§ 125.00 Exclusion of indebtedness for self-liquidating dock and transit facilities; New York City. a. As used in this section:

1. The term "dock improvement" shall mean a dock improvement for which indebtedness was contracted by the city of New York prior to January first, nineteen hundred ten, and for which indebtedness a partial or complete exclusion is sought in accordance with the provisions of this section.

2. The term "transit facilities" shall mean:

(a) Railroads and facilities and properties used in connection therewith and rights therein owned by the city of New York, and

(b) Securities of corporations owning such railroads, facilities, properties or rights, owned by the city of New York.

b. In ascertaining the power of the city of New York to contract indebtedness, there may be excluded:

1. Any outstanding indebtedness contracted by the city prior to the first day of January, nineteen hundred ten, for a dock improvement proportionately to the extent to which the net revenue received by the city therefrom during the preceding fiscal year shall have met the interest on and the annual requirements for the amortization of such indebtedness during such fiscal year.

2. Any outstanding indebtedness contracted by the city for transit purposes, and not otherwise excluded, proportionately to the extent to which the net revenue received by the city during the preceding fiscal year from all its transit facilities less the total of the items enumerated in paragraph c of this section shall have met the interest on and the annual requirements for the amortization and payment of such non-excluded indebtedness during such fiscal year.

c. In ascertaining the amount of indebtedness for transit purposes that may be excluded in accordance with the provisions of this section, there shall be deducted from the net revenue received by the city from all its transit facilities during such preceding fiscal year:

1. An amount equal to the interest and amortization requirements for such preceding fiscal year on indebtedness contracted for rapid transit purposes which indebtedness was excluded in ascertaining the power of the city to contract indebtedness by order of the appellate division of the supreme court, first judicial department, prior to January first, nineteen hundred thirty-nine.

2. An amount equal to (a) the interest for such preceding fiscal year on that portion of the indebtedness contracted for the acquisition of transit facilities which is excluded pursuant to paragraph A of section seven-a of article eight of the state constitution in ascertaining the power of the city to contract indebtedness, and (b) the requirements for such preceding fiscal year for amortization on any sinking fund bonds and the redemption of any serial bonds evidencing such excluded indebtedness.

3. An amount equal to the sum of all taxes and bridge tolls which accrued to the city from transit facilities during the fiscal year of the city preceding the fiscal year in which such transit facilities were acquired. The transit facilities referred to in this subdivision are those for the acquisition of which indebtedness was contracted and all or part of which indebtedness is excluded pursuant to paragraph A of section seven-a of article eight of the state constitution in ascertaining the power of the city to contract indebtedness.

4. The amount of net operating revenue derived by the city from the independent subway system during the fiscal year of the city preceding the fiscal year in which were acquired the transit facilities referred to in subdivision three of paragraph c of this section.

d. At any time after the close of a fiscal year of the city, the city comptroller may, in his discretion, file with the state comptroller a financial statement for such fiscal year of any dock improvement or of all the transit facilities, if in the opinion of the city comptroller, the city has received sufficient net revenue from such dock improvement or from such transit facilities, as the case may be, to entitle the city

to an exclusion, in accordance with the provisions of this section, of all or part of the indebtedness contracted for such dock improvement or for such transit facilities. The city comptroller shall, in his discretion, determine and set forth in such statement the amount of such indebtedness which the city seeks to exclude. Such statement shall be in such form and shall contain such information as shall be prescribed by the state comptroller and shall be verified by the city comptroller.

e. However, prior to the submission of such financial statement, the city comptroller shall cause to be published at least once a week for two weeks in the city record a notice that on the date specified therein, which date shall be at least two weeks from the date of the first publication of the notice, such financial statement will be filed with the state comptroller on the date specified in the notice and the financial statement which will be filed by the city comptroller with the state comptroller on the date specified in the notice and a copy of all documents, computations and other data and information which will be submitted by the city comptroller to the state comptroller in support of such financial statement.

f. Upon the receipt of such a financial statement from the city comptroller, the state comptroller forthwith shall review the facts set forth therein. The state comptroller shall have the power to examine the accounts and records of the city with respect to the dock improvement or the transit facilities, as the case may be. He may also require the city comptroller and other public officers, boards and agencies to furnish such additional data and information in their possession which he deems necessary to enable him to make his determination.

g. The state comptroller shall issue a written certificate setting forth his determination as to whether the amount of indebtedness which the city seeks to exclude, or any part thereof, may be excluded. Such certificate shall constitute the authorization for the exclusion of the amount of such indebtedness set forth therein, in ascertaining the power of the city to contract indebtedness and shall be effective until the close of the fiscal year in which such financial statement shall have been submitted. If the state comptroller disallows, in whole or in part,

the claim of the city for the exclusion, he shall set forth the reason for such disallowance. The determination of the state comptroller shall be conclusive. The certificate of the state comptroller shall be executed under his hand and seal in duplicate. One of such duplicates shall be filed in the department of audit and control and the other in the office of the city comptroller. Both of such duplicates shall be public records.