

FY 2022 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 general business law, in relation to penalties for commercial vehicles on parkways and penalties for overheight vehicles and to preventing bridge strikes (Part A); to amend the penal law and the vehicle and traffic law, in relation to transportation worker safety (Subpart A); to amend the vehicle and traffic law and the highway law, in relation to highway clearance (Subpart B); to amend the vehicle and traffic law, in relation to increased fines for injury to pedestrians (Subpart C); and to amend the vehicle and traffic law, in relation to work zone safety and outreach (Subpart D) (Part B); to amend the public authorities law, in relation to electronic bidding (Part C); to amend the public authorities law, in relation to the minimum amount for a procurement contract (Part D); to amend the penal law, in relation to including the intentional use of any toll highway, parkway, road, bridge or tunnel or entry into or remaining in a tolled central business district without payment of the lawful toll or charge as a theft of services; and to amend the vehicle and traffic law, in relation to the penalty imposed upon the operator of a vehicle with an altered or obscured license plate while on a toll highway, bridge or tunnel (Part E); to amend the public authorities law, in relation to procurements conducted by the New York City transit authority and the metropolitan transportation authority; to amend part OO of chapter 54 of the laws of 2016, amending the public authorities law relating to procurements by the New York City transit authority and the metropolitan transportation

authority, in relation to the effectiveness thereof; and to repeal certain provisions of the public authorities law relating thereto (Part F); to amend the public authorities law, in relation to metropolitan transportation authority capital projects and utility relocations (Part G); to amend the public authorities law, in relation to the use and occupancy of streets for transportation projects (Part H); to amend the penal law, in relation to assaulting or harassing certain employees of a transit agency or authority (Part I); to amend 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 extending loan powers (Part J); to amend the urban development corporation act, in relation to extending the authority of the New York state urban development corporation to administer the empire state economic development fund (Part K); to amend the multiple dwelling law, in relation to temporary rules for certain multiple dwelling units used as joint living-work quarters; and providing for the repeal of such provisions upon expiration thereof (Part L); to amend section 3 of part S of chapter 58 of the laws of 2016, 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 M); 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 the effectiveness thereof (Part N); to amend the

business corporation law, the general associations law, the limited liability company law, the not-for-profit corporation law, the partnership law and the real property law, in relation to service of process (Part O); to amend the executive law, in relation to authorizing remote notarization (Part P); to amend the environmental conservation law, the executive law, and the public service law, in relation to making technical amendments related to the office of renewable energy siting (Part Q); in relation to the eligibility of certain renewable energy credits for purposes of compliance with local building emissions requirements; and providing for the repeal of such provisions upon the expiration thereof (Part R); to amend the public authorities law, in relation to powers of the New York convention center operating corporation (Part S); to amend part B of chapter 173 of the laws of 2013 relating to the issuance of securitized restructuring bonds to refinance the outstanding debt of the Long Island power authority, in relation to the utility debt securitization authority; and in relation to permitting the issuance of securitized restructuring bonds to finance system resiliency costs (Part T); to amend the economic development law, in relation to recharge New York power for eligible small businesses and not-for-profit corporations (Part U); to amend the insurance law, the public authorities law and the tax law, in relation to authorizing the power authority of the state of New York to form a pure captive insurance company (Part V); to authorize the energy research and development authority to finance a portion of its research, development and demonstration, policy and planning, and Fuel NY program, as well as climate change related expenses of the department of environmental conservation and the department of agriculture

and markets' Fuel NY program, from an assessment on gas and electric corporations (Part W); to amend the environmental conservation law and the state finance law, in relation to hunting; and to repeal certain provisions of the environmental conservation law relating thereto (Part X); to amend the environmental conservation law, in relation to prohibiting plastic carryout bags (Part Y); to authorize the county of Nassau, to permanently and temporarily convey certain easements and to temporarily alienate certain parklands (Subpart A); to authorize the village of East Rockaway, county of Nassau, to permanently and temporarily convey certain easements and to temporarily alienate certain parklands (Subpart B); and to authorize the village of Rockville Centre, county of Nassau, to permanently and temporarily convey certain easements and to temporarily alienate certain parklands (Subpart C) (Part Z); to amend the tax law, in relation to extending certain brownfield credit periods that expire on or after 3/20/20 and before 12/31/21 for two years (Part AA); to authorize the grant of certain easements to AlleCatt Wind Energy LLC on a proportion of real property within the Farmersville State Forest, Swift Hill State Forest, and Lost Nation State Forest in the county of Allegany; and providing for the repeal of such provisions upon the expiration thereof (Part BB); to amend chapter 58 of the laws of 2013 amending the environmental conservation law and the state finance law relating to the "Cleaner, Greener NY Act of 2013", in relation to the effectiveness thereof (Part CC); in relation to establishing the "rail advantaged housing act" (Part DD); to amend the public authorities law, in relation to the clean energy resources development and incentives program (Part EE); to amend chapter 166 of the laws of 1991, amending

the tax law and other laws relating to taxes, in relation to extending the expiration of certain provisions of such chapter; and to amend the vehicle and traffic law, in relation to extending the expiration of the mandatory surcharge and victim assistance fee (Part FF); to amend the vehicle and traffic law, in relation to requiring persons to use one hand while operating a motor vehicle, unless such vehicle is engaged to perform steering function; and to amend part FF of chapter 55 of the laws of 2017 relating to motor vehicles equipped with autonomous vehicle technology, in relation to the required submission of a report on the demonstrations and tests of motor vehicles equipped with autonomous vehicle technology; and in relation to the effectiveness thereof (Part GG); to amend the vehicle and traffic law and the state finance law, in relation to temporarily requiring the department of motor vehicles to collect a one dollar convenience fee for modernization of information technology used by the department; and providing for the repeal of such provisions upon expiration thereof (Part HH); to amend chapter 58 of the laws of 2012, amending the public health law, relating to authorizing the dormitory authority to enter into certain design and construction management agreements, in relation to the effectiveness thereof (Part II); to amend the insurance law, in relation to unauthorized providers of health services; and to authorize the superintendent of financial services to convene a motor vehicle insurance task force to examine alternatives to the no-fault insurance system and deliver a report relating thereto (Part JJ); to repeal section 410 of the economic development law; and to amend the public authorities law, in relation to authorizing the department of economic development to designate

centers for advanced technology program (Part KK); to amend the banking law, in relation to the forbearance of residential mortgage payments (Part LL); establishing the COVID-19 emergency eviction and foreclosure prevention for tenants and owners of commercial real property act of 2021; relating to a temporary stay of eviction proceedings of commercial tenants; and providing for the repeal of certain provisions upon expiration thereof (Subpart A); and relating to a temporary stay of mortgage foreclosure proceedings for commercial or multi-family real property; and providing for the repeal of certain provisions upon expiration thereof (Subpart B)(Part MM); to amend subpart H of part C of chapter 20 of the laws of 2015, appropriating money for certain municipal corporations and school districts, in relation to funding to local government entities from the urban development corporation (Part NN); to amend chapter 108 of the laws of 2020, amending the public service law relating to issuing a moratorium on utility termination of services during periods of pandemics and/or state of emergencies, in relation to making such provisions permanent; to amend the public service law, the public authorities law and the general business law, in relation to issuing a moratorium on utility termination of services; and providing for the repeal of certain provisions of the public service law relating thereto (Part OO); to amend the general obligations law, in relation to the discontinuance of the London interbank offered rate (Part PP); to amend the general business law, in relation to broadband service for low-income consumers (Part QQ); to amend the public authorities law, in relation to authorizing the dormitory authority of the state of New York to enter into certain loans (Part RR); to amend the

New York state medical care facilities finance agency act, in relation to the ability to issue certain bonds and notes (Part SS); and to amend the economic development law and the tax law, in relation to establishing the small business return-to-work tax credit program (Subpart A); to amend the economic development law and the tax law, in relation to establishing the restaurant return-to-work tax credit program (Subpart B); and to amend the tax law and the state finance law, in relation to establishing the New York city musical and theatrical production tax credit (Subpart C) (Part TT)

PURPOSE:

This bill contains provisions needed to implement the Transportation, Economic Development and Environmental Conservation portion of the FY 2021 Executive Budget.

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

PART A – Deterring Parkway Bridge Strikes

Purpose:

This bill would increase the fines for over height vehicles violating restrictions and for operating a commercial vehicle illegally on a State Parkway, enhance commercial vehicle owner responsibility to avoid such incidents, and prohibit the use of general consumer global positioning systems (GPS) for the routing of commercial vehicles and instead require the use of commercial GPS specifically designed for commercial and over height vehicles.

Summary of Provisions and Statement in Support:

The bill:

- Increases penalties for commercial vehicles on parkways,
- Increases penalties for vehicles exceeding legal height or posted clearance height,
- Requires commercial motor vehicles to be equipped with commercial GPS,
- Prohibits the use of non-commercial GPS by commercial motor carriers and drivers,
- Requires commercial carriers to notify commercial drivers of the prohibition against operating commercial motor vehicles on parkways,
- Prohibits the use of non-commercial GPS by bus drivers or motor carriers,
- Requires motor carriers to notify bus drivers of the prohibition against operating commercial motor vehicles on parkways, and
- Requires all rental vehicle companies to notify all drivers and renters of commercial vehicles about the prohibition against operating commercial motor vehicles on parkways.

The New York State Department of Transportation estimates that there are approximately 150 vehicle bridge hits every year in the State. The related congestion, towing and cleanup and required incident personnel associated with these bridge hits results in an estimated total cost of \$30 million per year.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because in addition to causing significant damage to the physical bridge structures due to vehicles hitting bridges resulting in repair costs, bridge strikes also pose a risk to passengers in or near the accident.

Effective Date:

This bill would take effect one hundred eighty days following enactment.

PART B – Addressing Safety of Transportation Workers, Pedestrians, and the Public

Purpose:

This bill would enhance the safety of transportation workers, pedestrians, bicyclists, and the traveling public by increasing fines and penalties for violations and by clarifying responsibility and authority relating to accident clearance.

Summary of Provisions and Statement in Support:

This legislation would:

- Impose tougher criminal penalties for perpetrators of violence against transportation workers
- Require the mandatory revocation of perpetrator’s driver’s license following a conviction for certain crimes against highway workers
- Establish new penalties for intrusion into an active work zone
- Clarify a citizen’s responsibility to move their vehicle out of the flow of traffic if involved in a minor accident and allow for a broader range of responders to remove vehicles and debris from roadways
- Increase fines on drivers found to cause injury to pedestrians and bicyclists while failing to exercise due care

- Direct the Governor’s Traffic Safety Committee (GTSC) to increase public outreach and educational awareness of work zone safety

The heightened penalties in this proposal would serve as a significant deterrent and would provide law enforcement and prosecutors the additional tools needed in pursuing and punishing offenders.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget as it will protect transportation workers and pedestrians, and reduce inefficiencies caused by auto accidents.

Effective Date:

Subparts A and C, relating to penalties for violations against workers and pedestrians, would take effect 180 days after the bill is passed.
Subparts B and D, relating to incident clearance and public outreach, would take effect immediately.

PART C – Clarify Legal Authority for Electronic Bidding on Thruway Construction Contracts

Purpose:

This bill would clarify that construction related bids submitted to the Thruway Authority include those submitted electronically as permitted by the Thruway Authority.

Summary of Provisions and Statement in Support:

The bill amends Public Authorities Law Section 359 to:

- Clarify that sealed proposals submitted by a bidder include electronically secure proposal submissions as permitted by the Thruway Authority and;
- Allow such electronically submitted bids to be electronically posted for public view.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it will allow Thruway to more efficiently receive bids for construction contracts.

Effective Date:

This bill would take effect immediately.

PART D – Increase Monetary Threshold for Thruway Authority Procurement Contracts Subject to Procurement Guidelines

Purpose:

This bill would increase the monetary threshold for Thruway Authority procurement contracts that are subject to certain guidelines.

Summary of Provisions and Statement in Support:

This legislation amends Public Authorities Law Section 359-a to change the value of a "procurement contract" from \$15,000 to \$50,000. This would increase the Thruway Authority's threshold for procurement of goods and services subject to Public Authorities Law §2879, including the threshold for Board approval, to make it consistent with the threshold for discretionary purchasing by state agencies as set forth in State Finance Law as well as with the threshold for advertising contracting opportunities in Economic Development Law.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because the current amount of \$15,000 is inconsistent with the threshold that applies to state agencies procuring goods and services.

Effective Date:

This bill would take effect immediately.

PART E – Toll Enforcement

Purpose:

This bill ensures the fair collection of tolls owed to public authorities such as MTA Bridges and Tunnels and others with toll facilities in New York State.

Summary of Provisions and Statement in Support:

- Amends Penal Law to make the intentional use of any toll facility without payment a theft-of-services crime.

- Amends Vehicle and Traffic Law to increase penalties on drivers operating motor vehicles with altered or obscured license plates while on toll facilities and in the tolled central business district.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget and ensure appropriate revenue collection by deterring toll evasion.

Effective Date:

This bill would take effect 90 days after it becomes law.

PART F – MTA Procurement Reform

Purpose:

This bill reforms the MTA and NYCT’s bidding processes; eliminates redundant approvals for design-build contracts; alters advertisement procedures for bids; permits the use of existing contracts awarded by governments; allows for a once-yearly review of the Qualified Products Lists; and makes permanent certain existing procurement provisions.

Summary of Provisions and Statement in Support:

- Allows NYCT and the MTA to use the request for proposal process for design-build pursuant to a process established by the MTA Board
- Allows NYCT and the MTA to use electronic bidding and eliminates the requirement of soliciting bids in the newspaper
- Permits MTA and NYCT to use existing contracts awarded by states, municipalities, and the federal government
- Allows MTA and NYCT to review its Qualified Products List (QPL) once per year, rather than twice
- Makes permanent certain provisions currently subject to sunset in April 2021 and eliminates the dormant provisions that would have replaced them

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget by providing procurement reforms that will allow the MTA to operate more effectively and efficiently, including delivery of their 2020-2024 Capital Plan.

Effective Date:

This bill would take effect immediately.

PART G – MTA Utility Relocation

Purpose:

To allow MTA construction projects to move forward on schedule by requiring that public utility companies, as well as the City of New York, relocate their pipes, mains, conduits and other infrastructure within time frames set by MTA after consultation with the utility or the City.

Summary of Provisions and Statement in Support:

- Requires public utilities to perform and bear the cost of utility relocation work needed in connection with MTA capital projects.
- Requires the City to perform relocation work for its own water and sewer infrastructure, traffic signals, street lighting and call boxes.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget by allowing MTA construction projects to move forward on-time and on-budget.

Effective Date:

This bill would take effect immediately.

PART H – MTA Subway Accessibility

Purpose:

To clarify that subway accessibility projects - even when undertaken indirectly by private developers related to the Metropolitan Transportation Authority or New York City Transit Authority - are MTA transportation facilities. Clarifying that such projects are to remain so designated entitles the MTA to occupy portions of the streets of the City, in consultation with the City's Department of Transportation, to ensure that such projects proceed expeditiously.

Summary of Provisions and Statement in Support:

Clarifies that the powers the MTA and NYCTA have to occupy the streets of the City of New York to do work needed for transportation facilities also extend to the construction by a private developer of a subway entrance or elevator.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget by allowing MTA construction projects to move forward on-time and on-budget.

Effective Date:

This bill would take effect immediately.

PART I – MTA Worker Assault and Harassment

Purpose:

This bill adds transit employee titles to Penal Law which makes it a felony to attack and physically injure transit workers and increases the safety of MTA employees by creating the new crime of aggravated harassment of a transit worker in the second degree, for on-duty public-facing transit workers.

Summary of Provisions and Statement in Support:

- Expands the list of transit worker positions listed in subdivision 11 of which it is a felony to attack and physically injure.
- Amends the Penal Law to better protect on-duty transit workers by providing that a person is guilty of aggravated harassment in the second degree when they subject various transit employees to physical contact, including spitting on them. It would be a class A misdemeanor, punishable by imprisonment up to one year.

Budget Implications:

Enactment of this bill will deter crimes against MTA employees.

Effective Date:

This bill would take effect 90 days after it becomes law.

PART J – Empire State Development Corporation Loan Powers Extender

Purpose:

This bill would extend loan issuance powers for the Empire State Development Corporation (ESDC) for 3 years.

Summary of Provisions and Statement in Support:

Extends the sunset for ESDC's ability to make loans until July 1, 2024.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it allows ESDC to continue to make loans in support of its corporate duties.

Effective Date:

This bill would take effect immediately.

PART K – Economic Development Fund Extender

Purpose:

This bill would extend Empire State Development Corporation's (ESDC) ability to implement the Economic Development Fund for 3 years.

Summary of Provisions and Statement in Support:

Extends the sunset for ESDC's ability to implement the Economic Development Fund to July 1, 2024.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it allows ESDC to continue to implement the Economic Development Fund.

Effective Date:

This bill would take effect immediately.

PART L – Repurposing Underutilized Commercial Space for Housing

Purpose:

This bill would authorize flexibility in zoning to address high commercial vacancy rates and underutilized hotel properties located within specified areas in New York City, particularly in response to the COVID-19 pandemic.

Summary of Provisions and Statement in Support:

New York State has an urgent and significant interest in addressing the high commercial vacancy rates and underutilized hotel properties, all of which contribute to the lack of affordable housing that currently exists in certain locations in the State, particularly in response to the COVID-19 pandemic. The State has previously created and amended Article 7-B to address high commercial vacancy rates and lack of housing and it is appropriate to do so again at this time. The State also has an urgent need to protect the state's hospitality industry during and after the COVID-19 pandemic by ensuring that this amendment does not cause short-term conversions of buildings necessary for the recovery of the State and its economy.

Budget Implications:

None.

Effective Date:

This bill would take effect immediately.

PART M – Continue the Empire State Development Corporation's authority to administer agricultural and dairy marketing orders

Purpose:

This bill would permanently authorize the 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 2019, currently expires on July 31, 2021.

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 2019 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 three-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 2019, assessments are directed to ESD which administers the marketing orders in consultation with DAM.

ESD has substantial experience administering marketing and branding programs, including the successful "I Love NY" campaign. 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 New York agricultural products.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget as the State Financial Plan assumes that \$15.8 million associated with market orders will flow through ESD.

Effective Date:

This bill would take effect immediately.

PART N – Expedited Handling

Purpose:

This bill would make permanent provisions of law permitting the Secretary of State to charge increased fees from 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 this service.

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, 2021. Historically, this statute has been extended annually to coincide with the enactment of the Budget.

Budget Implications:

The FY 2022 Executive Budget assumes that expedited handling fees will be enacted since the costs associated with this service are more expensive than traditional requests. Failure to enact this legislation will 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 O – Electronic Service of Process

Purpose:

This proposal will amend the Business Corporation Law, General Business Law, Limited Liability Law Company Law, Not-for-Profit Corporation Law, Partnership Law and Real Property Law to allow process to be served on the Secretary of State through an electronic system operated by the Department of State. This bill would authorize the Secretary of State to forward notice of service process to entities by email and then make copies of process available to such entities.

Summary of Provisions and Statement in Support:

This proposal will amend the Business Corporation Law, General Business Law, Limited Liability Law Company Law, Not-for-Profit Corporation Law, Partnership Law and Real Property Law to allow process to be served electronically upon the Secretary of State through an electronic system and notice of service to be emailed to the entity being sued. The electronic copy of the process would be made available to the business entity who opted in to receive notice electronically.

Budget Implications:

The FY 2022 Executive Budget assumes that implementation of this proposal would cost approximately \$3 million in system development costs. Enactment of this Legislation would provide annualized efficiencies to the Department of State in its business processes and reduce mailing costs. The annual savings will grow as the number of entities authorizing the Department to provide them with electronic notice of service of process increases over time.

Effective Date:

This bill would take effect on January 1, 2023.

PART P – Electronic Notarization

Purpose:

Amend various provisions of the Executive Law to permit notaries to rely on approved technologies to verify identity and to notarize documents remotely.

Summary of Provisions and Statement in Support:

This proposal will amend the Executive Law to permit notaries to rely on approved technologies to verify identity and to notarize documents and exercise notarial authority remotely.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget as it includes funding in support of the Secretary of State's regulatory responsibilities.

Effective Date:

This bill would take effect immediately.

PART Q – Technical changes to the Accelerated Renewable Energy Growth and Community Benefit Act

Purpose:

This bill would exclude siting permits issued by the Office of Renewable Energy Siting (ORES) from the requirements of the State Environmental Quality Review Act (SEQRA); close a loophole by making the definition of the term “alternative energy production facility” consistent; and allow application fees to be used for ORES operations.

Summary of Provisions and Statement in Support:

The Accelerated Renewable Energy Growth and Community Benefit Act, passed in the FY 2021 Enacted Budget, aims to accelerate the renewable energy generation siting process. Currently, ORES requirements and processes are perhaps even more environmentally protective than the review required under SEQRA. While current siting law preempts SEQRA reviews by municipalities and other entities in connection with the review and approval of large electric generating plants subject to Executive Law 94-c, it did not exclude ORES siting permits. This bill would exclude siting permit applications to ORES from SEQRA, while maintaining the strict environmentally protective process established.

Additionally, both Article 10 of the Public Service Law and Executive Law 94-c apply to certain types of electric generating facilities with a nameplate capacity of 25 megawatts (MW) or more. By contrast, under the existing definitions of “alternate energy production facility” and “electric corporation” owners and/or operators of electric generating facilities with a nameplate capacity of up to 80 MW are not considered electric corporations. These differing definitions have created a loophole under which facilities with a nameplate capacity of between 25 and 80 MW are not subject to enforcement provisions or certification requirements. This bill will ensure that such facilities are subject to these provisions going forward. As a matter of equity, the amended definition would not apply to the facilities that obtained a PSL Article 10 certificate prior to the effective date.

Finally, this bill would make a technical correction to allow employees of any state agency who are necessary to the function of ORES to transfer to the office and allows revenue from application fees to support the entirety of ORES operations.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it ensures that the legislative intent behind the creation of ORES in last year's budget is fully effectuated.

Effective Date:

This bill would take effect on the same date and in the same manner as the FY 2021 budget and will apply to applications received by ORES for siting permits on or after the date the FY 2021 Budget went into effect, April 3, 2020.

PART R – Deduction of Renewable Energy Credits in New York City

Purpose:

This bill would authorize building owners to deduct certain types of renewable energy credits from annual building emission limits prescribed under New York City Administrative Code.

Summary of Provisions and Statement in Support:

The bill would ensure that building owners may purchase renewable energy credits (RECs) associated with energy produced from renewable energy facilities. Instead, and to align Local Law 97 with the terminology used pursuant to the renewable energy standard (RES) adopted by the Public Service Commission, this bill would clarify that the RECs are eligible if made available through contracts with the New York Energy Research and Development Authority (NYSERDA) and associated with energy produced by offshore wind energy resources related to energy delivered into New York City (i.e., Zone J), or energy resources subject to Tier 4 of the RES.

To ensure that building owners have access to an available pool of RECs to offset greenhouse gas limits as intended by Local Law 97, the bill would also allow applicable building owners to purchase RECs associated with existing renewable energy resources eligible under Tier 2 of the RES.

Finally, to meet the intent of Local Law 97, building owners would only be allowed to use Tier 2 RECs to offset emission limits in the absence of the availability of RECs associated with energy produced from offshore wind or Tier 4 resources.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it aligns with the state's goals of utilizing renewable energy in the fight against climate change.

Effective Date:

This bill would take effect immediately.

PART S – Permitting Powers of the New York Convention Center Operating Corporation

Purpose:

This bill would grant the New York Convention Center Operating Corporation (CCOC) the ability to act as a construction-permitting agency authorized to permit for the Javits Convention Center.

Summary of Provisions and Statement in Support:

This bill would create a new section 2564-A in Public Authorities Law to grant the CCOC construction-permitting authority with respect to the Javits Convention Center under New York City and State codes.

Budget Implications:

This bill is necessary to implement the FY 2022 Executive Budget which includes reappropriations related to the Javits Convention Center.

Effective Date:

This bill would take effect immediately.

PART T – LIPA Debt Restructuring

Purpose:

This bill would permit the issuance by the Utility Debt Securitization Authority (UDSA) of additional securitized restructuring and/or refunding to fund costs of improvements to the Long Island Power Authority's (LIPA) transmission and distribution system.

Summary of Provisions and Statement in Support:

This bill would amend the definition of "approved restructuring costs" to include restructuring bonds previously issued by UDSA and system resiliency costs, as well as

amend the definition of “restructuring bonds” so that bonds issued by UDSA shall have a final maturity of no later than thirty years from their date of issue.

This bill would also add a new definition; “system resiliency costs.” System resiliency costs are defined as costs of rebuilding, improving or constructing transmission and distribution system assets to increase resiliency of such assets, better withstand changes in climate, absorb impacts from outage-inducing events, and recover quickly from outages. Included in the definition of such costs would be costs of purchasing, redeeming or defeasing debt of the authority incurred to finance system resiliency costs or reimbursing the authority for amounts already spent on such costs.

This bill would also amend the \$4.5 billion cap on UDSA bonds so that the cap applies to the amount of UDSA bonds outstanding, rather than the total amount issued. If this bill is enacted, it is expected that several hundred million dollars of additional present value savings could be achieved over the long-term based on current interest rates.

Additionally, because of the low cost of borrowing for UDSA, financing necessary system resiliency costs, such as storm hardening and climate adaptation investments, using UDSA bonds, rather than authority bonds, could result in significant savings to ratepayers.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it could result in savings to LIPA ratepayers.

Effective Date:

This bill would take effect immediately.

PART U – Increasing Recharge New York cap to benefit non-profits and small business

Purpose:

This bill would raise the statutory cap on the amount of Recharge New York (RNY) power that may be allocated to eligible not-for-profit corporations and small businesses from 100 megawatts (MW) to 150 MW.

Summary of Provisions and Statement in Support:

The New York Power Authority (NYPA), with the assistance of the Economic Development Power Allocation Board, administers the RNY program which provides lower-cost power to not-for-profit corporations and small businesses throughout New

York. The goal of this program is to lower energy expenses, and by extension create an economic development benefit, for various qualifying organizations. Hospitals, in particular, could benefit from this change, especially given the need for increased operational capacity as a result of the on-going pandemic.

At present, NYPA has reached the 100 MW cap that currently exists in law. This bill would increase the amount of RNY power that may be allocated to qualifying customers from 100 MW to 150 MW, thereby allowing NYPA to continue to support and grow the RNY program.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it will allow the continuation and growth of the RNY program while providing potential financial relief to various organizations.

Effective Date:

This bill would take effect immediately.

PART V – NYPA Captive Insurance

Purpose:

This bill would authorize the New York Power Authority (NYPA) to create a captive insurance company to manage risk and provide NYPA with related tax exemptions.

Summary of Provisions and Statement in Support:

A captive insurance company would enable NYPA to effectively provide coverage for risks that are not currently insured, not insurable on the traditional commercial markets, or prohibitively expensive to insure through the commercial markets. These include risks related to terrorism, cyber-technology, hydropower flows and other forms of business interruption, and environmental damage.

A captive insurer would also provide NYPA with more flexibility to manage risk. For example, as a captive matures, it can assume additional types of risk. The Port Authority of New York and New Jersey created a captive insurer initially to cover terrorism-related risk. Today, its captive holds multiple risks including an "owner controlled insurance program" related to construction projects as well as workers compensation.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget as NYPA anticipates this proposal could result in substantial cost savings to the authority.

Effective Date:

This bill would take effect immediately.

PART W – Continue to authorize the New York State Energy Research and Development Authority (NYSERDA) special assessment

Purpose:

Extends the New York State Energy Research and Development Authority (NYSERDA) authorization to collect a special assessment on gas and electric corporations to support certain programs.

Summary of Provisions and Statement in Support:

This bill would authorize NYSERDA to finance its energy research, development and demonstration program; its energy policy and planning program; climate change related expenses of the Department of Environmental Conservation (DEC) and the Department of Agriculture and Markets Fuel NY program from a special assessment on gas and electric corporations.

This legislation is annually enacted in the budget.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget as it authorizes the collection of \$22.7 million in assessments that support critical energy and climate change programs.

Effective Date:

This bill would take effect immediately.

PART X – Hunting Expansion

Purpose:

This bill would modernize and improve hunting opportunities in New York State.

Summary of Provisions and Statement in Support:

Hunting and outdoorsmanship are economically and culturally important in New York State and have been increasingly relied on as a socially-distant activity throughout the pandemic. This bill would expand youth hunting to allow junior hunters and expand crossbow use in all big game seasons.

This bill would allow junior hunters ages 12-13 to hunt big game with a rifle or shotgun when accompanied by a parent, guardian, or mentor. Under existing law, junior hunters are authorized to hunt small game with a rifle or shotgun and big game with a bow when under supervision of a licensed adult mentor. Currently, 46 states allow hunters ages 12-years old or younger to hunt big game with a firearm. Expanding junior hunting will allow youth to learn the basics of being a safe hunter from a young age and will drive increased family participation in the outdoors. These junior hunters will be accompanied by a licensed parent or other mentor, ensuring proper supervision.

Additionally, the statutory requirement that junior hunters and their mentors must remain at ground level while hunting with a firearm would be removed by this bill. With the popularity of two-person ladder stands and elevated hunting blinds, along with the availability of devices such as safety harnesses and “lifelines” that connect the hunter to the tree and prevent a fall in case of an accident or tree stand failure, mentors have a variety of options to safely teach firearm handling and hunting skills to junior hunters from elevated positions. Shooting from elevated stands often helps to ensure that shots fired downward have a safe backstop (the ground).

This bill seeks to remove unnecessary restrictions on the types of implements that those youth hunters may use and the type of game they may pursue. Removing these restrictions will allow parents to teach their children important safety precautions.

Crossbows provide an additional means for participation in hunting and another pathway for introduction to hunting. New hunters may prefer to learn to hunt with a crossbow than a firearm. Expanded crossbow use in all big game seasons will allow increased participation by those who do not have the physical ability to handle a conventional bow or don't feel comfortable using, purchasing, or carrying a shotgun or rifle. Users would be required to take a bowhunting education course in addition to hunter safety training.

This proposal will also provide the Comptroller with greater flexibility in how funds from the state fish and game trust account can be invested to improve returns on the account.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it will likely result in an increased number of hunters, which will have benefits such as improved inclusion and increased revenue for the State. It is estimated that the proposed crossbow expansion could add \$1.5 million in revenue to the Conservation Fund by recruiting new hunters, and retaining aging hunters or hunters with physical

impairments. Increased opportunities for junior hunters will also increase revenue to the Conservation Fund. Furthermore, it is likely that enactment of this bill could result in an increase in venison donations, which supports NY food banks, and help existing deer management strategies to protect agriculture and forest health.

Effective Date:

This bill would take effect immediately.

PART Y – Clarifying the State's Ban on Single-Use Plastic Bags

Purpose:

This bill would make technical corrections to clarify the intent of the existing law with respect to at-store film plastic recycling, the definition of a reusable bag, and the exemptions to the plastic bag ban.

Summary of Provisions and Statement in Support:

This bill amends Title 27 of ECL to amend the definition of “reusable bag” and “film plastic bag.” The bill also clarifies the store operator responsibilities, recycling program requirements, manufacturer requirements, and department requirements as they relate to film plastic bags.

This bill amends Title 28 of the ECL to be consistent with Title 27 definitions, adds clarifying language to the list of exempt bags, and adds reusable bag to the definition of an “exempt bag.”

On March 1, 2020, a new bag waste reduction law took effect in New York State - where over 23 billion plastic bags are typically used each year. This bill would make technical corrections to provide additional clarity to retailers, manufacturers, and consumers as to what constitutes a film plastic bag, a reusable bag, and an exempt bag, to address and resolve questions of interpretation. The bill would also clarify that the recycling program for plastic carryout bags and other film plastic is still in effect.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget as the fee associated with this law is an on-going revenue source for the Environmental Protection Fund and aligns with the Governor's environmental priorities.

Effective Date:

This bill would take effect immediately.

PART Z – Bay Park Alienation Amendments

Purpose:

This bill would revise the boundaries of temporary and permanent easements in order to construct a sewer main beneath certain parklands owned by Nassau County, the Village of East Rockaway, and the Village of Rockville Centre. These revisions are necessary to complete the Bay Park Conveyance Project, which will convey treated effluent from the Bay Park Sewage Treatment Plant to the Cedar Creek Water Pollution Control Plant's ocean outfall.

Summary of Provisions and Statement in Support:

Subpart A of this bill would revise the boundaries of temporary and permanent easements to construct a sewer main beneath certain parklands owned by Nassau County previously enacted into law as Part UU of Chapter 58 of the Laws of 2020.

Subpart B of this bill would revise the boundaries of temporary and permanent easements to construct a sewer main beneath certain parklands owned by the Village of East Rockaway previously enacted into law as Part UU of Chapter 58 of the Laws of 2020.

Subpart C of this bill would revise the boundaries of temporary and permanent easements to construct a sewer main beneath certain parklands owned by the Village of Rockville Centre previously enacted into law as Part UU of Chapter 58 of the Laws of 2020.

Budget Implications:

Enactment of this bill is necessary to complete the existing Bay Park Conveyance Project, for which the State of New York is investing a significant amount of resources. There is no fiscal implication to the State, as this bill is for technical changes.

Effective Date:

This bill would take effect immediately.

PART AA – Extension of Brownfield Credits

Purpose:

This bill would allow certain developers within the brownfield cleanup program, and adversely impacted by the COVID-19 pandemic, additional time to complete redevelopment of these sites.

Summary of Provisions and Statement in Support:

This proposal would extend by two years the allowable period for which the tangible property credit component of the brownfield tax credit is allowed. This extension is for projects whose original 10-year allowable period either expired, or is set to expire, between March 20, 2020 and December 31, 2021.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget to ensure that certain developers, who would otherwise have received a full credit from the State if not for the COVID-19 pandemic, can continue to successfully redevelop the brownfield sites.

Effective Date:

This bill would take effect immediately.

PART BB – Allegheny County Land Easement

Purpose:

This bill would authorize the grant of easements to Alle-Catt Wind Energy LLC, on a proportion of real property within the Farmersville State Forest, Swift Hill State Forest, and Lost Nation State Forest in the county of Allegany.

Summary of Provisions and Statement in Support:

This legislation would allow the Department of Environmental Conservation (DEC) to grant easements as are part of a wind powered electric generation project. DEC would be authorized to grant these easements for fair market value plus 20 percent of the value of the easements, plus \$100,000 upon application by Alle-Catt Wind Energy LLC., which is to be deposited into the Environmental Protection Fund (EPF).

The Alle-Catt Wind Energy project is a 340 megawatt (MW) wind project located in Allegany, Cattaraugus, and Wyoming counties. The wind project has a Tier 1 contract with the New York State Energy Research and Development Authority (NYSERDA) and will be a key contributor to the state's goal of 70 percent renewable energy by 2030 as established in the Climate Leadership and Community Protection Act (CLCPA). The project is anticipated to begin construction by the fourth quarter of 2021 and be operational by the end of 2022. Once operational, the project will produce enough electricity to power more than 100,000 homes and invest more than \$7 million annually into the local economies.

Budget Implications:

Enactment of this bill is necessary to implement the FY2022 Executive Budget as it aligns with the state's renewable energy goals and involves the deposit of payment for the easements into the EPF.

Effective Date:

This bill would take effect immediately and shall expire and be deemed repealed five years after such date; provided, however, should the easements be granted within the five years, the term of the easements will establish the end date of the easements. At such time the land will revert back to the State of New York for state forest purposes.

PART CC – Extension of Local Bottle Bill Enforcement

Purpose:

This bill would ensure that New York City, Nassau County, and Suffolk County could continue to retain part of certain fines or penalties associated with enforcement of the "bottle bill".

Summary of Provisions and Statement in Support:

This bill would authorize New York City, Nassau County, and Suffolk County to retain their authority to keep a portion of certain fines or penalties associated with the enforcement certain bottle bill provisions for an additional two years from April 1, 2021 to April 1, 2023.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because this bill entitles these local governments to retain 25 percent of all funds collected as fines or penalties associated with the enforcement of certain bottle bill provisions. The remaining 75 percent is credited to the Environmental Protection Fund.

Effective Date:

This bill would take effect immediately.

PART DD – Rail Advantaged Housing Act

Purpose:

This bill would establish the Rail Advantaged Housing Act to develop standard criteria and an accelerated review process for assessing the impact of a proposed zoning for new housing opportunities with minimal environmental impact along commuter rail transit corridors.

Summary of Provisions and Statement in Support:

Under this bill, the commissioner of the Department of Environmental Conservation (DEC) would establish uniform standards and conditions for rail advantaged housing rezoning proposals. Such standards and conditions would include a maximum incremental population increase and parking decrease which, if exceeded, would be deemed to have an environmental impact, as well as a formula to determine the amount that should be paid to a local agency zoning mitigation account for mitigating impacts to the environment and the provision of essential services by local agencies. A rezoning entity's approval of a rail advantaged housing rezoning proposal shall be deemed to not have a significant impact on the environment, contingent upon approval and certification by the chief executive officer of any town, village or city that such proposal meets the uniform standards and conditions established pursuant to this bill.

New York City and its suburbs have experienced a housing shortage for over seventy years. Many of the best opportunities to create new housing with minimal environmental impact are along the region's commuter rail transit corridors. Efforts to develop housing along these corridors can be slowed down by several years of governmental review. This bill will empower local governments to utilize the commonsense criteria in place of more costly and time-consuming assessment procedures. In addition, by supporting the development of rail advantaged housing, this bill will also help the State meet its greenhouse gas emission reduction goals under the Climate Leadership and Community Protection Act (CLCPA) by facilitating increased use of mass transit.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget to increase housing opportunities in the New York City area and support the greenhouse gas emission goals established in the CLCPA.

Effective Date:

This bill would take effect immediately.

PART EE – NYSERDA Build-Ready Authorization

Purpose:

This bill would authorize NYSERDA to create single purpose project holding entities to acquire, sell and transfer rights and other interests under the Clean Energy Resources

Development and Incentives Program, commonly referred to as the "build-ready program".

Summary of Provisions and Statement in Support:

Under the Accelerated Renewable Energy Growth and Community Benefit Act, NYSERDA established the Clean Energy Resources Development and Incentives "build-ready program" to foster and encourage expedient siting and development of renewable energy facilities. The build-ready program advances large-scale renewable energy projects by identifying sites that are consistent with the State's standards and are made build-ready for sale to private renewable energy developers.

The most effective, efficient and commercially-acceptable way for NYSERDA to transfer build-ready projects to private renewable energy developers is for NYSERDA to create dedicated single purpose entities which, by extension, allows NYSERDA to transfer project site control and permit interests as a single package to a successful competitive bidder-developer. Private developers commonly use this structure because it virtually eliminates the need to obtain administrative approval to transfer environmental permits and other approvals, and it provides financial clarity for lenders.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it is critical to NYSERDA administering the build ready program within the Accelerated Renewable Energy Growth and Community Benefit Act.

Effective Date:

This bill would take effect immediately.

PART FF – Surcharge Extender

Purpose:

To extend for two years the mandatory surcharge and crime victim assistance fees associated with traffic violations.

Summary of Provisions and Statement in Support:

This proposal will amend the Vehicle and Traffic Law to allow the Department of Motor Vehicles to continue to collect surcharges and fees associated with traffic violations for an additional two years.

Budget Implications:

The FY 22 Executive Budget assumes the continuation of the surcharges and fees from traffic violations.

Effective Date:

This bill would take effect immediately.

PART GG – Autonomous Vehicle Extender

Purpose:

To extend for five years the required submission of a report on the demonstrations and tests of motor vehicles equipped with autonomous vehicle technology.

Summary of Provisions and Statement in Support:

This proposal would amend sections one and three of Part FF of the laws of 2017 to allow for the Commissioner of Motor Vehicles to promulgate rules and regulations related to demonstrations and testing of autonomous vehicles and to extend the required submission of a report on the demonstrations and tests of motor vehicles equipped with autonomous vehicle technology from April 1, 2021 to April 1, 2026.

This proposal would also amend section 1226 of the vehicle and traffic law to modify the existing requirements related to demonstration and testing of autonomous vehicles.

Additionally, this proposal would create the "Interagency Group on Autonomous Vehicle Technology."

Budget Implications:

This bill is necessary to implement the FY 2022 Executive Budget, which includes funding to support DMV's regulatory responsibilities for autonomous vehicles.

Effective Date:

This bill would take effect immediately, provided however that section one of this bill would take effect April 1, 2026.

PART HH – DMV Convenience Fee

Purpose:

To establish a one-dollar convenience fee on all license and registration transactions.

Summary of Provisions and Statement in Support:

This proposal will amend Vehicle and Traffic Law to add a new section 224-b which establishes a one dollar convenience fee on transactions of registration, reregistration or renewal of a registration of a motor vehicle, motorcycle, historic motorcycle, snowmobile or vessel and the issuance of any original, duplicate or renewal learner permit, driver license or non-driver identification card. All receipts would be deposited into the Dedicated Highway and Bridge Trust Fund.

In the wake of the COVID-19 pandemic, DMV has set on a path to modernize operations through technological updates. The end result will be to provide a contact-less customer experience. This minimal temporary fee will help support these customer-friendly modernization efforts.

This fee would expire after five years.

Budget Implications:

This bill has an estimated revenue of \$3.8 million accounted for in the FY 22 Executive Budget.

Effective Date:

This bill would take effect one hundred eighty days after it becomes law.

PART II – DASNY Design and Construction Services Extender for DEC and OPRHP

Purpose:

This bill would extend DASNY's authorization to provide design and construction services for the Department of Environmental Conservation (DEC) and the Office of Parks, Recreation, and Historic Preservation (OPRHP) for 3 years.

Summary of Provisions and Statement in Support:

Extends the sunset for DASNY's ability to provide services to DEC and OPRHP to April 1, 2024.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it allows DASNY to continue to provide services to DEC and OPRHP.

Effective Date:

This bill would take effect immediately.

PART JJ – No-Fault Insurance

Purpose:

This bill would amend the Insurance Law to grant the Superintendent of Financial Services (“Superintendent”) greater authority to prohibit a provider of health services from demanding or requesting payment for health services rendered under Insurance Law Article 51 (the “no-fault insurance law”), other than health services rendered in the emergency department of a general hospital, for a period not exceeding three years if the Superintendent determines that the provider has engaged in certain activities.

Summary of Provisions and Statement in Support:

This bill would amend the Insurance Law to grant the Superintendent greater authority to prohibit a provider of health services from demanding or requesting payment for health services rendered under the no-fault insurance law.

The bill also establishes the Motor Vehicle Insurance Task Force, which will examine alternatives to the no-fault insurance system as well as other legislative or regulatory initiatives to reduce the cost of motor vehicle insurance.

Budget Implications:

This bill is necessary to implement the FY 2022 Executive Budget as the budget includes funding in support of the regulatory responsibilities of the Department of Financial Services.

Effective Date:

This bill would take effect immediately.

PART KK – Consolidation of the Centers of Excellence into the Centers for Advanced Technology program.

Purpose:

This bill would eliminate the Centers of Excellence (COE) program, effective April 1, 2023. This bill would also, for a period of two years, designate currently funded COEs as temporary Centers for Advanced Technology (CATs), with the opportunity to become full CATs through the normal application process. This change will allow for administrative efficiencies through a full merger of these two nearly identical programs.

Summary of Provisions and Statement in Support:

This bill would repeal Section 410 of the Economic Development Law, effective April 1, 2023.

This bill would amend section 3102-b of the Public Authorities Law to allow designated COEs to apply for designation as CATs while simultaneously designating them as CATs on a temporary 2 year basis.

Permitting COEs to be designated as CATs would allow New York State to optimize administrative efficiencies through consolidation of the two programs.

Budget Implications:

None.

Effective Date:

This bill would take effect immediately.

PART LL – Mortgage Forbearance

Purpose:

This legislation extends the covered period for residential mortgage relief through at least December 31, 2021, or until the Executive Orders issued during the pandemic are no longer in effect. During the extended covered period, mortgagors who are able to demonstrate financial hardship as a result of COVID-19 will be entitled to up to 360 days of forbearance on their mortgage payments, and State-regulated lenders will continue to be prohibited from foreclosing on the related properties. Currently, the mortgage forbearance period related to COVID-19 hardship will lapse when the Executive Orders issued during the pandemic are no longer in effect.

Summary of Provisions and Statement in Support:

This proposal will amend the Banking Law to extend the covered period for residential mortgage relief through at least December 31, 2021, or until the Executive Orders issued during the pandemic are no longer in effect.

Budget Implications:

This bill is necessary to implement the FY 2022 Executive Budget.

Effective Date:

This bill would take effect immediately.

PART MM – COVID-19 Emergency Eviction and Foreclosure Prevention for Tenants and Owners of Commercial Real Property Act of 2021

Purpose:

This proposal will create the "COVID-19 Emergency Eviction and Foreclosure Prevention for Tenants and Owners of Commercial Real Property Act of 2021" to codify the Governor's Executive Order prohibiting commercial eviction and foreclosures for nonpayment of rent or a mortgage due to financial hardship suffered because of COVID-19.

Summary of Provisions and Statement in Support:

This legislation codifies the Governor's Executive Order prohibiting commercial eviction and foreclosures for nonpayment of rent or a mortgage due to financial hardship suffered because of COVID-19. Commercial and small business have suffered economic losses due to the pandemic and related restrictions imposed by the government for health and safety. The legislation pauses all commercial evictions and foreclosures for thirty days and creates a hardship declaration that can be submitted to the landlord, mortgage lender or court that will stop an eviction or foreclosure from moving forward. Businesses suffering financial hardship due to COVID-19 will not be evicted or foreclosed upon until May 1, 2021.

Budget Implications:

This bill is necessary to implement the FY 2022 Executive Budget.

Effective Date:

This bill would take effect immediately.

PART NN – Increase statutory cap for the Electric Generation Facility Cessation Mitigation Fund

Purpose:

This bill would increase the statutory cap of the Electric Generation Facility Cessation Mitigation Fund from \$69 million to \$140 million.

Summary of Provisions and Statement in Support:

This fund provides payments to local government entities which would have otherwise seen a decrease in tax revenues due to the closure of an electric generating facility. The fund is currently capped at \$69 million; this bill would increase the cap to \$140 million to continue this program in anticipation of future facility closures.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because an increase in the statutory cap is needed to sustain this program and provide local government entities with fiscal relief.

Effective Date:

This bill would take effect immediately.

PART OO – Moratorium on Termination of Utility Services

Purpose:

This bill would prevent termination of utility services to residential and small business customers by private and public utility providers in the event of a state disaster emergency declared pursuant to an executive order issued in response to a state, national, or global event that may result in a significant negative and long-term impact on the state's economic future.

Summary of Provisions and Statement in Support:

This bill amends the utility moratorium provisions of Chapters 108 and 126 of the Laws of 2020, applies them to small businesses, and makes such protections permanent. Additionally, this bill includes within these protections, customers of cable television companies as many provide services necessary to, among other things, allow students and teachers to continue remote education, and small businesses to continue operation. While it is to be hoped that these protections will never again be necessary, having them in place establishes a set of safeguards for residential and small business customers in the event of certain statewide economic constraints.

New York State is a leader in protecting consumer's rights; this legislation will solidify the rules that covered entities must follow when providing vital services in times of crisis. The original legislation, while well intended, was only a temporary solution and did not include protections for small businesses or cable customers that rely on cable infrastructure for internet services. Small businesses are the backbone of the economic recovery and the current COVID-19 pandemic has demonstrated that their need for relief during times of crisis is on par with residential utility customers. Further clarity is also needed to articulate the Public Service Commission's enforcement jurisdiction

regarding these customer protections as well as the timing of the utility bills subject to any deferred payment agreements.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because the continuation of utility services is critical to New Yorkers' standard of living as well as the state's on-going economic recovery from the COVID-19 pandemic and future states of emergency with significant economic impacts.

Effective Date:

This bill would take effect immediately.

PART PP – Discontinuance of LIBOR

Purpose:

To establish provisions for the discontinuance of LIBOR.

Summary of Provisions and Statement in Support:

The proposed statute is designed to minimize costly and disruptive litigation by providing legal certainty for the issues that are likely to arise for contracts, securities or instruments that are governed by New York law and reference LIBOR following certain events affecting LIBOR.

The proposed legislation would require the use of the benchmark replacement recommended by the Federal Reserve, the New York Fed, or the Alternative Reference Rates Committee where the contract language is silent or the contract's fallback provisions prescribe the use of LIBOR. Where the fallback provisions are discretionary, the proposed legislation's safe harbor is intended to encourage the selection of the recommended benchmark replacement.

Budget Implications:

This bill is necessary for implementation of the FY 2022 Executive Budget.

Effective Date:

This bill would take effect immediately.

PART QQ – Making broadband services affordable for all New Yorkers

Purpose:

This bill would ensure that affordable broadband services are available to all New York citizens.

Summary of Provisions and Statement in Support:

This proposal will help to ensure that high-speed broadband service - which has become increasingly essential throughout the pandemic - is made available and affordable for low-income New Yorkers. The monthly cost of this service would be limited to \$15 per month, and could only be increased by two percent, or the rate of inflation as measured by the Consumer Price Index (CPI), whichever is less, once every five years. The proposal would also require annual reporting to the Department of Public Service (DPS) related to the provision of such service, authorize periodic reconsideration of download speed benchmarks and provide for fines for violations.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget as high-speed broadband has become an essential service that should be affordable for all New Yorkers.

Effective Date:

This bill would take effect immediately.

PART RR – Expands DASNY's design and construction and loan services to Not for Profits and School Districts

Purpose:

This bill would make not for profits and school districts eligible to utilize DASNY's loan, design and construction services for capital projects over \$5 million. Further extends DASNY's loan services for working capital to not for profits and school districts for the duration of the COVID-19 pandemic.

Summary of Provisions and Statement in Support:

Amends Section 1678 of the public authorities law to give DASNY authority to offer loan, design and construction services to not for profits and school districts for capital projects greater than \$5 million. Further authorizes DASNY to provide loans for working capital to not for profits and school districts for the duration of the COVID-19 pandemic. Enactment of this bill allows DASNY to expand its ability to provide capital construction services and financing to local governments and not for profits.

Budget Implications:

This bill is necessary to implement the FY 2022 Executive Budget as it would provide low-cost financing options for not-for-profits and school districts impacted by the COVID-19 pandemic.

Effective Date:

This bill would take effect immediately.

PART SS – Increasing the Bond Cap for Medical Facility Improvements

Purpose:

This bill would increase DASNY's authorization to issue bonds for construction projects related to healthcare facilities from \$16.6 billion to \$17.4 billion.

Summary of Provisions and Statement in Support:

Increases to \$17.4 billion from \$16.6 billion, the cap for DASNY to issue bonds in support of financing capital projects for healthcare facilities

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it allows DASNY to expand its ability to provide capital construction services to healthcare facilities.

Effective Date:

This bill would take effect immediately.

PART TT – Enact the Pandemic Recovery and Restart Program

Purpose:

This bill would establish the Pandemic Recovery and Restart Program that will provide critical assistance in getting workers in the severely impacted food service and entertainment industries back to work.

Summary of Provisions and Statement in Support:

Part A of the bill would add a new Article 24 to the Economic Development Law to establish the Small Business Return-to-Work Tax Credit Program.

Since the beginning of the COVID-19 outbreak, New York State has operated around the clock to support workers impacted by devastating layoffs resulting from the pandemic. Within the first two months of the public health crisis, the State processed over 1.8 million completed applications for unemployment insurance and paid over \$6 billion in benefits to recently laid-off workers. Additionally, to support New York workers impacted by the pandemic, in March of 2020, Governor Cuomo signed emergency legislation that provides benefits, including sick leave, paid family leave and disability benefits, to New York employees impacted by the mandatory or precautionary orders of quarantine. Under Governor Cuomo's leadership, the State has tirelessly sought ways to support the State's workers through this challenging time.

While the State's total unemployment insurance recipients have decreased since the start of the pandemic, there is more action for New York to take to return workers to the workplace. In order to help encourage businesses to welcome back recently laid-off workers, New York State proposes to launch the Small Business Return-to-Work Tax Credit Program.

The refundable tax credit would be available to small businesses that have experienced year-to-year revenue or job losses of 40% or more, in qualifying industries. Small businesses that increase their employment will be eligible for a tax credit of \$5,000 for each net full-time equivalent position added, up to a maximum cap of \$50,000 per business. By reducing the costs on small businesses of returning New Yorkers to work, the State can continue on the path of reinvigorating the economy and supporting both workers and small businesses statewide.

The amount of credit under this program would be capped at \$50 million and would be administered by the Department of Economic Development.

This bill part would also add a new Tax Law § 45 and amend Tax Law §§ 210-B and 606 to make applicable the tax credit to the corporation franchise tax and personal income tax under Tax Law Articles 9-A and 22.

Finally, this bill part would amend Labor Law § 537(3) to allow unemployment insurance information sharing between the Department of Labor and Department of Economic Development relevant to determining eligibility for the tax credit.

Part B of the bill would add a new Article 25 to the Economic Development Law to establish the Restaurant Return-to-Work Tax Credit Program.

Due to their heavy reliance on in-person dining and the associated difficulties of adapting their business activities to current public health conditions, restaurants have been another economic sector that has particularly suffered as a result of the COVID-19 pandemic.

This refundable tax credit would be available to small, independently owned restaurants that are located within New York City, which was subject to a ban on indoor dining for

over six months, or outside of New York City in areas that were designated as a red or orange zone for at least 30 days. As with the Small Business Return-to-Work Tax Credit Program, this refundable tax credit would be available only to restaurants that have experienced year-to-year revenue and/or job losses of 40% or more, and restaurants that increase their employment will be eligible for a tax credit of \$5,000 for each net full-time equivalent position added, up to a maximum cap of \$50,000 per business.

Taxpayers receiving tax credit certificates prior to November 15, 2021 would have the option to request an advance payment of this credit from the Department of Taxation and Finance.

The amount of credit under this program would be capped at \$50 million and would be administered by the Department of Economic Development.

Part C of the bill would add a new section 24-c to the Tax Law to establish the New York City Musical and Theatrical Production Tax Credit.

Since the onset of the pandemic, one of the most significantly impacted industries has been the large-scale musical and theatrical production companies operating in New York City.

While many industries have found innovative ways to adapt to rapidly evolving public health conditions, several factors have contributed to an acute recession within the industry. From a public health standpoint, these live performances generally require the indoor, in-person presence of a significant cast and crew working in close proximity.

Further, the significant overhead costs of putting on a large production often necessitates nearly a full theater to make each production financially viable, limiting the feasibility of offering performances while maintaining social distancing among audience members – a fact not helped by a pandemic-induced slowdown in travelers and tourists and an audience that skews older and more vulnerable to COVID-19.

As a result of these and other factors, since March 2020, New York City's theaters have generally remained shuttered. The economic impacts of this extended intermission have been profound on a sector that is annually estimated to be responsible for billions of dollars in economic impacts and tens of thousands of jobs.

With the recent approval of several vaccines for use against COVID-19, soon, public health conditions may improve enough for production companies to begin reopening their doors and welcoming back millions of audience members. However, after many months of shuttered operations and with a high degree of uncertainty ahead, without significant State financial assistance, production companies will lack the necessary investors and finances to reopen the industry.

Accordingly, to ensure that the show will go on for the tens of thousands of New Yorkers who work in production companies—and to recapture the billions of dollars of economic and fiscal benefits to the State’s residents—the State proposes to create the New York City Musical and Theatrical Production Tax Credit.

Under the credit program, a qualified musical and theatrical production company, which produces a musical or theater production in New York City and spends at least \$1 million dollars in qualified production expenditures on the production, would be eligible to claim a refundable tax credit equal to 25% of the sum of its production expenditures incurred by December 31, 2021, not to exceed \$500,000 per production company.

The amount of credit under this program would be capped at \$25 million and would be administered by the Department of Economic Development.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2022 Executive Budget because it provides needed tax incentives for smaller businesses in the hospitality, arts and leisure, restaurant and NYC theater industries to recover from the pandemic and bring back jobs to New York.

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.