highway reconditioning and preservation bonds and notes in an aggregate principal amount exceeding (a) forty-eight million dollars, excluding bonds or notes issued to refund outstanding bonds or notes, on or after April first, nineteen hundred ninety, and (b) an additional eighty-four million dollars excluding bonds or notes issued to refund outstanding bonds or notes on or after April first, nineteen hundred ninety-one, and (c) an additional eighty-five million dollars, excluding bonds or notes issued to refund outstanding bonds or notes, on or after April first, nineteen hundred ninety-two.

3. In addition to the provisions authorized by this title any resolution or resolutions authorizing any bonds or notes for the purposes of this section may contain provisions which may be a part of the contract with the holders of such bonds providing for the creation and establishment and maintenance of reserve funds and payments to such reserve funds as hereinafter in this subdivision set forth.

The authority may create and establish reserve funds to be known as the emergency highway reconditioning and preservation debt service reserve fund, the emergency highway construction and reconstruction debt service reserve fund and the suburban transportation debt service reserve fund and may pay into such reserve funds (a) moneys made available by the state for the purposes of such funds from the emergency highway reconditioning and preservation fund, or the emergency highway construction and reconstruction fund or the suburban transportation fund as created by section eighty-nine, eighty-nine-a or eighty-eight-b of the state finance law, respectively; (b) any proceeds of sale of bonds and notes to the extent provided in the resolution of the authority authorizing the issuance thereof; and (c) any other moneys which may be made available to the authority for the purposes of such funds from any other source or sources. The moneys held in or credited to such debt

service reserve funds established under this subdivision, except as hereinafter provided, shall be used solely for the payment of the principal of bonds of the authority secured by such reserve funds, as the same mature, the purchase of such bonds of the authority, the payment of interest on such bonds of the authority or the payment of any redemption premium required to be paid when such bonds are redeemed prior to maturity; provided, however, that moneys in any such funds shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such funds to less than the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on the bonds of the authority then outstanding and secured by such reserve funds, except for the purpose of paying principal and interest on the bonds of the authority secured by such reserve funds maturing and becoming due and for the payment of which other moneys of the authority are not available. Any income or interest earned by, or increment to, any such debt service reserve funds due to the investment thereof may be transferred to any other fund or account of the authority established for the purposes of this section to the extent it does not reduce the amount of such debt service reserve funds below the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on all bonds of the authority then outstanding and secured by such reserve funds.

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

5. (a) To assure the continued operation and solvency of the authority

for the carrying out of the purposes relating to this section provision is made in this section for the accumulation in the debt service reserve fund of an amount equal to the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on all bonds of the authority then outstanding and secured by such reserve fund. In order further to assure the maintenance of such debt service reserve fund, with respect to bonds of the authority issued pursuant to this section prior to April first, nineteen hundred ninety, there shall be annually apportioned and paid to the authority for deposit in such debt service reserve fund such sum, if any, as shall be certified by the chairman of the authority to the governor and state director of the budget as necessary to restore such reserve fund to an amount equal to the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on the bonds of the authority then outstanding and secured by such reserve fund. The chairman of the authority shall annually, on or before December first, make and deliver to the governor and state director of the budget his certificate stating the sum, if any, required to restore such debt service reserve fund to the amount aforesaid, and the sum or sums so certified, if any, shall be apportioned and paid to the authority during the then current state fiscal year.

(b) To assure the continued operation and solvency of the authority for the carrying out of the purposes relating to this section, provision is made in this section for the accumulation in the debt service reserve fund of an amount equal to the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on all bonds of the authority then outstanding and secured by such reserve fund; provided however for such bonds issued by the authority after April first, nineteen hundred ninety-two, such debt service reserve fund may in the discretion of the authority and consistent with any covenants with any existing bondholders and without impairing the rights of any existing bondholders be sized in an amount equal to not less than one-half of the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on such bonds of the authority then outstanding and secured by such debt service reserve fund. In order to further assure the maintenance of such debt service reserve fund, with respect to bonds of the authority issued pursuant to

subdivisions two-a, two-b and two-c of this section after April first, nineteen hundred ninety, the authority shall create a special subaccount in each revenue fund established pursuant to any resolution or resolutions authorizing such bonds. Such subaccounts shall consist of the moneys available after April first, nineteen hundred ninety, pursuant to sections two hundred eighty-two-b, two hundred eighty-two-c, two hundred eighty-four-a and two hundred eighty-four-c of the tax law, respectively, in the emergency highway reconditioning and preservation fund reserve account established pursuant to paragraph (b) of subdivision two of section eighty-nine of the state finance law and in the emergency highway construction and reconstruction fund reserve account established pursuant to paragraph (b) of subdivision two of section eighty-nine-a of the state finance law, apportioned and paid to the authority for deposit in such subaccount of the revenue fund. Amounts in each such subaccount shall be kept separate and shall not be commingled with any other moneys in the custody of the authority. Amounts in each such subaccount shall be applied solely to pay such sum, if any, as shall semi-annually, (on such dates as are established under the terms of any cooperative highway contractual agreement of the department of transportation with the New York state thruway authority entered into on or after April first, nineteen hundred ninety which is then in effect), be certified by the chairman of the authority to the governor and state director of the budget as necessary to provide funds in an amount sufficient together with other moneys available to the authority for such purpose, to pay one-half of the total annual principal and interest maturing and becoming due during the next succeeding twelve calendar months on all bonds of the authority issued pursuant to subdivisions two-a, two-b and two-c of this section after April first, nineteen hundred ninety and maintaining or funding debt service reserve funds therefor. Any surplus of funds in excess of such certified amounts remaining in each such subaccount after such payments, if any, have been made shall on the dates established under the terms of such cooperative highway agreements, be paid over for deposit, respectively, in the emergency highway reconditioning and preservation fund reserve account established pursuant to paragraph (b) of subdivision two of section eighty-nine of the state finance law and in the emergency highway construction and reconstruction fund reserve

account established pursuant to paragraph (b) of subdivision two of section eighty-nine-a of the state finance law.

6. In computing the debt service reserve fund for the purposes of this section, securities in which all or a portion of such reserve fund shall be invested shall be valued at par, or if purchased at less than par, at their cost to the authority.

7. The authorization, sale and issuance of bonds, notes or other obligations pursuant to this section shall not be deemed an action as such term is defined in article eight of the environmental conservation law for the purposes of such article. Such exemption shall be strictly limited in its application to such financing activities of the authority and does not exempt the department of transportation or any other entity from compliance with such article.