

7109

I N S E N A T E

April 30, 2012

Introduced by Sen. ZELDIN -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to methods of payments to public utilities

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Section 2855 of the public authorities law, as added by
2 section 1 of part KK of chapter 59 of the laws of 2006, is amended to
3 read as follows:

4 S 2855. Electronic method of payment; periodic charges. 1. Notwith-
5 standing the provisions of any law to the contrary, if any authority
6 shall offer any electronic method of payment for tolls, fares, fees,
7 rentals, or other charges, including but not limited to a system called
8 E-ZPass, such authority shall not impose any periodic administrative or
9 other charge for the privilege of using such electronic method of
10 payment for such charges. Nothing in this section shall be construed to
11 prohibit any authority from making any charge for extra services
12 requested by a holder of such electronic method of payment, any charge
13 for lost or damaged equipment, or for defaults, such as charges for
14 dishonored checks. The authority shall not enter any agreement with
15 bondholders that would require the imposition of administrative or other
16 periodic charges relating to electronic methods of payment prohibited by
17 this section.

18 2. NO AUTHORITY OFFERING ANY ELECTRONIC METHOD OF PAYMENT SHALL IMPOSE
19 ANY PERIODIC ADMINISTRATIVE OR OTHER CHARGE FOR FAILURE TO USE SUCH
20 METHOD OF PAYMENT OR OTHERWISE IMPOSE ADDITIONAL ADMINISTRATIVE OR OTHER
21 CHARGES FOR DELIVERING PAYMENT THROUGH NON-ELECTRONIC MEANS.

22 S 2. The public authorities law is amended by adding a new section
23 2855-a to read as follows:

24 S 2855-A. PAYMENTS TO AUTHORITIES; PROHIBITION OF ADDITIONAL CHARGES.
25 NOTWITHSTANDING ANY PROVISIONS OF LAW TO THE CONTRARY, AUTHORITIES SHALL
26 BE PROHIBITED FROM IMPOSING ANY PERIODIC ADMINISTRATIVE OR OTHER CHARGE,
27 EXCEPTING AMOUNTS DUE AND INTEREST ON ACCOUNTS OUTSTANDING WHEN SUCH

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD15166-02-2

1 INTEREST IS COMPUTED AND APPLIED IN ACCORDANCE WITH THE LAWS OF THIS
2 STATE, FOR METHOD OF PAYMENT ON ANY ACCOUNT. NOTHING IN THIS SECTION
3 SHALL BE CONSTRUED TO PROHIBIT ANY AUTHORITY FROM MAKING ANY CHARGE FOR
4 EXTRA SERVICES REQUESTED BY AN ACCOUNT HOLDER, ANY CHARGE FOR LOST OR
5 DAMAGED EQUIPMENT, OR FOR DEFAULTS, SUCH AS CHARGES FOR DISHONORED
6 CHECKS. THE AUTHORITIES SHALL NOT ENTER ANY AGREEMENT WITH BONDHOLDERS
7 THAT WOULD REQUIRE THE IMPOSITION OF ADMINISTRATIVE OR OTHER PERIODIC
8 CHARGES RELATING TO METHODS OF PAYMENT.

9 S 3. This act shall take effect immediately.