



Legislation Text

File #: Res 1005-2011, **Version:** *

Res. No. 1005

Resolution calling upon the New York State Governor to sign legislation, S.4257-C/A.6766-C, which would amend the Executive Law, in relation to a prohibition on diversion of resources from dedicated funds derived from taxes and fees that support the Metropolitan Transportation Authority or the New York City Transit Authority and their subsidiaries in certain instances.

By Council Members Nelson, James, Williams, Jackson, Gentile, Mark-Viverito, Van Bramer, Lander, Wills, Palma, Chin, Mealy and Halloran

Whereas, In the past year, more than \$160 million has been diverted from the Metropolitan Transit Authority (“MTA”) to fund non-MTA projects and services; and

Whereas, Such diversion has resulted in three consecutive years of fare hikes and has exacerbated bus and subway service cuts, which has diminished the quality of life of millions of New Yorkers; and

Whereas, According to a recent article, *Paying the Fare*, in the City Hall News newspaper, the MTA is facing a major shortfall of up to \$12 billion in the current \$26 billion capital program, which is meant for system maintenance and improvements, Due to reduced and diverted dedicated revenues; and

Whereas, Accordingly, legislation is needed to prohibit administrative diversions in certain instances, which would help stabilize fares and protect funding for the MTA’s operation; and

Whereas, Accordingly, on June 22, 2011 and June 24, 2011, the New York State Senate and New York State Assembly passed S.4257-C/A.6766-C, respectively; and

Whereas, This legislation prohibits funds that were raised to support the MTA, the New York City Transit Authority, or any of their subsidiaries from being diverted to the New York State general fund; and

Whereas, Specifically, this bill adds a new section 182 to the Executive Law, a provision that would restrict the Governor's power to divert funds; and

Whereas, The bill prohibits the diversion of revenues derived from taxes and fees paid by the public into the New York State general fund, or any fund created by law, except by an act of law; and

Whereas, The bill declares that the only condition where it is acceptable for these funds to be diverted is through legislation, and forbids the executive branch from doing so on its own; and

Whereas, Furthermore, the bill requires that if the Legislature chooses to pass legislation diverting such funds, it shall include a diversion impact statement; and

Whereas, Such diversion impact statement shall include the following provisions: (a) the amount of the diversion from dedicated mass transit funds; (b) the amount diverted from each fund; (c) The amount diverted expressed as current monthly transit fares; (d) the cumulative amount of diversion from dedicated mass transit funds during the preceding five years; (e) the date or dates when the diversion is to occur; and (f) a detailed estimate of the impact that the diversion from dedicated mass transit funds will have on the level of mass transit service, maintenance, security, and the current capital program; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Governor to sign legislation, A.6766-C/S.4257-C, which would amend the Executive Law, in relation to a prohibition on diversion of resources from dedicated funds derived from taxes and fees that support the Metropolitan Transportation Authority or the New York City Transit Authority and their subsidiaries in certain instances.

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