

STATE OF NEW YORK

4288

2025-2026 Regular Sessions

IN SENATE

February 3, 2025

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

AN ACT to amend the public authorities law, in relation to withdrawing Orange county from the metropolitan commuter transportation district

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 and the opening paragraph of subdivision
3 1, the opening paragraph of paragraph (a) of subdivision 1, and subdivi-
4 sions 3 and 5 as amended by chapter 670 of the laws of 1986, is amended
5 to 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 first, nineteen hundred eighty-seven. If any such
11 county plans to withdraw from the district on January first, nineteen
12 hundred eighty-seven, it shall (i) no later than seventy-five days after
13 the effective date of this section, furnish the commissioner of trans-
14 portation, and [~~chairman~~] chair of the authority and the other counties
15 which have an option to withdraw, a resolution adopted by the county
16 legislature providing notice of intent to withdraw, (ii) on or before
17 October first, nineteen hundred eighty-six, furnish to the commissioner
18 of transportation, the [~~chairman~~] chair of the authority and other coun-
19 ties which have an option to withdraw, a resolution adopted by the coun-
20 ty legislature providing for a public transportation plan. For the
21 purposes of this section, a "public transportation plan" shall mean a
22 plan that maintains adequate and continuous public transportation
23 services from the withdrawing county to the city of New York or any
24 terminus previously served, provides a reasonable level of rail passen-
25 ger service, provides a schedule for implementing such service, protects

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

LBD07870-01-5

1 the public investment in the rail transportation system and any other
2 criteria deemed necessary by the commissioner of transportation. Prior
3 to withdrawal pursuant to this paragraph or paragraph (b) of this subdivi-
4 sion, a county must receive approval of its public transportation plan
5 pursuant to paragraph (c) of this subdivision, (iii) on or before Decem-
6 ber fifteenth, nineteen hundred eighty-six, furnish the commissioner of
7 transportation, a copy of an agreement with the authority or an operator
8 of rail passenger service for the provision of rail passenger service to
9 and from such county and the city of New York or any terminus previously
10 served.

11 If a county planning to withdraw on January first, nineteen hundred
12 eighty-seven is unable to withdraw because it could not meet the
13 requirements of this paragraph, it may elect to withdraw pursuant to
14 paragraph (b) of this subdivision hereafter.

15 (b) January first, nineteen hundred eighty-eight or January first,
16 nineteen hundred eighty-nine. If any such county plans to withdraw on
17 either January first, nineteen hundred eighty-eight or January first,
18 nineteen hundred eighty-nine, it shall (i) no later than ninety days
19 after the first of January of the year immediately preceding the year in
20 which such county plans to withdraw from the district, furnish the
21 commissioner of transportation, the [~~chairman~~ chair] of the authority
22 and the other counties which have an option to withdraw, a resolution
23 adopted by the county legislature providing notice of intent to withdraw
24 from the district, (ii) no later than one hundred twenty days after the
25 first of January of the year immediately preceding the year in which
26 such county plans to withdraw from the district furnish to the commis-
27 sioner of transportation, the [~~chairman~~ chair] of the authority and the
28 counties which have an option to withdraw a resolution adopted by the
29 county legislature providing a public transportation plan as described
30 in this section, (iii) on or before October first of the year immediate-
31 ly preceding the year in which such county plans to withdraw from the
32 district, furnish to the commissioner a copy of an agreement with the
33 authority or an operator of rail passenger service for the provision of
34 rail passenger service to and from such county and the city of New York
35 or any terminus previously served.

36 (c) No later than thirty days after receipt of the public transporta-
37 tion plan the commissioner of transportation shall, in writing, either
38 approve such plan as conforming with the requirements heretofore
39 described or disapprove such plan as failing to meet such requirements
40 and the reasons therefor. Disapproval of a plan shall not prohibit a
41 county from resubmitting a public transportation plan and such resubmit-
42 ted plan shall be approved or disapproved no later than fifteen days
43 after receipt by the commissioner of transportation. The public trans-
44 portation plan shall be subject to any state or federal public hearing
45 requirements which the authority would be subject to if the authority
46 made the changes proposed by such plan.

47 (d) Any such county which plans to withdraw from the district must
48 meet the requirements of this section prior to the effective date of
49 withdrawal, and no withdrawal for the purposes of this section shall
50 take effect unless such county furnishes the resolutions and agreement
51 prior to the effective date of withdrawal.

52 (e) Notwithstanding the foregoing provisions of this subdivision, the
53 county of Orange shall hereafter be deemed to have planned to and with-
54 drawn from the metropolitan commuter transportation district for
55 purposes of this article within one year of the effective date of this
56 paragraph.

1 2. (a) The authority and any subsidiary corporation of the authority
2 shall enter into an agreement or agreements with a county that plans to
3 withdraw from the district to transfer and assign to such county all
4 authority and subsidiary railroad facilities and operations, rights and
5 obligations, and contract rights and obligations, including operating
6 contract rights and obligations, which are owned, operated, maintained
7 or used directly or by contract or which are otherwise involved in the
8 provision of railroad services to such counties. Such agreement shall
9 provide, in the event a facility, operation, right or obligation is
10 necessary and material to the provision of rail passenger service in the
11 district or is not assignable under applicable bond covenants or
12 contracts or the parties agree that it should not be assigned, that the
13 authority or subsidiary thereof shall continue to hold and be responsi-
14 ble for such facility, operation, right or obligation and that such
15 county shall reimburse to the authority that portion of the cost to the
16 authority or subsidiary of its retention of such facility, operation,
17 right or obligation that is allocable to such county. If the parties
18 agree that the authority or subsidiary thereof shall operate the rail-
19 road facilities in a county after the effective date of such county's
20 withdrawal, the agreement also shall provide for the terms and condi-
21 tions of the operation of such service.

22 (b) With respect to a withdrawal made pursuant to paragraph (e) of
23 subdivision one of this section, the authority and/or any relevant
24 subsidiary corporation of the authority shall negotiate in good faith
25 any agreement required by this section for withdrawal from the district.
26 Such negotiations shall commence not later than forty-five days after
27 the authority and any subsidiary corporation provides the updated writ-
28 ten statement pursuant to subdivision three of this section. In no event
29 shall a county be required to negotiate with both the authority and a
30 subsidiary authority. The negotiations conducted by and the actions of
31 the authority or subsidiary authority shall be binding. If after sixty
32 days from the commencement of such negotiations or at any time thereaft-
33 er the authority or any subsidiary corporation of the authority and a
34 county are unable to reach an agreement required by this section for
35 such withdrawal, either party may make application to a justice of the
36 supreme court presiding in Orange county for appointment of a special
37 referee. Each party shall submit to the justice a list containing the
38 names and qualifications of five persons to serve as special referee.
39 The justice shall select one person from among the names submitted by
40 the parties to serve as special referee. The special referee shall medi-
41 ate the negotiations for withdrawal for a period of no longer than sixty
42 days. If, at the end of said sixty day period, the parties are not able
43 to reach agreement, the special referee shall, within thirty days there-
44 after, recommend the terms of the withdrawal to the justice. The justice
45 shall review the recommendations of the referee and the positions of the
46 parties thereon and shall issue an order setting forth the terms of the
47 withdrawal. Notwithstanding the entry of such order, a county shall have
48 fifteen days from the entry of such order to terminate such proceeding.
49 Upon the timely exercise of such right to terminate, such proceeding
50 shall be deemed null and void and of no further effect. If a county has
51 not exercised its right to terminate, said order shall be subject to
52 appellate review in accordance with the civil practice law and rules,
53 provided that any appeal from the order shall be granted expedited
54 status.

55 3. Within forty-five days of the effective date of this section, the
56 authority and any subsidiary corporation of the authority shall provide

1 to the counties of Dutchess, Orange and Rockland a written statement,
2 including cost estimates and the useful life, if any, of all of its
3 facilities, operations, rights and obligations relating to the provision
4 of rail service in such counties. Provided further that within forty-
5 five days of the effective date of paragraph (e) of subdivision one of
6 this section, the authority and any subsidiary corporation of the
7 authority shall provide to the counties of Dutchess, Orange, Rockland
8 and Putnam an updated written statement, including updated cost esti-
9 mates and the useful life, if any, of all of its facilities, operations,
10 rights and obligations relating to the provision of rail service in such
11 counties.

12 4. The authority and any subsidiary corporation of the authority is
13 authorized to enter into an agreement or agreements with a county that
14 plans to withdraw from the district, pursuant to which the authority or
15 subsidiary thereof will provide technical assistance to such county
16 prior to, during and after the withdrawal, with respect to the transfer
17 of ownership, operation, maintenance and use of railroad facilities
18 within such county. Such agreement may provide that the county reimburse
19 the authority or its subsidiary for the cost to the authority and its
20 subsidiary for the provision of such technical assistance.

21 5. (a) The authority shall have no obligation to undertake or continue
22 any project or part thereof in a current or future capital program plan
23 which pertains to railroad facilities within or services to a county
24 that withdraws from the district on or after such date of withdrawal nor
25 shall the authority enter into any contract for a project or part there-
26 of which would increase liabilities pursuant to subdivision six of this
27 section in a county after such county notifies the authority of its
28 intent to withdraw as provided in subdivision one of this section,
29 provided, however, that if the authority has executed a contract for the
30 effectuation of a project or part thereof in a capital program plan in
31 such county, it shall be assigned to such county in accordance with
32 subdivision two of this section, unless the parties agree that it shall
33 not be assigned and that the authority or its subsidiary shall continue
34 to be responsible therefor, in which event the county shall reimburse
35 the authority or its subsidiary in accordance with the provisions of
36 subdivision two of this section.

37 (b) Notwithstanding the provisions of paragraph (a) of this subdivi-
38 sion, the authority and its subsidiary shall continue to have its obli-
39 gations to undertake and continue all projects and parts thereof in a
40 current or future capital program plan which pertains to railroad facil-
41 ities within or services to Orange county prior to the withdrawal of
42 such county under paragraph (e) of subdivision one of this section and
43 the authority and its subsidiary may enter into any contract for a
44 project or part thereof which would increase liabilities pursuant to
45 subdivision six of this section in Orange county after the withdrawal of
46 such county under paragraph (e) of subdivision one of this section.
47 Orange county shall not be required to reimburse the authority or its
48 subsidiary in accordance with the provisions of subdivision two of this
49 section for any contract executed prior to the withdrawal of such county
50 under paragraph (e) of subdivision one of this section.

51 6. (a) Any county which withdraws from the district shall reimburse to
52 the authority or its subsidiary, within the time period agreed to by the
53 parties, any capital expenditures heretofore undertaken by the authority
54 or its subsidiary for railroad facilities only within such county which
55 were financed by commuter railroad revenue bonds issued by the metropol-
56 itan transportation authority pursuant to section twelve hundred sixty-

1 nine of this article and are assigned to such county in accordance with
2 the provisions of subdivision two of this section.

3 (b) Notwithstanding the provisions of paragraph (a) of this subdivi-
4 sion, Orange county shall not be required to reimburse the authority or
5 its subsidiaries for any capital expenditures heretofore undertaken for
6 railroad facilities within Orange county which were financed by commuter
7 railroad revenue bonds issued by the metropolitan transportation author-
8 ity pursuant to section twelve hundred sixty-nine of this title prior to
9 the withdrawal of such county under paragraph (e) of subdivision one of
10 this section.

11 7. The obligations of a county that withdraws from the district to
12 reimburse the authority and any subsidiary corporation of the authority
13 for the costs of operation, maintenance and use of passenger stations
14 pursuant to section twelve hundred seventy-seven of this [~~article~~]
15 title, shall continue for any such costs incurred up to the effective
16 date of the county's withdrawal from the district and for costs incurred
17 thereafter that result from acts preceding such withdrawal, and the
18 applicability of the payment provisions and procedures of such section
19 twelve hundred seventy-seven to such county shall continue thereafter
20 with respect to the aforesaid costs.

21 8. In the event of a county's failure to make payment of any monies
22 determined by the authority to be owed and due it or any subsidiary
23 corporation of the authority pursuant to the terms of any agreement
24 entered into pursuant to this section, the authority is authorized to
25 recover such payments in the same manner as in section twelve hundred
26 seventy-seven of this [~~article~~] title and the state comptroller shall
27 withhold and pay monies to the authority in accordance with the proce-
28 dures set forth in that section. In the event that the county has paid
29 more to the authority than the amount of services the authority has
30 provided to the county, the authority shall make payment to the with-
31 drawing county compensating for the difference in the amount of services
32 received from the authority and monies paid by the county to the author-
33 ity, and this payment shall be extrapolated over the previous five years
34 from the date of withdrawal. If the authority fails to make such payment
35 to the county, the amount owed shall be withheld by the state comp-
36 troller from the authority and the monies shall be paid to the county.

37 9. The term of office of any resident of a county that withdraws from
38 the district under this section, as a member of the board of the author-
39 ity, the Metro-North rail commuter council or the management advisory
40 board, which is based upon residence in such county, shall terminate
41 upon the county's withdrawal and the office shall be deemed vacant and
42 filled in the manner provided by law.

43 10. The provisions of this section and all agreements undertaken in
44 accordance herewith shall be subject to the rights of the holders of any
45 outstanding bonds or notes issued by the authority.

46 § 2. This act shall take effect immediately; provided that public
47 works with requests for qualifications issued prior to the withdrawal
48 contained under paragraph (e) of subdivision 1 of section 1279-b of the
49 public authorities law shall be permitted to continue under this act
50 notwithstanding such withdrawal, and nothing contained in this act shall
51 limit the right or obligation of any entity to comply with the
52 provisions of any existing contract or to award contracts as otherwise
53 provided by law.