

# STATE OF NEW YORK

3272

2025-2026 Regular Sessions

## IN ASSEMBLY

January 27, 2025

Introduced by M. of A. BRABENEC -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to the election by certain counties to withdraw from the metropolitan commuter transportation district; and in relation to permitting the counties of Orange and Rockland to make such election

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

1 Section 1. Section 1279-b of the public authorities law, as added by  
2 chapter 669 of the laws of 1986, the opening paragraph of subdivision 1,  
3 the opening paragraph of paragraph (a) of subdivision 1 and subdivisions  
4 3 and 5 as amended by chapter 670 of the laws of 1986, is amended to  
5 read as follows:  
6 § 1279-b. Transition--election to withdraw from the metropolitan  
7 commuter transportation district. 1. The counties of [~~Dutchess,~~] Orange  
8 and Rockland shall have an option to withdraw from the metropolitan  
9 commuter transportation district and have such withdrawal take effect on  
10 either: (a) [~~January~~] April first, [~~nineteen hundred eighty-seven~~] two  
11 thousand twenty-six. If any such county plans to withdraw from the  
12 district on [~~January~~] April first, [~~nineteen hundred eighty-seven~~] two  
13 thousand twenty-six, it shall (i) no later than seventy-five days after  
14 the effective date of this section, furnish the commissioner of trans-  
15 portation, and [~~chairman~~] chairperson of the authority and the other  
16 counties which have an option to withdraw, a resolution adopted by the  
17 county legislature providing notice of intent to withdraw, (ii) on or  
18 before [~~October~~] January first, [~~nineteen hundred eighty-six~~] two thou-  
19 sand twenty-five, furnish to the commissioner of transportation, the  
20 [~~chairman~~] chairperson of the authority and other counties which have an  
21 option to withdraw, a resolution adopted by the county legislature  
22 providing for a public transportation plan. For the purposes of this  
23 section, a "public transportation plan" shall mean a plan that maintains

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

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1 adequate and continuous public transportation services from the with-  
2 drawing county to the city of New York or any terminus previously  
3 served, provides a reasonable level of rail passenger service, provides  
4 a schedule for implementing such service, protects the public investment  
5 in the rail transportation system and any other criteria deemed neces-  
6 sary by the commissioner of transportation. Such public transportation  
7 plan shall include, but not be limited to, an agreement by which such  
8 county shall be entitled to lease the facilities and services comprising  
9 such rail transportation system at fair market value and under such  
10 terms and conditions to be determined as set forth in subdivision six of  
11 this section. Prior to withdrawal pursuant to this paragraph or para-  
12 graph (b) of this subdivision, a county must receive approval of its  
13 public transportation plan pursuant to paragraph (c) of this subdivi-  
14 sion, (iii) on or before December fifteenth, [~~nineteen hundred eighty-~~  
15 ~~six~~] two thousand twenty-five, furnish the commissioner of transporta-  
16 tion, a copy of an agreement with the authority or an operator of rail  
17 passenger service for the provision of rail passenger service to and  
18 from such county and the city of New York or any terminus previously  
19 served. If such agreement has not been concluded by the respective  
20 parties, and a party has exercised its rights pursuant to subdivision  
21 six of this section, the approval of the commissioner of transportation  
22 shall not be required and the agreement or order set forth in subdivi-  
23 sion six of this section, shall determine the terms and conditions of  
24 such withdrawal. If a county planning to withdraw on [~~January~~] April  
25 first, [~~nineteen hundred eighty-seven~~] two thousand twenty-six is unable  
26 to withdraw because it could not meet the requirements of this para-  
27 graph, it may elect to withdraw pursuant to paragraph (b) of this subdivi-  
28 sion hereafter.

29 (b) January first, [~~nineteen hundred eighty-eight~~] two thousand twen-  
30 ty-seven or January first, [~~nineteen hundred eighty-nine~~] two thousand  
31 twenty-eight. If any such county plans to withdraw on either January  
32 first, [~~nineteen hundred eighty-eight~~] two thousand twenty-seven or  
33 January first, [~~nineteen hundred eighty-nine~~] two thousand twenty-eight,  
34 it shall (i) no later than ninety days after the first of January of the  
35 year immediately preceding the year in which such county plans to with-  
36 draw from the district, furnish the commissioner of transportation, the  
37 [~~chairman~~] chairperson of the authority and the other counties which  
38 have an option to withdraw, a resolution adopted by the county legisla-  
39 ture providing notice of intent to withdraw from the district, (ii) no  
40 later than one hundred twenty days after the first of January of the  
41 year immediately preceding the year in which such county plans to with-  
42 draw from the district furnish to the commissioner of transportation,  
43 the [~~chairman~~] chairperson of the authority and the counties which have  
44 an option to withdraw a resolution adopted by the county legislature  
45 providing a public transportation plan as described in this section,  
46 (iii) on or before October first of the year immediately preceding the  
47 year in which such county plans to withdraw from the district, furnish  
48 to the commissioner a copy of an agreement with the authority or an  
49 operator of rail passenger service for the provision of rail passenger  
50 service to and from such county and the city of New York or any terminus  
51 previously served. If such agreement has not been concluded by the  
52 respective parties, and a party has exercised its rights pursuant to  
53 subdivision six of this section, the approval of the commissioner of  
54 transportation shall not be required and the agreement or order set  
55 forth in such subdivision six shall determine the terms and conditions  
56 of such withdrawal.

1 (c) No later than thirty days after receipt of the public transporta-  
2 tion plan the commissioner of transportation shall, in writing, either  
3 approve such plan as conforming with the requirements heretofore  
4 described or disapprove such plan as failing to meet such requirements  
5 and the reasons therefor. Disapproval of a plan shall not prohibit a  
6 county from resubmitting a public transportation plan and such resubmit-  
7 ted plan shall be approved or disapproved no later than fifteen days  
8 after receipt by the commissioner of transportation. The public trans-  
9 portation plan shall be subject to any state or federal public hearing  
10 requirements which the authority would be subject to if the authority  
11 made the changes proposed by such plan.

12 (d) Any such county which plans to withdraw from the district must  
13 meet the requirements of this section prior to the effective date of  
14 withdrawal, and no withdrawal for the purposes of this section shall  
15 take effect unless such county furnishes the resolutions and agreement  
16 prior to the effective date of withdrawal.

17 2. The authority and any subsidiary corporation of the authority shall  
18 enter into an agreement or agreements with a county that plans to with-  
19 draw from the district to transfer and assign to such county all author-  
20 ity and subsidiary railroad facilities and operations, rights and obli-  
21 gations, and contract rights and obligations, including operating  
22 contract rights and obligations, which are owned, operated, maintained  
23 or used directly or by contract or which are otherwise involved in the  
24 provision of railroad services to such counties. Such agreement shall  
25 provide, in the event a facility, operation, right or obligation is  
26 necessary and material to the provision of rail passenger service in the  
27 district or is not assignable under applicable bond covenants or  
28 contracts or the parties agree that it should not be assigned, that the  
29 authority or subsidiary thereof shall continue to hold and be responsi-  
30 ble for such facility, operation, right or obligation and that such  
31 county shall reimburse to the authority that portion of the cost to the  
32 authority or subsidiary of its retention of such facility, operation,  
33 right or obligation that is allocable [~~to~~ **within** such county. If the  
34 parties agree that the authority or subsidiary thereof shall operate the  
35 railroad facilities in a county after the effective date of such coun-  
36 ty's withdrawal, the agreement also shall provide for the terms and  
37 conditions of the operation of such service.

38 3. Within forty-five days of the effective date of this section, the  
39 authority and any subsidiary corporation of the authority shall provide  
40 to the counties of [~~Dutchess,~~ Orange and Rockland a written statement,  
41 including cost estimates and the useful life, if any, of all of its  
42 facilities, operations, rights and obligations relating to the provision  
43 of rail service in such counties.

44 4. The authority and any subsidiary corporation of the authority is  
45 authorized to enter into an agreement or agreements with a county that  
46 plans to withdraw from the district, pursuant to which the authority or  
47 subsidiary thereof will provide technical assistance to such county  
48 prior to, during and after the withdrawal, with respect to the transfer  
49 of ownership, operation, maintenance and use of railroad facilities  
50 within such county. Such agreement may provide that the county reimburse  
51 the authority or its subsidiary for the cost to the authority and its  
52 subsidiary for the provision of such technical assistance.

53 5. The authority shall have no obligation to undertake or continue any  
54 project or part thereof in a current or future capital program plan  
55 which pertains to railroad facilities within or services to a county  
56 that withdraws from the district on or after such date of withdrawal nor

1 shall the authority enter into any contract for a project or part there-  
2 of which would increase liabilities pursuant to subdivision [~~six~~] **six-a**  
3 of this section in a county after such county notifies the authority of  
4 its intent to withdraw as provided in subdivision one of this section,  
5 provided, however, that if the authority has executed a contract for the  
6 effectuation of a project or part thereof in a capital program plan in  
7 such county, it shall be assigned to such county in accordance with  
8 subdivision two of this section, unless the parties agree that it shall  
9 not be assigned and that the authority or its subsidiary shall continue  
10 to be responsible therefor, in which event the county shall reimburse  
11 the authority or its subsidiary in accordance with the provisions of  
12 subdivision two of this section.

13 6. Should the counties of Orange or Rockland seek to withdraw from the  
14 district pursuant to this section, any such county and the authority,  
15 and/or, if appropriate any subsidiary corporation of the authority shall  
16 negotiate in good faith any agreement required by this section for with-  
17 drawal from the district. Such negotiations shall commence not later  
18 than fifteen days after the public transportation plan prepared by any  
19 such county has been submitted by such county to the authority, and/or,  
20 if appropriate, a subsidiary authority. In no event shall a county be  
21 required to negotiate with both the authority and a subsidiary authori-  
22 ty. The negotiations conducted by and the actions of the authority or  
23 subsidiary authority shall be binding. If after sixty days from the  
24 commencement of such negotiations or at any time thereafter the authori-  
25 ty or any subsidiary corporation of the authority and a county are  
26 unable to reach an agreement required by this section for such with-  
27 drawal, either party may make application to a justice of the supreme  
28 court presiding in the counties of Orange or Rockland for appointment of  
29 a special referee. Each party shall submit to the justice a list  
30 containing the names and qualifications of five persons to serve as  
31 special referee. The justice shall select one person from among the  
32 names submitted by the parties to serve as special referee. The special  
33 referee shall mediate the negotiations for withdrawal for a period of no  
34 longer than sixty days. If, at the end of said sixty-day period, the  
35 parties are not able to reach agreement, the special referee shall,  
36 within thirty days thereafter, recommend the terms of the withdrawal to  
37 the justice. The justice shall review the recommendations of the referee  
38 and the positions of the parties thereon and shall issue an order  
39 setting forth the terms of the withdrawal. Notwithstanding the entry of  
40 such order, a county shall have fifteen days from the entry of such  
41 order to terminate such proceeding. Upon the timely exercise of such  
42 right to terminate, such proceeding shall be deemed null and void and of  
43 no further effect. If a county has not exercised its right to terminate,  
44 said order shall be subject to appellate review in accordance with the  
45 civil practice law and rules, provided that any appeal from the order  
46 shall be granted expedited status.

47 **6-a.** Any county which withdraws from the district shall reimburse to  
48 the authority or its subsidiary, within the time period agreed to by the  
49 parties, any capital expenditures heretofore undertaken by the authority  
50 or its subsidiary for railroad facilities only within such county which  
51 were financed by commuter railroad revenue bonds issued by the metropol-  
52 itan transportation authority pursuant to section twelve hundred sixty-  
53 nine of this [~~article~~] **title** and are assigned to such county in accord-  
54 ance with the provisions of subdivision two of this section.

55 [~~7-~~] **6-b.** The obligations of a county that withdraws from the district  
56 to reimburse the authority and any subsidiary corporation of the author-

1 ity for the costs of operation, maintenance and use of passenger  
2 stations pursuant to section twelve hundred seventy-seven of this [~~arti-~~  
3 ~~cle~~] title, shall continue for any such costs incurred up to the effec-  
4 tive date of the county's withdrawal from the district and for costs  
5 incurred thereafter that result from acts preceding such withdrawal, and  
6 the applicability of the payment provisions and procedures of such  
7 section twelve hundred seventy-seven to such county shall continue ther-  
8 eafter with respect to the aforesaid costs.

9 [~~8-~~] 7. In the event of a county's failure to make payment of any  
10 monies determined by the authority to be owed and due it or any subsid-  
11 iary corporation of the authority pursuant to the terms of any agreement  
12 entered into pursuant to this section, the authority is authorized to  
13 recover such payments in the same manner as in section twelve hundred  
14 seventy-seven of this [~~article~~] title and the state comptroller shall  
15 withhold and pay monies to the authority in accordance with the proce-  
16 dures set forth in that section.

17 [~~9-~~] 8. The term of office of any resident of a county that withdraws  
18 from the district under this section, as a member of the board of the  
19 authority, the Metro-North rail commuter council or the management advi-  
20 sory board, which is based upon residence in such county, shall termi-  
21 nate upon the county's withdrawal and the office shall be deemed vacant  
22 and filled in the manner provided by law.

23 [~~10-~~] 9. The provisions of this section and all agreements undertaken  
24 in accordance herewith shall be subject to the rights of the holders of  
25 any outstanding bonds or notes issued by the authority.

26 § 2. This act shall take effect immediately.