

# STATE OF NEW YORK

4805

2017-2018 Regular Sessions

## IN ASSEMBLY

February 3, 2017

Introduced by M. of A. DINOWITZ -- 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 enacting the metropolitan transportation infrastructure financing authority act of 2017

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Article 10-D of the public authorities law is amended by  
2 adding a new title 4 to read as follows:

3 TITLE 4

4 METROPOLITAN TRANSPORTATION

5 INFRASTRUCTURE FINANCING AUTHORITY

6 Section 3975. Short title.

7 3976. Definitions.

8 3977. Metropolitan transportation infrastructure financing  
9 authority.

10 3978. Administration of the authority.

11 3979. General powers of the authority.

12 3980. Bonds of the authority.

13 3981. Moneys of the authority.

14 3982. Use of bond proceeds.

15 3983. Agreement with state.

16 3984. Bonds as legal investments.

17 3985. Exemption from taxation.

18 3986. Audits.

19 3987. Remedies of bondholders.

20 3988. Assistance by state officers, departments, boards and  
21 commissions.

22 3989. Applicability.

23 § 3975. Short title. This title shall be known and may be cited as the  
24 "metropolitan transportation infrastructure financing authority act of  
25 2017".

26 § 3976. Definitions. For the purposes of this title, unless the  
27 context otherwise requires:

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

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1 1. "Authority" or "metropolitan transportation infrastructure financ-  
2 ing authority" means the public benefit corporation created by this  
3 title.

4 2. "Bonds" means bonds, notes and other evidences of indebtedness,  
5 issued by the authority.

6 3. "Comptroller" means the comptroller of the state of New York.

7 4. "MTA" means the metropolitan transportation authority established  
8 pursuant to title eleven of article five of this chapter.

9 5. "Project capital costs" or "costs" means costs providing for the  
10 construction, reconstruction, acquisition or installation of physical  
11 public betterments or improvements; or the costs of any preliminary  
12 studies, appraisals, surveys, maps, plans, estimates and hearings; or  
13 costs for the preparation of designs, specifications, testing and envi-  
14 ronmental impact statements; or costs of engineering; or incidental  
15 costs, including, but not limited to, legal fees, printing or engraving,  
16 publication of notices, taking of title, apportionment of costs, and  
17 interest during construction; or any underwriting or other costs  
18 incurred in connection with the financing thereof.

19 6. "Revenues" means the tax revenues and all aid, rents, fees, charg-  
20 es, payments and the income and receipts paid or payable to the authori-  
21 ty.

22 7. "State" means the state of New York.

23 8. "Tax revenues" means the taxes paid or payable to the authority  
24 pursuant to section thirty-nine hundred eighty-one of this title and  
25 such other revenues as the authority may derive directly from taxes  
26 imposed and collected by the state.

27 § 3977. Metropolitan transportation infrastructure financing authori-  
28 ty. 1. There is hereby created the metropolitan transportation infras-  
29 tructure financing authority. The authority shall be a corporate govern-  
30 mental agency constituting a public benefit corporation and an  
31 instrumentality of the state.

32 2. In accordance with the provisions of this title, the authority may  
33 only finance costs, including the refunding of bonds issued by the  
34 authority to finance costs, and fund reserves to secure such bonds.

35 3. The authority shall continue until all its liabilities have been  
36 met or otherwise discharged. Upon the termination of the existence of  
37 the authority, all of its rights and property shall pass to and be vest-  
38 ed in the state.

39 § 3978. Administration of the authority. 1. The authority shall be  
40 administered by seven directors: five voting members consisting of the  
41 director of the budget, two members appointed by the governor, and one  
42 each by the speaker of the assembly and the temporary president of the  
43 senate; and two non-voting members, one each appointed by the minority  
44 leaders of the assembly and the senate.

45 2. The members of the board shall appoint one of the directors to  
46 serve as chairperson of the authority. The chairperson shall preside  
47 over all meetings of the directors and shall have such other duties as  
48 may be fixed by the directors.

49 3. Notwithstanding any inconsistent provision of any general, special  
50 or local law, ordinance, resolution or charter, no officer, member or  
51 employee of the state, any city, county, town or village, any govern-  
52 mental entity operating any public school or college, any school  
53 district or any other public agency or instrumentality which exercises  
54 governmental powers under the laws of the state, shall forfeit his or  
55 her office or employment by reason of his or her acceptance of appoint-

1 ment as a director of the authority, nor shall service as such director  
2 be deemed incompatible or in conflict with such office or employment.

3 4. Notwithstanding any inconsistent provision of this chapter, five  
4 directors shall constitute a quorum for the transaction of any business  
5 or the exercise of any power of the authority. No action shall be taken  
6 by the authority except pursuant to a favorable vote of at least five  
7 directors present at a meeting at which such action is taken. Any direc-  
8 tor may, by written instrument, filed with and approved as to form by  
9 the authority, designate an alternate to perform, in the absence of such  
10 director, his or her duties under this title. The term "director" as  
11 used in this title shall include such alternates, except that no alter-  
12 enate may designate an alternate pursuant to this subdivision. The desig-  
13 nation of such alternates shall be deemed temporary only and shall not  
14 affect the civil service or retirement rights of any persons so desig-  
15 nated.

16 5. The authority shall appoint a treasurer and may appoint or employ  
17 officers, employees or agents as it may require and prescribe their  
18 duties.

19 6. The directors shall not be paid a salary, but shall be reimbursed  
20 or paid for all actual and necessary expenses incurred in the discharge  
21 of their duties.

22 § 3979. General powers of the authority. Except as otherwise limited  
23 by this title, the authority shall have the following powers in addition  
24 to those specially conferred elsewhere in this title, subject only to  
25 agreements with bondholders:

26 1. to sue and be sued;

27 2. to have a seal and alter the same at pleasure;

28 3. to make and alter by-laws for its organization and management and,  
29 subject to agreements with its bondholders, to make and alter rules and  
30 regulations governing the exercise of its powers and fulfillment of its  
31 purposes under this title;

32 4. to make and execute contracts and all other instruments or agree-  
33 ments necessary or convenient to carry out any powers and functions  
34 expressly given in this title;

35 5. to commence any action to protect or enforce any right conferred  
36 upon it by any law, contract or other agreement;

37 6. to borrow money and issue bonds, or to refund the same, and to  
38 provide for the rights of the holders of its obligations;

39 7. to accept gifts, grants, loans or contributions of funds or finan-  
40 cial or other aid in any form from the city, state or federal government  
41 or any agency or instrumentality thereof, or from any other source and  
42 for any of its corporate purposes in accordance with the provisions of  
43 this title;

44 8. to invest any funds held in reserves or sinking funds, or any funds  
45 not required for immediate use or disbursement, at the discretion of the  
46 authority;

47 9. to pledge all or any part of its revenues as security for the  
48 payment of the principal of and interest on any bonds so issued and any  
49 agreements made in connection therewith;

50 10. to appoint such officers and employees as it may require for the  
51 performance of its duties and to fix and determine their qualifications,  
52 duties, and compensation; and to retain or employ counsel, auditors and  
53 private financial consultants on a contract basis or otherwise for  
54 rendering professional or technical services and advice; and

55 11. to do any and all things necessary or convenient to carry out its  
56 purposes and exercise the powers expressly given and granted in this

1 title provided, however, such authority shall under no circumstances  
2 acquire, hold or transfer title to, lease, own beneficially or other-  
3 wise, manage, operate or otherwise exercise control over any real prop-  
4 erty, any improvement to real property or any interest therein other  
5 than a lease of office space deemed necessary or desirable by the  
6 authority.

7 § 3980. Bonds of the authority. 1. The authority shall have the power  
8 and is hereby authorized from time to time to issue bonds, in conformity  
9 with applicable provisions of the uniform commercial code, in such prin-  
10 cipal amounts as it may determine to be necessary, not to exceed the  
11 principal aggregate amount of eight billion dollars. The authority  
12 shall have the power from time to time to refund any bonds of the  
13 authority by the issuance of new bonds whether the bonds to be refunded  
14 have or have not matured, and may issue bonds partly to refund bonds of  
15 the authority then outstanding. Bonds issued by the authority shall be  
16 payable solely out of the specific revenues or other moneys of the  
17 authority as may be designated in the proceedings of the authority under  
18 which the bonds shall be authorized to be issued, and subject to any  
19 agreements with the holders of outstanding bonds pledging any particular  
20 revenues or moneys.

21 2. Such bonds shall be authorized by resolution of the authority,  
22 shall bear such date and shall mature at such time or times as such  
23 resolution may provide. The bonds may be issued as serial bonds or as  
24 term bonds or as a combination thereof. The bonds shall bear interest  
25 at such rate or rates, be in such denominations and in such form, either  
26 coupon or registered, carry such registration privileges, be executed in  
27 such manner, be payable in such medium of payment, at such place or  
28 places and be subject to such terms of redemption as such resolution may  
29 provide.

30 3. Any resolution or resolutions authorizing bonds or any issue of  
31 bonds may contain provisions which may be a part of the contract with  
32 the holders of the bonds thereby authorized as to:

33 (a) pledging all or part of its revenues, together with any other  
34 moneys, securities or contracts, to secure the payment of the bonds,  
35 subject to such agreements with bondholders as may then exist;

36 (b) the setting aside of reserves and the creation of sinking funds  
37 and the regulation and disposition thereof;

38 (c) limitations on the purpose to which the proceeds from the sale of  
39 bonds may be applied;

40 (d) limitations on the issuance of additional bonds, the terms upon  
41 which additional bonds may be issued and secured and the refunding of  
42 bonds;

43 (e) the procedure, if any, by which the terms of any contract with  
44 bondholders may be amended or abrogated, including the proportion of  
45 bondholders which must consent thereto and the manner in which such  
46 consent may be given; and

47 (f) defining the acts or omissions to act which may constitute a  
48 default in the obligations and duties of the authority to the bondhold-  
49 ers and providing for the rights and remedies of the bondholders in the  
50 event of such default, including as a matter of right the appointment of  
51 a receiver; provided, however, that such rights and remedies shall not  
52 be inconsistent with the general laws of the state and other provisions  
53 of this title.

54 4. In addition to the powers herein conferred upon the authority to  
55 secure its bonds, the authority shall have power in connection with the  
56 issuance of bonds to enter into such agreements for the benefit of the

1 bondholders as the authority may deem necessary, convenient or desirable  
2 concerning the use or disposition of its revenues or other moneys,  
3 including the entrusting, pledging or creation of any other security  
4 interest in any such revenues, moneys and the doing of any act, includ-  
5 ing refraining from doing any act, which the authority would have the  
6 right to do in the absence of such agreements. The authority shall have  
7 power to enter into amendments of any such agreements within the powers  
8 granted to the authority by this title and to perform such agreements.  
9 The provisions of any such agreements may be made a part of the contract  
10 with the holders of bonds of the authority.

11 5. The authority shall have power to contract with holders of any of  
12 its bonds as to the custody, collection, securing, investment, and  
13 payment of any moneys of the authority, of any moneys held in trust or  
14 otherwise for the payment of bonds, and to carry out such contract.  
15 Moneys held in trust or otherwise for the payment of bonds or in any way  
16 to secure bonds or notes and deposits of such moneys may be secured in  
17 the same manner as moneys of the authority, and all banks and trust  
18 companies are authorized to give such security for such deposits.

19 6. Whether or not the bonds of the authority are of such form and  
20 character as to be negotiable instruments under the terms of the uniform  
21 commercial code, the bonds are hereby made negotiable instruments within  
22 the meaning of and for all the purposes of the uniform commercial code,  
23 subject only to the provisions of the bonds for registration.

24 7. Neither the directors of the authority nor any person executing  
25 bonds shall be liable personally thereon or be subject to any personal  
26 liability or accountability solely by reason of the issuance thereof.  
27 The bonds or other obligations of the authority shall not be a debt of  
28 the state, and the state shall not be liable thereon, nor shall they be  
29 payable out of any funds other than those of the authority; and such  
30 bonds shall contain on the face thereof a statement to such effect.

31 8. The authority, subject to such agreements with bondholders as then  
32 may exist, shall have power to purchase bonds of the authority out of  
33 any moneys available therefor, which shall thereupon be cancelled.

34 § 3981. Moneys of the authority. 1. Subject to the provisions of this  
35 title, the directors of the authority shall receive, accept, invest,  
36 administer, expend and disburse for its corporate purposes all money of  
37 the authority from whatever sources derived including (a) payments by  
38 the commissioner of taxation and finance or the comptroller pursuant to  
39 this title; (b) the proceeds of bonds; (c) the revenues described in  
40 subdivision six of this section; and (d) any other payments, gifts, or  
41 appropriations to the authority from any other source.

42 2. Subject to the provisions of any contract with bondholders,  
43 (a) the money of the authority shall be paid to the authority and  
44 shall not be commingled with any other money, and  
45 (b) all money received by the authority which, together with other  
46 money of the authority available for the operating expenses of the  
47 authority, the payment of debt service and payments to reserve funds,  
48 exceeds the amount required for such purposes shall be transferred to  
49 the state.

50 3. The money in any of the authority's accounts shall be paid out on  
51 checks signed by the treasurer, or by other lawful and appropriate means  
52 such as wire or electronic transfer, on requisitions of the chairperson  
53 of the authority or of such other officer as the directors shall author-  
54 ize to make such requisition, or pursuant to a bond resolution or trust  
55 indenture.

1 4. All moneys of the authority from whatever source derived may be  
2 paid to the treasurer of the authority and be deposited forthwith in a  
3 bank or banks in the state designated by such authority. The moneys in  
4 such account may be paid by the treasurer or other agent duly designated  
5 by the authority on requisition of the chairman of the board of direc-  
6 tors of the authority or of such person or persons as the board may  
7 authorize to make such requisitions. All deposits of authority money  
8 shall be secured by obligations of the United States or of the state at  
9 a market value equal at all times to the amount of the deposit, and all  
10 banks and trust companies are authorized to give such security for such  
11 deposits.

12 5. The authority shall have the power, notwithstanding the provisions  
13 of this section, to contract with the holders of any of its bonds as to  
14 the custody, collection, securing, investment and payment of any money  
15 of the authority or any money held in trust or otherwise for the payment  
16 of bonds or in any way to secure bonds, and to carry out any such  
17 contract notwithstanding that such contract may be inconsistent with the  
18 other provisions of this title. Money held in trust or otherwise for the  
19 payment of bonds or in any way to secure bonds and deposits of such  
20 money may be secured in the same manner as money of the authority, and  
21 all banks and trust companies are authorized to give such security for  
22 such deposits.

23 6. (a) Revenues of the authority shall include, but not be limited to:

24 (i) revenues from the additional .25 percent rate of the personal  
25 income tax for taxpayers residing in the metropolitan commuter transpor-  
26 tation district created and established pursuant to section twelve  
27 hundred sixty-two of this chapter with a taxable income greater than  
28 five hundred thousand dollars but less than two million dollars as  
29 provided by subparagraph (C) of paragraph one of subsection (a), subpar-  
30 agraph (C) of paragraph one of subsection (b) and subparagraph (C) of  
31 paragraph one of subsection (c) of section six hundred one of the tax  
32 law; and

33 (ii) annual funding from the city of New York as follows:

34 (A) for the first fiscal year of the city of New York commencing after  
35 the effective date of this title, the amount that such city appropriated  
36 for the support of the MTA in the base year plus sixty million dollars;

37 (B) for the second fiscal year of the city of New York commencing  
38 after the effective date of this title, the amount that such city appro-  
39 riated for the support of the MTA in the base year plus one hundred and  
40 twenty million dollars;

41 (C) for the third fiscal year of the city of New York commencing after  
42 the effective date of this title, the amount that such city appropriated  
43 for the support of the MTA in the base year plus one hundred and eighty  
44 million dollars;

45 (D) for the fourth fiscal year of the city of New York commencing  
46 after the effective date of this title, the amount that such city appro-  
47 riated for the support of the MTA in the base year plus two hundred and  
48 forty million dollars; and

49 (E) for the fifth fiscal year of the city of New York commencing after  
50 the effective date of this title, and for each fiscal year of such city  
51 thereafter, the amount that such city appropriated for the support of  
52 the MTA in the base year plus three hundred million dollars.

53 (b) For the purposes of subparagraph (ii) of paragraph (a) of this  
54 subdivision, the term "base year" shall mean the fiscal year of the city  
55 of New York ending June 30, 2016.

1 7. Revenues received by the authority pursuant to this section shall  
2 be applied in the following order of priority: first pursuant to the  
3 authority's contracts with bondholders, then to pay the authority's  
4 operating expenses not otherwise provided for.

5 § 3982. Use of bond proceeds. The moneys or proceeds received by the  
6 authority from the sale of bonds shall be paid to the MTA to be expended  
7 for any project capital costs or elements described in the two thousand  
8 seventeen through two thousand twenty-one capital program plans as  
9 submitted to and approved by the MTA capital program review board pursu-  
10 ant to title eleven of article five of this chapter.

11 § 3983. Agreement with state. The state does hereby pledge to and  
12 agree with the holders of any bonds issued by the authority under this  
13 act that the state will not limit or alter the rights hereby vested in  
14 such authority to fulfill the terms of any agreements made with the said  
15 holders thereof, or in any way impair the rights and remedies of such  
16 holders until such bonds together with the interest thereon, with inter-  
17 est on any unpaid installments of interest, and all costs and expenses  
18 in connection with any action or proceeding by or on behalf of such  
19 holders, are fully paid and discharged. The authority is authorized to  
20 include this pledge and agreement of the state in any agreement with the  
21 holders of such bonds.

22 § 3984. Bonds as legal investments. The bonds of the authority are  
23 hereby made securities in which all public officers and bodies of this  
24 state and all political subdivisions of the state and other persons  
25 carrying on an insurance business, all banks, bankers, trust companies,  
26 savings banks and savings associations, including savings and loan asso-  
27 ciations, building and loan associations, investment companies and other  
28 persons carrying on a banking business, all administrators, guardians,  
29 executors, trustees and other fiduciaries, and all other persons whatso-  
30 ever who are now or may hereafter be authorized to invest in bonds or in  
31 other obligations of the state, may properly and legally invest funds,  
32 including capital, in their control or belonging to them. Such bonds are  
33 also hereby made securities which may be deposited with and may be  
34 received by all public officers and bodies of the state and all poli-  
35 tical subdivisions of the state and public corporations for any purpose  
36 for which the deposit of bonds or other obligations of the state is now  
37 or may hereafter be authorized.

38 § 3985. Exemption from taxation. 1. It is hereby determined that the  
39 creation of the authority and the carrying out of its corporate purpose  
40 is in all respects a public and governmental purpose for the benefit of  
41 the people of the state and for the improvement of their health, safety,  
42 welfare, comfort and security, and that said purposes are public  
43 purposes and that a corporation will be performing an essential govern-  
44 mental function in the exercise of the powers conferred upon it by this  
45 act.

46 2. The property of the authority and its income and operations shall  
47 be exempt from taxation.

48 3. The bonds of the authority issued pursuant to this act and the  
49 income therefrom and all its fees, charges, gifts, grants, revenues,  
50 receipts and other moneys received or to be received, pledged to pay, or  
51 secure the payment of, such notes or bonds shall at all times be free  
52 from taxation, except for estate and gift taxes and taxes on transfers.

53 § 3986. Audits. 1. The accounts of the authority shall be subject to  
54 the supervision and audit of the comptroller. The comptroller and his or  
55 her legally authorized representative are authorized and empowered from  
56 time to time to examine the accounts and books of the authority, includ-

1 ing its receipts, disbursements, contracts, leases, sinking funds,  
2 investments and any other records and papers relating to its financial  
3 standing.

4 2. The comptroller may require the authority to be the subject of an  
5 annual management and financial audit performed by an independent certi-  
6 fied accountant selected by the comptroller. Such audited report,  
7 together with the audited financial statements of the authority, shall  
8 be submitted to the governor, the speaker of the assembly, the temporary  
9 president of the senate, and the chair and ranking minority member of  
10 the senate finance committee and the chair and ranking minority member  
11 of the assembly ways and means committee.

12 § 3987. Remedies of bondholders. Subject to any resolution or resolu-  
13 tions adopted by the authority:

14 1. In the event that the authority shall default in the payment of  
15 principal of or interest on any issue of bonds after the same shall  
16 become due, whether at maturity or upon call for redemption, and such  
17 default shall continue for a period of thirty days, or in the event that  
18 the authority shall fail or refuse to comply with the provisions of this  
19 title or shall default in any agreement made with the holders of any  
20 issue of bonds, the holders of twenty-five percent in aggregate princi-  
21 pal amount of the bonds of such issue then outstanding, by instrument or  
22 instruments filed in the office of the clerk of the county in which the  
23 principal office of the authority is located and proved and acknowledged  
24 in the same manner as a deed to be recorded, may appoint a trustee to  
25 represent the holders of such bonds for the purpose provided in this  
26 section.

27 2. Such trustee may, and upon written request of the holders of twen-  
28 ty-five per centum in principal amount of such bonds outstanding shall,  
29 in his or her or its own name:

30 (a) by action or proceeding in accordance with the civil practice law  
31 and rules, enforce all rights of the bondholders and require the author-  
32 ity to carry out any other agreements with the holders of such bonds and  
33 to perform its duties under this title;

34 (b) bring an action or proceeding upon such bonds;

35 (c) by action or proceeding, require the authority to account as if it  
36 were the trustee of an express trust for the holders of such bonds;

37 (d) by action or proceeding, enjoin any acts or things which may be  
38 unlawful or in violation of the rights of the holders of such bonds; and

39 (e) declare all such bonds due and payable, and if all defaults shall  
40 be made good, then with the consent of the holders of twenty-five per  
41 centum of the principal amount of such bonds then outstanding, annul  
42 such declaration and its consequences.

43 3. Such trustee shall, in addition to the provisions of subdivisions  
44 one and two of this section, have and possess all of the powers neces-  
45 sary or appropriate for the exercise of any functions specifically set  
46 forth in this section or incident to the general representation of bond-  
47 holders in the enforcement and protection of their rights.

48 4. The supreme court shall have jurisdiction of any action or proceed-  
49 ing by the trustee on behalf of such bondholders. The venue of any such  
50 action or proceeding shall be laid in the county of Albany.

51 § 3988. Assistance by state officers, departments, boards and commis-  
52 sions. 1. All other state departments, agencies and public authorities  
53 may render such services to the authority within their respective func-  
54 tions as may be requested by such authority.

55 2. Upon request of the authority, any state department or agency is  
56 hereby authorized and empowered to transfer to the authority such offi-

1 cers and employees as it may deem necessary from time to time to assist  
2 such corporation in carrying out its functions and duties under this  
3 act. Officers and employees so transferred shall not lose or forfeit  
4 their civil service status or rights.

5 § 3989. Applicability. Notwithstanding any provision of law contained  
6 in this chapter to the contrary, the authority shall be subject to, and  
7 be required to comply with, the following provisions set forth in arti-  
8 cle nine of this chapter only: subparagraphs one, two, three, four and  
9 five-a of paragraph (a) of subdivision one of section twenty-eight  
10 hundred of this chapter; paragraphs (b) and (c) of subdivision one of  
11 section twenty-eight hundred of this chapter; subdivision three of  
12 section twenty-eight hundred of this chapter; subdivisions one and three  
13 of section twenty-eight hundred one of this chapter; subdivision one of  
14 section twenty-eight hundred two of this chapter; section twenty-eight  
15 hundred three of this chapter; section twenty-eight hundred five of this  
16 chapter; paragraphs (a), (b), (d), (g) and (h) of subdivision one and  
17 subdivision two of section twenty-eight hundred twenty-four of this  
18 chapter; and sections twenty-eight hundred fifty-six, twenty-eight  
19 hundred seventy-nine-a, twenty-eight hundred ninety and twenty-nine  
20 hundred twenty-five of this chapter.

21 § 2. Paragraph 1 of subsection (a) of section 601 of the tax law is  
22 amended by adding a new subparagraph (C) to read as follows:

23 (C) For taxable years beginning after two thousand seventeen, an addi-  
24 tional tax at a rate of .25% over the 6.85% rate established by subpara-  
25 graph (B) of this paragraph for taxpayers residing in the metropolitan  
26 commuter transportation district created and established pursuant to  
27 section twelve hundred sixty-two of the public authorities law whose New  
28 York taxable income is greater than \$500,000 that shall apply to New  
29 York taxable income of \$500,000 or more but less than \$2,000,000.

30 § 3. Paragraph 1 of subsection (b) of section 601 of the tax law is  
31 amended by adding a new subparagraph (C) to read as follows:

32 (C) For taxable years beginning after two thousand seventeen, an addi-  
33 tional tax at a rate of .25% over the 6.85% rate established by subpara-  
34 graph (B) of this paragraph for taxpayers residing in the metropolitan  
35 commuter transportation district created and established pursuant to  
36 section twelve hundred sixty-two of the public authorities law whose New  
37 York taxable income is greater than \$500,000 that shall apply to New  
38 York taxable income of \$500,000 or more but less than \$2,000,000.

39 § 4. Paragraph 1 of subsection (c) of section 601 of the tax law is  
40 amended by adding a new subparagraph (C) to read as follows:

41 (C) For taxable years beginning after two thousand seventeen, an addi-  
42 tional tax at a rate of .25% over the 6.85% rate established by subpara-  
43 graph (B) of this paragraph for taxpayers residing in the metropolitan  
44 commuter transportation district created and established pursuant to  
45 section twelve hundred sixty-two of the public authorities law whose New  
46 York taxable income is greater than \$500,000 that shall apply to New  
47 York taxable income of \$500,000 or more but less than \$2,000,000.

48 § 5. Notwithstanding any provisions of this act to the contrary, until  
49 such time as the metropolitan transportation infrastructure financing  
50 authority has issued bonds pursuant to section 3980 of the public  
51 authorities law and received the proceeds from the sale or issuance of  
52 such bonds, such authority shall distribute the revenue received pursu-  
53 ant to subdivision 6 of section 3981 of such law in accordance with the  
54 provisions of section 3982 of such law.

55 § 6. This act shall take effect immediately.