

4257

2011-2012 Regular Sessions

I N S E N A T E

March 25, 2011

Introduced by Sen. GOLDEN -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the executive law, in relation to a prohibition on diversion of resources from dedicated funds derived from taxes and fees that support the metropolitan transportation authority and its subsidiaries in certain instances

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

1 Section 1. Legislative findings. In the previous ten years 2.9 billion
2 dollars has been "swept" from some or all of the 720 dedicated funds,
3 taxes and fees enacted into law for an explicit purpose. Commencing in
4 2007, the division of budget (DOB) has been given the administrative
5 authority to divert from such funds one billion dollars to cover short-
6 falls in the general fund of the state. Diversion of such dedicated
7 funding violates the understanding of taxpayers who pay these special
8 use taxes and fees to benefit a specific government purpose. In the past
9 year more than one hundred sixty million dollars has been diverted from
10 MTA dedicated funds, including the payroll mobility tax, which has
11 exacerbated bus and subway service cuts and has diminished the quality
12 of life of millions of New Yorkers. Accordingly, legislation is needed
13 to prohibit administrative diversions in certain instances and to
14 improve transparency and citizen awareness should an overriding emergen-
15 cy nevertheless require diversion of resources to the general fund.

16 S 2. The executive law is amended by adding a new section 182 to read
17 as follows:

18 S 182. DIVERSION OF FUNDS DEDICATED TO THE METROPOLITAN TRANSPORTATION
19 AUTHORITY AND ANY OF ITS SUBSIDIARIES TO THE GENERAL FUND OF THE STATE
20 PROHIBITED IN CERTAIN INSTANCES. THE DIRECTOR OF THE BUDGET SHALL BE
21 PROHIBITED FROM DIVERTING REVENUES DERIVED FROM TAXES AND FEES PAID BY
22 THE PUBLIC INTO A FUND CREATED BY LAW FOR THE EXPRESSED PURPOSE OF FUND-
23 ING THE METROPOLITAN TRANSPORTATION AUTHORITY OR ANY OF ITS SUBSID-

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

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1 IARIES, INTO THE GENERAL FUND OF THE STATE OR INTO ANY OTHER FUND MAIN-
2 TAINED FOR THE SUPPORT OF ANOTHER GOVERNMENTAL PURPOSE, FOR AT LEAST THE
3 INITIAL TWENTY-FOUR MONTH TIME PERIOD FOLLOWING A GENERAL FARE INCREASE
4 BY SUCH AUTHORITY AND/OR ANY OF ITS SUBSIDIARIES. NO DIVERSION OF FUNDS
5 CAN OCCUR CONTRARY TO THIS SECTION BY AN ADMINISTRATIVE ACT OF THE
6 DIRECTOR OF THE BUDGET OR ANY OTHER PERSON IN THE EXECUTIVE BRANCH, BUT
7 CAN OCCUR ONLY UPON A STATUTE ENACTED INTO LAW AUTHORIZING A DIVERSION
8 THAT WOULD OTHERWISE BE PROHIBITED BY THIS SECTION.

9 S 3. This act shall take effect immediately.