

S T A T E O F N E W Y O R K

596--B

2011-2012 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 5, 2011

Introduced by M. of A. GUNTHER, JAFFEE, ZEBROWSKI, GALEF, CAHILL, RABBITT, CALHOUN -- read once and referred to the Committee on Corporations, Authorities and Commissions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Corporations, Authorities and Commissions in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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 ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Legislative findings and intent. The legislature recog-
2 nizes that transit riders within the counties of Dutchess, Orange,
3 Putnam and Rockland comprise only one percent of the combined population
4 of these counties; only ten percent of all Metro-North Commuter Railroad
5 riders and only two tenths of one percent of New York city subway
6 riders.
7 The legislature further recognizes that under chapter 25 of the laws
8 of 2009, these four counties have been mandated to contribute more than
9 ninety million dollars in added revenues to the metropolitan transporta-
10 tion authority to supplement the two hundred seventy-five million
11 dollars in county payments already being made to the authority every
12 year.
13 The legislature acknowledges that this level of payment totaling over
14 three hundred sixty-five million dollars annually or close to thirty-two
15 thousand dollars per transit rider reflects an unfair burden on resi-
16 dents of these counties in which the overwhelming majority of residents

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

LBD02327-07-2

1 receive no transit services from the metropolitan transportation author-
2 ity at all.

3 The legislature further recognizes that twenty-six percent of Metro-
4 North Commuter Railroad transit riders are Connecticut residents who
5 were not asked to contribute to the metropolitan transportation authori-
6 ty operating deficit bailout formulated under chapter 25 of the laws of
7 2009.

8 It is not the intent of the legislature within this legislation to
9 negatively impact the level of revenue flowing to the metropolitan
10 transportation authority. It is however the legislature's intent to
11 ensure fairness to the residents of the counties of Dutchess, Orange,
12 Putnam and Rockland by eliminating the metropolitan commuter transporta-
13 tion tax imposed upon the residents of these four counties; requiring
14 transit riders within these counties to pay increased fares of thirteen
15 percent; and requiring the metropolitan transportation authority to
16 renegotiate or terminate the joint service operating agreement between
17 the authority and the state of Connecticut to reflect equity based on
18 utilization.

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

21 19. THE AUTHORITY IS REQUIRED BY MARCH THIRTY-FIRST, TWO THOUSAND
22 THIRTEEN TO:

23 (A) RENEGOTIATE THE JOINT SERVICE AGREEMENT BETWEEN THE AUTHORITY AND
24 THE STATE OF CONNECTICUT RELATED TO THE OPERATION OF THE METRO-NORTH NEW
25 HAVEN LINE TO (I) REQUIRE CONNECTICUT TO SET NEW HAVEN LINE FARE
26 INCREASES AT LEVELS NECESSARY TO SUSTAIN EQUIVALENT FARE LEVELS BETWEEN
27 NEW YORK STATE RESIDENTS RIDING THE METRO-NORTH COMMUTER RAILROAD AND
28 CONNECTICUT RESIDENTS RIDING THE METRO-NORTH COMMUTER RAILROAD, (II)
29 REQUIRE THAT CONNECTICUT OPERATING DEFICIT SUBSIDY PAYMENTS SHALL BE
30 BASED ON CONNECTICUT RESIDENT UTILIZATION OF THE METRO-NORTH COMMUTER
31 RAILROAD AND CONNECTICUT RESIDENT UTILIZATION OF THE NEW YORK CITY TRAN-
32 SIT AUTHORITY WITH SUCH SUBSIDIES TO BE DETERMINED BY MULTIPLYING THE
33 CONNECTICUT RESIDENT UTILIZATION PERCENTAGES FOR THE METRO-NORTH COMMU-
34 TER RAILROAD AND THE NEW YORK CITY TRANSIT AUTHORITY BY THE RESPECTIVE
35 BASELINE OPERATING DEFICIT OF THESE OPERATING ENTITIES PRIOR TO SUBSIDY
36 ADJUSTMENTS AND PRIOR TO INCREASED REVENUES PROVIDED TO THE AUTHORITY BY
37 NEW YORK STATE RESIDENTS PURSUANT TO PAYMENTS MANDATED BY CHAPTER TWEN-
38 TY-FIVE OF THE LAWS OF TWO THOUSAND NINE, AND (III) PROVIDE FOR RETROAC-
39 TIVE LUMP SUM PAYMENTS DUE FROM THE STATE OF CONNECTICUT RELATED TO
40 CALENDAR YEARS TWO THOUSAND TEN AND TWO THOUSAND ELEVEN; OR

41 (B) REDUCE SERVICES AND EXPENSES RELATED TO THE METRO-NORTH NEW HAVEN
42 LINE OPERATION BY AN AMOUNT WHICH PRODUCES RECURRING SAVINGS TO THE
43 AUTHORITY WHICH ARE EQUIVALENT TO THE INCREASED JOINT SERVICE AGREEMENT
44 PAYMENTS WHICH WOULD BE DETERMINED UNDER PARAGRAPH (A) OF THIS SUBDIVI-
45 SION; OR

46 (C) NOTWITHSTANDING ANY PROVISION OF THIS SECTION OR ANY OTHER LAW TO
47 THE CONTRARY, TERMINATE THE AMENDED AND RESTATED SERVICE AGREEMENT,
48 DATED AS OF JUNE 21, 1985, AND ANY AMENDMENTS AND/OR MODIFICATIONS THER-
49 ETO, INCLUDING BUT NOT LIMITED TO ANY AND ALL ARBITRATION OPINIONS AND
50 AWARDS, PURSUANT TO ARTICLE TWELVE OF SAID AMENDED AND RESTATED SERVICE
51 AGREEMENT.

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

55 (a) Metropolitan commuter transportation district. The metropolitan
56 commuter transportation district ("MCTD") means the area of the state

1 included in the district created and governed by section twelve hundred
2 sixty-two of the public authorities law, PROVIDED HOWEVER, THAT THE
3 COUNTIES OF DUTCHESS, ORANGE, PUTNAM AND ROCKLAND SHALL BE EXCLUDED FROM
4 THIS DISTRICT FOR THE PURPOSES OF THIS ARTICLE AND ANY REVENUES PREVI-
5 OUSLY COLLECTED FROM WITHIN THESE COUNTIES SHALL BE REIMBURSED TO EACH
6 PAYOR BY MARCH THIRTY-FIRST, TWO THOUSAND THIRTEEN.

7 S 4. This act shall take effect immediately.