

FY 2019 NEW YORK STATE EXECUTIVE BUDGET

**TRANSPORTATION
ECONOMIC DEVELOPMENT AND
ENVIRONMENTAL CONSERVATION
ARTICLE VII LEGISLATION**

MEMORANDUM IN SUPPORT

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MEMORANDUM IN SUPPORT

A BUDGET BILL submitted by the Governor in
Accordance with Article VII of the Constitution

AN ACT to amend the vehicle and traffic law and the transportation law, in relation to enhancing the ability of the state to enforce state and federal law relating to motor carriers, commercial drivers and bus operators and to increase penalties for violations of state law relating thereto (Part A); to amend the highway law, in relation to roadside rest areas (Part B); to amend the transportation law, in relating to enhancing the ability of the state to enforce state and federal law relating to the safety of rail fixed guideway public transportation systems under the oversight of the public transportation safety board (Part C); to amend the public authorities law, in relation to agreements for fiber optics (Part D); to amend the transportation law, in relation to authorizing the department of transportation to charge one hundred twenty dollars for a semi-annual inspection of certain for-profit fleets (Part E); to amend the highway law and the transportation corporations law, in relation to occupancy of the state right of way for a fee; and to amend the general municipal law, in relation to small wireless facilities development (Part F); to amend the vehicle and traffic law, in relation to seat belt requirements, proper safety restraints for children under the age of 8, prohibiting the use of mobile telephones and portable electronic devices by persons under the age of 18, and permitting junior license holders to operate a vehicle in New York City; and to amend the vehicle and traffic law and the public officers law, in relation to authorizing political subdivisions and commuter railroads to establish demonstration programs and to implement railroad grade crossing monitoring systems by means of photo devices (Part G); to

amend part FF of chapter 55 of the laws of 2017 relating to motor vehicles equipped with autonomous vehicle technology, in relation to demonstrations and tests; in relation to the submission or reports; and in relation to extending the effectiveness thereof; relates to demonstrations and testing of motor vehicles equipped with autonomous vehicle technology; and to repeal section 1226 of the vehicle and traffic law, relating to control of steering mechanisms (Part H); to amend the state finance law, in relation to removing the authorization for the OSC to prescribe a reporting requirement to the city of New York (Part I); to amend the vehicle and traffic law, in relation to establishing a pre-licensing course internet program; and providing for the repeal of such provisions upon expiration thereof (Part J); to amend the vehicle and traffic law, in relation to the disposition of certain proceeds collected by the commissioner of motor vehicles; to amend the transportation law and the tax law, in relation to the disposition of certain fees and assessments; to amend the state finance law, in relation to the special obligation reserve and payment account of the dedicated highway and bridge trust fund; to amend the public authorities law, in relation to the metropolitan transportation authority finance fund; and to amend the state finance law, in relation to the metropolitan transportation authority financial assistance fund; to repeal subdivision 5 of section 317 of the vehicle and traffic law relating to certain assessments charged and collected by the commissioner of motor vehicles; to repeal subdivision 6 of section 423-a of the vehicle and traffic law relating to funds collected by the department of motor vehicles from the sale of certain assets; and to repeal subdivision 4 of section 94 of the transportation law relating to certain fees collected by the commissioner of transportation (Part K); to amend the public authorities law, in relation to creation of transportation improvement subdistricts; and

to amend the real property tax law, in relation to authorizing a tax levy to fund certain operations of the Metropolitan Transportation Authority (Part L); to amend the public authorities law, in relation to the funding of the capital program of the metropolitan transportation authority (Part M); to amend the public authorities law, in relation to acceleration of procurement contracts made with foreign enterprises; in relation to acceleration of procurements made for smaller purchases; and in relation to the modification of service or funding agreements (Part N); to amend the New York state urban development corporation act, in relation to extending certain provisions relating to the empire state economic development fund (Part O); to amend the chapter 393 of the laws of 1994, amending the New York state urban development corporation act, relating to the powers of the New York state urban development corporation to make loans, in relation to the effectiveness thereof (Part P); to amend the executive law, the state finance law, the public authorities law, the public buildings law, and the penal law, in relation to the reauthorization of the minority and women-owned business enterprise program; to amend chapter 261 of the laws of 1988, amending the state finance law and other laws relating to the New York state infrastructure fund, in relation to the effectiveness of certain provisions thereof; and to amend the executive law, in relation to establishing the workforce diversity program; and providing for the repeal of certain provisions upon expiration thereof (Part Q); to amend the infrastructure investment act, in relation to authorized entities and design-build contracts (Part R); to amend chapter 21 of the laws of 2003, amending the executive law relating to permitting the secretary of state to provide special handling for all documents filed or issued by the division of corporations and to permit additional levels of such expedited service, in relation to

extending the expiration date thereof (Part S); to amend the business corporation law, the cooperative corporations law, the executive law, the general associations law, the general business law, the limited liability company law, the not-for-profit corporation law, the partnership law, the private housing finance law, the arts and cultural affairs law, the real property law and the tax law, in relation to streamlining the process by which service of process is served against a corporate or other entity with the secretary of state; and to repeal certain provisions of the real property law relating thereto (Part T); to amend the general municipal law, in relation to brownfield opportunity areas (Part U); to repeal section 159-j of the executive law, relating to the local share requirement for providers under the federal community services block grant program (Part V); to amend the banking law, in relation to student loan servicers (Subpart A); to amend the financial services law, in relation to student debt collectors (Subpart B); and to amend the education law, in relation to student loan debtors (Subpart C)(Part W); to amend chapter 584 of the laws of 2011, amending the public authorities law relating to the powers and duties of the dormitory authority of the state of New York relative to the establishment of subsidiaries for certain purposes, in relation to the effectiveness thereof (Part X); to amend part S of chapter 58 of the laws of 2016, amending the New York state urban development corporation act relating to transferring the statutory authority for the promulgation of marketing orders from the department of agriculture and markets to the New York state urban development corporation, in relation to the effectiveness thereof (Part Y); to amend the real property tax law, in relation to the taxation of forest land; to amend the environmental conservation law, in relation to timber harvest notification and the creation of forest protection and management programs; and

to amend the state finance law, in relation to the procurement of wood and wood fiber projects (Part Z); to amend the state finance law and the environmental conservation law, in relation to the environmental protection fund, the hazardous waste remedial fund and the mitigation and remediation of solid waste sites; and to repeal certain provisions of the state finance law and the environmental conservation law relating thereto (Part AA); to amend the environmental conservation law, in relation to the donation of excess food and recycling of food scraps (Part BB); to amend the environmental conservation law, in relation to the Central Pine Barrens area and core preservation area (Part CC); authorizing utility and cable television assessments to provide funds to the department of health from cable television assessment revenues and to the departments of agriculture and markets, environmental conservation, office of parks, recreation and historic preservation, and state from utility assessment revenues (Part DD); authorizing the New York state energy research and development authority to finance a portion of its research, development and demonstration, policy and planning, and Fuel NY programs, as well as the department of environmental conservation's climate change program and the department of agriculture and markets' Fuel NY program, from an assessment on gas and electric corporations (Part EE); to amend the public authorities law, in relation to energy-related projects, programs and services of the power authority of the state of New York (Part FF); and to amend the public authorities law, in relation to the provision of renewable power and energy by the power authority of the state of New York (Part GG)

PURPOSE:

This bill contains provisions needed to implement the Transportation, Economic Development and Environmental Conservation portions of the FY 2019 Executive Budget.

This memorandum describes Parts A through GG of the bill which are described wholly within the parts listed below.

Part A – Strengthen the State’s authority to enforce Federal Motor Carrier Safety regulations.

Purpose:

This bill would amend the Vehicle and Traffic Law and the Transportation Law to enhance the ability of the Department of Motor Vehicles (DMV) and the Department of Transportation (DOT) to enforce State and Federal laws relating to motor carriers, commercial drivers, and bus operators, and to increase penalties for violations of State laws.

Summary of Provisions and Statement in Support:

The United States Department of Transportation (USDOT) requires that motor carriers with a current Federal out-of-service order have their plates suspended by the State. This bill would amend Section 510(2)(b)(iii) of the Vehicle and Traffic Law to authorize DMV to suspend a motor carrier’s registration if the carrier has been issued an out-of-service order by the USDOT. This proposal would bring the State into compliance with federal requirements.

The bill would also amend Section 145(3) of the Transportation Law to increase the civil penalties that DOT can impose for violations of the laws and regulations applicable to motor carriers to a maximum of \$10,000 for a second violation committed within 18 months, and up to \$25,000 for a third violation committed within 18 months.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because without this bill the State faces a potential loss of \$10 million annually in Federal grant funding.

Effective Date:

This bill would take effect immediately.

Part B – Allow the sale of locally-sourced food and beverages at roadside rest areas operated by DOT.

Purpose:

This bill amends the Highway Law, in relation to the sale of food and beverages at roadside rest areas.

Summary of Provisions and Statement in Support:

This bill would amend Highway Law § 20 to remove certain restriction on commercial facilities at roadside rest areas and permit the sale of locally-sourced food and beverage product samples. This change would help to promote New York State's distinct agritourism regions.

New York is one of the nation's largest agricultural states, and agricultural production is estimated to contribute more than \$6.4 billion annually to the State's economic activity. To promote New York's locally-made and produced food and beverage products, the State has advanced a series of TASTE NY facilities at airports, rail stations and other major venues frequented by tourists and commuters.

Under current law, however, the State's roadside rest areas can only offer food and beverage products through vending machines. This bill would authorize TASTE NY facilities to be located at the State's roadside rest areas. This will further expand the State's initiatives to promote local agriculture, food, and beverage.

Budget Implications:

This bill is necessary to promote local agricultural economies.

Effective Date:

This bill would take effect immediately.

Part C – Enhance Public Transportation Safety Board (PTSB) enforcement power in compliance with Federal requirements.

Purpose:

This bill would enhance the Public Transportation Safety Board's (PTSB's) ability to enforce Federal law relating to the safety of public transportation systems under its oversight, and maintain the State's eligibility to receive Federal transit assistance.

Summary of Provisions and Statement in Support:

This bill would amend the Transportation Law to comply with new Federal law requirements (49 USC § 5329) regarding State Safety Oversight (SSO) services. The Department of Transportation (DOT) currently provides safety oversight through the

Public Transportation Safety Board (PTSB); however, the Federal Transit Administration (FTA) has determined that current State law does not provide the PTSB with sufficient enforcement power.

If the State's SSO program is not fully compliant with Federal requirements by April 15, 2019, Congress has directed the FTA to withhold all Federal transit assistance to the State (\$1.6 billion/annually). Furthermore, FTA has established an April 15, 2018 deadline for submission of State SSO program applications, including enactment of the required enforcement legislation.

This bill would give the PTSB the power and duty to enforce Federal requirements pertaining to rail fixed-guideway public transportation providers, namely the New York City Transit Authority (NYCTA) subsidiary of the Metropolitan Transportation Authority (MTA), and a short line operated by the Niagara Frontier Transportation Authority (NFTA) in the City of Buffalo. This would bring the New York SSO program into compliance with the new Federal requirements.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because New York State will lose \$1.6 billion annually in federal transit assistance to the State if legislation is not enacted by April 15, 2018.

Effective Date:

This bill would take effect immediately.

Part D – Allow the Thruway to set fees for use of its fiber optic system.

Purpose:

This bill would authorize the Thruway Authority to use set fees for the use of its fiber optic system.

Summary of Provisions and Statement in Support:

Public Authorities Law Section 2897(6) currently requires a publicly advertised competitive process for Public Authority property, except in limited circumstances. The Thruway Authority fiber optic system consists of multiple ducts and fibers that can be made available to many entities simultaneously. This asset is different from land or personal property and an auction system is unsuited to this type of sale, as one high bidder could potentially gain control of the whole system at the expense of millions of New York State citizens.

The new language in this bill would carve out an exception for the Thruway fiber optic system and allow the Authority to enter into agreements for its use based on set fees

established by an appraisal. This would enable the Thruway to dispose of the asset to multiple parties in a manner that optimizes use of the fiber optic system and is fair and consistent with the nature of the asset.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it would allow the Thruway Authority to more efficiently realize revenues from the use of its fiber optic system.

Effective Date:

This bill would take effect immediately.

Part E – Authorize DOT to collect a \$120 fee for semi-annual inspections of certain for-profit vehicles.

Purpose:

This bill would authorize the Department of Transportation (DOT) to collect a fee of \$120 for each semi-annual inspection of for-profit tour and charter bus fleets, ambulettes, and other large passenger vans/limousines.

Summary of Provisions and Statement in Support:

The bill would create a new section in Transportation Law to allow DOT to collect a reasonable fee for its semi-annual inspections of for-profit tour and charter bus fleets, ambulettes, and other large passenger vans/limousines.

Although DOT collects fees for some safety inspections including commercial truck and rail inspections, DOT still provides inspections at no cost for these for-profit motor vehicles. This bill would allow DOT to recoup some of the costs associated with for-profit motor vehicle inspections in the same manner as other safety inspections. This bill would not apply to DOT semi-annual inspections performed on school or transit bus and vehicle fleets, which are exempted from the fee.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it will result in \$3 million in additional revenue to support the bus inspection safety program.

Effective Date:

This bill would take effect immediately.

Part F – Authorize the Department of Transportation (DOT) to charge for use and occupancy of fiber optic lines on DOT right of way and establish a uniform process for the siting of small cell wireless facilities.

Purpose:

This bill would authorize the Department of Transportation (DOT) to charge a fiber optic utility for use and occupancy of a DOT right of way and establish a uniform process for the siting of small cell wireless facilities.

Summary of Provisions and Statement in Support:

First, this bill would authorize DOT to rationalize rents charged for fiber optic cables installed along State highway right of way. This authorization would ensure upstate investment continues under the New NY Broadband Program while also ensuring that pass through of any charges to the end user is limited.

Second, this bill would establish a clear process and fee structure for the installation of “small cell” antennas in communities throughout New York State. The wireless industry has traditionally relied on a network of “macro” cell towers (most over 200 feet high) to meet consumer demand. But this market – and the technologies that support it – are changing. In response, wireless providers are seeking to deploy what are called “small cells” that will improve service by expanding coverage and increasing network capacity. This bill would balance the need for access to the “small cell” wireless technology with the interests of local governments in retaining oversight of the infrastructure process.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it would provide an estimated \$15 million of new revenue in FY 2019, growing to \$30 million in FY 2020 and \$50 million annually thereafter.

Effective Date:

Sections 1 and 2 of this bill would take effect immediately and section 3 of this bill would take effect 30 days from the date it becomes law.

Part G – Amend the Vehicle and Traffic Law, to require all back seat passengers wear seat belts, require proper safety restraints for children under the age of 8, prohibit the use of mobile telephones and portable electronic devices by persons under the age of 18, and permits junior license holders to operate a vehicle in NYC. Also amends Vehicle and Traffic Law and the Public Officers Law, in relation to authorizing municipalities and commuter railroads to establish demonstration programs, and implementing railroad grade crossing monitoring systems by means of photo devices.

Purpose:

This bill would amend the Vehicle and Traffic Law (VTL), in relation to seat belt requirements, proper safety restraints for children under the age of 8, fixing an incorrect reference to §1229-c of the VTL, prohibiting the use of mobile telephones and portable electronic devices by persons under the age of 18, amending the definition of portable electronic device, and permitting junior license holders to operate a vehicle in NYC. This bill would also amend the VTL and the Public Officers Law, in relation to authorizing political subdivisions and commuter railroads to establish demonstration programs, and implementing railroad grade crossing monitoring systems by means of photo devices.

Summary of Provisions and Statement in Support:

The purpose of this legislation is to require all back seat passengers to wear seat belts, to require children under the age of 8 who are passengers in a school car or van to be properly restrained in an appropriate child restraint system, to fix an incorrect reference in §510-c(2) VTL regarding serious traffic violations from §1229-c(3-a) to §1229-c(3-b), to ban hands-free mobile phone use for junior permit and junior license holders, and to allow junior license holders to drive in New York City between 5am – 9pm with a supervised licensed driver in a vehicle with dual control brakes.

This bill will also promote railroad grade crossing safety by authorizing local governments within the Metropolitan Commuter Transportation District and the Metropolitan Transportation Authority (MTA) itself to undertake demonstration programs using remote control photo monitoring equipment to detect when vehicles are unlawfully operated at, in, or around railroad grade crossings and then to fine their registrants.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because if enacted, the State would be eligible to receive a share of \$1.3 million in federal grants to combat distracted driving and a share of \$750,000 in federal grants to promote graduated license compliance.

Effective Date:

Sections 1,2,7,8 of this act shall take effect on the first day of November next succeeding the date on which it shall have become a law, except that sections 3, 4, 5 and 6 shall take effect on October 1, 2018. Sections 9 through 13 shall take effect on the thirtieth day after it shall have become law.

Part H – Extends the authorization of Autonomous Vehicle testing in the State of New York.

Purpose:

This bill would extend the authorization of Autonomous Vehicle testing in the State of New York.

Summary of Provisions and Statement in Support:

Expands on the 2017 Autonomous Vehicle legislation to encourage more autonomous vehicle manufacturers to operate in New York, removing legal barriers.

Budget Implications:

There are no fiscal impacts associated with this legislation.

Effective Date:

Specified provisions of this legislation would take effect immediately and others would take effect beginning April 1, 2020.

Part I – Removes the authorization for OSC to prescribe a reporting format to New York City and has DMV continue to report on behalf of New York City.

Purpose:

This bill would make a technical edit to the Vehicle and Traffic law to effectuate changes made by paragraph c of Part GG of Chapter 55 of the laws of 2017.

Summary of Provisions and Statement in Support:

Part GG of Chapter 55 of the laws of 2017 modified certain provisions relating to the operation of New York City's transit adjudication bureau. This bill would make conforming changes to effectuate those provisions.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget.

Effective Date:

The bill would take effect immediately.

Part J – Creates an internet pre-licensing course pilot program in the vehicle and traffic law, and establishes fees for the course application and administration for students.

Purpose:

This bill would create an internet pre-licensing course pilot program, and would establish fees for the course application and administration for students.

Summary of Provisions and Statement in Support:

Section 1 of this bill would add a new Article 12-D to the Vehicle and Traffic Law (VTL) to create a pre-licensing course internet pilot program. Section 2 would amend paragraph (h) of subdivision 4 of section 502 of the VTL to provide that the one dollar pre-licensing course completion certificate would not apply to the pre-licensing course internet pilot program.

The VTL requires the completion of the pre-licensing course in order to obtain a New York State license. This bill would authorize the Department of Motor Vehicles to promulgate rules to establish a comprehensive, meaningful course, with security measures and identity verification processes in place to prevent fraud. The Department anticipates that many applicants for a license will opt to take the course on-line, due the flexibility of hours and locations.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because a fee of \$8 charged to each course participant will provide estimated annual revenue of \$895,000.

Effective Date:

The bill would take effect 180 days after receiving Executive approval and would be deemed repealed five years after the pre-licensing internet course pilot program is implemented.

Part K – Would re-direct certain revenues and program spending from the Dedicated Highway and Bridge Trust Fund to the General Fund, and direct that future revenues raised by the Payroll Mobility Tax be sent straight to the MTA without need of appropriation.

Purpose:

This bill would re-direct certain revenues from the Dedicated Highway and Bridge Trust Fund (DHBTF) to the General Fund, and would also direct that future revenues raised by the Metropolitan Transit Authority (MTA)-region Payroll Mobility Tax (PMT) be sent to the MTA pursuant to statute but without needing of appropriation.

Summary of Provisions and Statement in Support:

Current law directs various transportation-related revenues, such as those raised by the DMV Point Insurance Reduction Program, DMV Motorcycle Safety Program, DMV

Seized Assets Program, DMV Compulsory Insurance Program, DOT Motor Carrier Safety Program, and DOT Rail Safety Program, to the DHBTF. However, the DHBTF is for capital projects, not operational programs. As such, this bill would re-direct the funds from these programs from the DHBTF to the General Fund where they can be utilized for operational purposes.

Current law also directs revenues raised by the MTA-region Payroll Mobility Tax (PMT) to the Mobility Tax Trust Account of the MTA Financial Assistance Fund (a State fund). From there, these funds are appropriated to the MTA on an annual basis and remitted to the MTA Finance Fund (at the MTA) on a monthly basis. This bill would no longer require the State to serve as an intermediary recipient of these revenues, and instead, the MTA will receive these revenues directly and provide a credit enhancement. It will also allow the MTA to receive additional funds this year by removing any payment processing lag.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget, as this bill represents an important budget reform by seeking to align operating spending with operating funds rather than capital funds.

Effective Date:

This bill would take effect on April 1, 2018.

Part L – This legislation would establish a process for the recoupment of costs for major capital construction by MTA within a city of a population of one million or more.

Purpose:

This legislation would establish a process for an additional financing option for major capital construction by the Metropolitan Transportation Authority (MTA) within a city of a population of one million or more.

Summary of Provisions and Statement in Support:

The MTA and its affiliates have two vitally important obligations to ensure transit service for riders. First, the current infrastructure must be kept and maintained in a state of good repair. Second, the MTA's system must continue to evolve and develop infrastructure to improve service.

The MTA has made historic and significant investment into its transit facilities. This investment results in significant private economic benefit to surrounding properties where such investments are made. This bill would require that any heightened tax

revenues due to increased property valuation should, at a reasonable level, be directed toward funding the MTA's capital programs.

This proposal will further the MTA's transit goals. Specifically, it will protect and promote the sound enhancement, renewal and expansion of the transportation facilities of the MTA and the New York city transit authority, including the planning, design, acquisition, construction, reconstruction, rehabilitation and improvement of such facilities.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget.

Effective Date:

This bill would take effect on April 1, 2018.

Part M – Relates to the capital needs of the city's subway system.

Purpose:

This bill would outline the process for funding the capital needs of the city's subway system for emergency and non-emergency purposes.

Summary of Provisions and Statement in Support:

Under Public Authorities Law and pursuant to its master lease with the New York City Transit Authority (NYCT), New York City is required to pay for the capital needs of the NYCT. The City's obligation began in 1953 when the Legislature established the NYCT and subsequently transferred the operation of the City's subway system to NYCT.

This bill reiterates the City's obligation to pay for NYCT's capital needs and establishes a process for state assistance when a disaster emergency is declared.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget

Effective Date:

This bill takes effect immediately.

Part N – This legislation would provide necessary procurement reform to the Metropolitan Transportation Authority and its affiliates.

Purpose:

This bill would provide necessary procurement reform to the Metropolitan Transportation Authority (MTA) and its affiliates.

Summary of Provisions and Statement in Support:

The need to implement service improvements rapidly is particularly urgent given the need to repair, upgrade and replace aging transit infrastructure. To maximize the MTA's ability to respond to these needs in a timely manner, this bill would make the following procurement reforms:

- Increase the sealed bidding threshold for MTA to \$1 million for purchases and public works;
- Eliminate the 15 Day Notice Period required under the Omnibus Procurement Act; and
- Vest special termination powers with the MTA Board of Directors.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget.

Effective Date:

This act shall take effect on April 1, 2018.

Part O – Extend the authorization of the New York State Urban Development Corporation to administer the Empire State Economic Development Fund.

Purpose:

This bill would extend the authorization of the New York State Urban Development Corporation (UDC) to administer the Empire State Economic Development Fund (EDF) for an additional year.

Summary of Provisions and Statement in Support:

Section 16-m of the UDC Act authorizes the UDC to provide financial assistance through the EDF. This authorization has been renewed annually since 2012 and is currently set to expire on July 1, 2018.

The bill would provide for the continued administration of the EDF, the UDC's primary economic development program. Extending the sunset date until July 1, 2019 would permit the UDC to fulfill prior commitments made through the EDF, and to make new

assistance available to businesses and other stakeholders throughout the State without interruption.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget, which includes new appropriations and reappropriations to support the EDF.

Effective Date:

This bill would take effect immediately and shall be deemed to have been in full force and effect on and after July 1, 2018.

Part P – Extend the general loan powers of the New York State Urban Development Corporation.

Purpose:

This bill would extend the general loan powers of the New York State Urban Development Corporation (UDC) for an additional year.

Summary of Provisions and Statement in Support:

Chapter 393 of the Laws of 1994 provides UDC with the general power to make loans. This authorization has been renewed annually since 1997 and is currently set to expire on July 1, 2018.

Absent enactment of this bill, UDC would be authorized to make loans only in connection with certain State-funded economic development programs that grant statutory loan authorization.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget, which assumes that UDC would provide certain economic development assistance through loans. Absent this legislation, the UDC could not fund approved loans made through economic programs lacking specific statutory authorization.

Effective Date:

This bill would take effect April 1, 2018.

Part Q – Reauthorizes and extends the provisions of law relating to participation by minority and women-owned business enterprises in state contracts and

expands upon those provisions based upon the findings of the 2016 Disparity Study.

Purpose:

This bill would extend the provisions of law relating to participation by minority and women-owned business enterprises (MWBE) in state contracts for five years, and implement certain findings and recommendations of the 2016 MWBE Disparity Study.

Summary of Provisions and Statement in Support:

Article 15-A of the Executive Law authorizes the Department of Economic Development's Division of Minority and Women's Business Development (the "Division") to promote employment and business opportunities on state contracts for minority and women-owned businesses ("MWBE"). Under this statute, state agencies and authorities are charged with establishing business participation goals for businesses owned by minorities and women. This authorization and the requirements of the program will expire on December 31, 2018. This bill would extend the sunset provision to December 31, 2023.

This bill would also increase opportunities for MWBEs based upon the findings of the 2016 MWBE Disparity Study (the "Study"). By way of background, the United States Supreme Court, in *City of Richmond v. J.A. Croson, Co.*, 488 U.S. 469 (1989) and its progeny, held that state and local programs providing racial preferences must continuously demonstrate a "significant statistical disparity between the number of qualified minority contractors willing and able to perform a particular service and the number of such contractors actually engaged" to reflect the existence of discriminatory exclusion. *Id.* The 2016 Study demonstrated there was continued evidence of statistically significant underutilization of available MWBEs in the State, thus supporting the continuation of the program.

To remedy the underutilization of available MWBEs, the Study identified several recommendations to enhance and improve the program. This bill applies those recommendations and makes changes to improve program operation, including:

- Increase the value of state contracts to \$50,000 for non-construction and \$200,000 for construction;
- Update diversity practices definition to include diverse leadership of businesses and MWBE mentorship;
- Increase agency and authority discretionary purchasing threshold to \$400,000;
- Expand program requirements to include all municipalities on contracts let with appropriated state dollars and requires units of local government subject to Article 15-A to set goals on contracts and submit reports to the Director;
- Provide the Director with the authority to set the personal net worth ("PNW") requirement for MWBE certification via regulation, exclude holding companies

from PNW, replace exclusion of equity in personal residence exclusion with cash value of home;

- Create a workforce program with goals for minority group members and women;
- Enhance opportunities for MWBE prime contractors by establishing bidding credits for low-bid construction projects of up to \$1.4 million and increases the size of procurements that can include bidding credits each year with inflation;
- Expand authority of statewide advocate to audit agencies and investigate complaints from MWBEs of violations of Article 15-A by agencies and contractors;
- Require agencies to submit a remedial plan if they fail to make a good faith effort to maximize MWBE participation rather than upon failure to achieve the goals in the Study;
- Establishes MWBE fraud as a criminal offense; and
- Makes other additional technical changes.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget, which includes funding to support the MWBE program.

Effective Date:

This bill would take effect on April 1, 2018.

Part R – Expand definition of an authorized entity that may utilize design-build contracts in the Infrastructure Investment Act

Purpose:

This bill would expand the set of authorized entities that may utilize design-build contracts, as established in the Infrastructure Investment Act (the Act), to include the Dormitory Authority, the New York State Urban Development Corporation, the Office Of General Services, the Department Of Health, and New York State Olympic Regional Development Authority.

Summary of Provisions and Statement in Support:

This bill would expand the provisions of the Act to enable the Dormitory Authority, the New York State Urban Development Corporation, the Office Of General Services, the Department Of Health, and New York State Olympic Regional Development Authority to award a contract to a single entity for both the design and construction (design-build) aspects of a project in order to optimize quality, cost and efficiency. The types of capital projects for which design-build contracts can be used would be amended to be consistent with the existing definition of “capital asset” in State Finance Law.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because the design-build contracting processes authorized by this bill will foster enhanced quality and allow for additional process and procedural efficiencies relative to the construction of state infrastructure projects. This will result in lower initial construction costs as well as reduced long term maintenance and rehabilitation costs for these projects.

Effective Date:

This bill would take effect immediately.

Part S – Extend for one year the authority of the Secretary of State to charge increased fees for expedited handling of documents.

Purpose:

This bill would extend, for one year, provisions of law permitting the Secretary of State to charge increased fees for the expedited handling of documents issued by or requested from the Department's Division of Corporations. The increased fees for expedited handling are necessary to reimburse the Department of State for increased administrative costs associated with expedited handling.

Summary of Provisions and Statement in Support:

The Executive Law currently authorizing the Secretary of State to charge increased fees for expedited handling expires on March 31, 2018. Historically, this statute has been extended annually to coincide with the enactment of the Budget.

Budget Implications:

The FY 2019 Executive Budget assumes that expedited handling fees would be enacted since the costs associated with expedited handling are greater than traditional requests. Failure to enact this legislation would result in annual revenue losses of approximately \$4.5 million, forcing the Department to bear the additional costs related to expedited services without supporting revenues.

Effective Date:

This bill would take effect immediately.

Part T – Place responsibility for mailing a copy of service of process on plaintiffs rather than the Department of State (DOS).

Purpose:

Under existing law, persons or entities suing corporations may serve the attendant legal papers upon the Secretary of State (Secretary) as an agent for the defendant corporate entity. The Secretary must then mail a copy of the process documents to the defendant entity. This bill would require that plaintiffs serve these papers on the Secretary and the defendant entity at the same time.

Summary of Provisions and Statement in Support:

Requiring the plaintiff to serve copies of process documents on the defendant entity directly, rather than through the Secretary, removes an unnecessary administrative and fiscal burden on DOS.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget as the State Financial Plan assumes \$600,000 in recurring savings resulting from no longer mailing paper copies of process to defendants.

Effective Date:

This bill would take effect 120 days following enactment.

Part U – Enhance the Brownfield Opportunity Areas (BOA) program.

Purpose:

The Brownfield Opportunity Areas (BOA) Program provides grants and technical support to help municipalities and community organizations implement hazardous waste site revitalization strategies for their communities. This proposal would streamline the BOA grant funding process to expand the pool of applicants eligible for tax credits and create efficiencies within the program.

Summary of Provisions and Statement in Support:

Currently, the Secretary of State designates a BOA based on a nomination, which is a plan or a study submitted by a municipality or community organization. Upon such designation, the submitting entity becomes eligible for tax credits through the State's Brownfield Cleanup program. The existing statute also affords such entities the opportunity to receive State assistance to conduct an optional 'pre-nomination' study, the goal of which is to inform the nomination effort for the BOA designation.

Given the stringency of nomination requirements, however, communities have found the pre-nomination study does not increase the likelihood of receiving a BOA designation and instead results in additional delay. This bill would remove references to the optional pre-nomination study. It also would expand the nomination process to include plans that are financed with local or other State funding, thereby authorizing the Secretary of

State to accept and designate such plans. These changes would encourage implementation of various projects that will be eligible for tax credits and other benefits, enhance the efficiency of the BOA program, and ensure the best use of State funds.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget, which includes reappropriations in support of the BOA program.

Effective Date:

This bill would take effect immediately.

Part V – Eliminate the 25 percent match requirement for localities utilizing federal Community Service Block Grant funds.

Purpose:

The Community Service Block Grant (CSBG) is a federal anti-poverty program that is administered by the Department of State. State law requires recipients of CSBG funds to secure a 25 percent local match. This proposal would eliminate this requirement.

Summary of Provisions and Statement in Support:

Recipients of federal CSBG funds must secure a local share equivalent to 25 percent of federal funds received under the CSBG. The federal Community Services Block Grant Act does not require administering states to impose a mandate for the input of “local share” funding by recipient entities. This bill would conform State Law to federal statute by eliminating the match requirement.

Eliminating the state match requirement would increase the amount of unrestricted funds available to CSBG-recipient entities to engage in anti-poverty work. This will allow such entities to more efficiently and flexibly assist vulnerable people within their community while also reducing administrative costs.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget. This bill would create administrative efficiencies by no longer tracking and applying federal limitations to "local match" funds, while optimizing service delivery.

Effective Date:

This bill would take effect on October 1, 2018.

Part W – Empower the Superintendent of the Department of Financial Services (DFS) to license and regulate student loan servicers, set standards for student debt consultants and prohibit state agencies from suspending or denying the issuance of professional licenses for individuals behind or in default on their student loans.

Purpose:

This bill would empower the Department of Financial Services to license and regulate the student loan servicer industry as well as create minimum standards for student debt consultants to curtail harmful practices. It would also prohibit State agencies from suspending or denying the issuance of professional licenses for individuals behind or in default of their student loans.

Summary of Provisions and Statement in Support:

Student loan servicers provide billing and other services related to federal student loans, while student debt consultants provide services related to repayment of debt from student loans. Both industries are currently unregulated and are replete with inconsistent standards placing student consumers at risk for misapplied payments, lost paperwork, and inaccessibility to affordable payment options to avoid default.

First, this bill would authorize the the Department of Financial Services establish a regulatory framework to license student loan servicers. It would also establish minimum operating standards and practices for student debt consultants. This will create homogeny and accountability in both industries to ensure protections for all consumers with student loan debt in New York State.

Second, this bill would prohibit State agencies from suspending or denying the issuance of professional licenses for individuals behind or in default of their student loans. Suspending a professional license severely limits a borrower's ability to pay back student loans, thus putting the borrower's financial health at risk.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget. Volatile and opaque student loan marketplaces and penalties for those in default put the financial well-being of all student borrowers at risk, which can be a costly burden to the State.

Effective Date:

Parts A and B would take effect on the one hundred eightieth day after they shall have become law. Part C would take effect immediately after it shall have become law

Part X– Extend the authorization of the Dormitory Authority of the State of New York to form subsidiaries.

Purpose:

This bill would extend for an additional two years the authorization of the Dormitory Authority of the State of New York (DASNY) to create subsidiaries to take title to the property of borrowers regulated under Public Health Law Article 28, who have defaulted on loan agreements or mortgages with DASNY.

Summary of Provisions and Statement in Support:

Chapter 584 of the laws of 2011 authorizes DASNY to create subsidiaries to take title to the property of borrowers regulated under Public Health Law Article 28, who have defaulted on loan agreements or mortgages with DASNY. This authorization has been renewed three times since 2011 and is currently set to expire on July 1, 2018.

Absent enactment of this bill, DASNY would open itself up to unnecessary risk when attempting to pursue remedies against a hospital that has defaulted on a DASNY loan or mortgage. By forming a subsidiary to take title to the property of the defaulted borrower, DASNY limits its exposure to potential liability including for injuries occurring because of the condition of the property.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget, which assumes that DASNY will continue to be a financing vehicle for not-for-profit hospitals and health care facilities across the State.

Effective Date:

This bill would take effect immediately.

Part Y – Make permanent the Empire State Development Corporation’s authority to administer agricultural and dairy marketing orders.

Purpose:

This bill would permanently authorize Empire State Development Corporation (ESD) to administer agricultural and dairy product marketing orders. ESD’s authority to administer these marketing orders, which was transferred from the Department of Agriculture and Markets (DAM) in FY 2017, currently expires in FY 2019.

Summary of Provisions and Statement in Support:

This bill would make permanent ESD's statutory authority to administer agricultural and dairy product marketing orders. The FY 2017 Budget transferred the administration of these marketing orders (Dairy Promotion, Apple Research, Cabbage Research, Sour Cherry, and Onion Research) from DAM to ESD, but the legislation included a two-year sunset date.

Marketing orders permit industry groups to impose an assessment on certain products, and use the funds for marketing programs that are deemed important to each group. Under the arrangement established in FY 2017, assessments are directed to ESD which administers the marketing orders in consultation with DAM. Over the last two years, DAM has worked closely with ESD to seamlessly transfer the administration of the marketing orders.

ESD has substantial experience administering marketing and branding programs, including the successful "New York Open for Business" and "I Love NY" campaigns. This bill would enable the State's agricultural associations directly involved with the marketing orders to continue to utilize ESD's expertise in order to increase awareness and promotion of the State's agricultural products.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget as the State Financial Plan assumes \$15.8 million in savings resulting from the continued transfer of these marketing responsibilities to ESD.

Effective Date:

This bill would take effect immediately.

Part Z – Create the Empire Forests for the Future Initiative to enhance management of privately owned forests and open space, and encourage timber sales to support the biomass energy and wood products industries in the State.

Purpose:

This bill would modify the existing forestry property tax law, create a new property tax incentive for privately owned forests and open space, and encourage timber sales in support of biomass energy and wood-products industries in the State.

Summary of Provisions and Statement in Support:

This bill would help conserve open space, support forest based industries, encourage renewable energy development, provide property tax relief to sustainable forest owners, and reduce unfunded mandates on local governments.

First, this bill would encourage sustainable forestry practices and open space preservation by reducing the cost and administrative burden of participating in the existing Real Property Tax (RPT) law Section 480-a program.

Second, it would establish a new Section 480-b program with two simplified enrollment tracks for landowners independently certified as sustainable or undertaking ecologically sound forest management practices. The new Section 480-b program would further expand eligibility to a 25-acre minimum parcel size from the current 50-acre minimum.

Third, it would also establish financial assistance programs to benefit both municipalities and landowners. Finally, it would create a State procurement preference for New York wood products similar to that used for other agricultural products.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because it establishes two grant programs, the "Community Forest Grant Program" and the "Empire Forest Incentive Program," each of which will be funded within the Environmental Protection Fund. This bill would also establish a formula for the provision of forestry exemption assistance to municipalities impacted by the current and proposed forestry property tax exemption.

Effective Date:

This bill takes effect immediately, provided that the amendments to sections 480-a and 480-b of RPT Law shall take effect January 1, 2019, and the forestry exemption assistance in subdivision 13 of Section 480-a of RPT Law shall apply beginning with the final tax rolls filed in 2019.

Part AA – Make technical changes to the Environmental Protection Fund and the Clean Water Infrastructure Act of 2017 and the State Finance Law.

Purpose:

This bill makes technical changes to the Clean Water Infrastructure Act (CWIA) of 2017 to provide for the efficient fiscal administration of certain CWIA programs and amends State Finance Law to clarify the amount of revenues deposited into the Environmental Protection Fund (EPF).

Summary of Provisions and Statement in Support:

The Clean Water Infrastructure Act of 2017 created programs for the mitigation and remediation of solid waste sites and drinking water contamination as well as corresponding "solid waste mitigation" and "drinking water response" accounts to support such activities. Current legislation envisioned that these accounts would be funded through transfers from the \$2.5 billion CWIA appropriation. However, this

funding approach presents substantial challenges to the efficient fiscal and programmatic administration of the CWIA. Accordingly, this legislation would strike all references to the newly created accounts in order to provide for programmatic spending directly against the CWIA appropriation.

The bill would also establish that cost recoveries from responsible parties pursuant to Title 12 of Article 27 of the Environmental Conservation Law (ECL), which relates to the remediation of drinking water contamination, would be deposited into the capital projects fund to offset spending related to this remediation program.

Finally, the bill would amend State Finance Law (SFL) to make a technical change to ensure that, consistent with the State Financial Plan, a minimum of \$23 million in bottle bill revenues are deposited into the EPF on an annual basis. The 2017-18 Enacted Budget attempted to address this issue by making technical changes to both Section 27-1012 of Environmental Conservation Law and Section 92-s of SFL. However, a further clarification to Section 92-s of SFL is necessary to ensure consistency with the corresponding language in ECL.

Budget Implications:

There are no fiscal impacts associated with this legislation.

Effective Date:

This bill would take effect immediately and deemed to have been in full force and effect on and after April 1, 2018.

Part BB – Reduce and sustainably manage food waste by requiring large food waste generators to divert excess edible food to food banks and food scraps to organics recycling facilities.

Purpose:

This bill would phase in a requirement for high volume food waste generators to divert excess food and food scraps to food banks, animal feed operations, anaerobic digesters, or other composting and organics recycling facilities.

Summary of Provisions and Statement in Support:

Beginning January 1, 2021, this bill would require certain high volume generators of food waste to divert excess edible food and food scraps to food banks, animal feed operations, composting facilities, anaerobic digesters, or other organics recycling facilities.

The bill's provisions would apply to high volume food waste generators such as manufacturers, supermarkets, large restaurants, higher educational institutions and

healthcare facilities that produce an annual average of two tons per week or more of excess food and food scraps at a single location. Elementary and secondary schools would be exempt from this bill, as would designated food scraps generators located in a city with a population greater than one million people that requires organics diversion.

This bill would also prohibit transporters and transfer stations from landfilling or combusting food scraps collected from designated generators, and would instead direct such entities to ensure that food scraps are brought to an organics recycler. Furthermore, beginning January 1, 2021, solid waste combustion facilities and landfills would not be permitted to accept food scraps from designated food scrap generators.

The bill would also authorize the Department of Environmental Conservation (DEC) to oversee food waste in New York State. DEC would be responsible for assessing the capacity of organics recyclers, issuing temporary waivers, publishing a listing of organics recycling facilities, and producing educational materials. This bill would also authorize DEC to issue temporary waivers based on a petition by a designated food scraps generator demonstrating that its unique circumstances would be unduly onerous.

This bill would reduce food waste by requiring large volume food waste generators to divert excess food to food banks and to recycle and compost food scraps. Enactment of this bill would help curtail hunger and address food insecurity, and would also reduce methane emissions, a harmful greenhouse gas caused by degrading food.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget. To facilitate implementation of this legislation, the Environmental Protection Fund would provide grants to expand and establish food diversion and composting programs for excess food and food waste.

Effective Date:

This bill would be effective immediately.

Part CC – Preserve open space on Long Island by expanding the Core Preservation Area of the Central Pine Barrens.

Purpose:

This bill would amend the boundaries of the Core Preservation Area within the Central Pine Barrens to preserve open space.

Summary of Provisions and Statement in Support:

The Central Pine Barrens region of Long Island was created in 1993 to protect ground, surface and drinking water, and to preserve the area's ecological resources. Located in

central and eastern Long Island, the region consists of approximately 105,000 acres of land. This bill would expand the Core Preservation Area of the Central Pine Barrens through the inclusion of two areas located adjacent to the Central Pine Barrens boundary, one in the Village of Shoreham, and one on municipal land in the Town of Brookhaven.

The bill would also require the Town of Brookhaven, Suffolk County, and the Central Pine Barrens Joint Planning and Policy Commission to compile a report, to be submitted to the Governor by January 1, 2020. The report would provide an assessment of properties that would be suitable for solar projects in the Town of Brookhaven, while minimizing the need to utilize open space that may be suitable for future addition to the Core Preservation Area.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget.

Effective Date:

This bill would take effect on January 1, 2019.

Part DD – Authorize expenses of the Department of Health to be reimbursed by a cable television assessment, and expenses of the Office of Parks, Recreation and Historic Preservation, and of the departments of Agriculture and Markets, Environmental Conservation, and State, to be reimbursed by a utility assessment.

Purpose:

This bill would authorize certain State agencies to finance public health campaigns and utility oversight related costs from assessments on cable television companies and public utilities, respectively.

Summary of Provisions and Statement in Support:

This bill would ensure that the affected agencies will be able to expend utility assessment funds on agency activities related to utility oversight and public health initiatives. Chapter 58 of the Laws of 2017 provided similar authorizations.

Section 18-a of the Public Service Law (PSL) authorizes the Department of Public Service (DPS) to assess public utilities for costs associated with the regulation of utilities. PSL § 217 authorizes the DPS to assess cable television companies for costs associated with the regulation of cable television companies.

Sections one through four would authorize utility oversight related expenditures of the departments of Agriculture and Markets, Environmental Conservation, State, and the

Office of Parks, Recreation and Historic Preservation as eligible expenses of utility assessment revenues.

Section five would authorize certain expenditures of the Department of Health as eligible expenses for cable television assessment revenues.

Budget Implications:

Enactment of this bill is necessary to implement the 2019 Executive Budget because the bill ensures the recovery of public health and utility oversight expenses incurred by the departments of Health, Agriculture and Markets, Environmental Conservation, and State, and the Office of Parks, Recreation and Historic Preservation.

Effective Date:

This bill would take effect immediately.

Part EE – Authorize the New York State Energy Research and Development Authority to finance a portion of its energy research, development and demonstration program, and its energy policy and planning program, as well as the Department of Environmental Conservation’s climate change program and the Department of Agriculture and Markets’ Fuel NY program, from an assessment on gas and electric corporations.

Purpose:

This bill would authorize the New York State Energy Research and Development Authority (NYSERDA) to obtain revenue for certain programs from a special assessment on gas and electric corporations.

Summary of Provisions and Statement in Support:

The bill would authorize NYSERDA to finance its energy research, development and demonstration program, its energy policy and planning program, the Department of Environmental Conservation’s (DEC) climate change program and the Department of Agriculture and Markets’ (AGM) Fuel NY program, from a special assessment on gas and electric corporations. This special assessment is in addition to the special assessment under Section 18-a of the Public Service Law which authorizes the Department of Public Service to assess gas and electric corporations for expenses related to administering Public Service Law programs.

A similar bill has been proposed annually as an Article VII provision, and was last enacted as Part MM of Chapter 58 of the Laws of 2017. Without this authorization, NYSERDA, DEC and AGM would not be able to continue to implement necessary programs in the 2019 State Fiscal Year.

Budget Implications:

Enactment of this bill is necessary to implement the 2019 Executive Budget because it authorizes the collection of assessments, in an amount not to exceed \$19.7 million that would fund NYSERDA's energy research, development and demonstration program and its energy policy and planning program, as well as DEC's climate change program and AGM's Fuel NY program.

Effective Date:

This bill would take effect immediately.

Part FF – Authorize the New York Power Authority to provide energy-related projects, programs and services to any of its power customers.

Purpose:

This bill would amend the Public Authorities Law (PAL) to authorize the New York Power Authority (NYPA) to provide energy-related projects, programs, and services to any of its power customers, while also making technical corrections to existing law.

Summary of Provisions and Statement in Support:

This bill would make various technical changes to paragraph (a) of subdivision 17 of PAL § 1005, including the elimination of the reference to the “Power for Jobs” program which no longer exists, and would authorize NYPA to engage in energy-related projects, programs and services with any of its power customers, not just those customers who purchase power under the specific power programs listed in paragraph (a).

This bill would also amend the definition of: 1) “energy-related projects, programs and services” to include: energy management, distribution or control projects and services; energy supply security, resiliency and reliability projects and services; and energy procurement programs for public entities; and 2) “public entity” to include entities formed for the purpose of facilitating the delivery, implementation or management of energy-related projects, programs and services, such as a not-for-profit corporation.

In an effort to further improve energy efficiency, conserve energy, and reduce greenhouse gas emissions throughout the State, this bill would allow NYPA to offer energy management services to any of its customers, including State agencies and municipalities. This bill would also enhance NYPA's authority to support projects that are critical to security, resiliency and reliability of electric systems and supply, such as micro-grids.

Budget Implications:

Enactment of this bill is necessary to implement the 2019 Executive Budget because it provides NYPA with the authority to offer its customers, including state agencies and authorities, energy management, procurement and supply services that could provide energy cost savings.

Effective Date:

This bill would take effect immediately.

Part GG – Authorize the New York Power Authority to develop renewable energy projects, and to procure and sell renewable products to public entities and existing New York Power Authority customers.

Purpose:

This bill would amend Public Authorities Law (PAL) to authorize the New York Power Authority (NYPA) to develop renewable energy projects and procure and sell renewable products to public entities and NYPA customers.

Summary of Provisions and Statement in Support:

This bill would amend PAL §1005 to add a new subdivision 26 that would authorize NYPA to develop renewable energy projects, procure renewable products, allocate and sell renewable products that it produces or procures to public entities and NYPA customers, fully recover its associated costs from the entities that purchase renewable products, and use notes, bonds or other available sources as the source for any related financing or loans.

This bill would significantly enhance NYPA's ability to advance the goals of the State's Clean Energy Standard, which, in part, requires 50 percent of New York electricity to come from renewable sources by 2030, all while providing positive budget impacts, through energy cost savings, to NYPA's customers, which include State entities and local governments. Further, this bill would stimulate economic development and job creation as a result of the construction of renewable energy projects throughout the State.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2019 Executive Budget because of the potential energy cost savings for State agencies and authorities, other public entities and NYPA customers who purchase renewable products from NYPA.

Effective Date:

This bill would take effect immediately.

The provisions of this act shall take effect immediately, provided, however, that the applicable effective date of each part of this act shall be as specifically set forth in the last section of such part.