

10778

I N A S S E M B L Y

June 18, 2012

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Zebrowski)  
-- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, the vehicle and traffic law and the public authorities law, in relation to the metropolitan commuter transportation mobility tax

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

1 Section 1. Section 801 of the tax law is amended by adding a new  
2 subsection (d) to read as follows:  
3 (D) FOR THE PURPOSES OF IMPOSING THE TAX AUTHORIZED WITHIN THIS  
4 SECTION IT IS HEREBY PROVIDED THAT:  
5 (I) FOR CALENDAR YEAR TWO THOUSAND THIRTEEN SAID TAX FOR EMPLOYERS  
6 WITHIN THE COUNTIES OF DUTCHESS, ORANGE, PUTNAM AND ROCKLAND SHALL BE  
7 IMPOSED AT A RATE OF FIFTY PERCENT OF THAT OTHERWISE AUTHORIZED UNDER  
8 SUBSECTION (A) OF THIS SECTION;  
9 (II) FOR CALENDAR YEAR TWO THOUSAND FOURTEEN SAID TAX FOR EMPLOYERS  
10 WITHIN THE COUNTIES OF DUTCHESS, ORANGE, PUTNAM, ROCKLAND, WESTCHESTER,  
11 NASSAU AND SUFFOLK SHALL BE IMPOSED AT A RATE OF FIFTY PERCENT OF THAT  
12 OTHERWISE AUTHORIZED UNDER SUBSECTION (A) OF THIS SECTION;  
13 (III) FOR CALENDAR YEAR TWO THOUSAND FIFTEEN SAID TAX FOR EMPLOYERS  
14 WITHIN THE COUNTIES OF DUTCHESS, ORANGE, PUTNAM, ROCKLAND, WESTCHESTER,  
15 NASSAU AND SUFFOLK SHALL BE IMPOSED AT A RATE OF TWENTY PERCENT OF THAT  
16 OTHERWISE AUTHORIZED UNDER SUBSECTION (A) OF THIS SECTION AND FURTHER  
17 SAID TAX FOR EMPLOYERS WITHIN THE CITY OF NEW YORK SHALL BE IMPOSED AT A  
18 RATE OF SEVENTY-FOUR PERCENT OF THAT OTHERWISE AUTHORIZED UNDER  
19 SUBSECTION (A) OF THIS SECTION;  
20 (IV) FOR CALENDAR YEAR TWO THOUSAND SIXTEEN AND CALENDAR YEARS THERE-  
21 AFTER NO TAX SHALL BE IMPOSED UNDER THIS SECTION FOR EMPLOYERS WITHIN  
22 THE COUNTIES OF DUTCHESS, ORANGE, PUTNAM, ROCKLAND, WESTCHESTER, NASSAU  
23 AND SUFFOLK;  
24 (V) FOR CALENDAR YEAR TWO THOUSAND SIXTEEN SAID TAX FOR EMPLOYERS  
25 WITHIN THE CITY OF NEW YORK SHALL BE IMPOSED AT A RATE OF FIFTY-SIX  
26 PERCENT OF THAT OTHERWISE AUTHORIZED UNDER SUBSECTION (A) OF THIS  
27 SECTION;

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

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1 (VI) FOR CALENDAR YEAR TWO THOUSAND SEVENTEEN SAID TAX FOR EMPLOYERS  
2 WITHIN THE CITY OF NEW YORK SHALL BE IMPOSED AT A RATE OF TWENTY-NINE  
3 PERCENT OF THAT OTHERWISE AUTHORIZED UNDER SUBSECTION (A) OF THIS  
4 SECTION; AND

5 (VII) FOR CALENDAR YEAR TWO THOUSAND EIGHTEEN AND CALENDAR YEARS THERE-  
6 EAFTER NO TAX SHALL BE IMPOSED UNDER THIS SECTION FOR EMPLOYERS WITHIN  
7 THE CITY OF NEW YORK.

8 S 2. Paragraph (b-1) of subdivision 2 of section 503 of the vehicle  
9 and traffic law is amended by adding a new subparagraph (iii) to read as  
10 follows:

11 (III) FOR THE PURPOSES OF IMPOSING THE SUPPLEMENTAL FEE AUTHORIZED  
12 WITHIN THIS SUBDIVISION IT IS HEREBY PROVIDED THAT:

13 A. FOR CALENDAR YEAR TWO THOUSAND THIRTEEN SAID SUPPLEMENTAL FEE FOR  
14 APPLICANTS WHO RESIDE WITHIN THE COUNTIES OF DUTCHESS, ORANGE, PUTNAM,  
15 ROCKLAND, WESTCHESTER, NASSAU AND SUFFOLK SHALL BE IMPOSED AT A RATE OF  
16 TWENTY-FIVE PERCENT OF THAT OTHERWISE AUTHORIZED UNDER THIS SUBDIVISION  
17 AND FURTHER FOR APPLICANTS RESIDING WITHIN THE CITY OF NEW YORK SAID  
18 SUPPLEMENTAL FEE SHALL BE IMPOSED AT A RATE OF SEVENTY PERCENT OF THAT  
19 OTHERWISE AUTHORIZED UNDER THIS SUBDIVISION;

20 B. FOR CALENDAR YEAR TWO THOUSAND FOURTEEN AND CALENDAR YEARS THERE-  
21 AFTER NO SUPPLEMENTAL FEE SHALL BE IMPOSED FOR APPLICANTS WHO RESIDE  
22 WITHIN THE COUNTIES OF DUTCHESS, ORANGE, PUTNAM, ROCKLAND, WESTCHESTER,  
23 NASSAU AND SUFFOLK;

24 C. FOR CALENDAR YEAR TWO THOUSAND FOURTEEN SAID SUPPLEMENTAL FEE FOR  
25 APPLICANTS WHO RESIDE WITHIN THE CITY OF NEW YORK SHALL BE IMPOSED AT A  
26 RATE OF THIRTY-FIVE PERCENT OF THAT OTHERWISE AUTHORIZED UNDER THIS  
27 SUBDIVISION;

28 D. FOR CALENDAR YEAR TWO THOUSAND FIFTEEN AND CALENDAR YEARS THEREAFT-  
29 ER NO SUPPLEMENTAL FEE SHALL BE IMPOSED FOR APPLICANTS WHO RESIDE WITHIN  
30 THE CITY OF NEW YORK.

31 S 3. Section 499-c of the vehicle and traffic law, as added by section  
32 1 of part B of chapter 25 of the laws of 2009, is amended to read as  
33 follows:

34 S 499-c. Calculation of supplemental registration fee. The supple-  
35 mental registration fee to be charged pursuant to section four hundred  
36 ninety-nine-b of this article, shall be calculated at a rate of twenty-  
37 five dollars per annum for each year or portion of a year that such  
38 registration is valid. FOR THE PURPOSES OF IMPOSING THE SUPPLEMENTAL  
39 FEE AUTHORIZED WITHIN THIS SECTION IT IS HEREBY PROVIDED THAT:

40 (I) FOR CALENDAR YEAR TWO THOUSAND THIRTEEN SAID SUPPLEMENTAL FEE  
41 CHARGED TO REGISTRANTS WHO RESIDE WITHIN THE COUNTIES OF DUTCHESS,  
42 ORANGE, PUTNAM, ROCKLAND, WESTCHESTER, NASSAU AND SUFFOLK SHALL BE  
43 IMPOSED AT A RATE OF TWENTY-FIVE PERCENT OF THAT OTHERWISE AUTHORIZED  
44 UNDER THIS SECTION AND FURTHER FOR REGISTRANTS RESIDING WITHIN THE CITY  
45 OF NEW YORK SAID SUPPLEMENTAL FEE SHALL BE IMPOSED AT A RATE OF SEVENTY  
46 PERCENT OF THAT OTHERWISE AUTHORIZED UNDER THIS SECTION;

47 (II) FOR CALENDAR YEAR TWO THOUSAND FOURTEEN AND CALENDAR YEARS THERE-  
48 AFTER NO SUPPLEMENTAL FEE SHALL BE IMPOSED FOR REGISTRANTS WHO RESIDE  
49 WITHIN THE COUNTIES OF DUTCHESS, ORANGE, PUTNAM, ROCKLAND, WESTCHESTER,  
50 NASSAU AND SUFFOLK;

51 (III) FOR CALENDAR YEAR TWO THOUSAND FOURTEEN SAID SUPPLEMENTAL FEE  
52 FOR REGISTRANTS WHO RESIDE WITHIN THE CITY OF NEW YORK SHALL BE IMPOSED  
53 AT A RATE OF THIRTY-FIVE PERCENT OF THAT OTHERWISE AUTHORIZED UNDER THIS  
54 SECTION;

1 (IV) FOR CALENDAR YEAR TWO THOUSAND FIFTEEN AND CALENDAR YEARS THERE-  
2 AFTER NO SUPPLEMENTAL FEE SHALL BE IMPOSED FOR REGISTRANTS WHO RESIDE  
3 WITHIN THE CITY OF NEW YORK.

4 S 4. (a) For the purposes of this section total operating expense  
5 shall mean the metropolitan transportation authority's annual total  
6 operating expense before depreciation, subsidies and debt service and  
7 shall additionally exclude operating expenses related to pensions, other  
8 post-employment benefits, retroactive arbitration agreements and operat-  
9 ing expenses related directly to system expansion which are not offset  
10 by a corresponding increase in system revenue. Any reductions in transit  
11 aid authorized within this act attributable to reductions in the metro-  
12 politan commuter transportation mobility tax authorized under article 23  
13 of the tax law, the supplemental learner permit/license fee in the  
14 metropolitan commuter district region authorized under article 19 of the  
15 vehicle and traffic law and the metropolitan commuter transportation  
16 district supplemental registration fee authorized under article 17-C of  
17 the vehicle and traffic law shall be offset by limiting the growth of  
18 the metropolitan transportation authority's annual total operating  
19 expense over the preceding fiscal year equal to the product of the total  
20 operating expense for the preceding fiscal year and the lesser of one  
21 hundred twenty percent of the inflation rate or two percent. Inflation  
22 rate shall mean the annual percentage change in the consumer price  
23 index, all urban, as published by the bureau of labor statistics, or any  
24 successor agency. Such limitation in total operating expense shall begin  
25 in calendar year 2012 and continue in each fiscal year thereafter,  
26 provided however, that actual realized savings for 2012 shall be equal  
27 to one-twelfth of that otherwise anticipated under the limitations of  
28 growth as set forth in this section and further provided that total  
29 operating expense for 2012 shall include reductions already approved  
30 within the metropolitan transportation authority's 2012 total operating  
31 budget related to metropolitan transportation authority initiatives and  
32 policy actions totaling sixty-three million dollars.

33 (b) Beginning in 2012 and thereafter, all revenues resulting from the  
34 savings related to limiting the growth in the metropolitan transporta-  
35 tion authority's annual total operating expense shall be deposited in  
36 the metropolitan transportation authority finance fund authorized by  
37 section 1270-h of the public authorities law, provided however, that  
38 revenues resulting from the savings pursuant to this section in excess  
39 of those savings required to offset any reductions in transit aid  
40 authorized within this act attributable to reductions in the metropol-  
41 itan commuter transportation mobility tax authorized under article 23 of  
42 the tax law, the supplemental learner permit/license fee in the metro-  
43 politan commuter district region authorized under article 19 of the  
44 vehicle and traffic law and the metropolitan commuter transportation  
45 district supplemental registration fee authorized under article 17-C of  
46 the vehicle and traffic law shall be deposited in the metropolitan  
47 transportation authority finance fund authorized by section 1270-h of  
48 the public authorities law within a separate subaccount and shall be  
49 used exclusively to reduce the seven and one-half percent 2013 fare  
50 increase currently contained within the metropolitan transportation  
51 authority's 2012 approved operating budget to an increase of five and  
52 one-half percent.

53 S 5. Subdivisions 2 and 3 of section 1270-h of the public authorities  
54 law, as added by section 16 of part H of chapter 25 of the laws of 2009,  
55 are amended to read as follows:

1 2. The comptroller shall deposit monthly, pursuant to appropriation,  
2 into the metropolitan transportation authority finance fund the moneys  
3 deposited in the mobility tax trust account of the metropolitan trans-  
4 portation authority financial assistance fund pursuant to article twen-  
5 ty-three of the tax law, and any other provision of law directing or  
6 permitting the deposit of moneys in such fund. IN ADDITION TO SAID  
7 FUNDS, THE METROPOLITAN TRANSPORTATION AUTHORITY SHALL DEPOSIT INTO THE  
8 METROPOLITAN TRANSPORTATION AUTHORITY FINANCE FUND ALL REVENUES RESULT-  
9 ING FROM LIMITING THE GROWTH OF THE METROPOLITAN TRANSPORTATION AUTHORI-  
10 TY'S ANNUAL TOTAL OPERATING EXPENSE PURSUANT TO THE PROVISIONS OF  
11 SECTION FOUR OF THE CHAPTER OF THE LAWS OF TWO THOUSAND TWELVE WHICH  
12 AMENDED THIS SUBDIVISION, PROVIDED HOWEVER THAT REVENUES DEPOSITED  
13 PURSUANT TO SECTION FOUR OF THE CHAPTER OF THE LAWS OF TWO THOUSAND  
14 TWELVE WHICH AMENDED THIS SUBDIVISION WHICH ARE IN EXCESS OF THOSE  
15 REQUIRED TO OFFSET ANY REDUCTIONS IN TRANSIT AID AUTHORIZED WITHIN SUCH  
16 CHAPTER OF THE LAWS OF TWO THOUSAND TWELVE ATTRIBUTABLE TO REDUCTIONS IN  
17 THE METROPOLITAN COMMUTER TRANSPORTATION MOBILITY TAX AUTHORIZED UNDER  
18 ARTICLE TWENTY-THREE OF THE TAX LAW, THE SUPPLEMENTAL LEARNER  
19 PERMIT/LICENSE FEE IN THE METROPOLITAN COMMUTER DISTRICT REGION AUTHOR-  
20 IZED UNDER ARTICLE NINETEEN OF THE VEHICLE AND TRAFFIC LAW AND THE  
21 METROPOLITAN COMMUTER TRANSPORTATION DISTRICT SUPPLEMENTAL REGISTRATION  
22 FEE AUTHORIZED UNDER ARTICLE SEVENTEEN-C OF THE VEHICLE AND TRAFFIC LAW  
23 SHALL BE DEPOSITED WITHIN A SEPARATE TWO THOUSAND THIRTEEN FARE INCREASE  
24 REDUCTION SUBACCOUNT AND SHALL BE USED EXCLUSIVELY TO REDUCE THE SEVEN  
25 AND ONE-HALF PERCENT TWO THOUSAND THIRTEEN FARE INCREASE CURRENTLY  
26 CONTAINED WITHIN THE METROPOLITAN TRANSPORTATION AUTHORITY'S TWO THOU-  
27 SAND TWELVE APPROVED OPERATING BUDGET TO AN INCREASE OF FIVE AND  
28 ONE-HALF PERCENT.

29 3. Moneys in the fund EXCEPT THOSE DEPOSITED WITHIN THE TWO THOUSAND  
30 THIRTEEN FARE INCREASE REDUCTION SUBACCOUNT may be (a) pledged by the  
31 authority to secure and be applied to the payment of the bonds, notes or  
32 other obligations of the authority issued on or after the effective date  
33 of this section to finance capital projects of the authority and its  
34 subsidiaries and the New York city transit authority and any subsid-  
35 iaries; or (b) used for payment of capital costs, including debt  
36 service, reserve requirements, if any, the payment of amounts required  
37 under bond and note facilities or agreements related thereto, the  
38 payment of federal government loans, security or credit arrangements or  
39 other agreements related thereto, and the payment of all costs related  
40 to such obligations, of or for the authority, the New York city transit  
41 authority and their subsidiaries as the authority shall determine.  
42 Subject to the provisions of any such pledge, or in the event there is  
43 no such pledge, any excess moneys in this fund may be used by the  
44 authority for payment of operating costs of, and capital costs, includ-  
45 ing debt service and reserve requirements, if any, of or for the author-  
46 ity, the New York city transit authority and their subsidiaries as the  
47 authority shall determine. To the extent moneys in the fund have been  
48 pledged by the authority to secure and pay the bonds, notes or other  
49 obligations of the authority issued to finance capital projects of the  
50 authority and its subsidiaries and the New York city transit authority  
51 and any subsidiaries as herein provided, monies deposited into the fund  
52 shall be deposited to the extent necessary to satisfy the requirements  
53 of any debt service or reserve requirements, if any, of the resolution  
54 authorizing such bonds, notes or other obligations.

55 S 6. This act shall take effect immediately.