

Amalgamated Transit Union Locals - 726, 1056, 1179, 1181, American Railway & Airway Supervisors Association Local 5197, Bridge and Tunnel Officers Benevolent Association, District Council 37 Local 375, Empire State Transportation Alliance, International Association of Machinists and Aerospace Workers Local 754, International Brotherhood of Teamsters Local 808, the New York Building Congress, NYPIRG Straphangers Campaign, NCFO/SEIU32BJ, New York State Council of Machinists, SSOBA, Transit Workers Union Local 100, 252, Transportation Alternatives, Tri-State Transportation Campaign, Reinvent Albany, United Transportation Union 1440, WEACT for Environmental Justice, Pratt Center for Community Development, UPROSE, Permanent Citizens Advisory Committee to the MTA, New York League of Conservation Voters

MEMO IN SUPPORT

A.6766 (BRENNAN) S.4257 (GOLDEN) DEDICATED TRANSIT FUNDS

TITLE OF BILL

AN ACT to amend the executive law, in relation to prohibiting diversion of resources from dedicated funds derived from taxes and fees that support the Metropolitan Transportation Authority and its subsidiaries in certain instances.

SUMMARY OF PROVISIONS

This bill would amend section 182 of the State Executive Law to prohibit the State Budget Director from diverting revenues – derived from taxes and fees paid by the public expressly to fund the Metropolitan Transportation Authority – into the general fund of the state or into any other fund maintained for the support of another governmental purpose. Such a diversion can only be done by statute enacted into law. If such a diversion takes place, the authorizing legislation would be required to include a diversion impact statement with a detailed estimate of how funding cuts will affect the level of mass transit service, maintenance, security and the capital program.

STATEMENT IN SUPPORT

Twice in the last two years, the Paterson and Cuomo Administrations have raided funds dedicated solely to transit, taking a total of \$260 million for other purposes. Raiding dedicated transit funds is poor policy. These funds were explicitly created to provide the MTA with a “stable and reliable dedicated funding source.” These taxes were enacted for a specific reason: to help pay for subway, bus and commuter operations and transit capital projects. As a matter of principle and practice, the dedicated funds should continue to serve those purposes. This is especially true: we want a vibrant transit system; one that is reliable, safe, fast, clean and can serve as a foundation for strengthening the State’s economy.

The \$260 million taken from dedicated funds were in addition to the decline in these taxes. As a result, city and suburban riders have been hit with three years of fare hikes and subway and bus riders now have the highest fare box burden in the nation.

The diversion of dedicated transit funds has threatened system state of good repair and system improvement projects and directly triggered the worst transit service cuts in a generation in June 2010. These included eliminating 36 bus routes; 570 bus stops; all or parts of three subway lines; and burdening millions of city and suburban riders with greater waits, more crowding, extra transfers and longer trips. Commuter rail riders have had their trains eliminated and stops added to remaining trains. Paratransit service for individuals with disabilities has been made even less convenient or, in some communities, eliminated completely.

FISCAL IMPACT

None.

EFFECTIVE DATE

This act shall take effect immediately.