FY 2024 NEW YORK STATE EXECUTIVE BUDGET

TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION ARTICLE VII LEGISLATION

MEMORANDUM IN SUPPORT

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CONTENTS

		STARTING
PART	DESCRIPTION	PAGE NUMBER
Α	Expand Camera Enforcement for MTA Bus Operations	8
В	Triborough Bridge and Tunnel Authority Speed Cameras	8
С	MTA Tax Increment Financing and Procurement Extender	9
D	Increase NYC's Contribution to the MTA	10
E	Expand MTA Owner Controlled Insurance Program	10
F	Toll Violation Enforcement	11
G	MTA Compulsory Arbitration Two-Year Extender	12
Н	Transportation Worker Assault Prevention	12
I	Strengthen MTA Transit Bans	13
J	Autonomous Vehicle Technology Extender	14
K	Allow New York City To Lower Its Speed Limit	14
L	Close the DWI Loophole	15
М	County Clerk Retention	15
N	NYC Parking Reform	16
0	Empower the DOT to Seize Dangerous Vehicles	17
Р	Stop Secondary Crashes	17

PART	DESCRIPTION	STARTING PAGE NUMBER			
Q	Increase the Top Metropolitan Commuter Transportation Mobility Tax Rate				
R	Providing Financial Relief to the Metropolitan Transportation Authority				
S	Overdraft/ Non-Sufficient Funds Reform				
Т	Paperwork Reduction for Condominium Declarations				
U	Year Extension for Displaced Workers	21			
V	Authorization to Perform Natural Organic Reduction	21			
W	Authorize the use of photo inspection of private passenger automobiles for insurance claims	22			
X	Provide Virtual Meeting Flexibility for Public Bodies Serving Individuals with Disabilities	23			
Y	Reducing Barriers to Occupational Licensing	24			
Z	Increase the Authorization of the Dormitory Authority of the State of New York to Issue Hospital and Nursing Home Project Bonds and Notes	24			
AA	Authorize the Dormitory Authority of the State of New York to provide planning, design, procurement, and construction management services to entities that have been awarded Downtown Revitalization and NY Forward grants or loans	25			
BB	Extend the Authorization of the Dormitory Authority of the State of New York to Operate a PILOT Program for Small and Minority-Owned and Women-Owned Businesses	26			
CC	Create the Extended Prosperity and Innovation Campuses ("EPIC") Initiative	26			
DD	Innovation Matching Funds for Small Businesses	28			
EE	Increase Battery Park City Authority Bond Capacity	28			

PART	DESCRIPTION	STARTING PAGE NUMBER			
FF	Increase Maximum Award Available under the Excelsior Linked Deposit Program				
GG	Extend the general loan powers of the New York State Urban Development Corporation				
НН	Provide for Reciprocity between New York State and New York City MWBE Certification and Increase the Discretionary Procurement Threshold for MWBEs for New York City and New York State				
II	Provide for Alternative Project Delivery Methods for the City of New York				
JJ	Extend the authorization of the New York State Urban Development Corporation to administer the Empire State Economic Development Fund				
KK	Provide for exempting certain public construction projects from certain insurance restrictions for the City of New York				
LL	Extend the Dormitory Authority of the State of New York's ability to enter into design and construction management agreements	34			
MM	Snowmobile Registration Fee Increase	35			
NN	Pleasure Vessel Equipment Standards	36			
00	Bolstering Demand for New York Agriculture	36			
PP	Waste Reduction and Recycling Infrastructure Act	37			
QQ	Clean Up "Forever Chemicals"	38			
RR	Make the Youth Deer Hunting Program Permanent	39			
SS	Pesticide Registration Fee	40			
TT	Suffolk County Water Quality Restoration Act	40			
UU	Lead Service Lines	41			

PART	DESCRIPTION	STARTING PAGE NUMBER
VV	Makes Permanent Assessments on Cable Television Companies and Public Utilities	42
WW	Making New York Buildings More Sustainable	42
XX	Authorize NYPA to Build Renewable Energy Generating Projects	44
YY	Extend NYPA's Authority to Procure and Sell Power	45
ZZ	Annual NYSERDA Special Assessment	45
AAA	Advancing a Cap-and-Invest Program for New York	46

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, in relation to owner liability for failure of operator to comply with bus operation-related local law or regulation traffic restrictions and to the adjudication of certain parking infractions; to amend part II of chapter 59 of the laws of 2010, amending the vehicle and traffic law and the public officers law relating to establishing a bus rapid transit demonstration program to restrict the use of bus lanes by means of bus lane photo devices, in relation to the effectiveness thereof; and providing for the repeal of certain provisions upon expiration thereof (Part A); to amend the vehicle and traffic law, in relation to establishing a Triborough bridge and tunnel authority photo speed violation monitoring system demonstration program; and providing for the repeal of such provisions upon expiration thereof (Part B); to amend part PP of chapter 54 of the laws of 2016, amending the public authorities law relating to the New York transit authority and the metropolitan transportation authority, in relation to making permanent certain tax increment financing provisions; to amend the public authorities law, in relation to contracts entered into by the metropolitan commuter transportation district; 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 extending certain metropolitan transportation authority procurement provisions; to amend the public authorities law, in relation to making conforming changes; and to repeal subdivisions 1, 2, 3, 4 and 6 of section 1209 of the public authorities law, relating to contracts for public work and purchasing contracts (Part C); to amend the public authorities law and the state finance law, in relation to alignment of transit fare costs; to amend the state finance law, in relation to establishing the Metropolitan transportation authority schoolfare assistance fund; and to amend part UUU of chapter 58 of the laws of 2020 amending the state finance law relating to providing funding for the Metropolitan Transportation Authority 2020-2024 capital program and paratransit operating expenses, in relation to the effectiveness thereof (Part D); to amend the insurance law, in relation to extending owner controlled insurance programs in certain instances (Part E); to amend the vehicle and traffic law, in relation to increasing the penalties for purposefully obstructed license plates (Part F); to amend chapter 929 of the laws of 1986 amending the tax law and other laws relating to the metropolitan transportation authority, in relation to extending certain provisions thereof applicable to the resolution of labor disputes (Part G); to amend the penal law and the vehicle and traffic law, in relation to assaults upon certain employees of a transit agency or authority, highway workers, motor vehicle inspectors, motor carrier investigators, and certain classes of public employees (Part H); to amend the penal law, in relation to transit crimes and prohibition orders relating to such crimes (Part I); 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 effectiveness thereof (Part J); to amend the vehicle and traffic law, in relation to establishing

speed limits in cities with populations in excess of one million people (Part K); to amend the vehicle and traffic law, in relation to certain convictions which shall preclude relicensing of drivers (Part L); to amend the vehicle and traffic law, in relation to county clerk retention of fees (Part M); to amend the vehicle and traffic law, in relation to the increasing fees for violations, to notices of violations and dismissal of violations, and to appeals of final determinations of a hearing examiner (Part N); to amend the transportation law, in relation to allowing for the immediate suspension, seizure, and impoundment of certain passenger carrying vehicles regulated by the department of transportation (Part O); to amend the vehicle and traffic law, in relation to requiring the driver of a vehicle involved in an accident involving no personal injury or death, to move the vehicle to a safe location in the vicinity of the incident (Part P); to amend the tax law, in relation to the metropolitan commuter transportation mobility tax rate; and providing for the repeal of certain provisions upon the expiration thereof (Part Q); to amend the racing, pari-mutuel wagering and breeding law, the state finance law and the public authorities law, in relation to the disposition of money from certain gaming activity; and providing for the repeal of such provisions upon expiration thereof (Part R); to amend the banking law, in relation to authorizing the department of financial services to promulgate regulations relating to the payment of debit and credit transactions and imposition of related fees by banking organizations (Part S); to amend the real property law, in relation to condominium declarations; and to repeal certain provisions of such law relating thereto (Part T); to amend chapter 495 of the laws of 2004, amending the

insurance law and the public health law relating to the New York state health insurance continuation assistance demonstration project, in relation to the effectiveness thereof (Part U); to amend the general business law, the not-for-profit corporation law and the public health law, in relation to creating a natural organic reduction process (Part V); to amend the insurance law, in relation to inspections of automobiles; and providing for the repeal of such provisions upon expiration thereof (Part W); to amend the public officers law, in relation to providing virtual meeting flexibility for public bodies serving individuals with disabilities (Part X); to amend the general business law, in relation to reducing barriers to occupational licensing for cosmetologists (Part Y); to amend the New York state medical care facilities finance agency act, in relation to the ability to issue certain bonds and notes (Part Z); to amend the public authorities law, in relation to authorizing the dormitory authority to provide its services to recipients of grants and loans from the downtown revitalization program and NY forward program (Part AA); to amend chapter 97 of the laws of 2019 amending the public authorities law relating to the award of contracts to small businesses, minority-owned business enterprises and women-owned business enterprises, in relation to extending the effectiveness thereof (Part BB); to amend the economic development law, the education law, the real property tax law, the tax law, the labor law and the administrative code of the city of New York, in relation to creating the EPIC program (Part CC); to amend the urban development corporation act, in relation to the small business innovation research and small business technology transfer grant programs (Part DD); to

amend the public authorities law, in relation to the Battery Park city authority (Part EE); to amend the state finance law, in relation to the excelsior linked deposit program (Part FF); 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 GG); to amend the executive law, in relation to reciprocal minority and women-owned business enterprise certification; to amend the state finance law, in relation to discretionary purchases to certified minority and women-owned business enterprises; to amend the New York city charter, in relation to procurements of goods, services and construction; and to repeal certain provisions of the executive law relating thereto (Part HH); to amend the New York city public works investment act, in relation to authorizing the use of certain alternative project delivery methods (Part II); to amend the New York state 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 JJ); to amend the insurance law, in relation to exempting certain public construction projects from certain restrictions (Part KK); to amend part BB of chapter 58 of the laws of 2012, amending the public authorities law, relating to authorizing the dormitory authority to enter into certain design and construction management agreements, in relation to the effectiveness thereof (Part LL); to amend the vehicle and traffic law and the parks, recreation and historic preservation law, in relation to fees for the registration of snowmobiles and fees collected for the snowmobile trail and

maintenance fund (Part MM); to amend the navigation law, in relation to equipment to be carried on vessels (Part NN); to amend the general municipal law, in relation to purchase contracts for New York State grown, harvested, or produced food and food products (Part OO); to amend the environmental conservation law, in relation to enacting the "waste reduction and recycling infrastructure act"; and to amend the state finance law, in relation to creating the waste reduction, reuse, and recycling fund (Part PP); to amend the environmental conservation law, in relation to environmental restoration projects; and to repeal certain provisions of law relating thereto (Part QQ); to amend the environmental conservation law and chapter 55 of the laws of 2021 amending the environmental conservation law relating to establishing a deer hunting pilot program, in relation to making the youth deer hunting program permanent (Part RR); to amend the environmental conservation law, in relation to pesticide registration timetables and fees and to amend chapter 67 of the laws of 1992, amending the environmental conservation law relating to pesticide product registration timetables and fees, in relation to the effectiveness thereof (Part SS); to amend the county law, in relation to enacting the "Suffolk County water quality restoration act", authorizing the county of Suffolk to establish a water quality restoration fund, and authorizing the county of Suffolk to form a county-wide sewer and wastewater management district; and to amend the local finance law, in relation to the period of probable usefulness of septic systems funded by programs established by the county of Suffolk (Part TT); to amend the local finance law, in relation to providing a period of probable usefulness for lead service line replacement

programs as a capital asset (Part UU); to authorize utility and cable television assessments that provide funds to the department of health from cable television assessment revenues and to the department of agriculture and markets, department of environmental conservation, department of state, and the office of parks, recreation and historic preservation from utility assessment revenues (Part VV); to amend the energy law and the executive law, in relation to zero on-site greenhouse gas emissions building codes for new construction, phasing out heating and hot water equipment in existing buildings, and establishing building energy grades (Part WW); to amend the public authorities law and the public service law, in relation to advancing renewable energy development; establishing the renewable energy access and community help program; and providing funding to help prepare workers for employment in the renewable energy field (Part XX); to amend part LL of chapter 58 of the laws of 2019 amending the public authorities law relating to the provision of renewable power and energy by the Power Authority of the State of New York, in relation to extending the effectiveness thereof (Part YY); in relation to 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 program, as well as climate change related expenses of the department of environmental conservation from an assessment on gas and electric corporations (Part ZZ); and to amend the environmental conservation law, the public authorities law and the state finance law, in relation to the creation of the New York cap and invest program and climate action fund (Part AAA)

PURPOSE:

This bill contains provisions needed to implement the Transportation, Economic Development and Environmental Conservation portion of the FY 2024 Executive Budget.

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

Part A – Expand Camera Enforcement for MTA Bus Operations

Purpose:

This bill would amend the Vehicle and Traffic Law to make permanent New York City's Automatic Bus Lane Enforcement (ABLE) program, and to create a demonstration program for camera enforcement of traffic violations obstructing bus operations outside of designated bus lanes covered by ABLE.

Summary of Provisions and Statement in Support:

This bill would make permanent authorization for the ABLE program, which permits New York City and the Metropolitan Transportation Authority to employ camera technology to enforce traffic violations that obstruct dedicated bus lanes. This bill would also add a new section to the Vehicle and Traffic Law, authorizing a demonstration program to use camera technology to enforce certain New York City traffic laws prohibiting drivers from blocking no stopping and no standing zones, bus stops, and bicycle lanes.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it grants authority to develop and deploy new traffic enforcement technologies.

Effective Date:

This bill would take effect immediately.

Part B – Triborough Bridge and Tunnel Authority Speed Cameras

Purpose:

This bill would authorize the Metropolitan Transportation Authority Triborough Bridge and Tunnel Authority (TBTA) to establish a demonstration program for camera enforcement of speeding violations on bridges and tunnels and their adjacent approaches, entrances, and exits.

Summary of Provisions and Statement in Support:

This bill would amend the Vehicle and Traffic Law to authorize the TBTA to establish a demonstration program to enforce speed limits in and around bridges and tunnels with camera technology enabled speed violation monitoring systems. The bill would also provide requirements for the demonstration program concerning enforcement, data privacy, and adjudication procedures, among other elements.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2024 Executive Budget because it affects the operations and toll revenues of the TBTA.

Effective Date:

This bill would take effect one year after it becomes law.

Part C - MTA Tax Increment Financing and Procurement Extender

Purpose:

This bill would make permanent provisions authorizing the creation of "mass transportation capital districts" to facilitate Tax Increment Financing for Metropolitan Transportation Authority (MTA) capital projects and certain provisions governing MTA procurement.

Summary of Provisions and Statement in Support:

This bill would make permanent municipalities' ability to create "mass transportation capital districts" to facilitate Tax Increment Financing of MTA capital projects. This authority would allow municipalities within the Metropolitan Commuter Transportation District to work with the MTA to establish alternative funding arrangements for capital projects that benefit their communities. The bill would also make permanent certain MTA procurement provisions and eliminates dormant provisions which they replaced.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it will provide the MTA with financing opportunities to support its capital program and allow for uninterrupted MTA procurement operations.

Effective Date:

This bill would take effect immediately.

Part D – Increase NYC's Contribution to the MTA

Purpose:

This bill would increase New York City's (NYC) contribution to the Metropolitan Transportation Authority's (MTA) paratransit and student MetroCard programs and would direct NYC to help the State offset revenue losses that result from exemptions to the Payroll Mobility Tax (PMT).

Summary of Provisions and Statement in Support:

This bill would increase funding to the MTA and help close its deficit in three ways. First, the bill would require NYC to fund all net operating expenses currently paid by the MTA for paratransit services. Today, NYC provides only 50% of paratransit funding. Second, the bill would require NYC to fund the MTA's net fare losses from providing reduced fare MetroCards to NYC students in grades K through 12, estimated at over \$100,000,000 after existing NYC and State contributions. Third, the bill would enlist NYC's help to offset lost tax receipts from PMT exemptions. Under the Tax Law, certain employers are exempt from paying PMT, a dedicated MTA funding stream. The State currently pays \$244,000,000 annually to help offset foregone PMT payments. This bill would require NYC to match 47% of the State's contribution, aligned with increased PMT rates, which would be \$115,000,000 of additional revenue to the MTA at present State funding levels.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2024 Executive Budget because it would provide approximately \$500,000,000 of new revenue to the MTA.

Effective Date:

This bill would take effect on July 1, 2023.

Part E – Expand MTA Owner Controlled Insurance Program

Purpose:

This bill would allow the Metropolitan Transportation Authority (MTA) to expand its Owner Controlled Insurance Program (OCIP) and reduce the cost of capital programs.

Summary of Provisions and Statement in Support:

Current law authorizes insurance coverage through an OCIP for a limited set of projects, including projects related to the construction and extension of railroads, and the MTA has successfully used its OCIP to reduce the cost of many of its capital construction projects. This bill would authorize the MTA to expand that successful program to capital projects related to buses, bridges, and tunnels.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it would provide substantial savings on MTA capital projects.

Effective Date:

This bill would take effect immediately.

Part F - Toll Violation Enforcement

Purpose:

This bill would improve toll collection efforts by the Metropolitan Transportation Authority, Triborough Bridge and Tunnel Authority, and other tolling authorities, by outlawing certain common toll evasion practices and strengthening enforcement actions and penalties to respond to such practices.

Summary of Provisions and Statement in Support:

This bill would amend the Vehicle and Traffic Law to make unlawful certain common methods by which drivers render license plates difficult or impossible to read. It would also authorize law enforcement and the Department of Motor Vehicles to take appropriate enforcement actions against drivers who knowingly alter their license plates so that they are unreadable in a photographic image. The enhanced enforcement provisions include increased fines, the authority to seize materials affixed for the purpose of blocking numbered plates, and the authority to deny and suspend registrations for drivers who fail to remedy obstructed license plates despite a judicial or administrative order.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it would affect tolling enforcement operations.

Effective Date:

This bill would take effect one year after enactment.

Part G – MTA Compulsory Arbitration Two-Year Extender

Purpose:

This bill would extend certain dispute resolution provisions to facilitate settlements between the Metropolitan Transportation Authority (MTA) and labor representatives.

Summary of Provisions and Statement in Support:

Chapter 929 of the laws of 1986, as amended by Chapter 120 of the laws of 2021, included provisions related to the use of compulsory arbitration to resolve impasses in collective bargaining negotiations between the MTA and its labor representatives. Compulsory arbitration has historically helped resolve MTA labor disputes, thereby avoiding disruptions in service. These provisions are set to expire on July 1, 2023. This bill would extend the sunset provision by two years, from July 1, 2023, to July 1, 2025.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it promotes collective bargaining resolutions with significant impacts on statewide transit service.

Effective Date:

This bill would take effect immediately.

Part H - Transportation Worker Assault Prevention

Purpose:

This bill would provide that attacks causing physical injury against traffic checkers, motor vehicle license examiners, motor vehicle representatives, highway workers, motor carrier investigators, and motor vehicle inspectors, constitute assault in the second degree.

Summary of Provisions and Statement in Support:

The Penal Law protects certain workers by providing that it is a Class D felony, assault in the second degree, to attack and physically injure them while they are performing their duties.

This bill would amend the Penal Law to further deter workplace violence by adding the following protected titles to existing law: traffic checker, motor vehicle license examiner, motor vehicle representative, highway worker, motor carrier investigator, and motor vehicle inspector.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it will deter crimes against public employees and allow State entities to deliver services more effectively.

Effective Date:

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

Part I – Strengthen MTA Transit Bans

Purpose:

This bill would improve public safety by expanding the authority of judges to ban individuals who are convicted of assaults on other riders from the Metropolitan Transportation Authority (MTA) system as an element of sentencing.

Summary of Provisions and Statement in Support:

Current law allows sentencing judges to ban individuals from the MTA system if convicted of unlawful sexual conduct against passengers, customers, or MTA employees, or assault against MTA employees. This bill would amend the Penal Law to also include individuals who assault other passengers, customers, or MTA contractors. The bill would also clarify a judge's authority to impose an MTA ban as an element of sentencing. These provisions would encourage a return to ridership by reducing the likelihood of encountering dangerous individuals and deterring violent behavior in the MTA system.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it promotes safety and increased ridership in the MTA system.

Effective Date:

This bill would take effect immediately.

Part J – Autonomous Vehicle Technology Extender

Purpose:

This bill would extend the authority of the Commissioner of the Department of Motor Vehicles (DMV) to authorize demonstrations and tests of autonomous vehicle technology.

<u>Summary of Provisions and Statement in Support:</u>

This proposal would amend part FF of chapter 55 of the laws of 2017, extending the DMV's authority to approve demonstrations and tests of motor vehicles equipped with autonomous vehicle technology from April 1, 2023, to April 1, 2024. This would allow for more time to gather relevant data and consider the impacts of this technology.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget to allow more time to develop and report on research into the potential impacts of autonomous vehicle technology.

Effective Date:

This bill would take effect immediately.

Part K – Allow New York City To Lower Its Speed Limit

Purpose:

This bill amends the Vehicle and Traffic Law (VTL) to allow New York City (NYC) to lower its speed limit.

Summary of Provisions and Statement in Support:

This bill amends Section 1642 of the VTL to allow NYC to set speed limits as low as 20 miles per hour, and as low as 10 miles per hour in school zones and other traffic calming zones.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2024 Executive Budget because it would provide NYC with flexibility to lower its speed limits, affecting road operations.

Effective Date:

This bill would take effect immediately.

Part L - Close the DWI Loophole

Purpose:

The Vehicle and Traffic Law provides that a person shall not be issued a driver's license if convicted twice of dangerous driving offenses listed in the statute, where physical injury resulted. This bill would add certain driving while intoxicated, vehicular assault, and vehicular homicide offenses to the list of dangerous driving offenses.

Summary of Provisions and Statement in Support:

Current law provides that a license shall not be issued to a person who has been twice convicted of certain offenses, including driving while intoxicated, driving while ability impaired by drugs, and driving while ability impaired by the combination of drugs and alcohol, where physical injury occurred as a result of the violation.

This bill would amend the Vehicle and Traffic Law to add driving while intoxicated "per se", aggravated driving while intoxicated, vehicular assault in the first or second degree, aggravated vehicular assault, vehicular manslaughter in the first or second degree, and aggravated vehicular homicide to the list of applicable offenses. It would clarify that the two violations can be any combination of the offenses listed.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it affects state licensure operations.

Effective Date:

This bill would be effective immediately.

Part M – County Clerk Retention

Purpose:

This bill would change the share of revenue retained by county clerk offices that provide services on behalf of the Department of Motor Vehicles (DMV).

Summary of Provisions and Statement in Support:

In certain counties of the State, the office of the county clerk acts as the agent of the DMV and performs DMV services for the county. This bill would amend the Vehicle and Traffic Law to allow those offices to retain 10.75% of revenue gathered from DMV transactions they perform, whether the transaction occurred in-office or online by county

residents. Under current law, county clerk offices acting as agents of the DMV retain 12.7% of revenue collected in-office, and 3.25% of revenue collected online.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it will increase the amount of revenue retained by counties who perform DMV services by \$13 million annually.

Effective Date:

This bill would take effect on January 1, 2024.

Part N - NYC Parking Reform

Purpose:

This bill would amend the Vehicle and Traffic Law (VTL) to increase fines for parking certain overweight vehicles overnight in New York City's residential neighborhoods and reform the adjudication and notice of violation processes for New York City parking violations.

Summary of Provisions and Statement in Support:

This bill would increase the maximum fines for parking certain overweight vehicles overnight in New York City's residential neighborhoods to \$400 for a first offense and \$525 for subsequent offenses within six months. The bill would also close loopholes in the VTL to ensure that penalties apply to drivers who park illegally with invalid or missing license plates, prolong the statute of limitations for summonses dismissed as the result of fraud, and amend the process by which drivers may appeal parking violations.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it will allow for more efficient enforcement of parking laws and penalty collections.

Effective Date:

This bill would take effect immediately, provided that the extended statute of limitations would apply to determinations made after the first day of the first month 60 days after it becomes law.

Part O – Empower the DOT to Seize Dangerous Vehicles

Purpose:

This bill would allow the Department of Transportation (DOT) to suspend, seize, and impound certain large passenger carrying vehicles that fail inspections and are placed out of service, such as vans, ambulettes, motor coaches, buses, and party buses. This bill would give DOT the same power over all dangerous large passenger vehicles that it currently has over stretch limousines.

Summary of Provisions and Statement in Support:

This proposal amends section 140 of the Transportation Law to authorize the DOT Commissioner to seize the number plates of certain passenger carrying vehicles and impound or immobilize the vehicles when such vehicles have failed an inspection and have been placed out of service. The current law allows only for the immediate suspension, seizure, and impoundment of "stretch limousines." However, stretch limousines represent only a small fraction of the large passenger carrying vehicles on the road.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it would alter the scope of the DOT's supervisory and enforcement operations.

Effective Date:

This bill would take effect immediately.

Part P – Stop Secondary Crashes

Purpose:

This bill would clarify motorists' responsibility to move vehicles out of the flow of traffic in the event of a minor vehicle accident involving no personal injury or death.

Summary of Provisions and Statement in Support:

This legislation amends sections 600 and 1200 of the Vehicle and Traffic Law to clarify motorists' responsibility to move vehicles out of the flow of traffic in the event of minor vehicle accidents.

This proposal would clarify the role of motorists involved in minor accidents, making it more likely that they will clear travel lanes in a safe and timely manner. This is

anticipated to reduce the likelihood of secondary crashes caused by roadway obstructions and reduce traffic congestion caused by minor crashes.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it will affect State highway operations.

Effective Date:

This bill would take effect immediately.

Part Q – Increase the Top Metropolitan Commuter Transportation Mobility Tax Rate

Purpose:

This bill would increase the top Metropolitan Commuter Transportation Mobility Tax ("MCTMT") rate from 0.34% to 0.50%.

Summary of Provisions and Statement in Support:

The MCTMT is imposed on certain employers and self-employed individuals engaging in business within the Metropolitan Commuter Transportation District ("MCTD"), which includes New York City, Long Island, and the counties of Dutchess, Orange, Putnam, Rockland, and Westchester. The Tax Law currently sets the top rate at 0.34% of payroll expenses within the MCTD and on self-employed individuals. This bill would increase the top rate on employers to 0.50%, effective July 1, 2023.

This bill would also increase the rate imposed upon net earnings from self-employment to 0.42% for tax year 2023 and to 0.50% for tax years beginning on or after January 1, 2024. This gradual rate increase would create parity between the MCTMT imposed upon the payroll expenses and net earnings from self-employment.

The COVID-19 pandemic caused extraordinary impacts that reduced MTA operating revenues. To account for some of these impacts, this bill's provisions would generate additional revenue to support continued, reliable MTA service to businesses in the MCTD and for their employees who use the system.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it would generate an additional \$800 million annually to support transit service in the MCTD.

Effective Date:

This act would take effect immediately, provided that the amendment made by section one of this act shall apply to quarters beginning on or after July 1, 2023; the amendment made by section two of this act shall apply to taxable years beginning on or after January 1, 2023 and before January 1, 2024; and the amendment made by section three of this act shall apply to taxable years beginning on or after January 1, 2024.

Part R – Providing Financial Relief to the Metropolitan Transportation Authority

Purpose:

This bill would dedicate revenue from certain casino fees and taxes to the Metropolitan Transportation Authority (MTA).

Summary of Provisions and Statement in Support:

The issuance of the three remaining commercial casino licenses was authorized in 2022. Each selected licensee will be required to pay a minimum license fee of \$500 million dollars. In addition, the gross gaming revenue of these new gaming facilities would be subject to a State tax.

This bill would amend the Racing, Pari-Mutuel Wagering and Breeding, State Finance, and Public Authorities Laws to dedicate the majority of these funds to the MTA to be used for its operations. The State portion of taxes and fees (80%) would be directed to the MTA. If a facility is located in New York City (NYC), the local portion (20%) would be directed to the MTA. Host and regional municipalities outside of NYC would continue to receive 20% of these funds.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget to provide financial support to the MTA.

Effective Date:

This bill would take effect immediately and expire and be repealed in 10 years.

Part S - Overdraft/ Non-Sufficient Funds Reform

Purpose:

This bill would amend the Banking Law to authorize the Department of Financial Services to promulgate regulations relating to the payment of debit and credit card transactions and imposition of overdraft, insufficient funds, and return deposit item fees by banking organizations.

Summary of Provisions and Statement in Support:

The Banking Law, as currently written, constrains how banking institutions may process checks, requiring them to be processed either in the order received or low to high. The law does not address the processing of non-check payments thereby limiting its protective effect for New York consumers.

This bill would target opportunistic sequencing, overdraft fees, and non-sufficient fund "junk" fees by amending certain portions of the Banking Law to: 1) prohibit opportunistic sequencing of electronic payments and other debit transactions; 2) implement reasonable restrictions on overdraft fee practices; and 3) implement reasonable restrictions on non-sufficient fund fee practices.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget.

Effective Date:

This act would take effect immediately.

Part T – Paperwork Reduction for Condominium Declarations

Purpose:

This bill would eliminate the requirement that lengthy condominium declarations be filed with both the county and the Department of State (DOS) and require that only a designation of service of process be filed with DOS.

Summary of Provisions and Statement in Support:

This bill would simplify the filing requirements for condominiums subject to Article 9-B of the Real Property Law by requiring the board of managers to submit its designation of its agent for service of process with DOS, rather than the lengthy declaration. This bill also sets forth requirements for effectuating service of process upon DOS as agent for the condominium board of directors.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget and will reduce administrative costs and paperwork.

Effective Date:

This bill would take effect on the 90th day after it shall have become a law.

Part U – Year Extension for Displaced Workers

Purpose:

This bill would extend the Assistance Demonstration Project, originally enacted in 2004, which allows the Superintendent of the Department of Financial Services to subsidize health insurance continuation benefits available to eligible displaced workers.

Summary of Provisions and Statement in Support:

Under the Insurance Law, the New York State Health Insurance Continuation Assistance Demonstration Project provides health insurance for people in the entertainment industry and other dislocated workers. This bill extends the Project, regarding insurance for displaced workers, by an additional year.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget to provide eligible individuals to maintain health insurance.

Effective Date:

This bill would take effect immediately.

Part V – Authorization to Perform Natural Organic Reduction

Purpose:

This bill will enable authorized persons and businesses, in addition to cemetery corporations, to perform natural organic reduction (NOR), a process of reducing human remains through biological decomposition.

Summary of Provisions and Statement in Support:

The legislation will allow the Department of State (DOS) to evaluate applications and grant authorization to persons and businesses to perform NOR in accordance with

operational and regulatory requirements that ensure the safe and dignified treatment of remains. The failure to comply with such requirements may result in criminal or civil penalties, including revocation of approval to perform NOR.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2024 Executive Budget. The estimated cost of implementing the proposal would be \$400,000 to update DOS systems.

Effective Date:

This act shall take effect on the 180th day after becoming law, though changes to the Not-for-Profit Corporation Law shall take effect on the same date and in the same manner as Chapter 817 of the Laws of 2022, takes effect.

Part W – Authorize the use of photo inspection of private passenger automobiles for insurance claims

Purpose:

This bill would amend the Insurance Law to allow insurance companies to waive inspection of second-hand motor vehicles with an affidavit before an owner can obtain insurance. This process would be in lieu of the direct inspection of second-hand motor vehicles that is currently required by law to obtain motor vehicle insurance.

Summary of Provisions and Statement in Support:

The current inspection law was first enacted in 1977 to address problems of insurance fraud. Second-hand motor vehicles are required to be inspected before insurance is issued to deter fraudulent claims.

This law has since become outdated, and this bill would update the law to allow an auto insurance company to waive the right to inspection of some or all motor vehicles by filing an affidavit with the Department of Financial Services (DFS).

This bill would apply to all insurance policies issued, renewed, altered or modified on or after such effective date.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget, which includes funding for DFS to support of their duty to regulate the insurance industry.

Effective Date:

This bill would take effect immediately but expire and be deemed repealed on October 1, 2027.

Part X – Provide Virtual Meeting Flexibility for Public Bodies Serving Individuals with Disabilities

Purpose:

This bill would provide flexibility with regard to the holding of in-person meetings under the Open Meetings Law for public bodies serving the disability community, by authorizing the use of virtual meetings for these entities.

Summary of Provisions and Statement in Support:

This bill would ensure that public boards, committees, and task forces organized for the express purpose of addressing issues specific to individuals with disabilities, and subject to the State's Open Meetings Law, would maintain the ability to meet virtually as had been authorized for all public bodies during the COVID-19 pandemic. The multiple public bodies serving the disability community are primarily composed of representatives who themselves have a disability. This has presented difficulties in achieving a quorum for in-person meetings to conduct the business of these entities. The ability of individuals with disabilities to attend, listen, and participate in in-person public meetings has also presented challenges, which reduces public participation. Virtual meetings offer increased access for some individuals with disabilities, making it easier for them to use aids such as American Sign Language interpreters and to view meetings where physical attendance may be challenging.

This bill would also maintain the requirements that any fully virtual meeting be broadcast for the public to view or listen and that the meetings be recorded and transcribed.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget.

Effective Date:

This bill would take effect immediately with the underlying law scheduled to expire on July 1, 2024.

Part Y - Reducing Barriers to Occupational Licensing

Purpose:

This bill would remove entry barriers to the occupation of cosmetology by creating an apprenticeship pathway to occupational licensure as a cosmetologist and would simplify the apprenticeship requirements for nail specialty and barber trainees.

Summary of Provisions and Statement in Support:

This bill would amend the General Business Law to reduce barriers to becoming a cosmetologist by creating an apprenticeship option to obtain a cosmetology license. An apprenticeship would eliminate the high cost of pre-licensing education while still ensuring competency and safety through supervised work experience and successful completion of exams. This bill would also simplify existing apprenticeship options for the nail specialty and barber professions by establishing similar pre-requisites to licensure.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because estimated revenues from implementing the proposal are \$640,000 annually. The estimated cost of implementing the proposal would be \$1 million for IT system changes and the proposal carries a \$500,000 recurring operational cost.

Effective Date:

This bill would take effect on the 180th day after passage.

Part Z – Increase the Authorization of the Dormitory Authority of the State of New York to Issue Hospital and Nursing Home Project Bonds and Notes

Purpose:

This bill would increase the authority of the Dormitory Authority of the State of New York (DASNY) to issue hospital and nursing home project bonds and notes, from \$17.4 billion to \$18.2 billion.

<u>Summary of Provisions and Statement in Support:</u>

DASNY is the successor to the New York State Medical Care Facilities Finance Agency (MCFFA) pursuant to the Health Care Financing Consolidation Act of 1995. This bill would amend the MCFFA Act to increase DASNY's authorization to issue hospital and nursing home project bonds and notes from \$17.4 billion to \$18.2 billion.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget as it ensures that DASNY has sufficient capacity to support future needs for additional healthcare projects.

Effective Date:

This bill would take effect immediately.

Part AA – Authorize the Dormitory Authority of the State of New York to provide planning, design, procurement, and construction management services to entities that have been awarded Downtown Revitalization and NY Forward grants or loans

Purpose:

This bill would authorize the Dormitory Authority of the State of New York (DASNY) to provide planning, design, procurement, and construction management services to municipalities and certain other governmental entities that have been awarded grants or loans pursuant to the New York State Downtown Revitalization Initiative (DRI) and NY Forward programs.

Summary of Provisions and Statement in Support:

The bill would amend the definition of the terms "dormitory" and "educational institution" contained in the Public Authorities Law, to include any recipient of loan or grant as part of the DRI or NY Forward programs administered by the Department of State. The inclusion of such entities within the definitions of "dormitory" and "educational institutions" would authorize DASNY to provide planning, design, procurement, and construction management services to entities receiving from DRI or NY Forward grants or loans.

Budget Implications:

The bill is necessary to implement the FY 2024 Executive Budget and would authorize a more efficient means for DASNY to provide planning, design, procurement, and construction management services to local communities receiving DRI and NY Forward grant funding, providing future projects that have State funding a more efficient path to completion.

Effective Date:

This bill would take effect immediately.

Part BB – Extend the Authorization of the Dormitory Authority of the State of New York to Operate a PILOT Program for Small and Minority-Owned and Women-Owned Businesses

Purpose:

The bill would extend the authorization for the Dormitory Authority ("DASNY") to operate a pilot program to expand contracting opportunities for small businesses and minority-owned and women-owned businesses under Public Authorities Law §1678 (29) for four years.

Summary of Provisions and Statement in Support:

The bill would extend the program, currently in place until July 1, 2023 to July 1, 2027, and would ensure that the program consists of an annual amount not to exceed a total value of \$20 million or 5% of the value of all DASNY construction contracts awarded in a given fiscal year. This bill would continue to promote the State's policy objectives of encouraging the continued development of small businesses and minority-owned and women-owned businesses participating the State procurement process, ensuring that these businesses have access to a variety of eligible programs.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it is vital to the economy.

Effective Date:

This bill would take effect immediately.

Part CC – Create the Extended Prosperity and Innovation Campuses ("EPIC") Initiative

Purpose:

The bill creates the Extended Prosperity and Innovation Campuses ("EPIC") Initiative to replace the START-UP NY program. It expands the program and allows downstate colleges and universities to allocate off-campus land and space while eliminating the high-tech, or formative stage requirement for downstate businesses seeking to utilize the program. It also empowers the Commissioner with decision making authority when the EPIC approval board is not fully constituted or is unable to act and extends the deadline for businesses to submit applications to campuses, universities, or colleges to be located in EPIC zones.

Summary of Provisions and Statement in Support:

Section one of the bill renames the program throughout the statute; allows downstate colleges and universities to allocate off-campus land and space in the same manner as upstate schools; eliminates the requirement that downstate businesses must be hightech, or formative stage to utilize the program; extends the deadline for a business to submit an application to a campus, university, or college to be located in an EPIC zone until December 31, 2030; and provides a mechanism for decision-making by the Commissioner in the event the EPIC approval board is not fully constituted or is unable to convene.

Sections two through fourteen make technical corresponding name changes for the program throughout various statutes.

Section fifteen enacts the bill thirty days after it has become a law.

This new program is a direct response to the need to grow new businesses and help form strong partnerships between the private sector and the State's leading educational centers. Technology-related innovations have been strong growth engines for the State, leading to millions of dollars in investments and the creation of high-wage jobs.

EPIC replaces the START-UP NY program and establishes the same requirements, benefits, and eligibility criteria upstate and downstate; supports a wider range of innovation businesses; reduces barriers to participation; and increases the amount of space in the State dedicated to growing innovation and creating jobs. Participating businesses will operate tax-free for 10 years on or near eligible university or college campuses. These partnerships give businesses direct access to advanced research laboratories, development resources, and experts in key industries, resulting in increased commercialization of new technologies and ensuring mutually beneficial collaborations.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget as the EPIC initiative would expand upon the original START-UP NY program to include downstate campuses and universities, while reducing barriers to participate and extending the application deadline of the program.

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30 Days.

Part DD – Innovation Matching Funds for Small Businesses Purpose:

Establishes a matching grant program to provide contingent matching funds to small businesses who have been awarded phase one or phase two grants under the federal Small Business Innovation Research program or the federal Small Business Technology Transfer program.

Summary of Provisions and Statement in Support:

Section one adds section 52-a to the Urban Development Corporation Act to establish a matching grant program to provide contingent matching funds to small businesses who have been awarded phase one or phase two grants under the federal small business innovation research program or the federal small business technology transfer program.

Funding through this program will be used to accelerate the commercialization efforts of New York State small businesses.

Currently twenty-seven (27) other states have a matching grant program for recipients of federal Small Business Innovation Research (SBIR) and Small Technology Transfer (STTR) programs. SBIR and STTR are the nation's largest source of early-stage funding for start-ups and small business seeking to commercialize new technologies.

Without a matching program, New York State is at a competitive disadvantage when it comes to retaining these small businesses. This program will make NYS competitive with other states that currently offer such matching programs, and will leverage federal investments into the New York State innovation and small business ecosystem.

Budget Implications:

This bill would require an additional \$6 million in appropriation authority within the Department of Economic Development's Aid to Localities budget.

Effective Date:

Immediate.

Part EE – Increase Battery Park City Authority Bond Capacity

Purpose:

This bill would authorize an increase in the permitted amount of renewable and non-renewable outstanding debt for the financing of project costs for the Battery Park City project area in order to permit the Battery Park City Authority to perform critical infrastructure maintenance and resiliency-related work.

<u>Summary of Provisions and Statement in Support:</u>

This bill would amend paragraphs (a) and (f) of subdivision 1 of section 1977-a of the Public Authorities Law to increase the Battery Park City Authority's bonding capacity. Specifically, the legislation would raise the renewable bonding capacity from a not to exceed amount of \$350 million to a not to exceed amount of \$500 million, and the non-renewable bonding capacity from a not to exceed amount of \$500 million to a not to exceed amount of \$1.5 billion.

Budget Implications:

This bill is needed to implement the FY 2024 Executive Budget because it will enable Battery Park City Authority to proceed with ongoing and necessary climate resiliency and infrastructure maintenance work throughout the Battery Park City project area.

Effective Date:

This bill would take effect immediately.

Part FF – Increase Maximum Award Available under the Excelsior Linked Deposit Program

Purpose:

The Excelsior Linked Deposit program invests monies of the State in financial institutions to facilitate low-interest loans to businesses. This bill would increase the statutory cap on linked loans from \$2 million to \$6 million dollars.

Summary of Provisions and Statement in Support:

Section one of the bill increases the statutory cap on linked loans from \$2 million to \$6 million dollars.

Section two of the bill enacts the bill immediately.

This amendment will help support small businesses, seeking low-interest loans. The current cap on the maximum loan amount, and on the lifetime borrowing cap has not been increased since 2011, while business costs have continued to increase.

Budget Implications:

This bill is necessary to implement the FY 2024 budget as it will provide greater support to small businesses seeking low-interest loans.

Effective Date:

Immediate.

Part GG – 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 5 years.

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 regularly since 1997 and is currently set to expire on July 1, 2023. 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.

This bill would allow UDC to continue to make loans in connection with a broader range of economic development programs through July 1, 2028.

Budget Implications:

This bill is necessary to implement the FY 2024 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 immediately.

Part HH – Provide for Reciprocity between New York State and New York City MWBE Certification and Increase the Discretionary Procurement Threshold for MWBEs for New York City and New York State

Purpose:

To provide a mechanism for New York State to accept New York City municipal corporation certification verification for Minority and Women owned Business Enterprise applicants in lieu of requiring the applicant to complete all or a portion of the State certification process, to increase the New York State discretionary procurement

threshold for Minority and Women owned Business Enterprises (MWBEs) and Service-Disabled Veteran Owned Businesses (SDVOBs) from \$500,000 to \$1.5 million, and to increase the New York City discretionary procurement threshold for Minority and Women owned Business Enterprises (MWBEs) from \$1 million to \$1.5 Million.

<u>Summary of Provisions and Statement in Support:</u>

The bill requires that a memorandum of understanding be established between New York City and New York State to create a process whereby New York State can accept New York City's certification verification for procurement opportunities for MWBE applicants, in lieu of requiring the applicant to complete both certification processes separately. Such procedure shall provide, among other things, that all businesses certified under this Section meet the minimum certification criteria set forth in section three hundred ten of Article 15-A of Executive Law.

The recognition of New York City MWBE certification by New York State will streamline the certification process for MWBEs doing business in New York State and will increase opportunities for MWBEs and lessen administrative burdens on these businesses.

The bill additionally increases the discretionary procurement purchases for New York State and New York City. Discretionary procurements are not only meaningful growth opportunities for small businesses, but also create strong networks and direct connections between business owners and state contractors. Increasing the number and value of non-competitive contracts by raising the discretionary procurement threshold will increase access to contracts, and help more MWBEs and SDVOBs work directly as primes for both State and City agencies and authorities. This bill would build on the recently enacted legislation designed to increase MWBE participation in New York City procurement, including legislation authorizing the City (i) to establish in its Department of Design and Construction an MWBE and small contractor mentoring program; (ii) to use a procurement method to award contracts not exceeding \$1,000,000 to MWBEs without a formal competitive process; and (iii) to use the best value vendor selection technique and to provide a quantitative preference for MWBEs.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget, as it will streamline existing MWBE certification processes and increase the level of participation in State and City procurement, ultimately aiding the State and City in reaching their long standing MWBE procurement contracting goals.

Effective Date:

The portions related to the thresholds would become effective immediately and the portions related to the MOU would go into effect in one year. The bill also contains various other effective clauses.

Part II – Provide for Alternative Project Delivery Methods for the City of New York

Purpose:

This bill would amend the New York City Public Works Investment Act to authorize the use of certain alternative project delivery methods.

Summary of Provisions and Statement in Support:

This bill would amend the New York City Public Works Investment Act to create new definitions for the terms "alternative project delivery contract," "construction manager at risk," and "construction manager build," and to incorporate new capital project delivery methods. The bill would add the term "alternative project delivery contracts" and define it to include design build, construction manager build, and construction manager at risk contracts.

The bill would also amend the definition of the term "best value", clarifying that a joint venture may receive a minority and women owned business enterprise ("MWBE") point preference, provided that such joint venture includes at least one firm that is certified as an MWBE pursuant to Article 15-A of the Executive Law or local law.

Alternative project delivery tools can foster collaboration among all participating parties, selecting teams based on quality in addition to price, and allowing some steps to proceed in parallel. These tools also make coordination more efficient and effective through collaborative contracting, avoiding lengthy delays and claims.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget as it would provide flexibility to leverage alternative project delivery methods to ensure that public infrastructure projects are implemented in the most efficient manner possible.

Effective Date:

This bill would take effect immediately.

Part JJ – 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 5 years.

Summary of Provisions and Statement in Support:

Section 16-m of the Urban Development Corporation Act authorizes the UDC to provide financial assistance through the EDF. This authorization has been renewed regularly since 2012 and is currently set to expire on July 1, 2023. Authorizing this extension will allow 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.

The bill would provide for the continued administration of the EDF, the UDC's primary economic development program, through July 1, 2028.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it allows the UDC to continue to implement the EDF.

Effective Date:

This bill would take effect immediately.

Part KK – Provide for exempting certain public construction projects from certain insurance restrictions for the City of New York.

Purpose:

This bill would amend the Insurance Law to exempt certain public construction projects from certain restrictions for the City of New York to provider greater flexibility in obtaining construction insurance.

Summary of Provisions and Statement in Support:

Owner-Controlled Insurance Programs ("OCIP") and Contractor-Controlled Insurance Programs ("CCIP") construction projects create safer worksites. Under a conventional project structure, contractors and subcontractors hold multiple policies, each establishing separate safety requirements. In contrast, OCIPs and CCIPs harmonize safety standards across contractors. Under an OCIP, a single policy held by the owner covers the owner and contractors of all levels for the entire project or group of projects. Under a CCIP, the insurance policy is held by the construction manager or general contractor and also covers the owner. Under either program, all tiers of contractors on the same site are held to the same safety standards and procedures on the project. OCIPs and CCIPs also allow for an integrated data platform to facilitate safety data collection and review

This bill would exempt the City of New York, the City School District of the City of New York, the New York City Industrial Development Agency, the New York City Health and

Hospitals Corporation, and the New York City Housing Authority (NYCHA) from the definition of the terms "public corporation" and "public authority" under the relevant provisions of the Insurance Law. By excluding these entities, this bill would explicitly provide these entities with greater flexibility to obtain insurance for their construction projects and authorize the use of OCIPs and CCIPs on their projects, which are comprehensive wrap-up insurance programs common in both private and public construction projects. Small contractors, many of which are Minority- and Women-Owned Business Enterprises, often struggle to find competitive and affordable insurance options that meet the standards required for public construction projects. High insurance premiums make these businesses less competitive as prime contractors and subcontractors because they pass along increased costs to public owners in the form of higher bid prices.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it will provide greater flexibility in obtaining insurance on public construction projects in New York City.

Effective Date:

This bill would take effective immediately.

Part LL – Extend the Dormitory Authority of the State of New York's ability to enter into design and construction management agreements

Purpose:

This bill would extend the ability of the Dormitory Authority of the State of New York (DASNY) to enter into certain design and construction management agreements with the Department of Environmental Conservation (DEC) and the Office of Parks, Recreation and Historic Preservation (Parks) for an additional 5 years.

Summary of Provisions and Statement in Support:

Part BB of chapter 58 of the Laws of 2012 provides DASNY with the statutory authorization to enter into design and construction management agreements with DEC and Parks. DEC and Parks have benefitted greatly from agreements with DASNY to provide them with services, including a project that improved Niagara Falls State Park. This authorization has been renewed regularly since 2012 and is currently set to expire on April 1, 2023.

This bill would allow DASNY to carry out core design and construction management functions for these two state agencies through April 1, 2028.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget, which assumes that DASNY would enter into such design and construction management agreements.

Effective Date:

This bill would take effect immediately.

Part MM - Snowmobile Registration Fee Increase

Purpose:

This bill amends the Vehicle and Traffic Law (VTL) and the Parks, Recreation, and Historic Preservation Law (PRHPL) to increase snowmobile registration fees in order to better maintain and improve snowmobiling trails in New York.

Summary of Provisions and Statement in Support:

Snowmobile registration fees are dedicated to support the maintenance of snowmobile trails across the State.

This bill would amend the VTL Law to increase fees collected in the process of snowmobile registration. This increase in fees will result in additional support for the maintenance and improvement of snowmobile trails. Additionally, the bill would amend the PRHPL to establish increased fees for resident and nonresident snowmobile registration and to repeal the deadline by which a city, town, or village must submit information regarding yearly expenditures when applying for a snowmobile trail maintenance grant.

Budget Implications:

Enactment of this bill is necessary to implement the FY24 Executive Budget because the increased revenue associated with this fee increase will directly support the improvement and maintenance of the New York snowmobile trails.

Effective Date:

This bill would be effective immediately.

Part NN - Pleasure Vessel Equipment Standards

Purpose:

This bill would amend the Navigation Law to align with federal standards regarding safety equipment on pleasure vessels, including whistles and fire extinguishers to promote boating safety.

Summary of Provisions and Statement in Support:

This bill would amend the Navigation Law to align New York standards on safety equipment aboard pleasure vessels with recently made changes to federal standards, requiring: all vessels, including rowboats, canoes, and kayaks, to have a whistle on board for use in an emergency; the presence of a fire extinguisher on mechanically propelled vessels; and vessel operators to use engine cutoff switches on certain vessels.

These changes would achieve consistency with federal laws and regulations and promote boating safety.

Budget Implications:

This bill is necessary to implement the FY24 Executive Budget because it is critical to have state supported laws aligned with federal safety standards.

Effective Date:

This bill would take effect on January 1, 2024.

Part OO – Bolstering Demand for New York Agriculture

Purpose:

This bill would amend the General Municipal Law regarding purchase contracts for New York State grown, harvested, or produced food, to increase demand for New York agricultural products.

Summary of Provisions and Statement in Support:

This bill would amend the General Municipal Law to eliminate the restriction on purchasing from associations of more than ten producers or growers and would remove the limitations on the amounts of eggs, livestock, fish, dairy products (excluding milk), juice, grains, and species of fresh fruit and vegetables that could be purchased directly from New York State producers or growers, or associations of New York State producers or growers. It also removes the limitations on the direct purchases of milk

from licensed milk producers, regardless of the number of employees the processors employ.

Leveraging the existing amount of money that state and local governments spend on food purchases from New York sources would increase both the resilience and capacity of New York's food system. The easing of certain restrictions involving local government and school district procurements would create additional demand for New York grown agricultural products and by extension stimulate economic investments in farm production and food processing in New York.

This bill would allow certain local entities to purchase food products, grown, produced or harvested in New York, without a competitive process, so long as the amount is less than or equal to \$250,000, and would require reporting those purchases.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget as it will enable New York's agricultural sector to be a larger beneficiary of funding already used by state and local governments for the purchasing of food.

Effective Date:

This bill would take effect immediately.

Part PP - Waste Reduction and Recycling Infrastructure Act

Purpose:

This bill would create an extended producer responsibility program for packaging and paper products. The proposal would define the products and entities covered, establish minimum convenience standards, recycling rates, recovery rates, post-consumer recycled content rates, source reduction rates, and create funding mechanism. The intent of this bill is to reduce waste throughout the state as the majority of municipal waste stream is recyclable material.

Summary of Provisions and Statement in Support:

This bill would require a producer to join a producer responsibility organization (PRO) in the state that would be responsible for creating a program to provide for the collection and recycling of packaging and paper products or implement such program individually. The program would be comprised of a collection network providing consumers the opportunity to responsibly manage waste product packaging and paper products at the end of their useful lives, to be fully financed by product producers. Producers would be prohibited from selling certain products unless they are either implementing their own individual approved extended producer responsibility program or participating in an

approved PRO. This bill would also require a producer or PRO to consult with the advisory committee established by the Department of Environmental Conservation (DEC) to help inform the producer's or PRO's program plan and sets forth enforcement provisions and penalties for noncompliance.

Additionally, this bill would establish registration requirements and fees for individual producers or PROs, which would be deposited into the waste reduction, reuse, and recycling fund created in the bill. This funding would be used for DEC's implementation of the law.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because the proposal will create a fund to receive revenues collected by producers for DEC to administer and enforce the law. This proposal would require an estimated 8 new FTEs for program implementation, at an estimated cost of \$1 million annually which would eventually be supported by the new fund.

Effective Date:

This bill would take effect January 1, 2024.

Part QQ - Clean Up "Forever Chemicals"

Purpose:

This bill would establish a new program to aid municipalities in investigating and remediating sites contaminated with emerging contaminants, such as per- and polyfluoroalkyl substances (PFAS), known as "forever chemicals." This new program would incentivize a local response to protect the public's drinking water from forever chemicals and support cleanup efforts where there is no identifiable responsible party.

Summary of Provisions and Statement in Support:

This bill would amend the Environmental Conservation Law to expand the Environmental Restoration Program (ERP) to allow available state appropriations to support municipalities in investigating and remediating municipally owned sites contaminated with PFAS and emerging contaminants. This bill would also make technical amendments to disqualify municipalities that deliberately caused contamination, allow for settlement funds a municipality receives to be used as the local match, and broaden the eligibility criteria for projects under ERP.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it allows for state funds to be used for a newly established program aimed at cleaning up contaminants.

Effective Date:

This bill would take effect immediately.

Part RR – Make the Youth Deer Hunting Program Permanent

Purpose:

This bill would make the pilot deer hunting program for mentored youth permanent.

Summary of Provisions and Statement in Support:

This bill would make permanent the provisions of Environmental Conservation Law §11-0935 by allowing 12 and 13-year-old hunters to pursue deer with a firearm or crossbow when supervised by an experienced adult hunter.

The deer hunting pilot program established in 2021 allows youth ages 12 to 13 to learn basic safe, responsible, and ethical hunting from an experienced adult hunter. During the two hunting seasons under the pilot program, nearly 10,000 junior hunters have been eligible to participate each year, with zero safety incidents or hunting violations associated with young hunters. Since the pilot program began, annual license sales for 12 and 13-year-old hunters have increased by approximately 30%.

This pilot program was widely accepted by county governments, as 52 of the 54 eligible counties passed a local law to participate in the pilot program. Currently, 47 states, including New York, allow hunters aged 12 or older to hunt big game, such as deer. After two seasons with support from counties and no related safety incidents, the program should continue in New York without expiration.

Budget Implications:

This bill is necessary to implement the FY24 Executive Budget because of the increased revenues received from hunting licenses from the youth deer hunting program.

Effective Date:

This bill would take effect immediately.

Part SS - Pesticide Registration Fee

Purpose:

This bill would remove the sunset provision for pesticide registration fees.

Summary of Provisions and Statement in Support:

Chapter 67 of the Laws of 1992 and Chapter 58 of the Laws of 2020 include sunset provisions for certain pesticide registration fees. This bill would remove those sunset provisions to ensure pesticide registration fees do not revert from the current amounts of \$600 or \$620 to the original fee of \$50.

Should the current fee schedule sunset, an applicant's fee to register each pesticide would decrease to \$50 after July 1st, 2023.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because these registration fees account for approximately \$4,500,000 of revenue. Reverting to the original fee of \$50 would result in a revenue loss of approximately \$4,100,000 for a comparable number of products.

Effective Date:

This bill would take effect on July 1, 2023.

Part TT - Suffolk County Water Quality Restoration Act

Purpose:

This bill would give the Suffolk County Legislature the authority to establish a wastewater management district to protect the Long Island aquifer. The intent of a cohesive management district is to address barriers to housing development and reduce nitrogen discharge from local septic systems, thereby preserving drinking water quality, mitigating harmful algae blooms, and protecting local ecosystems.

<u>Summary of Provisions and Statement in Support:</u>

This bill would amend the County Law to enact the Suffolk County Water Quality Restoration Act. Suffolk County currently has 27 sewer systems. This bill would give the Suffolk County Legislature with the authority to create a county-wide wastewater management district through the consolidation of existing unsewered areas and existing town and village sewer systems, in accordance with the Suffolk County Subwatershed Wastewater Plan. With county approval, the district would have the authority to collect charges, rates and taxes, and would, by local law, and subject to a mandatory

referendum, establish a new county fund for these purposes. The bill would also give Suffolk County the authority, by local law, to create the District Board of Trustees to prepare and implement the wastewater plan.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget to create municipal synergies for Long Island taxpayers, protect the Long Island drinking water and marine ecosystems, avoid future public health issues, and advance necessary housing initiatives.

Effective Date:

This bill would take effect immediately.

Part UU – Lead Service Lines

Purpose:

This bill would allow New York State to use federal Bipartisan Infrastructure Law (BIL) funding to replace entire lead service lines. This would include portions of lines that may cross private property boundaries, a requirement of BIL funding.

Summary of Provisions and Statement in Support:

This bill would amend the Local Finance Law to define lead service lines and provide a "period of probable usefulness" for lead service line replacement programs to inventory, design, and replace both publicly and privately owned lead service lines statewide. This change would allow for these types of projects to be eligible for certain kinds of funding and financing.

New York State is anticipated to receive \$115 million annually for the next five years in BIL funding to inventory and replace lead service lines in public water systems. Per the terms and conditions of the federal grants, a portion of each project's funding must be in the form of a loan, and the entire lead service line must be replaced, not just the portion owned by the water utility. This bill would allow municipalities, school districts, and district corporations receiving federal BIL funds to access low-cost financing options through the Environmental Facilities Corporation to satisfy the loan requirements of the BIL funding.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it will allow for the use of anticipated federal funding.

Effective Date:

This bill would take effect immediately.

Part VV – Makes Permanent Assessments on Cable Television Companies and Public Utilities

Purpose:

This bill would make permanent the State's current authorization to allow various agencies to finance public health campaigns and utility oversight related costs from assessments on cable television companies and public utilities.

Summary of Provisions and Statement in Support:

This bill would provide the Departments of Agriculture and Markets, Environmental Conservation, and State; and the Office of Parks, Recreation, and Historic Preservation with revenues from utility assessments to pay for utility oversight related expenditures. It would also provide the Department of Health with revenues from cable television assessments to pay for certain public health education expenditures. The bill also contains the annual authorization for the Department of Public Service (DPS) to assess public utilities for costs associated with the regulation of utilities. Public Service Law § 217 already authorizes DPS to assess cable television companies for costs associated with the regulation of cable television companies.

This bill would ensure that the affected agencies will continue to be able to expend utility assessment funds on agency activities related to utility oversight and public health initiatives.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because its provisions ensure the recovery of public health and utility oversight related expenses incurred by the State.

Effective Date:

This bill would take effect immediately.

Part WW - Making New York Buildings More Sustainable

Purpose:

This bill would require the State to prohibit using fossil fuel equipment and building systems in new construction; phase out the sale and installation of fossil fuel space and water heating equipment in existing buildings; and establish building benchmarking and energy grades. None of the provisions of this bill would impact or prohibit the continued use and maintenance of fossil-fuel equipment and building systems, as related to cooking equipment that are installed prior to the effective date of the applicable prohibition, or the replacement of fossil fuel cooking appliances in existing buildings.

Summary of Provisions and Statement in Support:

Beginning December 31, 2025, this bill would prohibit the installation of fossil fuel equipment and building systems in the construction of new one-family and multi-family residential buildings no more than three stories in height. The same prohibition would apply to new multi-family residential buildings more than three stories in height and new commercial buildings starting on December 31, 2028. This bill would prohibit the installation of fossil fuel space and water heating equipment and related building systems when retrofitting existing residential and multi-family buildings no more than three stories in height beginning on January 1, 2030, and all multi-family and commercial buildings starting January 1, 2035.

Fossil-fuel equipment would include plumbing, heating, electrical, lighting, insulating, ventilating, air conditioning, and refrigerating equipment, elevators, escalators, and other mechanical additions or installations that use fossil fuel. Building systems would include any system embedded in a building that is used for or to support the supply, distribution, or delivery of fossil-fuel for any purpose, other than for use by motor vehicles. The bill would also allow for the State Fire Prevention and Building Code Council to provide for exemptions as they deem appropriate.

The bill would require the New York State Energy Research and Development Authority (NYSERDA) to establish rules, regulations, and exemption criteria for the administration and enforcement of building benchmarking. NYSERDA would award energy grades for such benchmarked buildings through the measurement of building energy performance and water data. Building benchmarking would be required for buildings that exceed 25,000 gross square feet; two or more buildings on the same tax lot that together exceed 50,000 gross square feet; two or more buildings held in the same condominium form of ownership that are governed by the same board of managers that together exceed 50,000 gross square feet; and state buildings that are more than 10,000 gross square feet. The building benchmarking data would be submitted by each building's owner to NYSERDA by May 1, 2025, and annually thereafter. By December 31, 2025, and September 15 annually thereafter, NYSERDA would be required to publish building benchmarking information regarding all covered buildings for the previous calendar year. The bill also makes technical revisions to Energy Law to align the benchmarking provisions with appliance and equipment performance standards, and to clarify their application.

Lastly, the bill would establish criteria for fines and compliance penalties resulting from the failure to meet benchmarking requirements and/or the failure to post energy grades. These funds would then be deposited into a new benchmarking administration account, to be administered by NYSERDA. The funds therein will be utilized by NYSERDA to cover incurred costs for carrying out and enforcing requirements regarding building benchmarking.

Budget Implications:

This bill is necessary to the enactment of the FY 2024 Executive Budget and will help New York make progress towards its Climate Leadership and Community Protection Act goals, and the fines authorized within this bill would be deposited into accounts to be utilized by NYSERDA to support investigations, enforcement activities, and administrative expenses.

Effective Date:

This bill would take effect immediately.

Part XX - Authorize NYPA to Build Renewable Energy Generating Projects

Purpose:

This bill would allow the New York Power Authority (NYPA) to expand its renewable portfolio and provide a plan for the proposed phase out their "peaker" plants, while supporting communities and helping the State meet the requirements of the Climate Leadership and Community Protection Act (CLCPA).

<u>Summary of Provisions and Statement in Support:</u>

This bill would provide NYPA with the authority to plan, design, develop, finance, construct, own, operate, maintain, and improve, either alone or jointly with other entities, renewable energy generating projects. NYPA would also be authorized to maintain a reliable supply of electric power and energy, assist local governments in achieving local energy and environmental goals, and advance other important state energy and social policies.

This bill would direct NYPA to establish the "Renewable Energy Access and Community Help Program" (REACH), allowing customers in disadvantaged communities to benefit from renewables. REACH would enable customers in disadvantaged communities to receive bill credits that are provided by renewable energy generation projects that are owned, developed, or contracted by NYPA. NYPA would be required to report to the Governor and Legislature on the implementation of its new authority and REACH.

The bill would direct NYPA, within two years of the effective date, to propose a plan to phase out small natural gas power plants by December 31, 2035 unless these plants support emergency services or reliability. The bill would also give NYPA the authority to fund training programs to help prepare workers for employment in the renewable energy field.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it will provide NYPA with the ability to further assist in meeting the State's critical CLCPA goals.

Effective Date:

This bill would take effect immediately; however, section 9 would take effect January 1, 2024, and section 10 would take effect December 31, 2029.

Part YY – Extend NYPA's Authority to Procure and Sell Power

Purpose:

This bill would extend the New York Power Authority's (NYPA) authorization relating to, among other things: (1) the sale of market power; (2) the procurement and sale of power, energy, and related products from renewable energy sources; and (3) the financing of renewable energy projects.

Summary of Provisions and Statement in Support:

This bill would extend the sunset date of Public Authorities Law §1005 (27) from June 30, 2024, to June 30, 2044, to allow NYPA to continue meeting the energy needs of entities, as well as meet the State's ambitious climate goals.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because its provisions enable NYPA to continue to meet the energy needs of entities, including public entities, that are eligible to purchase renewable energy products from NYPA, and to address its load serving entity obligations under the Climate Leadership and Community Protection Act.

Effective Date:

The bill would take effect immediately.

Part ZZ – Annual NYSERDA Special Assessment

Purpose:

This bill would extend the New York State Energy Research and Development Authority's (NYSERDA) authorization to collect a special assessment on gas and electric corporations to support certain energy-related programs.

Summary of Provisions and Statement in Support:

The bill would authorize NYSERDA to continue financing its energy research, development, and demonstration program; its energy policy and planning program; the Fuel NY Program; and climate change related expenses of the Department of Environmental Conservation from a special assessment on gas and electric corporations.

This legislation is annually enacted in the budget.

Budget Implications:

This bill is necessary to implement the FY 2024 Executive Budget because it authorizes the collection of \$28.8 million in assessments that that support critical energy and climate change programs.

Effective Date:

This bill would take effect immediately.

Part AAA - Cap and Invest: Climate Action Credit

Purpose:

This bill would advance efforts to meet the goals of the Climate Leadership and Community Protection Act (CLCPA) by laying out a framework for the Department of Environmental Conservation (DEC) and the New York State Energy Research and Development Authority (NYSERDA) to establish an effective and affordable cap-and-invest program to reduce greenhouse gas emissions 40% by 2030 and no less than 85% by 2050 from 1990 levels.

<u>Summary of Provisions and Statement in Support:</u>

This bill would set forth legislative findings describing the affordability, economic well-being, and the potential for linkages to other states' climate programs in the State's proposed cap and invest program. This bill would direct DEC and NYSERDA to follow these findings as they design a cap-and-invest program through the promulgation of state regulations.

The new program would set a cap on greenhouse gas emissions that would decline annually to meet CLCPA targets. DEC would establish allowances to represent a fixed amount of allowable greenhouse gas emissions within the cap, and allowances would then be made available by NYSERDA for sale at auction.

This bill would also create the Climate Action Fund, and within it, the Consumer Climate Action Account and the Industrial Small Business Climate Action Account. After receiving auction proceeds, NYSERDA would transfer at least 30% of the proceeds to the Consumer Climate Action Account and up to 3% of the proceeds to the Industrial Small Business Climate Action Account. These accounts would then be used to provide consumers and industrial small businesses with a payment that would assist in reducing any potential increased costs that may result from the implementation of the cap-and-invest program.

This bill would also authorize a transfer from the newly established Climate Action Fund to the General Fund to cover costs associated with implementing the cap-and-invest program. NYSERDA would be authorized to recover its costs associated with implementing the cap-and-invest program directly from auction proceeds. The remainder of the proceeds would be utilized by NYSERDA to support programs and services that have been identified within the Climate Action Council's scoping plan or other purposes which further CLCPA goals and assist in transitioning New York to a cleaner, greener economy.

Budget Implications:

This bill is necessary to implement the FY24 Executive Budget because it contains \$6.5 million and 10 FTEs to support the initial creation of a cap-and-invest program

Effective Date:

This bill would take effect immediately.

throughout the upcoming state fiscal year.

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.