§ 1279-b. Transition--election to withdraw from the metropolitan commuter transportation district. 1. The counties of Dutchess, Orange and Rockland shall have an option to withdraw from the metropolitan commuter transportation district and have such withdrawal take effect on either: (a) January first, nineteen hundred eighty-seven. If any such county plans to withdraw from the district on January first, nineteen hundred eighty-seven, it shall (i) no later than seventy-five days after the effective date of this section, furnish the commissioner of transportation, and chairman of the authority and the other counties which have an option to withdraw, a resolution adopted by the county legislature providing notice of intent to withdraw, (ii) on or before October first, nineteen hundred eighty-six, furnish to the commissioner of transportation, the chairman of the authority and other counties which have an option to withdraw, a resolution adopted by the county legislature providing for a public transportation plan. For the purposes of this section, a "public transportation plan" shall mean a plan that maintains adequate and continuous public transportation services from the withdrawing county to the city of New York or any terminus previously served, provides a reasonable level of rail passenger service, provides a schedule for implementing such service, protects the public investment in the rail transportation system and any other criteria deemed necessary by the commissioner of transportation. Prior to withdrawal pursuant to this paragraph or paragraph (b) of this subdivision, a county must receive approval of its public transportation plan pursuant to paragraph (c) of this subdivision, (iii) on or before December fifteenth, nineteen hundred eighty-six, furnish the commissioner of transportation, a copy of an agreement with the authority or an operator of rail passenger service for the provision of rail passenger service to and from such county and the city of New York or any terminus previously served.

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

(b) January first, nineteen hundred eighty-eight or January first, nineteen hundred eighty-nine. If any such county plans to withdraw on

either January first, nineteen hundred eighty-eight or January first, nineteen hundred eighty-nine, it shall (i) no later than ninety days after the first of January of the year immediately preceding the year in which such county plans to withdraw from the district, furnish the commissioner of transportation, the chairman of the authority and the other counties which have an option to withdraw, a resolution adopted by the county legislature providing notice of intent to withdraw from the district, (ii) no later than one hundred twenty days after the first of January of the year immediately preceding the year in which such county plans to withdraw from the district furnish to the commissioner of transportation, the chairman of the authority and the counties which have an option to withdraw a resolution adopted by the county legislature providing a public transportation plan as described in this section, (iii) on or before October first of the year immediately preceding the year in which such county plans to withdraw from the district, furnish to the commissioner a copy of an agreement with the authority or an operator of rail passenger service for the provision of rail passenger service to and from such county and the city of New York or any terminus previously served.

(c) No later than thirty days after receipt of the public transportation plan the commissioner of transportation shall, in writing, either approve such plan as conforming with the requirements heretofore described or disapprove such plan as failing to meet such requirements and the reasons therefor. Disapproval of a plan shall not prohibit a county from resubmitting a public transportation plan and such resubmitted plan shall be approved or disapproved no later than fifteen days after receipt by the commissioner of transportation. The public transportation plan shall be subject to any state or federal public hearing requirements which the authority would be subject to if the authority made the changes proposed by such plan.

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

2. The authority and any subsidiary corporation of the authority shall

enter into an agreement or agreements with a county that plans to withdraw from the district to transfer and assign to such county all authority and subsidiary railroad facilities and operations, rights and obligations, and contract rights and obligations, including operating contract rights and obligations, which are owned, operated, maintained or used directly or by contract or which are otherwise involved in the provision of railroad services to such counties. Such agreement shall provide, in the event a facility, operation, right or obligation is necessary and material to the provision of rail passenger service in the district or is not assignable under applicable bond covenants or contracts or the parties agree that it should not be assigned, that the authority or subsidiary thereof shall continue to hold and be responsible for such facility, operation, right or obligation and that such county shall reimburse to the authority that portion of the cost to the authority or subsidiary of its retention of such facility, operation, right or obligation that is allocable to such county. If the parties agree that the authority or subsidiary thereof shall operate the railroad facilities in a county after the effective date of such county's withdrawal, the agreement also shall provide for the terms and conditions of the operation of such service.

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

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

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

6. Any county which withdraws from the district shall reimburse to the authority or its subsidiary, within the time period agreed to by the parties, any capital expenditures heretofore undertaken by the authority or its subsidiary for railroad facilities only within such county which were financed by commuter railroad revenue bonds issued by the metropolitan transportation authority pursuant to section twelve hundred sixty-nine of this article and are assigned to such county in accordance with the provisions of subdivision two of this section.

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

8. In the event of a county's failure to make payment of any monies determined by the authority to be owed and due it or any subsidiary corporation of the authority pursuant to the terms of any agreement entered into pursuant to this section, the authority is authorized to recover such payments in the same manner as in section twelve hundred seventy-seven of this article and the state comptroller shall withhold and pay monies to the authority in accordance with the procedures set forth in that section.

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

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