STATE OF NEW YORK

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IN SENATE

March 24, 2008

Introduced by COMMITTEE ON RULES -- (at request of the Governor) -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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

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

Section 1. The vehicle and traffic law is amended by adding a new

article 44-B to read as follows: ARTICLE 44-B TRAFFIC MITIGATION 5 Section 1700. Legislative findings and declaration. 1701. Short title. . 7 1702. Definitions. 1703. Establishment of congestion pricing program. 8 1704. Congestion pricing fees. 9 10 1705. Congestion pricing fee collection program. 11 1706. Agreement between the city and the metropolitan transpor-12 tation authority.

1707. Violations and enforcement.

EXPLANATION--Matter in <u>italics</u> (underscored) is new; matter in brackets [_] is old law to be omitted.

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1708. Disposition of revenue and penalties.

1709. Environmental study and mitigation.

1710. Rulemaking authority.

1700. Legislative findings and declaration. The legislature hereby finds and declares that: (a) 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; (b) 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; (c) action must be taken to address these problems as soon as possible; (d) the federal government has committed funding to finance a solution to 13 such congestion; (e) the New York city traffic congestion mitigation commission, created by this legislature, has recommended a worthy and viable plan to address traffic congestion in New York city's business district; and (f) in order to reduce congestion, additional revenue is 17 needed to fund the metropolitan transportation authority capital program. The legislature therefore finds and declares that there should be a traffic congestion mitigation plan within the city of New York as recommended by the New York city traffic congestion mitigation commis-

- 22 1701. Short title. This article shall be known and may be cited as 23 the "traffic mitigation act".
 - § 1702. Definitions. For the purposes of this article, unless the context otherwise requires:
- 26 "Authorized emergency vehicles" shall have the meaning as provided 27 in section one hundred one of this chapter.
 - 2. "Bus" means a motor vehicle having a seating capacity of sixteen or more passengers in addition to the driver and used for the transportation of persons, but shall not include any motor vehicles, regardless of seating, that are transit vehicles or school vehicles.
 - "Congestion pricing fee" means the fee charged for traveling into the congestion pricing zone as described in section seventeen hundred four of this article.
 - "Congestion pricing program" means the program for charging vehicles that enter the congestion pricing zone a fee.
 - 5. "Congestion pricing zone" means the area as described in section seventeen hundred three of this article for which a vehicle shall be charged a congestion pricing fee for entry to such zone.
 - 6. "City" means the city of New York.
- 41 7. "Department of finance" means the department of finance of the city 42 of New York.
 - 8. "Electronic fee collection system" means a system of collecting fees which is the E-ZPass system or is interoperable with the E-ZPass system and which is capable of charging an account holder the appropriate fee by transmission of information from an electronic device in or on a vehicle to a device sensor, which information is used to charge the appropriate fee.
- 49 9. "E-ZPass" shall mean the electronic toll collection system used by 50 the Triborough bridge and tunnel authority.
- 51 "Livery vehicle" means any for-hire vehicle regulated by the New 52 York city taxi and limousine commission other than a taxi.
- 53 11. "New York city traffic congestion mitigation commission" shall 54 mean the commission established by chapter three hundred eighty-four of the laws of two thousand seven.

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1 12. "Operation date" means the date determined by the city, pursuant
to an agreement with the metropolitan transportation authority as
provided in section seventeen hundred six of this article, for the
beginning of the operation and enforcement of the congestion pricing
program.

- 13. "Owner" shall have the meaning provided in article two-B of this chapter.
- 8 14. "Parking violations bureau" means the parking violations bureau
 9 created in the department of finance pursuant to section 19-201 of the
 10 administrative code of the city of New York.
 - 15. "Passenger vehicles" means motor vehicles designed and used for conveying not more than fifteen people and shall include cars rented for hire, excluding buses, taxis and livery vehicles subject to the surcharge, and shall include motorcycles.
 - 16. "Photo-monitoring system" means a system of vehicle sensors installed within the congestion pricing zone to work in conjunction with photographic equipment which automatically produces one or more photographs, one or more microphotographs, a videotape, a digital recording or other recorded images of a vehicle entering the congestion pricing zone.
 - 17. "Safety, traffic and parking control, and inspection vehicles" means vehicles operated by the city, the state, the metropolitan transportation authority and its affiliates and subsidiaries, the New York city transit authority and its affiliates and subsidiaries, the Triborough bridge and tunnel authority and its affiliates and subsidiaries, the port authority of New York and New Jersey and the federal government as part of official public safety, traffic and parking control, and roadway-, transit- or transportation-related construction, maintenance, repair, or supervisory and inspection duties.
 - 18. "Sanitation vehicles" means vehicles operated by the city as part of official refuse collection, street cleaning, snow removal, or sand spreading duties.
 - 19. "School vehicle" means a vehicle that is owned or operated by a public or governmental agency or private school and is being operated for the transportation of pupils, teachers and other persons acting in a supervisory capacity, to or from school or school activities or privately owned and being operated on a regular basis for compensation for the transportation of pupils, teachers and other persons acting in a supervisory capacity to or from school or school activities.
 - 20. "Taxi" means a motor vehicle displaying a valid taxi medallion issued by the New York city taxi and limousine commission.
- 42 <u>21. "Traffic congestion mitigation fund" means the designated fund of</u> 43 the metropolitan transportation authority created by section twelve 44 hundred seventy-g of the public authorities law.
- 45 22. "Transit vehicle" means any bus or other passenger vehicle owned 46 or operated directly or under contract by the metropolitan transporta-47 tion authority or any other public authority or governmental agency for the purpose of transporting passengers as well as other non-revenue vehicles owned and operated by the metropolitan transportation authority 50 or its affiliates or subsidiaries, or the New York city transit authori-51 ty and or its affiliates or subsidiaries and shall further mean all para-transit vehicles operating directly or under contract with the 53 metropolitan transportation authority or its affiliates or subsidiaries, 54 or the New York city transit authority and or its affiliates or subsid-55 iaries.

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1 23. "Truck" means any vehicle or combination of vehicles designed 2 primarily for the transportation of property.

- 24. "Urban partnership agreement" shall mean the agreement executed on August eighth, two thousand seven between the United States department of transportation and the state of New York, the city of New York and the metropolitan transportation authority.
- § 1703. Establishment of congestion pricing program. 1. The city, pursuant to the agreement with the metropolitan transportation authority as provided in section seventeen hundred six of this article, shall establish a congestion pricing program as described in this article.
- 2. The congestion pricing program shall operate within the congestion pricing zone, which shall include any roadways, bridges, tunnels or ramps that are located within, or enter into, the geographic area in the borough of Manhattan south of and inclusive of 60th street to the extent practicable but shall not include any roadways north of the southern side of 61st street. The city department of transportation shall, by rule, fix the northern boundary of the congestion pricing zone, consistent with this subdivision.
- 3. Notwithstanding the provisions of subdivision five of section seventeen hundred four of this article, the city, pursuant to agreement with the metropolitan transportation authority and under rules and requlations established by the city's taxi and limousine commission, shall be authorized to impose and collect a surcharge of one dollar per trip on taxis and livery vehicles picking up or discharging passengers within the congestion pricing zone between 6:00 a.m. and 6:00 p.m., Monday through Friday, except for holidays as established by rules of the department of transportation of the city of New York.
- 4. Notwithstanding any other provision of law, the city, pursuant to the agreement with the metropolitan transportation authority provided in section seventeen hundred six of this article, shall install and operate an electronic fee collection system and a photo-monitoring system at points of motor vehicle ingress to the congestion pricing zone.
- § 1704. Congestion pricing fees. 1. Upon the operation date, the city, as agent of the metropolitan transportation authority, pursuant to the agreement with the metropolitan transportation authority provided in section seventeen hundred six of this article, shall charge and collect a single congestion pricing fee per day from the owner of any vehicle entering the congestion pricing zone between 6:00 a.m. and 6:00 p.m., Monday through Friday, except for holidays as established by rules of the department of transportation of the city of New York, according to the following rate schedule:
- (a) For trucks with a maximum gross weight equal to or greater than seven thousand pounds, except for buses: twenty-one dollars for entering the congestion pricing zone. Provided, however, that the fee for entering the congestion pricing zone shall not exceed seven dollars for trucks with a maximum gross weight equal to or greater than seven thousand pounds utilizing reduced emissions technologies as determined by the department of transportation of the city of New York. A chart of vehicle heights and lengths which correspond to these or other weight-based classifications will be used for video enforcement purposes.
- (b) For motorcycles that are equipped with an electronic device that participates in the electronic fee collection system, the fee for entering the congestion pricing zone shall be four dollars.
- 54 (c) For all other vehicles, including passenger vehicles and trucks
 55 with a gross weight of less than seven thousand pounds: eight dollars
 56 for entering the congestion pricing zone.

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2. A vehicle shall be charged each day for no more than one entry into the congestion pricing zone.

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(a) For vehicles that are equipped with an electronic device that participates in the electronic fee collection system, the city, as agent for the metropolitan transportation authority, pursuant to the agreement with the metropolitan transportation authority provided in section seventeen hundred six of this article, shall automatically deduct from the congestion pricing fee charged to the owner of a vehicle entering the congestion pricing zone an amount equal to the cumulative amount of tolls or other charges that the owner of the vehicle paid on the same day to cross the following bridges and tunnels: the George Washington Bridge, the Henry Hudson bridge, the Triborough bridge, the Bronx-Whitestone bridge, the Throgs Neck bridge, the Verrazano-Narrows bridge, the Marine Parkway-Gil Hodges Memorial bridge, the Cross Bay Veterans Memorial bridge, Goethals bridge, Outerbridge crossing, Bayonne bridge, the Lincoln tunnel, the Holland tunnel, the Brooklyn-Battery tunnel, the Queens-Midtown tunnel, and any other bridge, tunnel, or crossing into the borough of Manhattan that charges a toll or other charge on or after the effective date of this article. Owners shall not be entitled to a credit to the extent such deduction results in a negative amount. Vehicles not equipped with an electronic device that participates in the electronic fee collection system shall not receive the deductions in the congestion pricing fee described in this subdivision.

(b) Notwithstanding any other provision of law, the port authority of New York and New Jersey, on or before fifteen days prior to the operation date shall enter into an agreement with the metropolitan transportation authority to finance one billion dollars in capital improvements in the metropolitan transportation authority capital plan, as approved by the capital program review board. Projects funded by this agreement shall be subject to all conditions imposed on the uses of revenue deposited in the traffic congestion mitigation fund. If the port authority of New York and New Jersey fails to enter into such agreement, or fails to fulfill any obligation under such agreement, then notwithstanding paragraph (a) of this subdivision, during any year following such failure beginning with the operation date or the anniversary of the operation date, for any owner of a vehicle equipped with an electronic device that participates in the electronic fee collection system who crosses the George Washington Bridge, the Lincoln tunnel or the Holland tunnel and enters the congestion pricing zone between 6 am and 6 pm Monday through Friday, the deduction from the congestion pricing fee charged to such owner for such crossing shall be as follows: for passenger vehicles, amount equal to the toll such owner would have paid for making such crossing on or before March first, two thousand eight; for trucks, an amount equal to the toll paid by such owner for such crossing, less four dollars. Deductions for tolls paid for crossings by such owner of other bridges and tunnels listed in paragraph (a) of this subdivision shall be based on the actual tolls charged to such owner for such crossings.

4. For vehicles that are not equipped with an electronic device that participates in the electronic fee collection system, the city, as agent for the metropolitan transportation authority, pursuant to the agreement with the metropolitan transportation authority provided in section seventeen hundred six of this article, shall automatically add to the congestion pricing fee charged to the owner of a vehicle entering the congestion pricing zone in an amount equal to one dollar.

55 <u>5. The following vehicles shall be exempt from any congestion pricing</u> 56 <u>fees provided they are equipped with an electronic device that partic-</u>

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ipates in the electronic fee collection system, or are pre-registered by agreement with the city: authorized emergency vehicles, safety, traffic and parking control, and inspection vehicles, sanitation vehicles, school vehicles, taxis and livery vehicles subject to the charge described in subdivision three of section seventeen hundred three of this article, transit vehicles, buses, vehicles with license plates issued by the commissioner pursuant to section four hundred four-a of this chapter, and vehicles owned or operated by any foreign government or international organization or its representatives, officers or employees if the United States department of state notifies the city that such vehicles are exempt. Individuals who hold a New York city parking permit for people with disabilities issued by the department of transportation of the city of New York shall be exempt from any congestion pricing fees provided they are holders of an electronic device that participates in the electronic fee collection system. The department of transportation of the city of New York shall promulgate rules governing the administration of this exemption.

6. (a) If the owner of any vehicle subject to a congestion pricing fee pursuant to this article, who does not actually pay such a fee pursuant to the electronic fee collection system, fails to pay the city, as agent for the metropolitan transportation authority pursuant to the agreement with the metropolitan transportation authority provided in section seventeen hundred six of this article, within ninety-six hours after the end of the calendar day in which the vehicle has incurred a congestion pricing fee pursuant to this section, the city shall issue to such owner a billing statement for an amount, inclusive of the congestion pricing fee, not to exceed sixty-five dollars.

(b) Any owner receiving a first billing statement pursuant to this subdivision shall have thirty days from the issuance of such statement to dispute the charge or pay the charge. If an owner disputes such charge, the thirty day time period shall be tolled for any day during which the department of transportation of the city of New York is reviewing the dispute. If such department determines that such charge is valid, it shall issue a final determination to such owner and specify the date by which the owner must pay such charge, which shall be set by adding any tolled days to the original thirty day time period. Any owner that fails to dispute the charge or pay the charge within thirty days after the issuance of the first billing statement, or for owners that dispute the charge, by the date specified in the final determination issued to such owner, shall be issued a second billing statement for an additional charge of fifty dollars for a total amount of one hundred fifteen dollars.

(c) Any owner receiving a second billing statement pursuant to this subdivision shall have thirty-five days from the issuance of such statement to dispute the charge or pay the charge. If an owner disputes such charge, the thirty-five day time period shall be tolled for any day during which the department of transportation of the city of New York is reviewing the dispute. If such department determines that such charge is valid, it shall issue a final determination to such owner and specify the date by which the owner must pay such charge, which shall be set by adding any tolled days to the original thirty-five day time period. Any owner that fails to dispute the charge or pay the charge within thirty-five days after the issuance of the second billing statement, or for owners that dispute the charge, by the date specified in the final determination issued to such owner, shall be liable for an additional

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1 charge of twenty-five dollars for a total amount of one hundred forty 2 dollars.

(d) Any owner receiving a third billing statement pursuant to this subdivision shall have thirty-five days from the issuance of such statement to dispute the charge or pay the charge. If the owner disputes such charge, the thirty-five day time period shall be tolled for any day during which the department of transportation of the city of New York is reviewing the dispute. If such department determines that such charge is valid, it shall issue a final determination to such owner and specify the date by which the owner must pay such charge, which shall be set by adding any tolled days to the original thirty-five day time period. Any owner that fails to dispute the charge or pay the charge within thirty-five days after the issuance of the third billing statement, or for owners that dispute the charge, by the date specified in the final determination issued to such owner, shall be liable for a violation as described in subdivision seven of this section.

(e) The department of transportation of the city of New York shall promulgate rules governing such charges, including, but not limited to, rules establishing a schedule of charges, notification requirements, and procedures for the resolution of disputes over the congestion pricing fee and charges imposed.

7. It shall be a violation of this section for the owner of any vehicle subject to a congestion pricing fee pursuant to this article, when not actually paying such a fee pursuant to the electronic fee collection system, to fail to pay such fee and any charges imposed pursuant to subdivision six of this section to the city, as agent for the metropolitan transportation authority pursuant to the agreement with the metropolitan transportation authority provided in section seventeen hundred six of this article, within the time period specified in subdivision six of this section, as applicable to any owner.

The city shall: (a) take appropriate steps to address privacy concerns of drivers entering the congestion pricing zone and to mitigate such concerns by establishing controls on storage and sharing of vehicle data. These steps shall include complying with privacy standards of the E-ZPass Interagency Group, E-ZPass customer service centers, applicable city and state laws regarding sharing of vehicle and private information with third parties and additional measures to protect privacy, including deletion of vehicle data no longer required for billing inquiries or non-payment enforcement, removal of vehicle information from data maintained for research purposes and development of an anonymous payment option; (b) prior to the operation date, submit to the governor and the legislature a plan detailing how it shall increase, in coordination with the congestion pricing program, the enforcement of existing state and local vehicle and traffic laws, rules and regulations and reduce the abuse of government-issued parking placards; and (c) increase fees for on-street parking in parking meter zones that are within the congestion pricing zone.

§ 1705. Congestion pricing fee collection program. 1. Notwithstanding any other provision of law, the city, as agent for the metropolitan transportation authority, pursuant to the agreement with the metropolitan transportation authority provided in section seventeen hundred six of this article, shall: (a) establish a congestion pricing fee collection program; (b) collect congestion pricing fees automatically from the owner of a vehicle holding an account through an electronic fee collection system; (c) create a mechanism for the owner of a vehicle not participating in the electronic fee collection system to pay congestion

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pricing fees directly to the city as agent for the metropolitan transportation authority, both before and within ninety-six hours after a vehicle travels into the congestion pricing zone, and such mechanism shall include a wide range of payment options, such as payment in person at designated locations, on the internet or via phone.

- 2. All congestion pricing fees collected by the city, as agent for the metropolitan transportation authority, shall at all times be the property of the metropolitan transportation authority.
- 9 3. Notwithstanding anything in this section to the contrary, a portion 10 of the congestion pricing fee collected by the city pursuant to the 11 agreement with the metropolitan transportation authority provided in 12 section seventeen hundred six of this article shall be retained by the 13 city for purposes of reimbursing the state of New York an amount equal 14 to the dollar value of the total congestion pricing fee credits received 15 by taxpayers pursuant to subsection (qq) of section six hundred six of 16 the tax law.
- 17 § 1706. Agreement between the city and the metropolitan transportation 18 authority. 1. The city and the metropolitan transportation authority 19 shall enter into an agreement, and shall be authorized to alter such 20 agreement from time to time, that provides for the design, construction, 21 operation, maintenance, and financing of the congestion pricing program and the systems by which congestion pricing fees are collected. Such an 22 agreement shall provide that the city shall be responsible for the 23 24 construction, operation, and maintenance of the congestion pricing 25 program and the systems by which congestion pricing fees are collected, except as otherwise provided by this article and section one thousand 27 two hundred seventy-g of the public authorities law, and that the metro-28 politan transportation authority shall reimburse the city for the costs 29 of planning, design, construction, operation, and maintenance of the congestion pricing program and the congestion pricing fee collection 31 program, less any federal money received for such purposes, as provided 32 such agreement from the fees collected. Such an agreement shall further provide that the city shall collect congestion pricing fees as 34 agent for the metropolitan transportation authority, and that such fees 35 shall at all times be the property of the metropolitan transportation 36 authority. The city shall not act as an agent of the authority for any 37 purpose other than the collection of such fees. Such agreement shall 38 further provide that the department of transportation of the city of New 39 York shall handle the resolution of disputes over charges described in 40 subdivision six of section seventeen hundred four of this article and 41 that the department of finance or the parking violations bureau shall 42 adjudicate all violations of this article as provided in this article, that all charges, fines and penalties collected pursuant to this article by the department of transportation of the city of New York, the 44 45 department of finance or the parking violations bureau shall be the 46 property at all times of the metropolitan transportation authority; provided, however, that the metropolitan transportation authority and 47 48 the city shall enter into an agreement providing for the reimbursement 49 to the department of transportation of the city of New York for the costs of resolving disputes over charges described in subdivision six of 51 section seventeen hundred four of this article, in an amount not to exceed charges collected pursuant to this article, and the reimbursement to the department of finance or the parking violations bureau for the 54 costs of adjudications of violations described in subdivision seven of 55 section seventeen hundred four of this article, in an amount not to exceed fines and penalties collected pursuant to this article. Until

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such time as the aforementioned agreement between the metropolitan transportation authority and the city is completed, the city shall place in escrow the charges collected pursuant to this article. The city and the metropolitan transportation authority are authorized to enter into third-party agreements with any parties the city and the metropolitan transportation authority determine are necessary or convenient for the design, construction, operation, and maintenance of the congestion pricing program and congestion pricing fee collection program.

- 2. The city may procure contracts to design, construct, operate, maintain, and implement the congestion pricing program and the congestion pricing fee collection program through the award of one or more contracts pursuant to a competitive process in accordance with the rules of the city's procurement policy board in effect on the effective date of this subdivision.
- 3. Notwithstanding any provisions of this section, the city may enter into a contract, either directly or through the metropolitan transportation authority, with the authority's E-ZPass services contractor for the provision of E-ZPass and related services.
- § 1707. Violations and enforcement. 1. Notwithstanding any other provision of law, violations of this article shall be adjudicated pursuant to this section. The owner of a vehicle shall be liable for a penalty imposed pursuant to this section if such vehicle was used or operated with the permission of the owner, expressed or implied, in violation of subdivision seven of section seventeen hundred four of this article, and such violation is evidenced by information obtained from a photo-monitoring system or other credible evidence.
- 2. A certificate, sworn to or affirmed by a technician employed or contracted by the city, or a facsimile thereof, based upon inspection of photographs, microphotographs, videotape, digital recording or other recorded images produced by a photo-monitoring system shall be prima facie evidence of the facts contained therein. Any photographs, microphotographs, videotape, digital recording or other recorded images evidencing such a violation shall be available for inspection in any proceeding to adjudicate the liability for such violation pursuant to this section.
- 3. Notwithstanding any other provision of law, an owner liable for a violation as described in subdivision seven of section seventeen hundred four of this article shall be liable for a monetary penalty not to exceed one hundred forty dollars; inclusive of any charge imposed pursuant to subdivision six of section seventeen hundred four of its article. Any owner that fails to respond to a notice of liability for a violation within thirty-five days of the issuance of such notice shall be liable for a default judgment, subject to rules promulgated by the department of finance. The department of finance or the parking violations bureau shall adjudicate liability imposed by this section.
- 4. An imposition of liability pursuant to this section or pursuant to subdivision six of section seventeen hundred four of this article shall not be deemed a conviction as an operator and shall not be made part of the operating record of the person upon whom such liability is imposed nor shall it be used for insurance purposes in the provision of motor vehicle insurance coverage.
- 52 5. A notice of liability for a violation shall be sent by first class 53 mail to each person alleged to be liable as an owner for a violation as 54 described in subdivision seven of section seventeen hundred four of this 55 article. Personal service on the owner shall not be required. A manual 56 or automatic record of mailing prepared in the ordinary course of busi-

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ness shall be prima facie evidence of the facts contained therein. The notice of liability for a violation shall contain the following information:

(a) the name and address of the person alleged to be liable as an owner for a violation described in subdivision seven of section seventeen hundred four of this article;

- (b) the registration number of the vehicle involved in such violation;
 (c) the date, time, and location or locations where such violation took place;
- (d) the identification number of the photo-monitoring system or other document locator number;
- (e) information advising the person charged of the manner and time in which he or she may contest the liability alleged in the notice; and
- (f) a warning to advise the persons charged that failure to contest in the manner and time provided shall be deemed an admission of liability, may subject the person to additional penalties, and that a default judgment may be issued thereon.
- 6. If the evidence of the violation is derived from an official source other than the photo-monitoring system, such as from an employee of the police department of the city of New York, the notice shall contain sufficient information detailing the name and title of the city employee who observed the violation in addition to the information described in subdivision five of this section.
- 7. If an owner receives a notice of liability pursuant to this section for any time period during which the vehicle or the vehicle's license plate or plates was reported to the police department as having been stolen, it shall be a valid defense to an allegation of liability for a violation as described in subdivision seven of section seventeen hundred four of this article that the vehicle or the vehicle's license plate or plates had been reported to the police as stolen and had not been recovered by the time the violation occurred. For purposes of asserting the defense provided by this subdivision it shall be sufficient that a certified copy of the police report on the stolen vehicle be sent by first class mail to the department of finance or parking violations bureau.
- 8. (a) An owner who is a lessor of a vehicle to which a notice of liability was issued pursuant to subdivision five of this section shall not be liable for the violation as described in subdivision seven of section seventeen hundred four of this article provided that:
- (i) prior to the violation the lessor has filed with the department of finance or the parking violations bureau and paid the required filing fee in accordance with the provisions of section two hundred thirty-nine of this chapter; and
- (ii) within thirty-seven days after receiving notice from the department of finance or the parking violations bureau of the date and time of a liability, together with the other information contained in the original notice of liability, the lessor submits to the department of finance or the parking violations bureau the correct name and address of the lessee of the vehicle identified in the notice of liability at the time of such violation, together with such other additional information contained in the rental lease or other contract document, as may be reasonably required by the department of finance or the parking violations bureau pursuant to regulations that may be promulgated for such purpose.

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(b) Failure to comply with subparagraph (ii) of paragraph (a) of this subdivision shall render the owner liable for the penalty prescribed in this section.

(c) Where the lessor complies with the provisions of this subdivision, the lessee of such vehicle on the date of such violation shall be deemed to be the owner of such vehicle for purposes of this article, shall be subject to liability pursuant to subdivision seven of section seventeen hundred four of this article and shall be sent a notice of liability pursuant to subdivision five of this section.

- 9. If the owner liable for a violation as described in subdivision seven of section seventeen hundred four of this article was not the operator of the vehicle at the time of the violation, the owner may maintain an action for indemnification against the operator.
- 10. Notwithstanding any other provision of this section, no owner of a vehicle shall be subject to a penalty imposed pursuant to this section if the operator of such vehicle was operating such vehicle without the consent of the owner, express or implied, at the time such operator committed a violation as described in subdivision seven of section seventeen hundred four of this article. For the purposes of this subdivision, there shall be a presumption that the operator of such vehicle was operating such vehicle with the consent of the owner at the time such operator committed a violation as described in subdivision seven of section seventeen hundred four of this article.
- 11. Nothing in this section shall be construed to limit the liability of an operator of a vehicle for any violation of subdivision seven of section seventeen hundred four of this article.
- § 1708. Disposition of revenue and penalties. 1. All congestion pricing fees and taxi and livery surcharge revenue collected by the city pursuant to this article as agent for the metropolitan transportation authority pursuant to the agreement with the metropolitan transportation authority provided in section seventeen hundred six of this article, shall at all times be the property of the metropolitan transportation authority and shall be paid to the traffic congestion mitigation fund of the metropolitan transportation authority.
- 2. Notwithstanding any law to the contrary, all charges collected by the department of transportation of the city of New York as described in subdivision six of section seventeen hundred four of this article or fines and penalties collected by the department of finance or the parking violations bureau for a violation as described in subdivision seven of section seventeen hundred four of this article pursuant to the provisions of section seventeen hundred seven of this article shall at all times be the property of the metropolitan transportation authority and shall be paid to the traffic congestion mitigation fund of the metropolitan transportation authority; provided, however, that the metropolitan transportation authority shall reimburse the department of transportation of the city of New York for the costs of resolving disputes over charges described in subdivision six of section seventeen hundred four of this article and reimburse the department of finance or the parking violations bureau for the costs of adjudication as provided in the agreement between the metropolitan transportation authority and the city described in section seventeen hundred six of this article. The office of the state comptroller shall, at its discretion, periodically audit such costs of adjudication.
- § 1709. Environmental study and mitigation. The legislature hereby declares that the congestion pricing program described in this article is designed to improve the environment, including air quality, and miti-

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gate traffic in the state. Notwithstanding this section or any other provision of law to the contrary, the environmental review process shall be structured to enable the city to meet the deadline of March thirty-first, two thousand nine established in the urban partnership agreement executed between the United States department of transportation and the state, the city of New York, and the authority.

- 1. The fourteen public hearings held by the New York city traffic congestion mitigation commission shall serve as the initial public comment phase for the environmental review process. The interim report to such commission of January tenth, two thousand eight, shall serve as the alternative analysis for the environmental review process.
- 2. The congestion pricing program described in this article shall serve as the preferred alternative for the environmental review process.
- 3. The city shall hold public hearings to solicit comments on the scope of the environmental review, potentially significant adverse impacts of the project and mitigation measures to address those impacts, if any. The city shall release a scoping document identifying any potentially significant adverse impacts, if any, for further analysis and review.
 - 4. To the extent any potentially significant adverse impacts are identified, the city shall conduct an analysis of such impacts, develop possible mitigation measures, and outline a detailed monitoring plan for each potential impact.
 - 5. The city shall release a draft environmental impact statement summarizing the potentially significant adverse environmental impacts and the possible mitigation measures and monitoring plan. The city shall release the draft environmental impact statement and hold a public hearing on the statement prior to the operation date.
 - 6. The city, after incorporating public comments, shall release a final environmental impact statement prior to the operation date. The city, within ten days after the public release of the final environmental impact statement, shall release a findings statement regarding the city's decision on an appropriate monitoring plan and potential mitigation measures.
 - 7. The city shall establish and implement a monitoring program prior to the operation date to monitor the traffic, air quality, noise, parking and other environmental impacts of the congestion pricing program and release annual reports on these impacts. The city shall make a preliminary report on such impacts within six months from the operation date and make such report available to the public on the internet.
 - 8. The city shall implement mitigation measures for significant adverse impacts, if any, identified by the monitoring program and shall solicit public comment on proposed mitigation plans. The city shall initiate mitigation plans, if necessary, within six months from the operation date. The city shall also identify, if any, neighborhood parking impacts. Mitigation measures that the city shall consider if neighborhood parking impacts are identified include, but are not necessarily limited to, traffic improvements, expanded use of muni-meters, changes to parking regulations and a residential parking permit program.
- 9. The city shall complete the community planning process already underway with respect to a citywide parking policy and a residential parking permit program prior to the operation date. The city shall ensure that neighborhoods adjacent to the congestion pricing zone are provided an opportunity to opt into the residential parking permit program, as provided in section sixteen hundred forty-m of this title, prior to the operation date.

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10. The authority shall provide for transit projects designed to mitigate projected immediate effects on ridership occasioned by the imposition of congestion pricing fees prior to the operation date.

- 1710. Rulemaking authority. Any agencies of the city, including the department of transportation, the department of finance and the parking violations bureau, are empowered and authorized to promulgate any requlations necessary or in aid of their powers and duties pursuant to this Provided, however, in no event shall any fee, penalty or surcharge authorized under this article be increased without approval of the legislature.
- § 2. The public authorities law is amended by adding a new section 1270-q to read as follows:
- § 1270-g. Traffic congestion mitigation fund. 1. The authority shall establish a fund to be known as the "traffic congestion mitigation fund" which shall be kept separate from and shall not be commingled with any other moneys of the authority. The fund shall consist of all moneys paid the authority by the city of New York pursuant to article forty-four-B of the vehicle and traffic law.
 - 2. Moneys in the fund shall first be paid:
- (a) to the city of New York to reimburse the city of New York for the costs of operating and maintaining the congestion pricing program and the congestion pricing fee collection program described in article forty-four-B of the vehicle and traffic law.
- (b) pursuant to an agreement between the city of New York and the 25 authority as provided in section seventeen hundred six of the vehicle and traffic law, to the city of New York and the authority to reimburse 27 the city of New York and the authority for any expenditures made by the 28 city and the authority after the effective date of this section, as 29 applicable: (i) for the initial costs of designing, planning, constructing and building the congestion pricing program and the electronic or 31 other fee collection system described in article forty-four-B of the 32 vehicle and traffic law; (ii) for the capital costs of the authority of implementing transit projects designed to mitigate projected immediate effects on ridership as a result of the implementation of the congestion pricing program described in article forty-four-B of the vehicle and traffic law that have not been satisfied from moneys received from an 37 urban partnership agreement between the United States department of transportation and the state, the city of New York, or the authority; 39 and (iii) for the initial operating costs prior to implementing such transit projects as described in subparagraph (ii) of this paragraph. 40
 - 3. Subject to the provisions of subdivision four of this section, the remaining moneys in the fund after the payments to the city of New York and the authority as required by subdivision two of this section may be pledged by the authority to secure and be applied to the payment of its bonds, notes or other obligations specified by the authority or otherwise committed only in connection with capital investments for system improvements, expansion and state of good repair projects, excluding normal replacement. Such projects may include, but are not limited to, new buses and bus facilities, bus rapid transit routes, park-and-ride facilities, commuter rail improvements and subway expansion and rehabilitation. Congestion pricing revenues shall not be used for any other purpose. Priority in the distribution of funding shall be given to those areas in need of additional transit investments. Funds shall be used for both new capital expenditures and for debt service associated

with those expenditures.

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1 4. The use of congestion pricing revenues for transit capital expenditures shall be subject to approval by the authority's capital program review board, as provided by law. Provided, however, that only for the approval of the plan submitted pursuant to chapter three hundred eighty-four of the laws of two thousand seven for the period July first, two 6 thousand eight through December thirty-first, two thousand thirteen by 7 the authority for this fund only, a representative of the New York city 8 council speaker shall be provided with the same rights and privileges of 9 the board members appointed by the governor upon the recommendation of 10 the minority leader of the senate and the minority leader of the assem-11 The funds in the traffic conqestion mitigation fund shall not be used to offset any funding obligations to the authority by any govern-12 13 mental entity. Notwithstanding any inconsistent provision of any gener-14 al, special or local law, any construction, reconstruction, alteration, 15 demolition, rehabilitation, improvement or repair agreements for projects to be reimbursed in whole or in part by the traffic congestion 17 mitigation fund that require the employment of laborers, workmen or 18 mechanics, not including employees of the city or of the authority or subsidiaries or affiliates of the authority, shall be carried out as 20 contracts to which the city or the authority or subsidiaries or affil-21 iates of the authority, or other state or municipal entities, are 22 parties or as subcontracts entered into pursuant to such contracts. Such 23 contracts shall be subject to and enforceable under all applicable state 24 laws, and such projects shall be deemed public works projects for the 25 purposes of article eight of the labor law. In addition, the authority shall continue to be responsive to local government and community 27 concerns and to conduct all public hearings as provided in law. 28

- 5. The authority shall report annually on all receipts and expenditures of the funds, including taxi surcharge revenues. The report shall detail operating expenses of the program, enhancement plans, and all fund expenditures, including capital projects. The report and all capital plan amendments relating to the fund shall be readily available to the public, and shall be posted on the authority's website and be submitted to the governor, state legislature, the mayor and council of the city of New York, and the authority's capital program review board.
- \$ 3. The vehicle and traffic law is amended by adding a new section \$ 1640-m to read as follows:
 - § 1640-m. Residential parking permit system in the city of New York.

 1. Notwithstanding the provisions of any law to the contrary, the department of transportation of the city of New York is authorized to promulgate rules to provide for a residential parking permit system in the city of New York in accordance with the provisions of this section.
 - 2. The residential parking permit system shall provide for the establishment of permit-only parking zones. It shall further provide for periods of at least ninety minutes each weekday during which only residents who have obtained an annual permit for curbside parking in any permit-only parking zone shall be permitted to park their vehicles in such permit-only parking zone. During such periods, approximately fifty percent of the total block face area in any permit-only parking zone may be allocated for parking by residents with annual permits. Residents in permit-only parking zones may obtain annual permits for residential parking by providing proof to the department of transportation of the city of New York of vehicle registration at a residence within the particular permit-only parking zone. Such department shall charge no fee to residents for applying for and using annual permits for residential

parking in permit-only parking zones.

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3. Procedures for establishing a permit-only parking zone shall be as follows: (a) Any person may submit a written request for the establishment of a permit-only parking zone to the community board, using a standard request form provided by the department of transportation of the city of New York. Such form shall allow for the addition of petition signatures in support of the request and shall require that petitioners identify the need for and the proposed area of the permit-only parking zone.

- (b) The community board receiving a request for the establishment of a permit-only parking zone may hold a public meeting during which the request may be considered. The community board may adjust the request to meet community needs and to comply with any rules promulgated by the department of transportation of the city of New York. The community board shall not approve a request for a permit-only parking zone unless it has held a public meeting on the request.
- (c) If the community board approves the request, it shall submit a proposal to the city councilmember or councilmembers and members of the state legislature in whose district or districts the permit-only parking zone has been proposed for review and approval.
- (d) Proposals for permit-only parking zones approved by the relevant city councilmember or councilmembers shall be submitted to the department of transportation of the city of New York for review and approval based on criteria that shall include the residential nature, size and geographic integrity of the zone, the degree of surveyed demand for on-street parking and the presence of destinations generating significant demand for on-street parking.
- (e) Proposals for permit-only parking zones approved by the department of transportation of the city of New York shall be submitted to the borough president for final approval. No permit-only parking zone shall be established absent final approval by the borough president.
- § 4. The opening paragraph of paragraph 1 of subdivision (a) of section 1212-A of the tax law, as amended by chapter 196 of the laws of 1995, is amended to read as follows:
- a tax on receipts from every sale of the service of providing parking, garaging or storing for motor vehicles by persons operating a garage (other than a garage which is part of premises occupied solely as a private one or two family dwelling), parking lot or other place of business engaged in providing parking, garaging or storing for motor vehicles, in any county within such city with a population density in excess of fifty thousand persons per square mile, at the rate of eight per centum, on receipts from every sale of such services, except receipts from the sale of such services, other than those services provided at locations wholly within the geographic area of the congestion pricing zone as such term is described in article forty-four-B of the vehicle and traffic law, to an individual resident of such county when such services are rendered on a monthly or longer-term basis at the principal location for the parking, garaging or storing of a motor vehicle owned or leased (but only in the case of a lease for a term of one year or more) by such individual resident. The population of a county shall be determined by reference to the latest federal census.
- 51 § 5. Subdivision (c) of section 1261 of the tax law is amended by 52 adding a new paragraph 5-a to read as follows:
- (5-a) However, beginning on September first, two thousand eight, the commissioner or the commissioner's delegate shall certify to the comptroller the net collections from the additional rate of tax which the city of New York is authorized to impose pursuant to paragraph one of

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subdivision (a) of section twelve hundred twelve-A of this article. commissioner or the commissioner's delegate shall not be held liable for any inaccuracy in such certificate. Provided, that any certification made by the commissioner or the commissioner's delegate may be based on 5 such information as may be available to the commissioner at the time such certificate must be made under this paragraph, may be estimated on 7 the basis of percentages or other indices calculated from distributions for prior periods, and shall be subject to the adjustment provisions 9 concerning overpayment or underpayment in paragraph six of this subdivi-10 sion. Beginning on September first, two thousand eight, the comptroller shall pay a certain percentage of these net collections to the appropri-11 12 ate fiscal officer of the city of New York for deposit into the fund established in paragraph four of subdivision d of section two thousand 13 nine hundred three of the charter of the city of New York, using a 15 percentage to be certified by the appropriate fiscal officer to the 16 comptroller no later than August fifteenth, two thousand eight. The appropriate fiscal officer may update the percentage and certify this updated percentage to the comptroller on an annual basis. Such percentage shall be calculated by the appropriate fiscal officer of the city of New York based on taxes, penalties and interest imposed pursuant to 20 paragraph one of subdivision (a) of section twelve hundred twelve-A of this article in the geographic area of the congestion pricing zone as such term is described in article forty-four-B of the vehicle and traffic law and on individual residents of the borough of Manhattan.

- § 6. Subdivision 1 of section 235 of the vehicle and traffic law, as amended by chapter 379 of the laws of 1992, is amended to read as follows:
- 1. Notwithstanding any inconsistent provision of any general, special or local law or administrative code to the contrary, in any city which heretofore or hereafter is authorized to establish an administrative tribunal to hear and determine complaints of traffic infractions constituting parking, standing or stopping violations, or to adjudicate the liability of owners for violations of subdivision (d) of section eleven hundred eleven of this chapter in accordance with section eleven hundred eleven-a of this chapter, [ex] to adjudicate the liability of owners for violations of toll collection regulations as defined in and in accordance with the provisions of section two thousand nine hundred eightyfive of the public authorities law and sections sixteen-a, sixteen-b and sixteen-c of chapter seven hundred seventy-four of the laws of nineteen hundred fifty, or to adjudicate the liability of owners for violations the congestion pricing program in the city of New York as defined in and in accordance with the provisions of article forty-four-B of chapter, such tribunal and the rules and regulations pertaining thereto shall be constituted in substantial conformance with the following sections.
- § 7. Subdivision 1 of section 236 of the vehicle and traffic law, as amended by chapter 379 of the laws of 1992, is amended to read as follows:
- 1. Creation. In any city as hereinbefore or hereafter authorized such tribunal when created shall be known as the parking violations bureau and shall have jurisdiction of traffic infractions which constitute a parking violation and, where authorized by local law adopted pursuant to subdivision (a) of section eleven hundred eleven-a of this chapter, shall adjudicate the liability of owners for violations of subdivision (d) of section eleven hundred eleven of this chapter in accordance with such section eleven hundred eleven-a, and shall adjudicate the liability

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of owners for violations of toll collection regulations as defined in and in accordance with the provisions of section two thousand nine hundred eighty-five of the public authorities law and sections sixteen-a, sixteen-b and sixteen-c of chapter seven hundred seventy-four of the laws of nineteen hundred fifty, and shall adjudicate the liability of owners for violations of the congestion pricing program in the city of New York as defined in and in accordance with the provisions of article forty-four-B of this chapter. Such tribunal, except in a city a population of one million or more, shall also have jurisdiction of abandoned vehicle violations. For the purposes of this article, a 11 parking violation is the violation of any law, rule or regulation 12 providing for or regulating the parking, stopping or standing of a vehi-13 cle. In addition for purposes of this article, "commissioner" shall mean and include the commissioner of traffic of the city or an official 15 possessing authority as such a commissioner. 16

- § 8. Subdivision 11 of section 237 of the vehicle and traffic law, as added by chapter 379 of the laws of 1992, is amended and a new subdivision 12 is added to read as follows:
- 11. To adjudicate the liability of owners for violations of toll collection regulations as defined in and in accordance with the provisions of section two thousand nine hundred eighty-five of the public authorities law and sections sixteen-a, sixteen-b and sixteen-c of chapter seven hundred seventy-four of the laws of nineteen hundred fifty [+]:
- 12. To adjudicate the liability of owners for violations of the congestion pricing program in the city of New York as defined in and in accordance with the provisions of article forty-four-B of this chapter.
- § 9. Paragraph f of subdivision 1 of section 239 of the vehicle and traffic law, as amended by chapter 379 of the laws of 1992, is amended to read as follows:
- f. "Notice of violation" means a notice of violation as defined in subdivision nine of section two hundred thirty-seven of this article, but shall not be deemed to include a notice of liability issued pursuant to authorization set forth in section eleven hundred eleven-a of this chapter and shall not be deemed to include a notice of liability issued pursuant to section two thousand nine hundred eighty-five of the public authorities law and sections sixteen-a, sixteen-b and sixteen-c of chapter seven hundred seventy-four of the laws of nineteen hundred fifty and shall not be deemed to include a notice of liability issued pursuant to section seventeen hundred seven of this chapter.
- § 10. Subdivision 4 of section 239 of the vehicle and traffic law, as amended by chapter 379 of the laws of 1992, is amended to read as follows:
- 4. Applicability. The provisions of paragraph b of subdivision two and subdivision three of this section shall not be applicable to determinations of owner liability for the failure of an operator to comply with subdivision (d) of section eleven hundred eleven of this chapter and shall not be applicable to determinations of owner liability imposed pursuant to section two thousand nine hundred eighty-five of the public authorities law and sections sixteen-a, sixteen-b and sixteen-c of chapter seven hundred seventy-four of the laws of nineteen hundred fifty and shall not be applicable to determinations of owner liability for violations of article forty-four-B of this chapter.
- § 11. Subdivisions 1 and 1-a of section 240 of the vehicle and traffic 1aw, as amended by chapter 379 of the laws of 1992, are amended to read as follows:

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1. Notice of hearing. Whenever a person charged with a parking violation enters a plea of not guilty or a person alleged to be liable in accordance with section eleven hundred eleven-a of this chapter for a violation of subdivision (d) of section eleven hundred eleven of this chapter contests such allegation, or a person alleged to be liable in accordance with the provisions of section two thousand nine hundred eighty-five of the public authorities law [ex], of sections sixteen-a, sixteen-b and sixteen-c of chapter seven hundred seventy-four of the laws of nineteen hundred fifty, or of article forty-four-B of this chap-10 ter, the bureau shall advise such person personally by such form of 11 first class mail as the director may direct of the date on which he must appear to answer the charge at a hearing. The form and content of such notice of hearing shall be prescribed by the director, and shall contain a warning to advise the person so pleading or contesting that failure to appear on the date designated, or on any subsequent adjourned date, shall be deemed an admission of liability, and that a default judgment 17 may be entered thereon. 18

1-a. Fines and penalties. Whenever a plea of not guilty has been entered, or the bureau has been notified that an allegation of liability in accordance with section eleven hundred eleven-a of this chapter or an allegation of liability in accordance with section two thousand nine hundred eighty-five of the public authorities law or sections sixteen-a, sixteen-b and sixteen-c of chapter seven hundred seventy-four of the laws of nineteen hundred fifty or an allegation of liability in accordance with section seventeen hundred seven of this chapter, is being contested, by a person in a timely fashion and a hearing upon the merits has been demanded, but has not yet been held, the bureau shall not issue any notice of fine or penalty to that person prior to the date of the hearing.

- § 12. Paragraphs a and g of subdivision 2 of section 240 of the vehicle and traffic law, as amended by chapter 379 of the laws of 1992, are amended to read as follows:
- a. Every hearing for the adjudication of a charge of parking violation or an allegation of liability in accordance with section eleven hundred eleven—a of this chapter or an allegation of liability in accordance with section two thousand nine hundred eighty—five of the public authorities law or sections sixteen—a, sixteen—b and sixteen—c of chapter seven hundred seventy—four of the laws of nineteen hundred fifty or an allegation of liability in accordance with section seventeen hundred seven of this chapter, shall be held before a hearing examiner in accordance with rules and regulations promulgated by the bureau.
- g. A record shall be made of a hearing on a plea of not guilty or of a hearing at which liability in accordance with section eleven hundred eleven—a of this chapter is contested or of a hearing at which liability in accordance with section two thousand nine hundred eighty—five of the public authorities law or sections sixteen—a, sixteen—b and sixteen—c of chapter seven hundred seventy—four of the laws of nineteen hundred fifty is contested or a hearing at which liability in accordance with section seventeen hundred seven of this chapter is contested. Recording devices may be used for the making of the record.
- \$ 13. Subdivisions 1 and 2 of section 241 of the vehicle and traffic law, as amended by chapter 379 of the laws of 1992, are amended to read as follows:
- 1. The hearing examiner shall make a determination on the charges, is either sustaining or dismissing them. Where the hearing examiner determines that the charges have been sustained he may examine either the

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prior parking violations record or the record of liabilities incurred in accordance with section eleven hundred eleven—a of this chapter or the record of liabilities incurred in accordance with section two thousand nine hundred eighty—five of the public authorities law or sections sixteen—a, sixteen—b and sixteen—c of chapter seven hundred seventy—four of the laws of nineteen hundred fifty of the person charged or the record of liabilities incurred in accordance with section seventeen hundred seven of this chapter, as applicable prior to rendering a final determination. Final determinations sustaining or dismissing charges shall be entered on a final determination roll maintained by the bureau together with records showing payment and nonpayment of penalties.

12 Where an operator or owner fails to enter a plea to a charge of a 13 parking violation or contest an allegation of liability in accordance 14 with section eleven hundred eleven-a of this chapter or fails to contest an allegation of liability in accordance with section two thousand nine hundred eighty-five of the public authorities law or sections sixteen-a, 17 sixteen-b and sixteen-c of chapter seven hundred seventy-four of the laws of nineteen hundred fifty or fails to contest an allegation of 19 liability in accordance with section seventeen hundred seven of this 20 chapter, or fails to appear on a designated hearing date or subsequent 21 adjourned date or fails after a hearing to comply with the determination of a hearing examiner, as prescribed by this article or by rule or requlation of the bureau, such failure to plead or contest, appear or comply shall be deemed, for all purposes, an admission of liability and shall be grounds for rendering and entering a default judgment in an amount provided by the rules and regulations of the bureau. However, after the 27 expiration of the original date prescribed for entering a plea and before a default judgment may be rendered, in such case the bureau shall pursuant to the applicable provisions of law notify such operator or owner, by such form of first class mail as the commission may direct; (1) of the violation charged, or liability in accordance with section eleven hundred eleven-a of this chapter alleged or liability in accordance with section two thousand nine hundred eighty-five of the public authorities law or sections sixteen-a, sixteen-b and sixteen-c of chapter seven hundred seventy-four of the laws of nineteen hundred fifty alleged or liability in accordance with section seventeen hundred seven 37 of this chapter, (2) of the impending default judgment, (3) that judgment will be entered in the Civil Court of the city in which the 38 39 bureau has been established, or other court of civil jurisdiction or any other place provided for the entry of civil judgments within the state 40 41 of New York, and (4) that a default may be avoided by entering a plea or 42 contesting an allegation of liability in accordance with section eleven hundred eleven-a of this chapter or contesting an allegation of liability in accordance with section two thousand nine hundred eighty-five of the public authorities law or sections sixteen-a, sixteen-b sixteen-c of chapter seven hundred seventy-four of the laws of nineteen 47 hundred fifty or contesting an allegation of liability in accordance 48 with section seventeen hundred seven of this chapter, as appropriate, or making an appearance within thirty days of the sending of such notice. Pleas entered and allegations contested within that period shall be in 51 the manner prescribed in the notice and not subject to additional penalty or fee. Such notice of impending default judgment shall not be required prior to the rendering and entry thereof in the case of operators or owners who are non-residents of the state of New York. In no case shall a default judgment be rendered or, where required, a notice impending default judgment be sent, more than two years after the

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expiration of the time prescribed for entering a plea or contesting an allegation. When a person has demanded a hearing, no fine or penalty shall be imposed for any reason, prior to the holding of the hearing. If the hearing examiner shall make a determination on the charges, sustaining them, he shall impose no greater penalty or fine than those upon which the person was originally charged.

§ 14. Subparagraph (i) of paragraph a of subdivision 5-a of section 401 of the vehicle and traffic law, as amended by chapter 496 of the laws of 1990 and as designated by chapter 373 of the laws of 1994, is amended to read as follows:

11 (i) If at the time of application for a registration or renewal thereof there is a certification from a court, parking violations bureau, 13 traffic and parking violations agency or administrative tribunal of appropriate jurisdiction or administrative tribunal of appropriate jurisdiction that the registrant or his representative failed to appear on the return date or any subsequent adjourned date or failed to comply with the rules and regulations of an administrative tribunal 18 entry of a final decision in response to a total of three or more summonses or other process in the aggregate, issued within an eighteen month period, charging either that (i) such motor vehicle was parked, 21 stopped or standing, or that such motor vehicle was operated for hire by the registrant or his agent without being licensed as a motor vehicle 22 for hire by the appropriate local authority, in violation of any of the provisions of this chapter or of any law, ordinance, rule or regulation 25 made by a local authority or (ii) the registrant was liable in accordance with section eleven hundred eleven-a of this chapter for a 27 violation of subdivision (d) of section eleven hundred eleven of this 28 chapter or (iii) the registrant was liable in accordance with section seventeen hundred seven of this chapter, the commissioner or his agent 29 shall deny the registration or renewal application until the applicant provides proof from the court, traffic and parking violations agency or administrative tribunal wherein the charges are pending that an appearance or answer has been made or in the case of an administrative tribunal that he has complied with the rules and regulations of said tribunal following entry of a final decision. Where an application is denied pursuant to this section, the commissioner may, in his discretion, deny a registration or renewal application to any other person for the same vehicle and may deny a registration or renewal application for any other motor vehicle registered in the name of the applicant where the commissioner has determined that such registrant's intent has been to evade 41 the purposes of this subdivision and where the commissioner has reasonable grounds to believe that such registration or renewal will have the effect of defeating the purposes of this subdivision. Such denial shall only remain in effect as long as the summonses remain unanswered, or in the case of an administrative tribunal, the registrant fails to comply 45 with the rules and regulations following entry of a final decision.

§ 15. The opening paragraph of subdivision 1 of section 1809 of the vehicle and traffic law, as amended by section 2 of part M of chapter 62 of the laws of 2003, is amended to read as follows:

Whenever proceedings in an administrative tribunal or a court of this state result in a conviction for an offense under this chapter or a traffic infraction under this chapter, or a local law, ordinance, rule or regulation adopted pursuant to this chapter, other than a traffic infraction involving standing, stopping, or parking or violations by pedestrians or bicyclists, or other than an adjudication of liability of an owner for a violation of subdivision (d) of section eleven hundred

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eleven of this chapter in accordance with section eleven hundred eleven-a of this chapter, or other than an adjudication in accordance with section seventeen hundred seven of this chapter, there shall be levied a crime victim assistance fee and a mandatory surcharge, in addition to any sentence required or permitted by law, in accordance with the following schedule:

- § 16. Paragraph (c) of subdivision 1 of section 1809 of the vehicle and traffic law, as amended by section 2 of part M of chapter 62 of the laws of 2003, is amended to read as follows:
- 10 (c) Whenever proceedings in an administrative tribunal or a court of this state result in a conviction for an offense under this chapter other than a crime pursuant to section eleven hundred ninety-two of this 12 chapter, or a traffic infraction under this chapter, or a local law, ordinance, rule or regulation adopted pursuant to this chapter, other than a traffic infraction involving standing, stopping, or parking or violations by pedestrians or bicyclists, or other than an adjudication of liability of an owner for a violation of subdivision (d) of section eleven hundred eleven of this chapter in accordance with section eleven hundred eleven-a of this chapter or other than an infraction pursuant to article nine of this chapter or other than an adjudication of liability of an owner for a violation of toll collection regulations pursuant to section two thousand nine hundred eighty-five of the public authorities law or sections sixteen-a, sixteen-b and sixteen-c of chapter seven hundred seventy-four of the laws of nineteen hundred fifty, or other than an adjudication in accordance with section seventeen hundred seven of this chapter, there shall be levied a crime victim assistance fee in 27 the amount of five dollars and a mandatory surcharge, in addition to any sentence required or permitted by law, in the amount of forty-five dollars.
 - § 17. Subdivision 2 of section 87 of the public officers law is amended by adding a new paragraph (k) to read as follows:
 - (k) identify motor vehicle travel, including but not limited to photographs, microphotographs or videotape, produced under authority of article forty-four-B of the vehicle and traffic law.
 - § 18. Subdivision d of section 2903 of the New York city charter, as amended by vote of the electors of such city at a general election held on November 8, 1988, paragraph 1 as amended by local law number 14 of the city of New York for the year 1989, is amended to read as follows:
 - d. Mass transportation facilities. The commissioner shall:
 - (1) prepare or review plans and recommendations with respect to the nature, location, construction, operation and financing of roads, highways, bridges, tunnels, subways or other facilities for mass transportation other than aviation facilities for use in whole or in part within the city whether or not the funds provided for such facilities are derived from the city treasury;
 - (2) develop and coordinate planning and programming for all forms of mass transportation within the city of New York whether or not said transportation is within the sole operating jurisdiction of the city of New York; [and]
 - (3) make recommendations to the mayor, the metropolitan transportation authority, the New York city transit authority, the port authority of New York and New Jersey and other city, state and federal authorities and agencies concerning the mass transit needs of the city of New York; and
- (4) manage the use of funds in the transit enhancement fund. There is hereby established a special fund to be known as the "transit enhance-

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ment fund". After July first, two thousand eight, if the commissioner increases fees for parking in parking meter zones in the geographic area south of and inclusive of 60th street, the difference between the fees charged in such zones prior to September first, two thousand eight and the fees charged in such zones after such date shall be paid into the transit enhancement fund. Such fund shall also include such revenue as provided by state law. The revenues of such fund, derived as specified in this paragraph or pursuant to other provisions of law, upon authorization of the council, shall be used solely to provide additional transit, pedestrian, bicycle and parking management improvements, including, but not limited to, expanded ferry service, bus signalization, bus rapid transit investments, bicycle facilities and pedestrian enhancements.

- § 19. Subdivision (d) of section 11-2051 of the administrative code of the city of New York, as amended by local law number 74 of the city of New York for the year 1996, is amended to read as follows:
- (d) The tax imposed by this subchapter shall not apply to any sale services, other than those services provided at locations wholly within the geographic area of the congestion pricing zone as such term described in article forty-four-B of the vehicle and traffic law, to an individual resident of the county in which such tax is imposed when such services are rendered on a monthly or longer-term basis at the principal location for the parking, garaging or storing of a motor vehicle owned or leased (but only in the case of a lease for a term of one year or more) by such individual resident. For purposes of this subdivision, the term "individual resident" means a natural person who maintains in such county a permanent place of abode which is such person's primary residence; the term "motor vehicle" means a motor vehicle which is registered pursuant to the vehicle and traffic law at the address of the primary residence referred to in this subdivision, or which is reqistered pursuant to the vehicle and traffic law and leased to an individual resident at the address of the primary residence referred to in this subdivision, and which is not used in carrying on any trade, business or commercial activity; and the term "lease for a term of one year or more" shall not include any lease the term of which is less than one year, irrespective of the fact that the cumulative period for which such lease may be in effect is one year or more as the result of the right to exercise an option to renew or other like provision.
- § 20. Subdivision (b) of section 11-2053 of the administrative code of the city of New York is amended to read as follows:
- (b) [All] Except as provided in paragraph five-a of subdivision (c) of section twelve hundred sixty-one of the tax law, all payments to the commissioner of finance pursuant to subdivision (a) of this section shall be credited to and deposited in the general fund of this city.
- § 21. Section 606 of the tax law is amended by adding a new subsection (qq) to read as follows:
- (qq) Congestion pricing fee credit. (1) A taxpayer who is eligible for the earned income tax credit under subsection (d) of this section or the enhanced earned income tax credit under subsection (d-1) of this section is allowed a credit against the taxes imposed by this article. The amount of the credit is the excess of the amount of unreimbursed congestion pricing fees as defined in article forty-four-B of the vehicle and traffic law paid during the federal taxable year by the taxpayer, or, in the case of a joint return, by the taxpayer or the taxpayer's spouse, over the basic cost of commuting by transit, which means the unreduced amount of a thirty-day unlimited ride metrocard issued by the metropolitan transit authority of the state of New York multiplied by

twelve. The credit allowed by this subsection cannot exceed the amount of the maximum congestion pricing fee that can be incurred by a single vehicle, as defined in article forty-four-B of the vehicle and traffic law operated every day the congestion pricing system is in operation in the tax year, over the basic cost of commuting by transit as defined in this section.

- (2) The congestion pricing fee paid by the taxpayer, or, in the case of a joint return, by the taxpayer or the taxpayer's spouse, must be demonstrated by records relating to the taxpayer's or his or her spouse's use of an electronic device used in connection with the electronic fee collection system defined in article forty-four-B of the vehicle and traffic law, that is registered in the name of the taxpayer or the taxpayer's spouse and assigned to a passenger vehicle registered in the name of the taxpayer or the taxpayer's spouse. The taxpayer must provide these records to the department upon request.
- (3) The taxpayer or his or her spouse must maintain records that demonstrate that the congestion pricing fees were incurred by the taxpayer or the taxpayer's spouse in connection with the taxpayer's or spouse's travel into the congestion pricing zone, as defined in article forty-four-B of the vehicle and traffic law, relating to the taxpayer's or his or her spouse's employment, and were neither reimbursed by another party nor incurred by a non-passenger vehicle. The taxpayer must provide such records to the department upon request.
- (4) In the case of a resident taxpayer, the credit under this subsection shall be allowed against the taxes imposed by this article for the taxable year reduced by the credits permitted by this article. If the credit exceeds the tax as so reduced, the taxpayer may receive, and the comptroller, subject to a certificate of the commissioner, shall pay as an overpayment without interest, the amount of such excess.
- (5) In the case of a nonresident taxpayer, the credit under this subsection shall be allowed against the tax determined under subsections (a) through (d) of section six hundred one of this part. The amount of the credit shall not exceed the tax determined under such subsections for the taxable year reduced by the credits permitted under subsections (b), (c) and (m) of this section.
- (6) In the case of a part-year resident taxpayer, the credit under this subsection shall be allowed against the tax determined under subsections (a) through (d) of section six hundred one of this part reduced by the credits permitted under subsections (b), (c) and (m) of this section, and any excess credit after such application shall be allowed against the taxes imposed by sections six hundred two and six hundred three of this part. Any remaining excess, after such application, shall be refunded as provided in paragraph four of this subsection, provided, however, that any overpayment under such paragraph will be limited to the amount of the remaining excess multiplied by a fraction, the numerator of which is the federal adjusted gross income for the period of residence, computed as if the taxable year for federal income tax purposes were limited to the period of residence, and the denominator of which is federal adjusted gross income for the taxable year.
- 51 (7) In the case of a husband and wife who file a joint federal return
 52 but who are required to determine their New York taxes separately, the
 53 credit allowed pursuant to this subsection may be applied against the
 54 tax of either or divided between them as they elect.
- \$ 22. Severability clause. If any clause, sentence, paragraph, subdi-56 vision, section or part of this act shall be adjudged by any court of

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competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

- § 23. This act shall take effect immediately; provided, however, that:
- (a) sections four and nineteen of this act shall take effect September first, two thousand eight, except that any actions necessary to implement the provisions of such sections, including the promulgation or amendment of any rules necessary, may be taken prior to such effective date;
- (b) sections five and twenty of this act shall take effect on the same date and in the same manner as a chapter of the laws of 2008 amending the tax law and other laws relating to imposing sales and compensating use taxes in a city of one million or more, as proposed in legislative bill numbers S.6810 and A.9810, as amended, takes effect;
- the amendments to section 235 of the vehicle and traffic law made by section six of this act shall not affect the expiration of such section and shall expire therewith; the amendments to subdivision 1 of section 236 of the vehicle and traffic law made by section seven of this act shall not affect the expiration of such subdivision and shall expire therewith; the amendments to paragraph f of subdivision 1 of section 239 of the vehicle and traffic law made by section nine of this act not affect the expiration of such paragraph and shall expire therewith; the amendments to subdivision 4 of section 239 of the vehicle and traffic law made by section ten of this act shall not affect the repeal of such subdivision and shall be deemed repealed therewith; the amendments to subdivisions 1 and 1-a of section 240 of the vehicle and traffic law made by section eleven of this act shall not affect the expiration of such subdivisions and shall expire therewith; the amendments to paragraphs a and g of subdivision 2 of section 240 of the vehicle and traffic law made by section twelve of this act shall not affect the expiration of such paragraphs and shall expire therewith; the amendments to subdivisions 1 and 2 of section 241 of the vehicle and traffic law made by section thirteen of this act shall not affect the expiration of such subdivisions and shall expire therewith; and the amendments to paragraph a of subdivision 5-a of section 401 of the vehicle and traffic law made by section fourteen of this act shall not affect the expiration of such paragraph and shall expire therewith; the amendments to subdivision 1 of section 1809 of the vehicle and traffic law made by sections fifteen and sixteen of this act shall not affect the expiration of such subdivision and shall expire therewith;
- (d) section twenty-one of this act shall apply to taxable years beginning on or after January 1, 2009; and
- (e) article 44-B of the vehicle and traffic law, as added by section one of this act, establishing the congestion pricing program and congestion pricing fees shall expire and be deemed repealed 36 months after the city of New York begins implementation of such program and begins to collect such fees; provided, however that such article shall be extended upon approval by the capital program review board of the capital plan required by chapter 384 of the laws of 2007 by the metropolitan transportation authority, for the period July 1, 2008 through December 31, 2013. The capital program review board shall notify the

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- 1 legislative bill drafting commission upon the extension of such program
- 2 in order that the commission may maintain an accurate and timely effec-
- 3 tive data base of the official text of the laws of the state of New York 4 in furtherance of effectuating the provisions of section 44 of the
- 5 legislative law and section 70-b of the public officers law.