STATE OF NEW YORK

5594

2023-2024 Regular Sessions

IN SENATE

March 8, 2023

Introduced by Sens. COMRIE, RAMOS -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to exempting mass transit authorities from bond issuance charges

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

Section 1. Short title. This act shall be known and may be cited as the "statewide transportation authority reinvestment (STAR) act of 2023".

§ 2. Legislative intent. The public authorities that provide mass transit service in the areas of New York City, Long Island, Hudson Valley, Buffalo, Rochester, Albany, Syracuse and their suburbs are given the power to issue debt, which they can use to fund capital projects or operations. However, state law requires these authorities to pay the state a fee each time they issue bonds, totaling up to almost 1% of bonds issued depending on the amount of the issuance. The legislature finds that in a time when these authorities face increasing fiscal challenges, the fees these authorities must pay to the state rob them of resources to maintain reliable, attractive bus and rail service which is an inherent public good. It is the intent of the legislature to relieve transportation authorities of the burden of acting as a revenue source for the state when they invest in their operations and capital infrastructure, and that these authorities use the savings accrued from exemptions from this fee to maintain service levels and prevent service cuts, or for transformative capital projects.

§ 3. Section 2 of the public authorities law is amended by adding a new subdivision 7 to read as follows:

7. "mass transit authority" shall mean the metropolitan transportation authority, New York City transit authority, Triborough bridge and tunnel authority, Capital District transportation authority, Central New York

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

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regional transportation authority, Rochester-Genesee regional transportation authority, Niagara Frontier transportation authority and all subsidiaries thereof. It shall also refer to any local or state authority created for the purpose of operating transportation facilities including, but not limited to railroad and/or omnibus facilities. In addition, it shall refer to any local or state authority whose chairman and members also serve as the chairman and members of a local or state authority created for the purpose of operating transportation facilities including, but not limited to railroad and/or omnibus facilities.

§ 4. Subdivision 4 of section 2976 of the public authorities law, as added by section 12 of part E of chapter 494 of the laws of 2009, is amended to read as follows:

4. The provisions of subdivisions one and two of this section shall not apply to bonds issued by mass transit authorities and to recovery act bonds issued by the state of New York municipal bond bank agency in connection with local American Recovery and Reinvestment Act pursuant to section two thousand four hundred thirty-six-b of this chapter.

§ 5. This act shall take effect immediately.