

S. 5967

A. 8242

2015-2016 Regular Sessions

S E N A T E - A S S E M B L Y

June 14, 2015

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

IN ASSEMBLY -- Introduced by M. of A. BRENNAN, NOLAN -- read once and referred to the Committee on Ways and Means

AN ACT to amend the public authorities law, the state finance law and the tax law, in relation to the funding of the multi-year capital program of the metropolitan transportation authority and other regional transportation systems; and making an appropriation therefor

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

- 1 Section 1. Legislative findings and declaration of purpose. 1. The
2 metropolitan transportation authority (MTA), regional transportation
3 systems and other transportation infrastructure are essential to meeting
4 the basic mobility and economic needs of the citizens in the state. The
5 contributions of such mass transportation services are also essential to
6 addressing fundamental environmental policy and social needs of the
7 state's residents.
8 2. The MTA, regional transportation systems and other transportation
9 infrastructure must continue to function as the primary provider of
10 reasonably priced, safe and reliable mass transportation services. It
11 is of vital importance to the ability of the metropolitan transportation
12 authority to meet the continued need for mobility and for the economic
13 health of the MTA and the state that additional dedicated sources of
14 reliable funding are made promptly available.
15 3. It is the intent of the legislature to continue to fund the multi-
16 year capital program of the MTA and other regional transportation
17 systems to ensure the continuation of reasonable fares and provide for a
18 safe, reliable, efficient mass transportation system.

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

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1 4. Multi-year investment in transportation infrastructure is critical
2 to economic development and the safe and reliable movement of citizens
3 and goods in the state.

4 S 2. Subdivision (a) of section 1225-g of the public authorities law,
5 as added by chapter 576 of the laws of 1972, is amended to read as
6 follows:

7 (a) To enable the fund to realize its public and governmental purpose,
8 the fund may enter into agreements with the transportation authority, to
9 which the transit authority may be a party, pursuant to which the trans-
10 portation authority may plan, design, construct, acquire, extend, recon-
11 struct, rehabilitate, modernize, or otherwise improve any transit facil-
12 ity, and the fund may lease any such transit facility from the
13 transportation authority. The fund may apply the resources of the fund
14 to the payment of rentals and other payments required from the fund by
15 any such lease or other agreement and may pledge such resources as secu-
16 rity for such payments to the transportation authority with respect to
17 such leases or other agreements. THE FUND SHALL ENTER INTO SUCH LEASES
18 OR OTHER AGREEMENTS WITH THE TRANSPORTATION AUTHORITY PROVIDING FOR THE
19 PAYMENT OF RENTALS AND OTHER PAYMENTS SUFFICIENT TO ALLOW THE TRANSPOR-
20 TATION AUTHORITY TO FINANCE THE COSTS OF PLANNING AND DESIGN, ACQUISSI-
21 TION, CONSTRUCTION, RECONSTRUCTION, REPLACEMENT, IMPROVEMENT, RECONDI-
22 TIONING, REHABILITATION AND PRESERVATION, INCLUDING THE ACQUISITION OF
23 REAL PROPERTY AND INTERESTS THEREIN REQUIRED OR EXPECTED TO BE REQUIRED
24 IN CONNECTION THEREWITH, OF TRANSIT FACILITIES, NOT TO EXCEED FOUR
25 BILLION FIVE HUNDRED MILLION DOLLARS, WHICH ARE CAPITAL ELEMENTS SET
26 FORTH IN THE TWO THOUSAND FIFTEEN--TWO THOUSAND NINETEEN CAPITAL PROGRAM
27 PLANS APPROVED BY THE METROPOLITAN TRANSPORTATION AUTHORITY CAPITAL
28 PROGRAM REVIEW BOARD.

29 S 3. Subdivision 1 of section 2799-gg of the public authorities law,
30 as amended by chapter 182 of the laws of 2009, is amended to read as
31 follows:

32 1. The authority shall have the power and is hereby authorized from
33 time to time to issue bonds, in conformity with applicable provisions of
34 the uniform commercial code, in such principal amounts as it may deter-
35 mine to be necessary pursuant to section twenty-seven hundred ninety-
36 nine-ff of this title to pay the cost of any project and to fund
37 reserves to secure such bonds, including incidental expenses in
38 connection therewith, AND TO PAY THE COST OF ANY PROJECT OR ELEMENT
39 CONTAINED IN A BUDGETED AND APPROVED CAPITAL PLAN OF THE METROPOLITAN
40 TRANSPORTATION AUTHORITY.

41 The aggregate principal amount of such bonds, notes or other obli-
42 gations outstanding shall not exceed [thirteen billion, five hundred
43 million dollars (\$13,500,000,000)] EIGHTEEN BILLION DOLLARS
44 (\$18,000,000,000), excluding bonds, notes or other obligations issued
45 pursuant to sections twenty-seven hundred ninety-nine-ss and twenty-sev-
46 en hundred ninety-nine-tt of this title; provided, however, that upon
47 any refunding or repayment of bonds (which term shall not, for this
48 purpose, include bond anticipation notes), the total aggregate principal
49 amount of outstanding bonds, notes or other obligations may be greater
50 than [thirteen billion, five hundred million dollars (\$13,500,000,000)]
51 EIGHTEEN BILLION DOLLARS (\$18,000,000,000) only if the refunding or
52 repayment bonds, notes or other obligations were issued in accordance
53 with the provisions of subparagraph (a) of subdivision two of paragraph
54 b of section 90.10 of the local finance law, as amended from time to
55 time. Notwithstanding the foregoing, bonds, notes or other obligations
56 issued by the authority may be outstanding in an amount greater than the

1 amount permitted by the preceding sentence, provided that such addi-
2 tional amount at issuance, together with the amount of indebtedness
3 contracted by the city of New York, shall not exceed the limit
4 prescribed by section 104.00 of the local finance law. The authority
5 shall have the power from time to time to refund any bonds of the
6 authority by the issuance of new bonds whether the bonds to be refunded
7 have or have not matured, and may issue bonds partly to refund bonds of
8 the authority then outstanding and partly to pay the cost of any project
9 pursuant to section twenty-seven hundred ninety-nine-ff of this title.
10 Bonds issued by the authority shall be payable solely out of particular
11 revenues or other moneys of the authority as may be designated in the
12 proceedings of the authority under which the bonds shall be authorized
13 to be issued, subject to any agreements entered into between the author-
14 ity and the city, and subject to any agreements with the holders of
15 outstanding bonds pledging any particular revenues or moneys.

16 S 4. Subdivision 3 of section 92-ff of the state finance law, as added
17 by section 1 of part G of chapter 25 of the laws of 2009, is amended to
18 read as follows:

19 3. Such fund shall consist of all moneys collected [therefore] THERE-
20 FOR or credited or transferred thereto from any other fund, account or
21 source, including, without limitation, the revenues derived from the
22 metropolitan commuter transportation mobility tax imposed by article
23 twenty-three of the tax law; REVENUES DERIVED FROM SECTION SIX HUNDRED
24 NINETY-EIGHT-A OF THE TAX LAW; revenues derived from the special supple-
25 mental tax on passenger car rentals imposed by section eleven hundred
26 sixty-six-a of the tax law; revenues derived from the transportation
27 surcharge imposed by article twenty-nine-A of the tax law; the supple-
28 mental registration fees imposed by article seventeen-C of the vehicle
29 and traffic law; and the supplemental metropolitan commuter transporta-
30 tion district license fees imposed by section five hundred three of the
31 vehicle and traffic law. Any interest received by the comptroller on
32 moneys on deposit in the metropolitan transportation authority financial
33 assistance fund shall be retained in and become a part of such fund.

34 S 5. Section 698 of the tax law, as amended by chapter 477 of the laws
35 of 1998, is amended to read as follows:

36 S 698. Deposit and disposition of revenue. [All] EXCEPT AS PROVIDED
37 IN SECTION SIX HUNDRED NINETY-EIGHT-A OF THIS PART, ALL taxes, interest
38 and penalties collected or received by the commissioner under this arti-
39 cle shall be deposited and disposed of pursuant to the provisions of
40 section one hundred seventy-one-a of this chapter. Notwithstanding the
41 foregoing, unemployment insurance contributions and payments and aggre-
42 gate withholding taxes collected or received by the commissioner from
43 employers in a single remittance accompanying the quarterly combined
44 withholding, wage reporting and unemployment insurance returns required
45 by paragraph four of subsection (a) of section six hundred seventy-four
46 of this article shall, if necessary, be deposited into an account to be
47 maintained jointly by the department and the department of labor at such
48 responsible bank, banking house or trust company as may be designated by
49 the comptroller. The comptroller shall require adequate security from
50 such depository. Such departments shall determine the proper allocation
51 of the monies in such account as between unemployment insurance contrib-
52 utions and payments and aggregate withholding taxes. Unemployment insur-
53 ance contributions and payments shall then be deposited and disposed of
54 pursuant to the provisions of title four of article eighteen of the
55 labor law, and aggregate withholding taxes shall be deposited and
56 disposed of pursuant to the provisions of sections one hundred seventy-

1 one-a, thirteen hundred thirteen and thirteen hundred thirty-three of
2 this chapter, as applicable.

3 S 6. The tax law is amended by adding a new section 698-a to read as
4 follows:

5 S 698-A. DEPOSIT AND DISPOSITION OF CERTAIN REVENUE. NOTWITHSTANDING
6 THE PROVISIONS OF SECTION SIX HUNDRED NINETY-EIGHT OF THIS PART TO THE
7 CONTRARY, FOR TAXABLE YEAR TWO THOUSAND FIFTEEN, ONE-HALF (.5) PERCENT;
8 FOR TAXABLE YEAR TWO THOUSAND SIXTEEN, ONE (1.0) PERCENT; FOR TAXABLE
9 YEAR TWO THOUSAND SEVENTEEN, ONE AND ONE-HALF (1.5) PERCENT; AND FOR
10 TAXABLE YEARS BEGINNING IN TWO THOUSAND EIGHTEEN AND EVERY YEAR THERE-
11 AFTER, TWO (2.0) PERCENT OF THE TAXES, INTEREST AND PENALTIES COLLECTED
12 OR RECEIVED BY THE COMMISSIONER UNDER THIS ARTICLE SHALL BE DISTRIBUTED
13 AS FOLLOWS:

14 (A) EIGHTY-FIVE PERCENT OF THE FUNDS GENERATED FROM TAXPAYERS RESIDING
15 IN THE METROPOLITAN COMMUTER TRANSPORTATION DISTRICT ESTABLISHED PURSU-
16 ANT TO SECTION TWELVE HUNDRED SIXTY-TWO OF THE PUBLIC AUTHORITIES LAW
17 SHALL BE DEPOSITED AND DISPOSED OF PURSUANT TO SECTION EIGHT HUNDRED
18 FIVE OF THIS CHAPTER; TEN PERCENT OF THE FUNDS GENERATED FROM TAXPAYERS
19 RESIDING IN THE METROPOLITAN COMMUTER TRANSPORTATION DISTRICT ESTAB-
20 LISHED PURSUANT TO SECTION TWELVE HUNDRED SIXTY-TWO OF THE PUBLIC
21 AUTHORITIES LAW SHALL BE DEPOSITED INTO THE DEDICATED HIGHWAY AND BRIDGE
22 TRUST FUND; AND FIVE PERCENT OF THE FUNDS GENERATED FROM TAXPAYERS
23 RESIDING IN THE METROPOLITAN COMMUTER TRANSPORTATION DISTRICT ESTAB-
24 LISHED PURSUANT TO SECTION TWELVE HUNDRED SIXTY-TWO OF THE PUBLIC
25 AUTHORITIES LAW SHALL BE DEPOSITED INTO THE DEDICATED MASS TRANSPORTA-
26 TION TRUST FUND TO THE CREDIT OF THE NON-MTA ACCOUNT FOR PAYMENT TO
27 DOWNSTATE TRANSIT SYSTEMS OTHER THAN THOSE TRANSIT SYSTEMS OPERATED BY
28 THE METROPOLITAN TRANSPORTATION AUTHORITY.

29 (B) THE FUNDS GENERATED FROM THE TAXPAYERS RESIDING OUTSIDE OF THE
30 METROPOLITAN COMMUTER TRANSPORTATION DISTRICT ESTABLISHED PURSUANT TO
31 SECTION TWELVE HUNDRED SIXTY-TWO OF THE PUBLIC AUTHORITIES LAW SHALL BE
32 DEPOSITED AS FOLLOWS: THIRTY PERCENT OF THE REVENUES SHALL BE DEPOSITED
33 INTO THE DEDICATED MASS TRANSPORTATION TRUST FUND TO THE CREDIT OF THE
34 NON-MTA ACCOUNT FOR PAYMENT TO UPSTATE TRANSIT SYSTEMS AND SEVENTY
35 PERCENT OF THE REVENUES SHALL BE DEPOSITED INTO THE DEDICATED HIGHWAY
36 AND BRIDGE TRUST FUND.

37 S 7. Subsection (a) of section 805 of the tax law, as added by section
38 1 of part C of chapter 25 of the laws of 2009, is amended to read as
39 follows:

40 (a) The taxes, interest, and penalties imposed by this article AND BY
41 SECTION SIX HUNDRED NINETY-EIGHT-A OF THIS CHAPTER and collected or
42 received by the commissioner shall be deposited daily with such respon-
43 sible banks, banking houses or trust companies, as may be designated by
44 the comptroller, to the credit of the comptroller in trust for the
45 metropolitan transportation authority. An account may be established in
46 one or more of such depositories. Such deposits will be kept separate
47 and apart from all other money in the possession of the comptroller. The
48 comptroller shall require adequate security from all such depositories.
49 Of the total revenue collected or received under this article, the comp-
50 troller shall retain such amount as the commissioner may determine to be
51 necessary for refunds under this article. The commissioner is authorized
52 and directed to deduct from the amounts it receives under this article,
53 before deposit into the trust accounts designated by the comptroller, a
54 reasonable amount necessary to effectuate refunds of appropriations of
55 the department to reimburse the department for the costs incurred to
56 administer, collect and distribute the taxes imposed by this article.

1 S 8. The sum of one billion dollars (\$1,000,000,000), or such much
2 thereof as may be necessary, is hereby appropriated to the metropolitan
3 transportation authority from any moneys in the state treasury in the
4 capital projects fund - dedicated infrastructure investment fund to the
5 credit of the infrastructure investment account - special infrastructure
6 purpose, not otherwise appropriated, for the costs of capital projects
7 for the planning and design, acquisition, construction, reconstruction,
8 replacement, improvement, reconditioning, rehabilitation and preserva-
9 tion, including the acquisition of real property and interests therein
10 required or expected to be required in connection therewith, of urban
11 and commuter passenger, freight rail, omnibus, mass transit and rapid
12 transit systems, facilities and equipment, including acquisition, which
13 are capital elements set forth in the 2015-2019 capital program plans
14 approved by the metropolitan transportation authority capital program
15 review board. Such sum shall be payable on the audit and warrant of the
16 state comptroller on vouchers certified or approved by the metropolitan
17 transportation authority, or its duly designated representative in the
18 manner provided by law. No expenditure shall be made from this appropri-
19 ation until a certificate of approval of availability shall have been
20 issued by the director of the budget and filed with the state comp-
21 troller and a copy filed with the chair of the senate finance committee
22 and the chair of the assembly ways and means committee. Such certificate
23 may be amended from time to time by the director of the budget and a
24 copy of each such amendment shall be filed with the state comptroller,
25 the chair of the senate finance committee and the chair of the assembly
26 ways and means committee.

27 S 9. Additional allocation. Any bank or insurance settlement proceeds
28 received by the state above the first one billion dollars provided to
29 the metropolitan transportation authority under section eight of this
30 act but not to exceed three hundred million shall be distributed as
31 follows 34 percent to the dedicated mass transportation trust fund to
32 the credit of the non-MTA account and 66 percent to the dedicated high-
33 way and bridge trust fund. Funds authorized by this section shall not
34 supplant any existing revenues authorized for distribution into the
35 dedicated mass transportation trust fund.

36 S 10. This act shall take effect April 1, 2016.