

NEW YORK STATE ASSEMBLY
MEMORANDUM IN SUPPORT OF LEGISLATION
submitted in accordance with Assembly Rule III, Sec 1(f)

BILL NUMBER: A09633

SPONSOR: Rodriguez

TITLE OF BILL: An act to amend the vehicle and traffic law, in relation to implementing the Move NY Fair Plan; to amend the state finance law, in relation to establishing the Move NY Highway & Transit Fund; to amend the public authorities law, in relation to the collection and disbursement of the funds of such plan; to amend the executive law, in relation to diversion of metropolitan transportation authority funds; and to amend the tax law, in relation to rescinding certain tax exemptions.

PURPOSE OR GENERAL IDEA OF BILL:

The purpose of this bill is to: reduce traffic congestion in and around New York City's Central Business District (CBD); raise revenue to help fill the remaining gap in the Metropolitan Transportation Authority's (MTA's) 2015-2019 Capital Plan and future capital programs; extend toll relief to drivers using the MTA's non-CBD crossings who tend to have fewer transit options; add new transit options to better serve the City's so-called "transit deserts"; and provide targeted fare relief for the City's outer borough transit users.

SUMMARY OF SPECIFIC PROVISIONS:

Section 1 amends the vehicle and traffic law to add a new article, 44-B.

Section 1701 defines terms, including: boundaries of the Central Business District (CBD), Move New York Mobility Fund, Move New York Toll Swap and electronic and vehicle monitoring fee collection systems, among others.

Section 1702 authorizes New York City Department of Transportation (NYCDOT) and MTA to implement, subject to environmental review, the Move NY Fair Plan, upon a date to be determined mutually by the MTA and NYCDOT but not later than January 1, 2019.

Section 1703 authorizes NYCDOT to install and operate a combined electronic fee and vehicle-monitoring* "pay-by-mail" system at the four East River bridges - the Brooklyn Bridge, the Ed Koch (Queensborough) Bridge, the Manhattan Bridge, and the Williamsburg Bridge - and at the intersections of all roads, including the West Side Highway and FDR Drive, that traverse 60th Street in Manhattan; the tolls at these crossings will be applied to vehicles moving in both directions - east-west across the four East River bridges and north-south across 60th Street - as they presently are on vehicles using the Queens-Midtown and Brooklyn-Battery Tunnels. (*Any kind of digital recording technology that may exist now or in the future - e.g., license-plate photo, GPS transponder.)

Subdivision 2 sets the cost of tolls at these points of entry as uniform and equal to those established at the Brooklyn Battery Tunnel and Queens Midtown Tunnel from time to time by the Triborough Bridge & Tunnel Authority (TBTA). This paragraph also confirms that TBTA's authority to set tolls upon implementation of this plan and in the future will remain unabridged, with the sole constraint being that, in setting tolls, it must adhere to the newly established toll price ratios under this plan between non-CBD tolls and CBD tolls, per subdivision six of this section.

Paragraph 2-a provides an exception to the pricing established in paragraph 2 for cars traveling westbound and exiting off the northbound ramp of the Ed Koch Queensborough Bridge, where the electronic toll charged shall be fifty-five percent of the toll charged at all other points of entry (e.g., the East River bridges and along 60th Street); and the "cash" (i.e., digital/pay-by-mail) toll will be sixty-nine percent of the "cash" tolls charged at the CBD-bound crossings.

Subdivision 3 specifies that all revenue collected from the new tolls at the four East River bridges and along 60th Street shall be transferred to a newly created subsidiary of the TBTA called the Move NY Mobility Fund.

Subdivision 4 states that the tolls specified in Section 1703 Paragraph 2 shall be imposed only if, simultaneously, tolls on the following facilities are lowered to and forever maintained at specified and permanent percentages of the tolls established at the CBD crossings:

Subdivision 5 establishes the prices of tolls at the following bridges as follows:

- Henry Hudson Bridge: twenty-eight percent (electronic) and fifty-six percent (pay-by-mail) of the toll at CBD-bound crossings.
- Triborough Bridge, Whitestone Bridge, Throgs Neck Bridge, Verrazano Bridge: fifty-five percent (electronic) and sixty-nine percent (pay-by-mail) of the toll at CBD-bound crossings.
- Cross-Bay Bridge and Marine Parkway-Gil Hodges Bridge: twenty percent (electronic) and thirty-four percent (pay-by-mail) of the toll at CBD-bound crossings.
- On those bridges that currently enjoy governor-approved resident discounts, the resident discount will remain in effect through 2024 at 50% of the standard toll and then have to be renewed every five years thereafter.

Subdivision 6 further states that if the TBTA violates the above ratios by setting tolls on the above named bridges that exceed what's allowed under the non-CBD toll to CBD toll ratio cap, the "new" "Move NY" tolls on the CBD crossings shall automatically be removed/deactivated. This paragraph further provides that vehicles registered in any borough that lacks subway service to the central business district which are traveling to or from the central business district, shall be limited to one toll per direction so long as the vehicle in question is using E-ZPass or other form of instant, onsite payment and that the second tolled facility the driver may cross is reached within two hours of the first tolled facility in that direction being crossed, where the tolled facilities in question are those cited in (1b), (1c) or (4g) of section seventeen hundred and three.

Subdivision 7 Paragraphs 7a and 7b authorize the New York City Taxi and Limousine Commission (TLC) to impose a surcharge of twelve cents per two tenths of one mile traveled at a speed of six miles per hour or more and twenty cents per two tenths of one mile traveled at a speed of less than six miles per hour on all black cars, taxis and for-hire vehicles licensed by the TLC when traveling within the "hail exclusionary zone" as defined by the TLC (currently Manhattan south of 96th east of central park and south of 110th Street west of central park); and exempts these same vehicles from the newly established tolls specified in paragraph 2 as well as those presently charged at the Queens-Midtown and Brooklyn-Battery Tunnels. All such revenue shall be transferred no less than once per month to the Move New York Highway and Transit Authority (MNYHTA).

Paragraph 7b further authorizes the TLC to establish a "time-of-day" or "variable" pricing scheme pursuant to subdivision ten of this Section.

Paragraph 7d states that consequently, said black cars, taxis and for-hire-vehicles shall be exempt from the tolls specified in Subdivision 2.

Subdivision 8 Paragraph a states that commercial vehicles, as defined by New York City traffic rules and equipped with an operational commercial E-ZPass, shall only be charged for a single round trip (into and out of the CBD) per day (via the TBTA/NYCDOT crossings) regardless of the number of times such vehicle may enter and exit the CBD on that day.

Paragraph b states that all vehicles shall be subject to the new CBD tolls with the exception of emergency vehicles, NYC government vehicles and any other vehicle classes the MNYHTA shall deem appropriate through rulemaking.

Subdivision 9 says it shall be a violation not to pay the tolls charged on any tolled bridge or road.

Subdivision 10 authorizes the TBTA to establish a "time-of-day" or "variable" pricing scheme - where vehicles are charged more during rush hour and less during non-rush hour, evenings and weekends - so long as the revenue raised per annum meets or exceeds that which would be raised if the rates were fixed at the same rate 24/7. The subdivision further states that nothing herein shall be construed to limit or modify the authority and power of the TBTA to establish tolls at its own facilities in its sole discretion.

Section 1704 summarizes how tolls charged but not paid will be enforced, which includes expanding the TBTA's toll collection authority.

Section 1705 states that all revenue collected under the Move NY Fair Plan, pursuant to article forty-four-b, shall be kept in the Move NY Mobility Fund.

Section 1706 addresses rulemaking authority of agencies involved.

Section 97-pppp establishes, by joint custody of state comptroller and MNYHTA, a special revenue fund known as the Move NY Mobility Fund.

Paragraph 5 states that annual revenues from the Fund shall be disbursed in the following order of priority:

- a. Sufficient funds to cover the lost revenue (from reduced tolls on the seven facilities identified in Section 1703) paid on a quarterly basis and based on previous three years data.
- b. Sufficient funds to cover the amortized cost of installing, maintaining and administering the tolls on the bridges and tunnels specified in Section 1703.
- c. Up to the first three hundred million dollars per year to NYCDOT for verifiable costs of maintaining the Brooklyn Bridge, Manhattan Bridge, Williamsburg Bridge and Ed Koch (Queensborough) Bridge.
- d. Four hundred eighty seven million dollars annually to the MTA, against which up to seven billion three hundred million dollars may be bonded by the authority.
- e. Seventy-five million dollars per year plus any funds allocated under paragraph (c) that are not required for East River bridge maintenance costs to NYCDOT for miscellaneous road and bridge maintenance and improvements across the five boroughs of NYC.
- f. One hundred twenty-one million dollars, annually to the MTA in operating funds to implement improved transit access throughout the five boroughs of NYC according to Section 9 below.
- g. Three hundred million dollars per year to establish, via bonding, a four billion, five hundred million dollar transit gap investment fund to the Move NY Mobility Fund for transit improvements in New York City; a newly established Transit Gap Investment Fund (TGIF) Board shall work with the MTA and NYCDOT to determine how the funds can best be deployed by those agencies to improve transit service in those communities that are least well served by the current system, with particular attention paid to the needs of low and middle income residents. The TGIF Board shall consist of the following officials, or their appointed delegates, who shall be voting members: the governor, the speaker of the Assembly, the president pro tem of the Senate, the mayor of the City of New York, the New York City council speaker, the New York City council transportation committee chair, and each of the New York City's five borough presidents. In addition, the board will include the following ex officio (non-voting) members: the president of Transit Workers Union, the chair of the New York City Transit Riders Council of the Permanent Citizens Advisory Council to the MTA, the president of the Regional Planning Association and a representative from transit riders advocacy community to be appointed by the president pro tem of the Senate.

(g-1) The board shall dedicate three billion five hundred million dollars to network expansion projects. Each borough shall receive no less than five hundred million dollars worth of such expansion projects. The TGIF must consider the attached list of priority expansion projects (see bottom). The listed projects will be chosen unless the MTA and/or NYCDOT offer compelling evidence against including a given project; any replacement project must be approved by the TGIF Board.

(g-2) The remaining billion dollars shall be allocated to the boroughs for transit improvements in the following amounts (these figures are based on relative population and existing transit service and are subject to modification if revenue estimates change): three hundred million dollars for the boroughs of Queens and Brooklyn, one hundred seventy-five million dollars for the boroughs of Manhattan and the Bronx, and fifty million dollars for

the borough of Staten Island. Projects from funds dedicated pursuant to this subdivision shall be used for "hyper-local" transit accessibility projects. Examples include but are not limited to: new bus shelters, subway station stairway, escalator or elevator repair and/or replacement, streetscape improvements consistent with NYCDOT's vision zero goals. Funds shall be allocated evenly among community districts (CDs) within each borough, with an allowable variance of up to ten percent to reflect relative transit need among CDs.

(g-3) TGIF monies must be expended in full within five years of fund's establishment; the TGIF shall be audited annually until all monies are exhausted.

h. Forty-seven million dollars annually to the metropolitan transportation authority to establish, via bonding, a seven-hundred million dollar Suburban Transit Fund for transit improvements in the seven suburban counties within the MTA territory. The TGIF-Suburban Board shall consist of the following officials, or their appointed delegates, who shall be voting members: the governor, the speaker of the Assembly, the president pro tem of the Senate, and the county executive of each of the seven suburban counties in the MTA region.

i. Any sums remaining in the Move NY Mobility Fund above and beyond those specified above shall be allocated three-quarters to the MTA and one-quarter to the NYCDOT in the first year there is a surplus and every year thereafter.

Section 3 stipulates the public authorities law shall be amended to add a new section that establishes the MNYHTA as a public benefit corporation under the TBTA; members of the MTA board shall serve, ex-officio, as the members of the board of the MNYHTA. MNYHTA shall have the sole duty of (a) receiving revenue; (b) disbursing revenue according to "waterfall" of priorities outlined in Section 97-pppp above; (c) issuing debt; etc.

Paragraphs 2 and 3 establish the duties and powers, respectively, of the MNYHTA.

Paragraph 4 establishes an Agreement of the state whereby the state pledges to uphold and honor any and all agreements with holders of notes, bond and other obligations.

Paragraph 5 provides a "maintenance of effort" clause that stipulates that the state must maintain or increase funds already dedicated to the MTA (i.e., the state cannot supplant existing dedicated revenue obligated to the MTA with the new Move NY monies).

Section 4 amends the public authorities law to allow the TBTA to impose fees on owners and operators that have violated toll collection regulations.

Section 5 amends the vehicle and traffic law to allow for suspension of registration for failure to answer of pay penalties with respect to violation of toll collection regulations.

Section 6 amends the vehicle and traffic law to state that if, at the time of application for a registration or renewal thereof, it is

certified that the registrant or has violated toll collection regulations, that registration shall be denied.

Section 7 rescinds the parking garage tax exemption currently extended only to Manhattan residents using Manhattan garages such that all vehicle owners will pay the same amount of taxes for using Manhattan garages, regardless of from where they hail.

Section 8 prohibits the diversion of funds dedicated to the MTA. Paragraph 1 specifically prohibits the director of the budget from diverting MTA dedicated funds. Paragraph 2 stipulates requirements if any diversions are made under extraordinary circumstances.

Section 9 states that the MTA shall, in cooperation with NYCDOT, and as part of its 2015-19 capital plan:

- (a) increase the number and availability of express bus routes;
- (b) reduce the cost of all express bus fares by one dollar;
- (c) set the cost of all Long Island Railroad (LIRR) and Metro North Railroad (MNR) trips taken wholly within New York, under the aegis of "CityTicket" to six dollars during peak hours and four dollars during non-peak hours, based on present fares, or similarly proportionate fares when present rates are increased;
- (d) provide for the availability of CityTicket for any LIRR or MNR trips taken from any point of origin within New York City;
- (e) provide for the availability of CityTicket for trips taken between stations within New York City and including Far Rockaway and all trips taken between and including Fordham and Manhattan;
- (f) fund the "Freedom Ticket" proposal of the New York City Transit Riders Council contained in such council's December 2015 report entitled "Freedom Ticket: Southeast Queens Proof of Concept"; add to this proposal inclusion of Express Buses as part of the eligible modes covered under the plan; and expand such pilot program to extend throughout New York City and include all Express Bus routes and stations of the Metro North and Long Island Rail Roads located within New York City by two thousand and nineteen.

JUSTIFICATION:

It is necessary to create a sustainable revenue source for the MTA's Capital Program and subsequent programs. Further, for the economic health of New York City, it is necessary to reduce traffic congestion in the Central Business District and surrounding neighborhoods, and to aggressively fill transit gaps in underserved neighborhoods. Finally, it is necessary to rebalance the tolling system in New York City to provide toll relief to drivers using the City's less congested crossings serving areas that enjoy limited transit alternatives.

PRIOR LEGISLATIVE HISTORY:

None

FISCAL IMPLICATIONS:

To Be Determined

EFFECTIVE DATE:

This act shall take effect immediately provided, however, that section seven of this act shall take effect on the first of January next succeeding the date on which it shall have become a law.

Proposed TGIF Projects:**

<u>Project</u>	<u>Borough(s)</u>	<u>Cost (\$M)</u>
* Ferries Capital	Citywide	\$70
* North Shore BRT	SI	\$500
* West Shore Light Rail Study	SI	\$5
* Verrazano Ped/Bike Path	SI, Bk	\$50
* G train free out-of station transfers to L at Broadway/Lorimer and JMZ at Broadway/Hewes	BK	\$2
* Free out of station transfer between Junius St. Station on the 3 and Livonia Av station on the L	BK	\$2
* Brooklyn Bridge Bike Path	Bk, Mn	\$19
* Atlantic Ave LIRR-Subway Conversion	Bk, Qs	\$750
* G-train LIC extension and transit hub	Bk, Qs	\$400
* Triboro Rx Light Rail	Bk, Bx, Qs	\$1000
* Rockaway Beach Branch Line reactivation study	Qs	\$2
* Sheridan Expressway reconstruction	Bx	\$70
* Borough SBS	Bx, Qs, Bk	\$83
* Crosstown SBS corridors	Mn	\$46
* Second Ave Subway Phase 2	Mn, Bx	\$500
Total		\$3,499

Allocation to Boroughs for Hyperlocal Transit Accessibility and Streetscape Improvements

<u>Borough</u>	<u>Amount (\$M)</u>
Queens	\$300
Brooklyn	\$300
Manhattan	\$175
Bronx	\$175
Staten Island	\$50
Total	\$1,000

** Drawn primarily from Regional Plan Association's analysis of estimated costs, as of February 2015.

Revenues raised by the Move NY Fair Plan Act

<u>Source</u>	<u>Revenues (Millions)</u>
CBD Tolls	\$1,685.00

Increased use of transit and outer bridges	\$175.00
Taxi and FHV surcharges	\$255.00
Rescind Manhattan Parking Tax Rebate	\$10.00
Total	\$2,125.00

Annual PayGo Expenditures under the Move NY Fair Plan Act

Item	Cost (Millions)
Toll Relief on outer TBTA Bridges	\$615.00
Double tolling exemption for boroughs without subway access to CBD	\$15.00
Toll and Fare Admin	\$165.00
NYC DOT (East River Bridges)	\$300.00
NYC DOT (Other Roads and Bridges)	\$75.00
MTA: Bond state's share of 2015-2019 Cap Plan (\$7.3B)	\$487.00
Fare relief on intracity commuter rail and Express Buses	\$121.00
Bond \$4.5B TGIF	\$300.00
Bond \$700m Suburban Transit Investments Fund	\$47.00
Total	\$2,125.00

Total Bonded Transit Expenditures from Move NY Fair Plan, 2015-2019

