

STATE OF NEW YORK

6871

2017-2018 Regular Sessions

IN SENATE

September 11, 2017

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

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

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.
- 19 4. Multi-year investment in transportation infrastructure is critical
20 to economic development and the safe and reliable movement of citizens
21 and goods in the state.

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

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

4 (a) To enable the fund to realize its public and governmental purpose,
5 the fund may enter into agreements with the transportation authority, to
6 which the transit authority may be a party, pursuant to which the trans-
7 portation authority may plan, design, construct, acquire, extend, recon-
8 struct, rehabilitate, modernize, or otherwise improve any transit facil-
9 ity, and the fund may lease any such transit facility from the
10 transportation authority. The fund may apply the resources of the fund
11 to the payment of rentals and other payments required from the fund by
12 any such lease or other agreement and may pledge such resources as secu-
13 rity for such payments to the transportation authority with respect to
14 such leases or other agreements. The fund shall enter into such leases
15 or other agreements with the transportation authority providing for the
16 payment of rentals and other payments sufficient to allow the transpor-
17 tation authority to finance the costs of planning and design, acquisi-
18 tion, construction, reconstruction, replacement, improvement, recondi-
19 tioning, rehabilitation and preservation, including the acquisition of
20 real property and interests therein required or expected to be required
21 in connection therewith, of transit facilities, not to exceed four
22 billion five hundred million dollars, which are capital elements set
23 forth in the two thousand fifteen--two thousand nineteen capital program
24 plans approved by the metropolitan transportation authority capital
25 program review board.

26 § 3. Subdivision 1 of section 2799-gg of the public authorities law,
27 as amended by chapter 182 of the laws of 2009, is amended to read as
28 follows:

29 1. The authority shall have the power and is hereby authorized from
30 time to time to issue bonds, in conformity with applicable provisions of
31 the uniform commercial code, in such principal amounts as it may deter-
32 mine to be necessary pursuant to section twenty-seven hundred ninety-
33 nine-ff of this title to pay the cost of any project and to fund
34 reserves to secure such bonds, including incidental expenses in
35 connection therewith, and to pay the cost of any project or element
36 contained in a budgeted and approved capital plan of the metropolitan
37 transportation authority.

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

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

13 § 4. Subdivision 3 of section 92-ff of the state finance law, as added
14 by section 1 of part G of chapter 25 of the laws of 2009, is amended to
15 read as follows:

16 3. Such fund shall consist of all moneys collected [~~therefore~~] there-
17 for or credited or transferred thereto from any other fund, account or
18 source, including, without limitation, the revenues derived from the
19 metropolitan commuter transportation mobility tax imposed by article
20 twenty-three of the tax law; revenues derived from section six hundred
21 ninety-eight-a of the tax law; revenues derived from the special supple-
22 mental tax on passenger car rentals imposed by section eleven hundred
23 sixty-six-a of the tax law; revenues derived from the transportation
24 surcharge imposed by article twenty-nine-A of the tax law; the supple-
25 mental registration fees imposed by article seventeen-C of the vehicle
26 and traffic law; and the supplemental metropolitan commuter transporta-
27 tion district license fees imposed by section five hundred three of the
28 vehicle and traffic law. Any interest received by the comptroller on
29 moneys on deposit in the metropolitan transportation authority financial
30 assistance fund shall be retained in and become a part of such fund.

31 § 5. Section 698 of the tax law, as amended by chapter 477 of the laws
32 of 1998, is amended to read as follows:

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

1 § 6. The tax law is amended by adding a new section 698-a to read as
2 follows:

3 § 698-a. Deposit and disposition of certain revenue. Notwithstanding
4 the provisions of section six hundred ninety-eight of this part to the
5 contrary, for taxable year two thousand eighteen, one-half (.5) percent;
6 for taxable year two thousand nineteen, one (1.0) percent; for taxable
7 year two thousand twenty, one and one-half (1.5) percent; and for taxa-
8 ble years beginning in two thousand twenty-one and every year thereaft-
9 er, two (2.0) percent of the taxes, interest and penalties collected or
10 received by the commissioner under this article shall be distributed as
11 follows:

12 (a) eighty-five percent of the funds generated from taxpayers residing
13 in the metropolitan commuter transportation district established pursu-
14 ant to section twelve hundred sixty-two of the public authorities law
15 shall be deposited and disposed of pursuant to section eight hundred
16 five of this chapter; ten percent of the funds generated from taxpayers
17 residing in the metropolitan commuter transportation district estab-
18 lished pursuant to section twelve hundred sixty-two of the public
19 authorities law shall be deposited into the dedicated highway and bridge
20 trust fund; and five percent of the funds generated from taxpayers
21 residing in the metropolitan commuter transportation district estab-
22 lished pursuant to section twelve hundred sixty-two of the public
23 authorities law shall be deposited into the dedicated mass transporta-
24 tion trust fund to the credit of the non-MTA account for payment to
25 downstate transit systems other than those transit systems operated by
26 the metropolitan transportation authority.

27 (b) The funds generated from the taxpayers residing outside of the
28 metropolitan commuter transportation district established pursuant to
29 section twelve hundred sixty-two of the public authorities law shall be
30 deposited as follows: thirty percent of the revenues shall be deposited
31 into the dedicated mass transportation trust fund to the credit of the
32 non-MTA account for payment to upstate transit systems and seventy
33 percent of the revenues shall be deposited into the dedicated highway
34 and bridge trust fund.

35 § 7. Subsection (a) of section 805 of the tax law, as added by section
36 1 of part C of chapter 25 of the laws of 2009, is amended to read as
37 follows:

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

55 § 8. This act shall take effect April 1, 2018.