

Regional Plan Association

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**Testimony of Robert Freudenberg before the
Metropolitan Transportation Authority Hearing on
Proposed Changes in Levels of Service & Fares/Crossing Charges
County Center
Suffolk County Legislative Auditorium
Evans K. Griffing Bldg.
300 Center Drive, Riverhead, Long Island
Monday, March 8, 2010**

My name is Robert Freudenberg. I am the Long Island Director for Regional Plan Association, a non-profit research and planning organization serving the greater New York region. Thank you for this opportunity to testify on proposed service and fare changes.

In the past four months, we have seen an unprecedented deterioration of the MTA's finances. The causes are clear: In November, state elected officials directly cut \$143m in funds to the MTA and in December we learned the recently enacted payroll tax was significantly underperforming to the tune of nearly \$200 million a year. The economy has hurt other revenue sources to the MTA, and because over 100,000 jobs have been lost in just New York City alone, approximately 75 million fewer rides were taken in the past year, representing another falloff in revenue. All this has added up to a whopping \$751 m operating deficit and resulted in the dramatic and painful slate of cuts being discussed tonight: reduction in bus and commuter rail service. Over the past week you have heard directly from riders about the serious impacts the cuts will have.

Where do we go from here?

First and foremost, the state needs to make good on its commitment last year to stave off drastic cuts and fund the MTA's capital program. This starts with restoring the \$143m in disproportionate cuts included in the Deficit Reduction Plan. While the state showed great leadership last year approving a series of financial support mechanisms for transit, the promises of this package to both stave off drastic service cuts and provide a start to the MTA's critical five year capital rebuilding program simply have not been kept.

The MTA is in the midst of finding their own major efficiencies and they should squeeze every dollar possible. Chairman Walder is on the right track making a commitment to leave no stone unturned until they can say with confidence that they're spending every dollar of the public's money wisely. In the interim he's cut MTA management salaries and instituted layoffs, but there should be no illusion that these actions alone will be anywhere near enough to close the gap.

As for shifting capital dollars to cover operating expenses, this is not a solution but simply shifting money from one crisis to another. The last time we had a fiscal crisis in the 1970's the

solution was saving the fare and deferring maintenance. What we got in return was a ruined system: broken down, graffiti-strewn rail cars, and unreliable buses. It has taken us 30 years to rebuild from that low point and we can't afford to take the same shortsighted approach. While we're a long way off from those dismal days, we know taking capital investment away now only leads to a more crumbled system later, with costs for repairs growing more expensive the longer you put them off.

Maintain Ronkonkoma to Greenport service. The reasons for reducing service along this line are evident: low ridership and cost savings of up to \$1 million. But eliminating service to the downtowns and stations along this line would represent a disinvestment in the future of Long Island. The recent LI Index report "Places to Grow" prepared by RPA – evaluated downtowns for their redevelopment potential and found that both Riverhead and Greenport are two of 29 "High Potential" downtowns. If Long Island is going to keep its young people, house its residents affordably and spur new economic opportunities, transit service to downtowns where there is strong redevelopment opportunity is essential.

Ensure East Side Access project remains funded. The current East Side Access project to directly connect Long Island Railroad with Grand Central Station is the largest public works project in the New York Region in decades and largely benefits Long Island commuters. This connection will for the first time give Long Island commuters direct service to Manhattan's job-rich East Side, double the LIRR's capacity in Manhattan, cut daily travel times for many of its riders by up to 45 minutes, and push the LIRR commuter-shed 20 or more miles into central Suffolk County. It is of the utmost importance that funding for this critical project be ensured and the project completed.

GOING FORWARD

Pressure must remain on politicians to come up with reasonable solutions. Last week RPA released maps by county of the most recent round of MTA subway, bus and commuter rail service cuts. The maps show cuts by State Senate and Assembly district. We hope everyone here tonight examines these maps, copies of which are here and available on our website – www.rpa.org – and connects with their elected officials in Albany. We urge the state and New York City to come up with reasonable solutions, which should include long term revenue sources such as congestion management or even eliminating the cap on the state gas tax. Regional Plan Association has studied alternatives and provided projections on certain revenue sources but the state and city must decide this is a priority issue in order for these ideas to gain widespread support.
