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I N A S S E M B L Y

(PREFILED)

January 6, 2010

Introduced by M. of A. GUNTHER, JAFFEE, CAHILL, ZEBROWSKI, SKARTADOS,
GALEF, RABBITT, CALHOUN, MOLINARO -- read once and referred to the
Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law and the tax law, in relation
to requiring the metropolitan transportation authority to renegotiate
the joint service operating agreement with the state of Connecticut

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

1 Section 1. Legislative findings and intent. The legislature recognizes
2 that transit riders within the counties of Dutchess, Orange, Putnam and
3 Rockland comprise only one percent of the combined population of these
4 counties; only ten percent of all Metro-North Commuter Railroad riders
5 and only two tenths of one percent of New York city subway riders.
6 The legislature further recognizes that under chapter 25 of the laws
7 of 2009, these four counties have been mandated to contribute more than
8 ninety million dollars in added revenues to the metropolitan transporta-
9 tion authority to supplement the two hundred seventy-five million
10 dollars in county payments already being made to the authority every
11 year.
12 The legislature acknowledges that this level of payment totaling over
13 three hundred sixty-five million dollars annually or close to thirty-two
14 thousand dollars per transit rider reflects an unfair burden on resi-
15 dents of these counties in which the overwhelming majority of residents
16 receive no transit services from the metropolitan transportation author-
17 ity at all.
18 The legislature further recognizes that twenty-six percent of Metro-
19 North Commuter Railroad transit riders are Connecticut residents who
20 were not asked to contribute to the metropolitan transportation authori-
21 ty operating deficit bailout formulated under chapter 25 of the laws of
22 2009.
23 It is not the intent of the legislature within this legislation to
24 negatively impact the level of revenue flowing to the metropolitan
25 transportation authority. It is however the legislature's intent to

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

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1 ensure fairness to the residents of the counties of Dutchess, Orange,
2 Putnam and Rockland by eliminating the metropolitan commuter transporta-
3 tion tax imposed upon the residents of these four counties; and requir-
4 ing the metropolitan transportation authority to renegotiate the joint
5 service operating agreement between the authority and the state of
6 Connecticut to reflect equity based on utilization.

7 S 2. Section 1266 of the public authorities law is amended by adding a
8 new subdivision 19 to read as follows:

9 19. THE AUTHORITY IS REQUIRED BY MARCH THIRTY-FIRST, TWO THOUSAND TEN
10 TO:

11 (A) RENEGOTIATE THE JOINT SERVICE AGREEMENT BETWEEN THE AUTHORITY AND
12 THE STATE OF CONNECTICUT RELATED TO THE OPERATION OF THE METRO-NORTH NEW
13 HAVEN LINE TO (I) REQUIRE CONNECTICUT TO SET NEW HAVEN LINE FARE
14 INCREASES AT LEVELS NECESSARY TO SUSTAIN EQUIVALENT FARE LEVELS BETWEEN
15 NEW YORK STATE RESIDENTS RIDING THE METRO-NORTH COMMUTER RAILROAD AND
16 CONNECTICUT RESIDENTS RIDING THE METRO-NORTH COMMUTER RAILROAD, (II)
17 REQUIRE THAT CONNECTICUT OPERATING DEFICIT SUBSIDY PAYMENTS SHALL BE
18 BASED ON CONNECTICUT RESIDENT UTILIZATION OF THE METRO-NORTH COMMUTER
19 RAILROAD AND CONNECTICUT RESIDENT UTILIZATION OF THE NEW YORK CITY TRAN-
20 SIT AUTHORITY WITH SUCH SUBSIDIES TO BE DETERMINED BY MULTIPLYING THE
21 CONNECTICUT RESIDENT UTILIZATION PERCENTAGES FOR THE METRO-NORTH COMMU-
22 TER RAILROAD AND THE NEW YORK CITY TRANSIT AUTHORITY BY THE RESPECTIVE
23 BASELINE OPERATING DEFICIT OF THESE OPERATING ENTITIES PRIOR TO SUBSIDY
24 ADJUSTMENTS AND PRIOR TO INCREASED REVENUES PROVIDED TO THE AUTHORITY BY
25 NEW YORK STATE RESIDENTS PURSUANT TO PAYMENTS MANDATED BY CHAPTER TWEN-
26 TY-FIVE OF THE LAWS OF TWO THOUSAND NINE, AND (III) PROVIDE FOR RETROAC-
27 TIVE LUMP SUM PAYMENTS DUE FROM THE STATE OF CONNECTICUT RELATED TO
28 CALENDAR YEAR TWO THOUSAND NINE; OR

29 (B) REDUCE SERVICES AND EXPENSES RELATED TO THE METRO-NORTH NEW HAVEN
30 LINE OPERATION BY AN AMOUNT WHICH PRODUCES RECURRING SAVINGS TO THE
31 AUTHORITY WHICH ARE EQUIVALENT TO THE INCREASED JOINT SERVICE AGREEMENT
32 PAYMENTS WHICH WOULD BE DETERMINED UNDER PARAGRAPH (A) OF THIS SUBDIVI-
33 SION.

34 S 3. Subdivision (a) of section 800 of the tax law, as added by
35 section 1 of part C of chapter 25 of the laws of 2009, is amended to
36 read as follows:

37 (a) Metropolitan commuter transportation district. The metropolitan
38 commuter transportation district ("MCTD") means the area of the state
39 included in the district created and governed by section twelve hundred
40 sixty-two of the public authorities law, PROVIDED HOWEVER, THAT THE
41 COUNTIES OF DUTCHESS, ORANGE, PUTNAM AND ROCKLAND SHALL BE EXCLUDED FROM
42 THIS DISTRICT FOR THE PURPOSES OF THIS ARTICLE AND ANY REVENUES PREVI-
43 OUSLY COLLECTED FROM WITHIN THESE COUNTIES SHALL BE REIMBURSED TO EACH
44 PAYOR BY MARCH THIRTY-FIRST, TWO THOUSAND TEN.

45 S 4. This act shall take effect immediately.