STATE OF NEW YORK

6088

2025-2026 Regular Sessions

IN ASSEMBLY

February 26, 2025

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

AN ACT to amend the public authorities law, in relation to requiring an independent forensic audit of the metropolitan commuter transportation authority; and providing for the repeal of such provisions upon expiration thereof

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

Section 1. The public authorities law is amended by adding a new section 1265-c to read as follows:

§ 1265-c. Independent forensic audit. 1. Notwithstanding any other provision of law, the authority shall contract with a certified independent public accounting firm for the provision of an independent, comprehensive, forensic audit of the authority. Such audit shall be performed in accordance with generally accepted government auditing standards. Such audit shall examine redundancies, inefficiencies, and the authority's governance system.

2. The certified independent public accounting firm providing such audit services pursuant to this section shall be prohibited from providing audit services if the lead or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for the authority within any of the ten previous fiscal years of the authority.

3. The certified independent public accounting firm providing such audit services pursuant to this section shall be prohibited from performing any non-audit services for the authority contemporaneously with respect to such audit services.

4. It shall be prohibited for the certified independent public accounting firm to perform for the authority any audit services if:

(a) the chief executive officer, comptroller, chief financial officer, chief accounting officer or any other person serving in an equivalent

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

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position in the authority was an employee, consultant or independent contractor of such certified independent public accounting firm and/or participated in any capacity in the audit of the authority at any time; or

(b) the chief executive officer, comptroller, chief financial officer, chief accounting officer or any other person serving in an equivalent position with such certified independent public accounting firm was employed as an executive level employee or an equivalent position with the authority at any time.

5. The certified independent public accounting firm contracted to perform the independent, comprehensive, forensic audit of the authority pursuant to this section shall, within two years from the effective date of this section, report its findings, conclusions and recommendations to the governor, the state comptroller, the temporary president of the senate, the speaker of the assembly, the chair and ranking minority member of the senate finance committee, the chair and ranking minority member of the assembly ways and means committee, the chairs and ranking minority members of the senate and assembly corporations, authorities and commissions committees, and the chairs and ranking minority members of the senate and assembly transportation committees. Such report shall include, but not be limited to, the certified independent public accounting firm's analysis of redundancies and inefficiencies within the authority, suggestions to reduce such redundancies and inefficiencies, and recommendations for alternative governance structures within the authority. Such report shall be made public and posted on the authority's website.

6. The certified independent public accounting firm shall develop no more than six governance action plan proposals for alternative governance systems which shall be adopted by the authority. Such proposals shall be developed congruently with, and included in, the independent forensic audit report. Such proposals shall include suggestions and recommendations for the implementation of alternate governance structures based upon the recommendations and suggestions included within such report required pursuant to subdivision five of this section, including, but not limited to, comprehensive cost savings and efficiency improvement measures. The certified independent public accounting firm shall develop the governance action plan proposals congruently with the publication of the comprehensive forensic audit report, and the authority shall adopt and implement one or more of the governance action plan proposals developed by the certified independent public accounting firm within one year of the publication of the forensic audit report.

§ 2. This act shall take effect immediately and shall expire and be deemed repealed two years after such date.