



**TESTIMONY
OF THE
NEW YORK PUBLIC INTEREST RESEARCH GROUP
BEFORE THE
JOINT HEARING OF THE SENATE FINANCE AND
ASSEMBLY WAYS AND MEANS COMMITTEES
REGARDING THE
FISCAL YEAR 2017-2018 EXECUTIVE TRANSPORTATION BUDGET PROPOSAL
February 15, 2017
Albany, NY**

Good afternoon, my name is Jaqi Cohen and I am the Campaign Coordinator for the NYPIRG *Straphangers Campaign*. NYPIRG is a non-partisan, not-for-profit, research and advocacy organization. Consumer protection, environmental preservation, health care, higher education, mass transportation, and governmental reforms are our principal areas of concern. The *Straphangers Campaign* is a project of NYPIRG. Since 1979, the *Straphangers Campaign* has advocated on behalf of riders of public transport. We appreciate the opportunity to testify on the Governor's executive budget on transportation.

While we continue to review the executive budget, below are our recommendations on the Governor's proposed funding for mass transit programs:

The final budget must appropriate the \$7.3 billion that the state has pledged in additional transit rebuilding funds. If it doesn't, three decades of hard-won progress is at peril. The Governor's proposal maintains the state's commitment to funding \$7.3 billion towards the 2015-2019 MTA Capital Plan by appropriating \$1.47 billion in new funds for fiscal year 2017-2018. But the devil is in the details. While the proposed executive budget says it is "committed" to providing billions in addition capital funds, the numbers don't read that way. While the Governor's 2017-2018 budget calls for a new appropriation of \$1.47 billion, it allows for a disbursement of only \$643 million.¹ We urge that the Legislature ensure that the final budget fully meet the state's commitments during the five-year period of the current plan.

In addition, the MTA must not be barred from new capital funding from the State until all other funds are exhausted. This undermines the flexibility that has been the hallmark of implementing complicated MTA rebuilding programs. By being last source in, the State weakens its commitment to rebuilding the transit system, and ultimately fosters a slow and costlier rebuilding program. The MTA should not be expected to add to its already colossal debt in order to build new projects.

The Governor's plan acknowledges the need for new and upgraded infrastructure for both subway and bus systems in New York City, specifically calling for the purchase of 1,000 new subway cars designed to increase rider capacity, and 1,700 new buses equipped with USB ports and Wi-Fi service. The MTA's aging subway fleet especially deserves a welcome upgrade. Buses too can benefit from new technology, but while Wi-Fi and charging access may serve as convenient amenities for riders, they ultimately do very little to improve riders' overall quality of service.

New York City's bus ridership has plummeted over the past decade, many riders citing slow speeds and unreliable service as primary reasons for abandoning the bus. Installing all-door boarding on the MTA's new bus fleet would drastically reduce boarding times at bus stops, and implementing transit signal priority—such as maintaining a green traffic light until a bus has passed it—would allow buses to travel faster and easier through traffic. Adopting both forms of transit technology would ensure riders have a better, faster, and more reliable ride overall, ultimately improving growth in ridership.² Especially in areas where subway service does not exist, increased bus service is vital.

It remains unclear, however, how major improvements to bus and subway infrastructure can be made if the funds for these new purchases are not fully disbursed to the MTA.

The Governor's plan would shortchange city riders by breaking a long-standing promise to cover lost revenue. When revenue from the Payroll Mobility Tax (PMT), a large source of revenue for Metropolitan Transportation Authority (MTA) operations, was cut in 2011, the Governor assured riders that any lost revenue from said reduction would be accounted for in an annual General Fund transfer, “dollar for dollar.”³ Until this year, the Governor has made good on this promise. Yet, this year's executive budget proposes a reduction of PMT replacement funds from \$309 in FY 2017 “to offset the revenue losses incurred by the MTA”⁴ to \$244 in FY 2018, a reduction of \$65 million, to only “partially offset losses incurred by the MTA,”⁵ failing to fully replace funds lost due to payroll tax reductions.

Subway service is seeing a steady decline despite record-breaking ridership, with more frequent car breakdowns, overcrowding, and delays that have doubled in the past five years alone.⁶ Bus service has suffered a tremendous drop in ridership, over 16% since 2002, due to slow speeds and unreliable service.

The reduction in PMT replacement funds not only breaks a promise to riders, but comes in a year where riders are expected to shoulder even more of the burden of the MTA's operating costs, paying for a 4% fare increase commencing in March 2017. **Any reduction in funding puts the MTA's operations at risk of further decline.**

On behalf of the 8.2 million New Yorkers who depend on New York City subway and bus service each day, we ask the Governor and State Legislature to prioritize transit funding by fully replacing lost PMT revenue and appropriating the full amount of the State's commitment to the 2015-2019 MTA Capital Plan in this year's enacted budget.

Thank you for the opportunity to testify.

¹ FY 2017 Enacted Capital Program and Financing Plan. Page 121, see: <https://www.budget.ny.gov/budgetFP/FY2017CPFP.pdf>.

² Turnaround: Fixing New York City's Buses. Pages 10-12.

http://transitcenter.org/wp-content/uploads/2016/07/Turnaround_Fixing-NYCs-Buses-20July2016.pdf.

³ Hamilton, Colby, “NY Governor Cuomo Signs MTA Tax Reduction Into Law,” WNYC, December 12, 2011, see: <http://www.wnyc.org/story/283886-ny-governor-cuomo-signs-mta-tax-reduction-into-law/>.

⁴ FY 2017 Executive Budget. Page 169, see:

<https://www.budget.ny.gov/pubs/archive/fy17archive/eBudget1617/fy1617littlebook/BriefingBook.pdf>.

⁵ FY 2018 Executive Budget. Page 121, see:

<https://www.budget.ny.gov/pubs/executive/eBudget1718/fy1718littlebook/BriefingBook.pdf>.

⁶ Fitzsimmons, Emma G., “Subway's Slide in Performance Leaves Straphangers Fuming,” New York Times, February 12, 2017, see: <https://www.nytimes.com/2017/02/12/nyregion/subway-complaints-straphangers-fuming.html>.