

**NEW YORK STATE SENATE
INTRODUCER'S MEMORANDUM IN SUPPORT
submitted in accordance with Senate Rule VI. Sec 1**

BILL NUMBER: S7243B

SPONSOR: RULES

TITLE OF BILL:

An act to amend the vehicle and traffic law, in relation to establishing a congestion pricing program in the city of New York; to amend the public authorities law, in relation to establishing a metropolitan transportation authority traffic congestion mitigation fund; to amend the tax law, in relation to eliminating an exemption from the parking tax for certain residents of the city of New York; to amend the vehicle and traffic law, in relation to establishing residential parking systems in the city of New York; to amend the public officers law, in relation to confidentiality of certain public records; to amend the New York city charter and the administrative code of the city of New York, in relation to a transit enhancement fund; to amend the tax law, in relation to the congestion pricing fee credit; and providing for the repeal of certain provisions upon expiration thereof

PURPOSE:

This bill would establish a congestion pricing program for New York City as recommended by the New York City Traffic Congestion Mitigation Commission.

SUMMARY OF PROVISIONS:

Section 1 of the bill adds a new Article 44-8 to the Vehicle and Traffic Law (VTL) to create a congestion pricing program for New York City south and inclusive of 60th Street in Manhattan.

Section 2 of the bill adds a new section 1270-g to the Public Authorities Law to establish a traffic congestion mitigation fund to receive congestion pricing revenues paid to the Metropolitan Transportation Authority (MTA), and to provide how such funds will be used.

Section 3 of the bill adds a new section 1640-m to the VTL to establish, in conjunction with the congestion pricing program, a residential neighborhood parking permit program.

Section 4 of the bill amends the Tax Law to eliminate the Manhattan resident parking discount within the congestion pricing zone, and sections 5, 19 and 20 make conforming amendments to the Tax Law and New York City Administrative Code to implement such elimination.

Sections 6 through 16 make conforming amendments to the VTL to allow for enforcement and adjudication of violations related to congestion-pricing.

Section 17 of the bill makes a conforming amendment to Public Officers

Law § 87(2) to preclude the public dissemination of records regarding motor vehicle travel, parallel to existing law regarding red-light cameras.

Section 18 of the bill amends New York City Charter § 2903(d) to establish the transit enhancement fund for utilization of parking fees collected from within the congestion pricing zone.

Section 21 of the bill adds a new subdivision (qq) to Tax Law § 606 to create a congestion pricing fee credit for drivers eligible for the earned income tax credit.

Section 22 of the bill provides a severability clause.

Section 23 of the bill provides for an immediate effective date, except as provided in such section.

EXISTING LAW:

Existing law does not provide for a New York City congestion pricing program, or the other provisions of law added by this bill. Chapter 384 of the Laws of 2007, however, established the Traffic Congestion Mitigation Commission.

STATEMENT IN SUPPORT:

Traffic congestion in New York City's business district has a severe adverse impact on public health, the environment of New York City and adjoining areas, and overall employment and job development. Such adverse health impacts are exacerbated by other sources of environmental pollution in and around New York City, including pollution from commercial and residential buildings. There are a variety of possible ways to address these problems, including through pricing mechanisms, short-term and long-term mass transit operating and capital improvements, green building programs, incentives and other initiatives, and the Federal government has made funding available to finance such solutions. Therefore, last year the State Legislature established the Traffic Congestion Mitigation Commission (the "Commission"), and required the Commission to study and make recommendations on traffic mitigation options, including reviewing the congestion pricing proposal submitted by the Mayor of New York City. In its report dated January 31, 2008, the Commission recommended a modification of the plan proposed by the Mayor of New York City to address congestion in and around New York City. This bill reflects the recommendations of the Commission and would require the City of New York to implement a congestion pricing mechanism. It further requires that the funding raised by such a program shall be used to support the MTA's Capital Program.

BUDGET IMPLICATIONS

Adoption of this legislation should result in the receipt of \$354 million in federal funds pursuant to the United States Department of Transportation Urban Partnership Agreement. In addition, the proceeds of the congestion pricing program will be used to support vitally needed capital improvements to the MTA's system.

EFFECTIVE DATE:

This bill becomes effective upon enactment, except that: (1) sections 4 and 19 of the bill take effect September 1, 2008; (2) sections 5 and 20 take effect on the same day as S.6810/A.9810, as amended, takes effect; and (3) section 1 of the bill, creating VTL Article 44-B and establishing the congestion pricing program, expires and is deemed repealed 36

months after the City of New York begins implementation of such program and beings to collect such fees, but may be extended by the MTA's Capital Program Review Board's approval of the MTA's capital plan.
